



GLOBAL REPORT

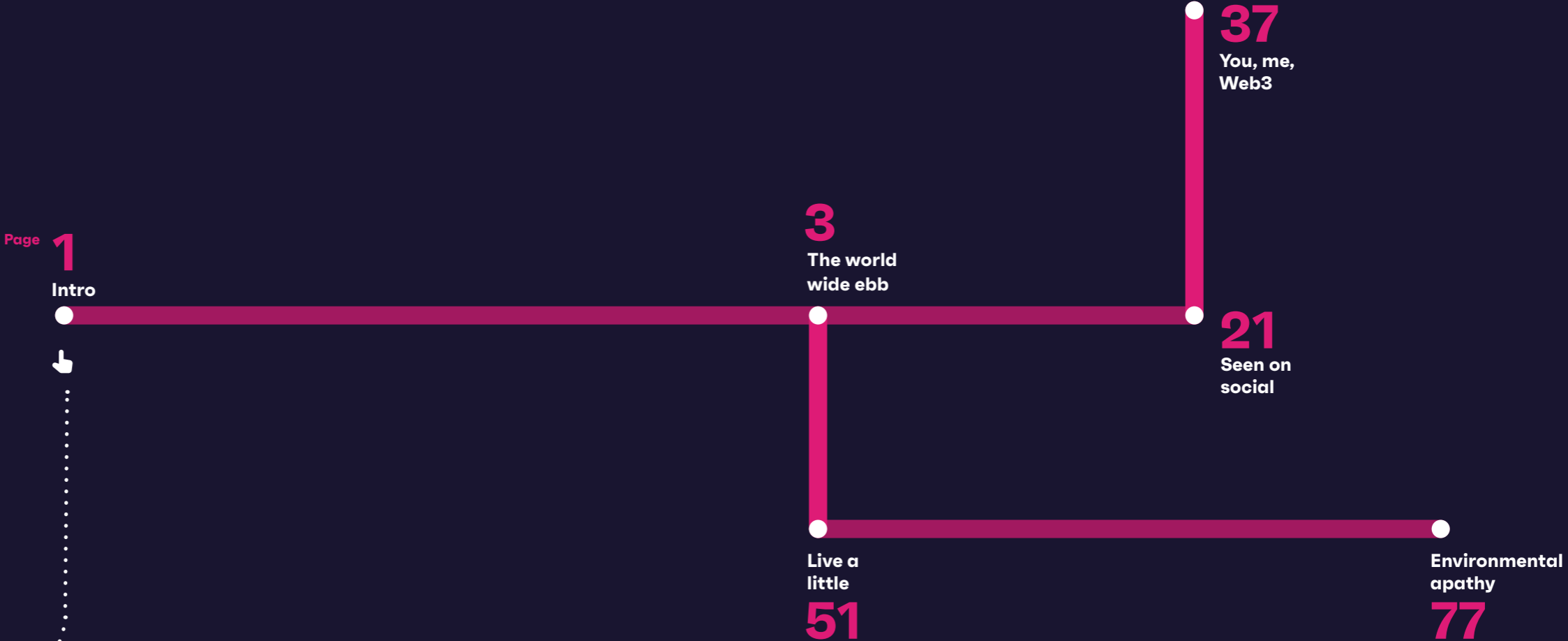
# Connecting the dots

Discover the trends  
that'll dominate 2023

GWI.



# In this report



Click the dots to navigate





# Data sets included in this report



## **GWI Core**

Core is our flagship survey and the world's largest study on the digital consumer. Our data represents over 2.7 billion internet users, offers 57k+ datapoints, and tracks 4k+ brands across 48 markets. It never stops growing. By the second half of 2022 we'll be in 50 markets, launching our Core study in Norway and Chile.



## **GWI USA**

Launched in July 2020, GWI USA represents the habits, behaviors, and attitudes of 240 million internet users across all 50 states. With America changing fast, this ongoing study tracks new and emerging trends not typically covered by market research providers, like questions around cultural identity, race, and ethnicity.



## **GWI Zeitgeist**

Fielded monthly, Zeitgeist zeros in on the stuff that matters. It's topical, timely, and relevant. The data in Connecting the dots draws on surveys carried out throughout 2022. This is a recontact study, which means that respondents also took part in GWI Core.



## **GWI Travel**

Where's travel heading next? Our latest data set, GWI Travel, shines a spotlight on today's globetrotters. It explores what makes or breaks their experiences in a post-pandemic landscape, allowing you to see insights at every stage of the travel purchase journey, from research to reviews. This research also syncs with our Core data and is available in 10 markets.

# Discover the data on our platform

Every chart has a hyperlink that will bring you straight to the relevant question on our platform. You can then investigate all data by demographics, over time, and among your own audiences.

All the charts that use GWI Zeitgeist data also have links that will take you straight to the relevant question on our platform. There, you can dig into the data with no charge. That's because all GWI Zeitgeist data is free – and always will be.

The screenshot displays the GWI platform interface. At the top, there are navigation tabs for 'Charts', 'Audiences', and 'Crosstabs'. The main area is titled 'New Audience 7 May 2020 12:33'. Below this, there are filters for 'Data set' (GWI Core), 'Waves' (Q2 2020), and 'Locations' (UK). The interface shows a list of attributes to include in the audience, such as 'Gender > Male', 'Gender > Female', 'Age (Groups) > 16 to 24', and 'Age (Groups) > 35 to 44'. A callout box indicates 'Your audience sample size is 9,188 respondents out of 40,453'. Below the filters, there is a chart showing data points for various attributes, with a table below it.

	Data point %	Universe	Index	Responses	Audience %
Someone in my household has a mental health issue	100	15.7K	84.9M	100	47%
	100	15.7K	84.9M	100	32%
	100	15.7K	84.9M	100	52%
	100	15.7K	84.9M	100	38%
	100	15.7K	84.9M	100	16%

1

## Each of the graphs is numbered

More information can be found in the Appendix section at the end of this report



Just **click** this icon to explore the data on the platform



**Source**

Information about the source



**Base**

and base

# Intro●



by  
**CHASE BUCKLE**

You're about to witness the strength of ~~street knowledge~~ globally harmonized consumer survey data.

We've trawled through our data, and pored through the numbers. Here we present to you the most need-to-know trends for anyone looking to understand the consumer mindset in the year ahead.

We seem to be surrounded by crises right now, each of which can be understood using objective measurements and scales like GDP, CPI, global temperature, and loss of life. But different groups and cultures internalize the world around them in different ways, leading to different outcomes.

What we give you here is the subjective side of things: how do consumers feel about these crises? What's the deeper impact on people's worldviews and priorities? What are they doing differently as a result?

## Here's what you have to look forward to

- **Connect** the dots between what people say, think, and do
- **Uncover** the deep logic and contradictions that make up the consumer psyche
- **Let data and insight** pinpoint the upcoming trends set to dominate 2023
- **Be inspired** and zero in on what really matters

# The most need-to-know trends for anyone looking to understand the consumer mindset in the year ahead

# The world wide ebb

Has social media, and the internet as a whole, reached a tipping point?



by  
**TOM MORRIS**





# Welcome to the internet, have a look around. Anything that brain of yours can think of can be found

**BO BURNHAM: INSIDE**  
**Netflix, 2021**

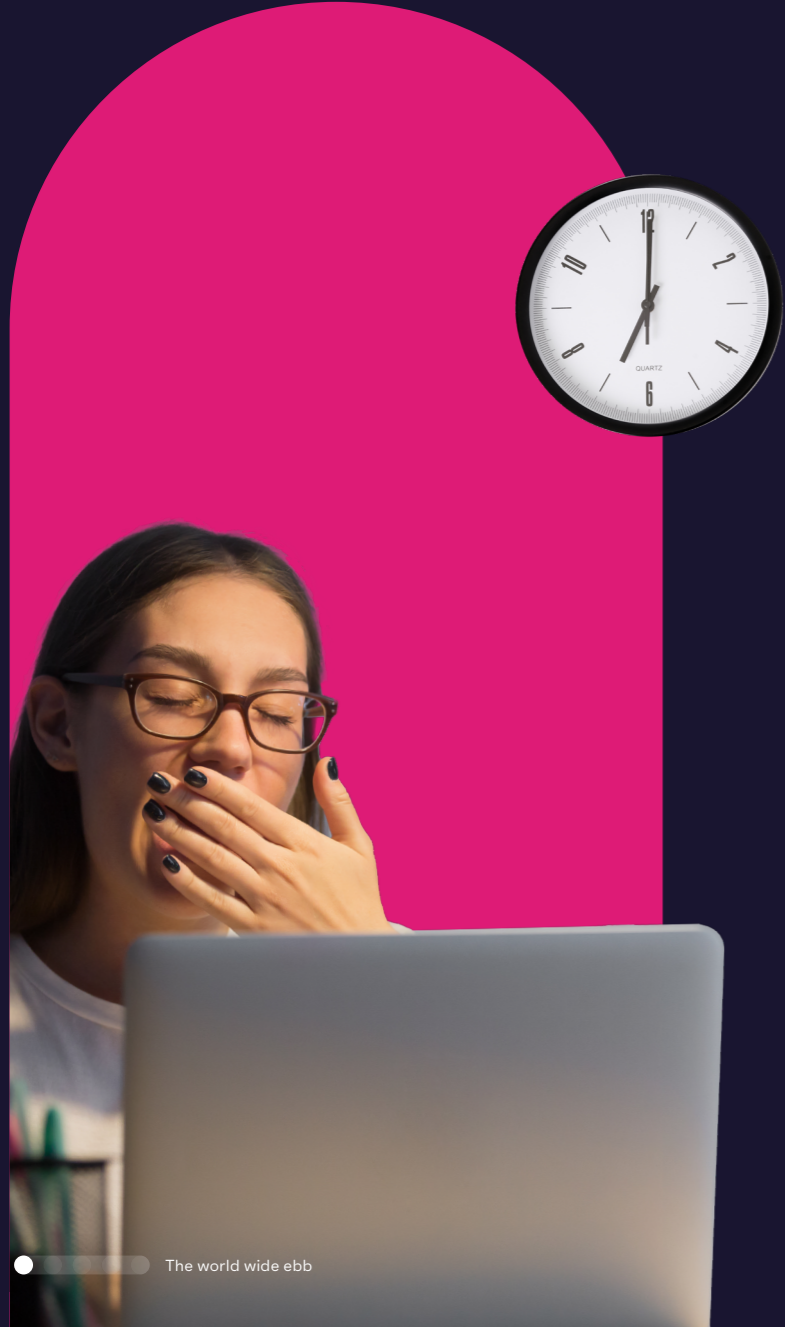
If you were lucky enough to access the first ever website on August 6th, 1991, then you - for one brief moment - had officially seen everything on the internet. **It wasn't much to look at.** The same can be said for the first YouTube video, the first livestream, or the first Tweet.

Nevertheless, there was a sense of intrigue and wonder back then. The internet was a Wild West; an unregulated landscape teeming with limitless opportunity. Let's be clear, the internet isn't going anywhere. 5 billion people use it and that number is going to keep

growing. The way we use and even feel about it, however, has changed. It's become less functional, with fewer using it to browse and search for information. Time online has hit a ceiling; be that on social media or the internet in general, a potential side-effect of growing distrust in the things we see online.

This will affect everybody. As heads turn to the metaverse, and social media platforms adjust to a post-TikTok world, our data gives us an idea of what to expect - and potentially what to do about it.





### Everything, everywhere, all at once

Countries and sources can vary, but most adults are awake for around 15 hours a day. In that time, they average 6 hours and 43 minutes online through mobile, PC, laptop, or tablets.

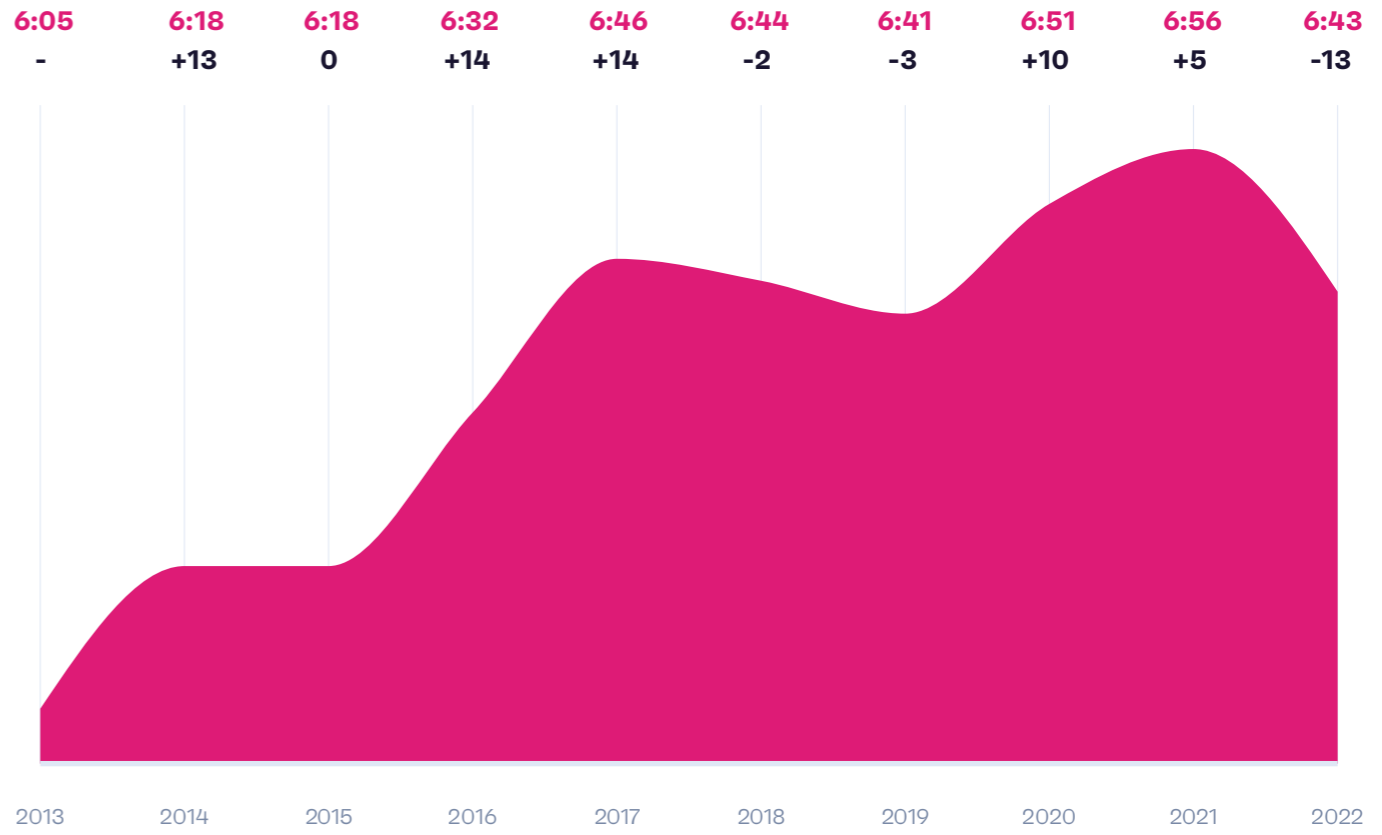
In a nutshell, that means almost half of time spent awake is spent online.

For a period, time spent online grew rapidly, soaring 41 minutes between 2013 and 2017. Then something changed, slipping between 2018 and 2019. And though it picked up again throughout the pandemic, this proved to be short-lived.

## Time online has hit a ceiling

Average daily time spent online in h:mm

● Time online (h:mm) ● Difference from previous year (in minutes)



GWJ Core 2013-2022 (averages of waves conducted between Q1 2013-Q2 2022) 2,595,435 internet users aged 16-64



While more people spent more time online during Covid, the daily average is now almost on par with pre-pandemic figures. It's a potential sign that we've reached a kind of internet saturation point, but to get a better sense of this in action, you need to look at the situation worldwide.

Even in internet growth markets, time spent isn't increasing as it used to. In the Middle East & Africa, and Latin America, average daily time spent online has fallen by 20 minutes and 34 minutes respectively since 2021 – and this remains the case among younger audiences too.

Covid, obviously, has a part to play in this; people have less free time now, and fewer are using the internet day-to-day than they did in lockdown. But some post-Covid activities have thrived, like online gaming.

The bottom line is the kind of bread-and-butter activity we associate with “going online” has plateaued. And at the same time, behaviors that have been foundational to the internet since its creation are changing before our eyes.



Slide to answer





## Improving the online experience

For most people aged 25 and over, the Google search bar is their starting point when they go online. And finding information is the number one reason consumers in our data say they use the internet, but it's also one of the fastest-falling reasons why they use it too (-14% since Q3 2018). Finding information doesn't quite mean the same thing it used to. Social media algorithms can surface it before we even know what we're looking for.

Other things like sharing opinions, keeping up with news, and

generally browsing the internet are down too; actions that are still popular but are gradually becoming less important to internet users as a whole.

Services like TikTok have taken **foundational online activities** and improved on them. There are only so many hours in the day, and consumers want to know their online time isn't being wasted. As the things we often do online lose the kind of appeal they once had, it sends a clear message that brands need to get creative.

# Gen Z, outside of China, use Instagram almost as often as they do Google

## Foundational internet behaviors are slipping 2

Biggest % decreases since Q3 2018 in reasons for using the internet







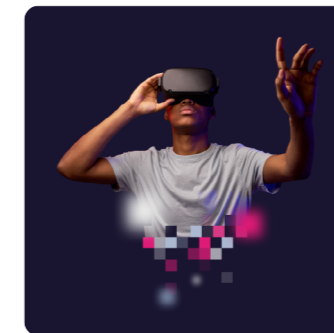
## Making virtual a reality

So now heads are turning to Web3; heralding the metaverse as the ‘next stage’ of the internet.

Meta, of course, has **made no secret** of its ambitions here – along with Epic Games, the Roblox Corporation, and Tencent. These aren’t new names; they’re pioneers of established social media platforms and popular video games. And that’s exactly why they’re eyeing up the opportunities associated with Web3. Take Facebook, for example.

As the platform nears its 20th anniversary, CEO Mark Zuckerberg is focused on “building the next evolution of digital connection” – embracing the future is the best way to avoid getting left behind.

We’ve already made note of some important lessons ahead of the first true metaverses, but even though our data hints at significant metaverse interest among consumers, Web3 will still need to overcome familiar problems – particularly around trust.



## Deep dive into Web3

### Feature

Need to nail your brand’s NFT launch, or figure out your metaverse strategy? Here’s our gamified rulebook.

Unlock the feature





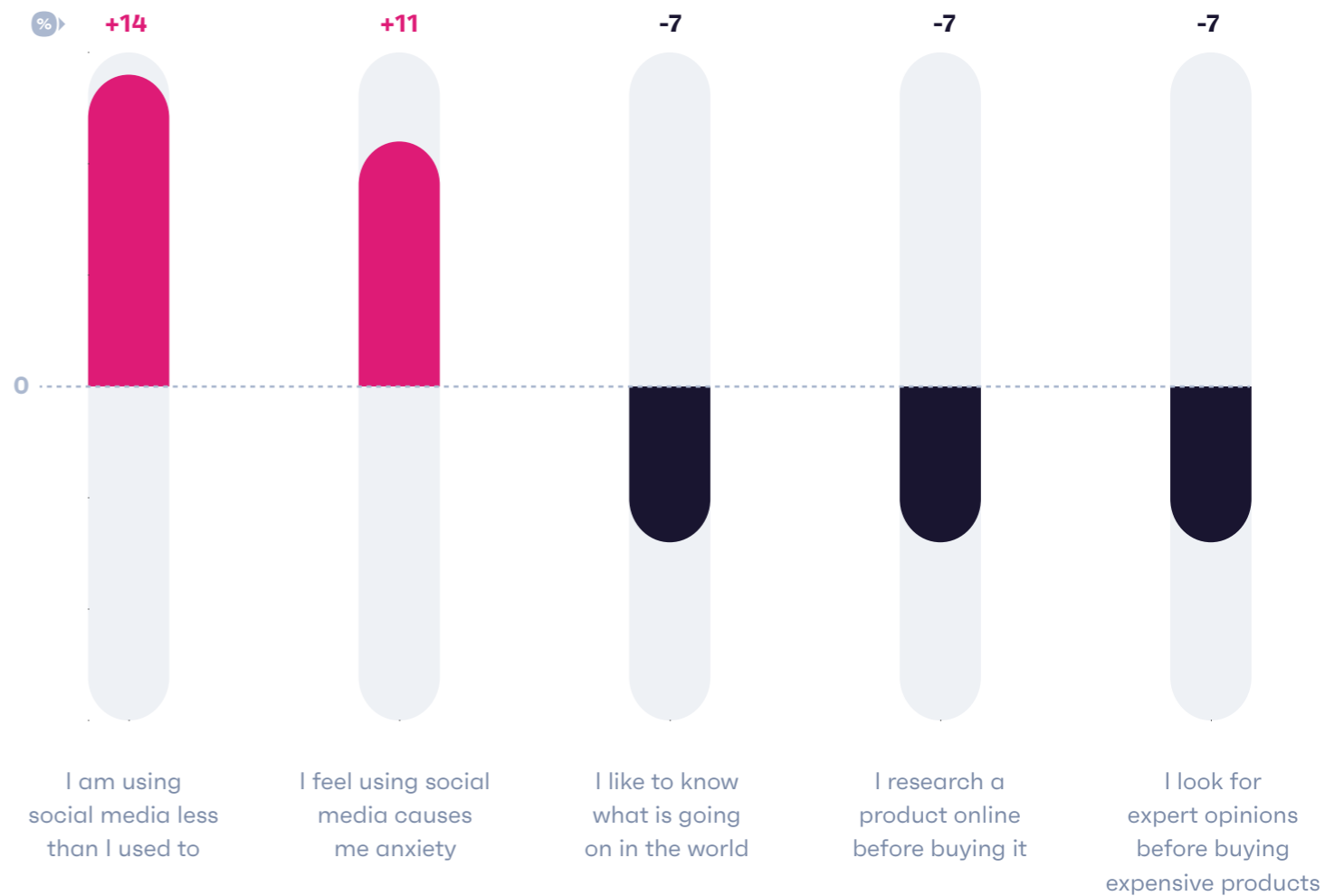
## Seeing is believing

The term “information overload” predates the internet, but in a world where we can access anything, anywhere, it’s **become a lot more poignant**. This has far-reaching implications; our data suggests people’s attitudes toward the internet, and the information they see on there, are changing.

Some of the signs point to social media here. Globally, the number of consumers who say social media causes them anxiety has grown 11% since Q2 2020 – again, with Gen Z & millennials the most likely to say this.

## Anxiety and mistrust could be behind the decline

% change in consumers saying the following describe them since Q2 2020



GW I Core Q2 2020 & Q2 2022 423,450 internet users aged 16-64



Trust is becoming an issue too, and there are subtle hints that this is the case. Fewer people cite looking for the opinions of experts or other people when buying new products.

It's potentially why we're not just seeing online time plateau, but time on social too, as more consumers are taking steps to reduce their time online using these platforms – a 14% increase since Q2 2020.

Our relationship with the news is particularly telling of how things have changed. Between 2017 and 2021, we observed a stark decline in the number who trusted major news publishers. In the time since, we've watched as consumers gradually lose interest in knowing what happens around the world, while distrust in the media among Americans keeps on rising.

More people now say they see news on social media than they do on a news website, app, or anywhere else on the internet. With misinformation the number one frustration consumers have with social media, it's little wonder why people are beginning to lose their trust in the things they see online – even if platforms are **taking steps to address this.**



# Getting information off the internet is like taking a drink from a fire hydrant

**MITCH KAPOR**  
Entrepreneur and founder of Lotus





👍 13,821



### Creating a captivating internet experience

As we cover in this report, the ramifications of this trend are incredibly broad. Addressing it will be a challenge for different sectors and businesses, but one possible solution lies in ‘blink and you’ll miss it’ experiences – things internet users can only do once a day, but also want to do.

Snapchat made this a key feature of its service long ago, but now it’s part and parcel of things like Wordle and BeReal. As time online falls, incentivizing daily use opens the door for endemic internet sites (news services, search engines, and social media) to thrive in an **attention economy** that’s more crowded than ever – **without falling prey** to issues with health and trust.

# As seen on social media

How consumers are finding products in 2023



by  
**SHAUNA MORAN**

2.

In 2014, Susan Philips was among the first to put forward a revolutionary new idea: in the near future, we won't search for products; companies will find us through social media.

This was probably hard to imagine back then, at a time when most people started their shopping experience on Google or Amazon. If you wanted to land more online sales, you'd focus on using good keywords in your product descriptions.

The aim of the game has always been to get in front of customers where they're searching, but today, we're playing on a different pitch.

In fact, Susan's prediction is starting to look a lot like reality. According to **recent data** shared by Google, nearly half of young people look to TikTok or Instagram instead of Google Maps or Search for answers.

This has big implications for many online retailers, who now need to rethink their approach to succeeding online.



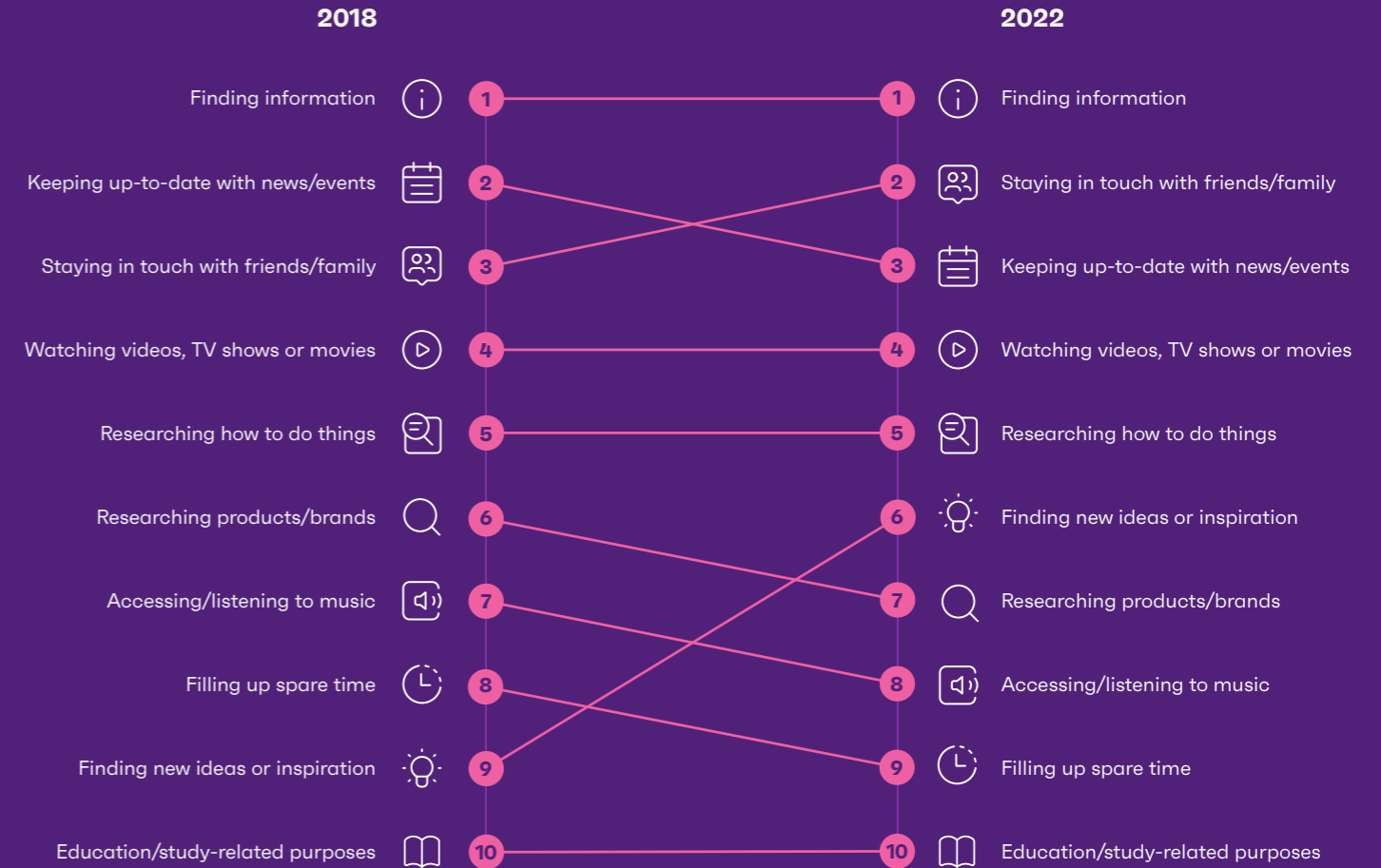
### A little less info, a little more action

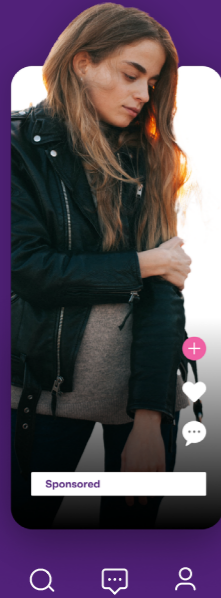
When trying to understand why social media has become the first stop on many people's buying journey, their relationship with the internet is a good starting point.

While finding information is still the top reason we give for going online, it doesn't call the shots like it used to. Similarly, less emphasis is being placed on researching products, and there's been an 8% drop in consumers saying they do this before buying an item since 2020.

## Inspiration is increasingly on the brain

Rank based on the % who say the following are important reasons for using the internet





There were a couple of winners during this reshuffle. Finding inspiration has jumped from 9th to 6th place since 2018, overtaking product research in the process. We can see this story being played out in Google search trends too, with more of us typing in terms like “ideas” and “inspo” over time.

This open-ended style of browsing is both a product of TikTok and the reason it's so popular. 16-24s were the first users of the app, known for its highly personalized algorithm and exciting visuals, and we can see the effect it's had on them.

While Gen Z are more likely to buy online than baby boomers, they're less likely to describe purchasing as a top benefit of the internet (25% vs 44%); instead, community/interests are worth a whole lot more (23% vs 10%). In other words, younger audiences start their search from a place of curiosity and expect to be led down a fun rabbit hole of new ideas, rather than directed to a list of brands or products.

Many older consumers, who have firm expectations around using the internet, will keep relying on search engines. But we're not likely to backtrack on the direction we're headed, especially as newer generations take more control of the narrative.



**New internet users don't have the expectations and the mindset that we have become accustomed to**

**PRABHAKAR RAGHAVAN**  
Senior VP at Google





## How to be “searchable” in 2023

Now we’ve looked at the reasons behind this shift, we can map it out.

The number of people doing their shopping-related research on social networks has shot up since 2015. These platforms have even surpassed search engines among Gen Z, and millennials are teetering on the edge of this milestone as well.

Not to mention, fresh platform updates will probably move things along faster. As TikTok tests out a new **search feature** that highlights keywords in comments and links them to results, **LinkedIn’s latest tweak** offers users a much wider scope of possible matches.

With these spaces driven by trends, brands need to keep track of what’s culturally relevant to their audience and the questions they’re asking if they want to cut through the noise, and there are plenty of great examples to draw on.

The hashtag **#lazylazymakeupgirls** got a lot of attention in 2022, reminding marketers that beauty fans crave hacks, so it’s not surprising that Fenty Beauty’s **tutorials** around contouring, color correcting, and blotting have hit the mark.

Another thing companies should keep in mind is the impact social media results can have on trust.

## What do baby boomers do on social media?

### Infographic

Need to understand how each generation interacts on social media? Our infographic summarizes everything you need to know.



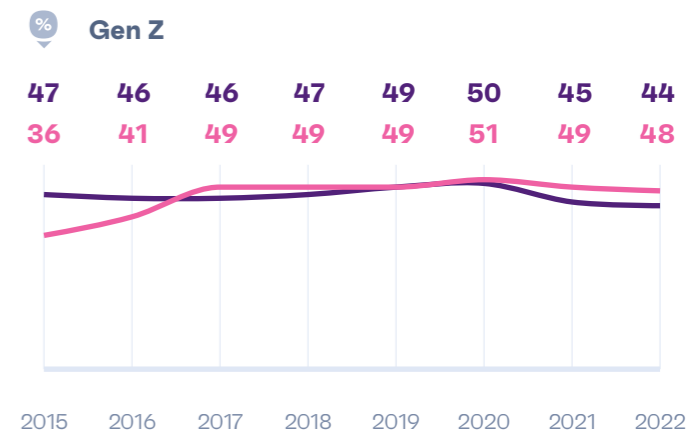
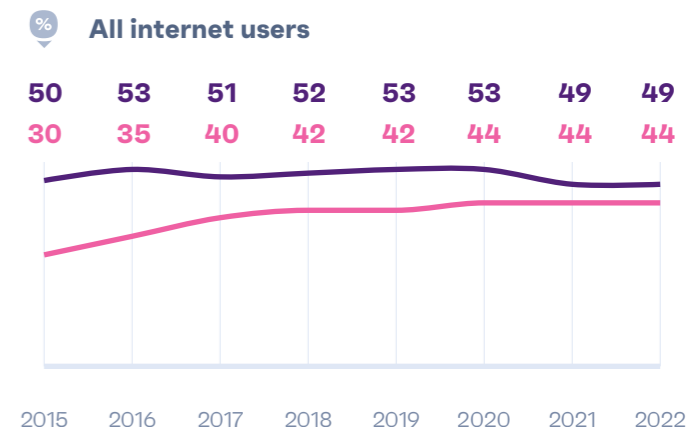
Download your copy

## More are getting the lowdown on social platforms

5

% who say they mainly use the following when looking for more brand or product information

- Search engines
- Social networks



GWII Core 2015-2022 (averages of waves conducted between Q2 2015-Q2 2022)



3,804,918 internet users aged 16-64, of which 677,927 are Gen Z born between 1997-2006

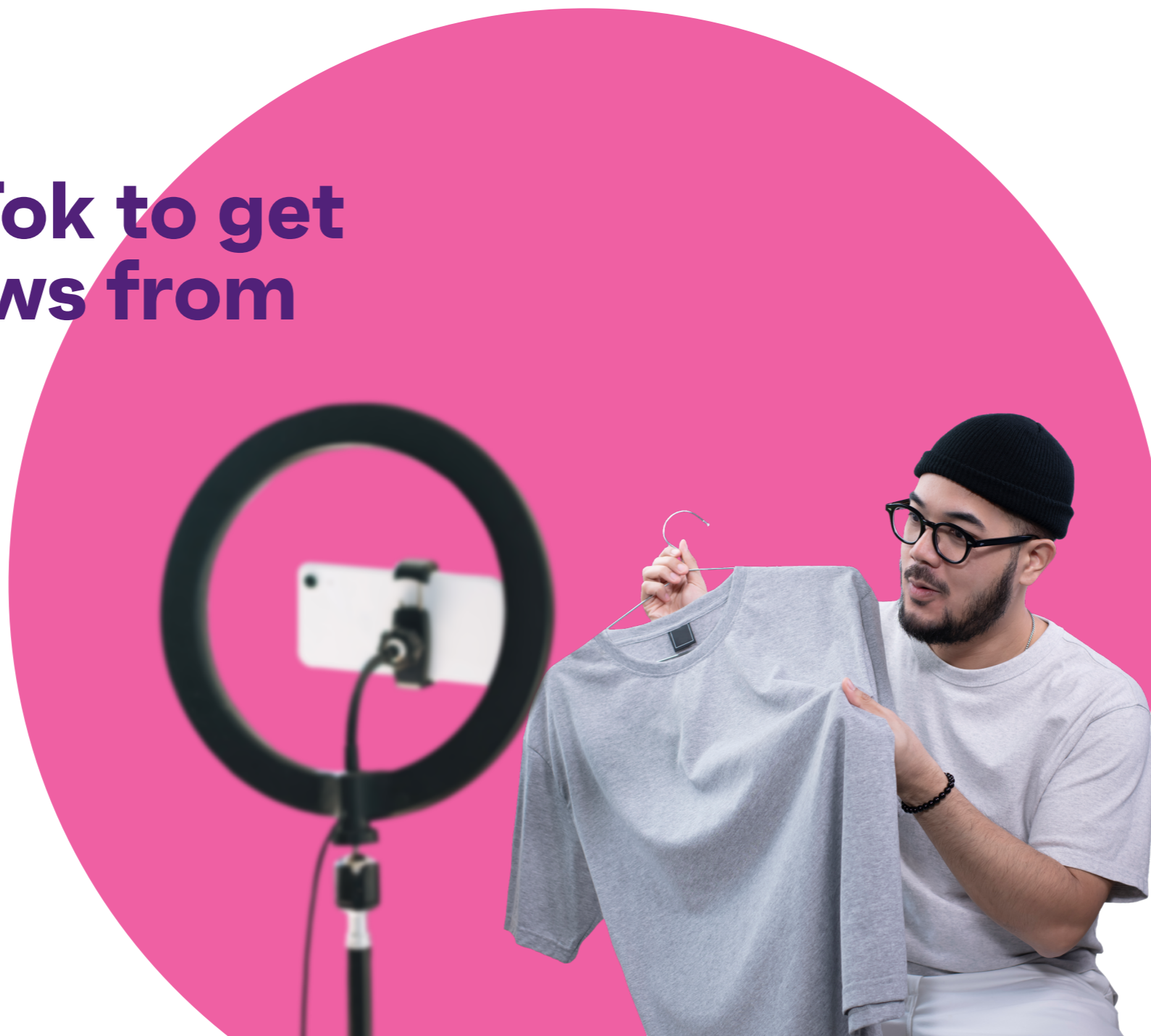




# I turn to TikTok to get honest reviews from real people

ASHLEY STORINO

Senior digital experience coordinator at imre



Across the West, there's been an 11% drop in consumers saying they trust online reviews since 2020. Though, agreement with this statement is much higher among younger groups, possibly because they're more likely to seek out products on vlogs, micro-blogs, and video sites, and lean less on traditional search tools.

These visual results are persuasive because they showcase real people and their views, a powerful quality that's doing wonders for the world of ecommerce.

In industries like fashion, shoppers feel the effects of not being able to try before they buy more heavily and may be in two minds about relying on written reviews. Especially when buying from a budget retailer, people might wonder if online items are too good to be true, which is where user-generated content can help.

Meal kit delivery service HelloFresh has scored points by getting bloggers to paint a real-life picture of how its recipes make **mealtimes easier**. This also reminds us that you don't need big names to get a reaction, and that consumers really value the influencer next door.



# Around 2 in 5 younger consumers make regular impulse purchases



## Buy now, decide later

As well as bringing the in-store “**social element**” to online shopping, discovery-led ecommerce means that scrollers are more spontaneous than they once were. In the past, **physical stores** were much better at prompting impulse buys than virtual ones, though recent research suggests that the two are now **more or less equal**.

Many of our purchases have **always been unplanned**. Some even argue that it’s smarter to take advantage of deals than stick to ready-made lists. Whatever our take on it, large numbers of us buy in-the-moment, and brands **depend on** this for sales.

41% of Gen Z and millennials make an impulse purchase online every 2-3 weeks, rising to 48% among daily TikTok users. For context, this drops to 10% among baby boomers, a salute to the work being done by social media search tools.





## Who got it on Insta?

To inspire their customers to act on instinct, especially as inflation continues to bite, it's important that retailers understand what drives this behavior.

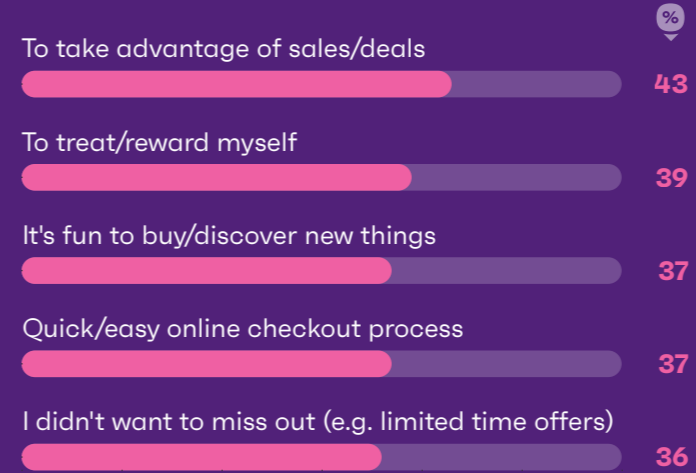
As the standard set of search tools varies a lot between generations, their motivations for impulse buying are quite different. So, even as more start searching for products and services on platforms, marketers will need to tweak their approach depending on who they're targeting.



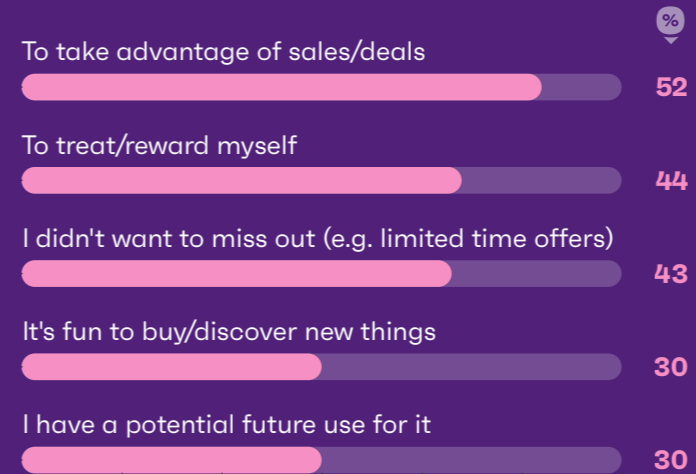
## How different generations are tempted online

% of impulse buyers in each generation who say the following are their most common reason(s) for making unplanned purchases

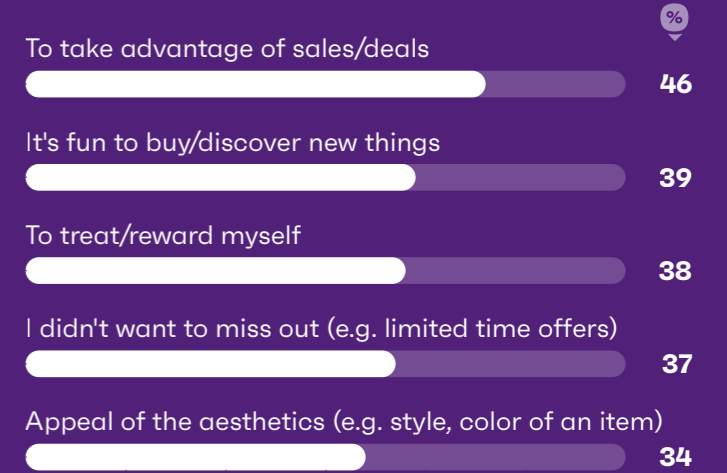
### Gen Z



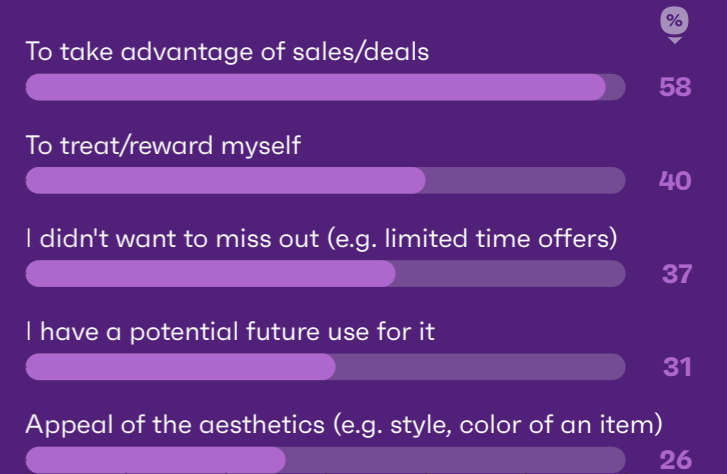
### Gen X



### Millennials



### Baby boomers



Impulse buying isn't purely practical among older consumers, and many do add last-minute surprises to their cart just because they fancy a treat. But deals and whether they have a clear use case for an item matter more.

Social media ads directed at older groups can therefore afford to be more product or information-focused, more in line with what we see on search engines. Grey hair coverage company Colorsmith's **Instagram account**, for example, is filled with tips, product descriptions, and written reviews – a sign its fans are dipping their toes in content-based searching, rather than diving right in.



## Straight from the feed to your door

On the flip side, younger consumers impulse buy for a wider range of reasons like recommendations from their online community or flexible payment options. And convenience is worth underlining, as it's partly why they search for products on social apps in the first place. As consultant Adrienne Sheares puts it, they want to “get to the meat of it **really quickly** and not have to sort”.

People are ultimately getting used to this standard and starting to crave speed throughout the buying journey, not just at the start. Easy or quick online checkout processes (34%) and social media “buy” buttons (21%) are common reasons Gen Z and millennials give for impulse buying. Plus, in the US, two of the three fastest-growing

online purchase influencers in the last two years are same and next-day delivery.

Grocery delivery company Instacart seems to be ticking all the right boxes. It asked celebs like singer-rapper Lizzo to create their own **virtual carts**, inspiring shoppers to push the boat out, and then turning that inspiration into reality by delivering these items to their door in the space of a few hours.

However they go about doing it, businesses need to build their online shopping experience around the expectations that social media searches are creating, setting the scene for a dynamic, quick, and inspirational adventure.

# You, me, and my avatar in Web3

What's the role of community and identity in the metaverse?



by  
**TOM HEDGES**

# 3



The vision of the metaverse is to create a virtual world that's welcoming to people of all backgrounds. One that connects people and opportunities across borders, and creates new forms of entertainment. No "true" metaverse exists yet, but consumers and brands are exploring and experimenting in online gaming spaces like Roblox, Fortnite, and The Sandbox. Together, they're helping us understand what the metaverse could eventually be, and its huge disruptive potential.

But to create a truly open world means creating an environment for self-expression, and early metaverse adopters play a key role in defining the shape of this landscape. So, what exactly should brands know in 2023?



**To create a truly open world means to create an environment for self-expression**



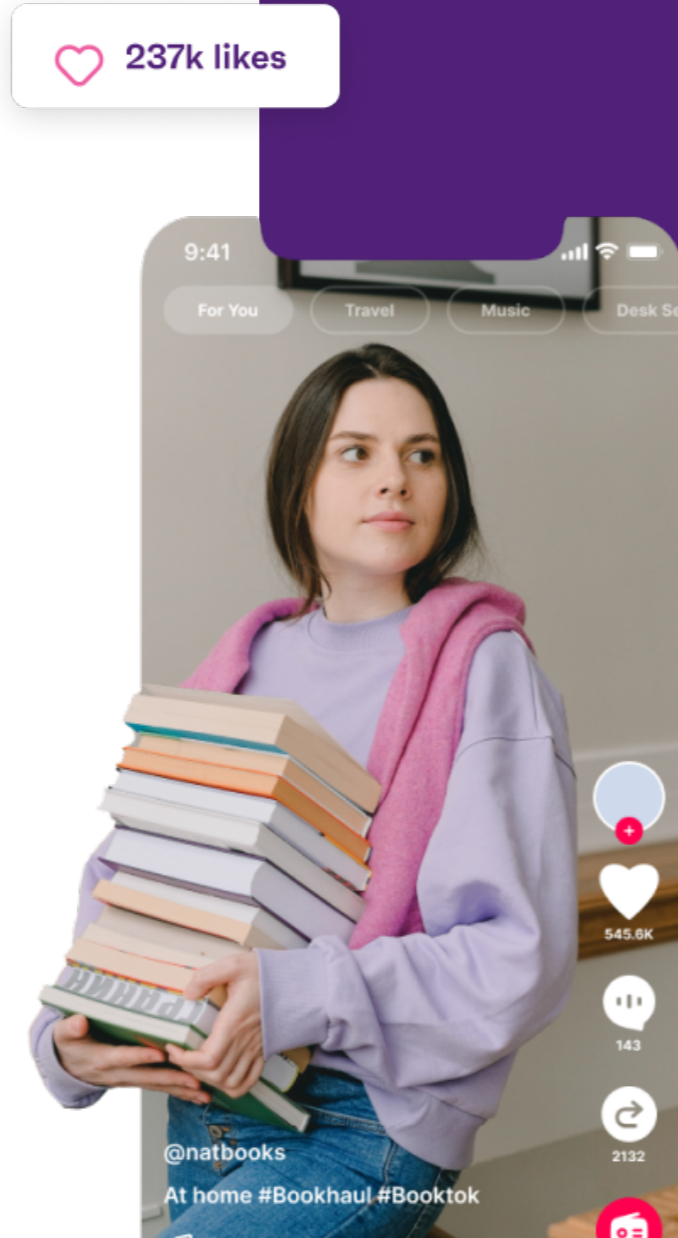
## The role of early adopters

In the last ten years, our research has shown us just how much leading platforms help shape their users' identities. Instagram has helped Gen Z become lovers of food, art, and photography, while TikTok may well do something similar for books, where interest among US Gen Z has grown by 11% since 2020.

In 2023 we'll start to see what sort of cultural ripple effects come from immersive 3D spaces becoming more popular. Our research among kids tells us that young Roblox players are more likely to be interested in coding and adventure, but the impact will be even more profound as users get more freedom to experiment with self-expression and identity play.

Early adopters in the metaverse are more likely to identify as male, white, heterosexual, from high-income households, and tech-driven – but people who prefer to spend their time online are a much more diverse group.

Minority groups may not have equal representation so far, so brands can help further the opportunities that social media first pioneered to unite communities online. It's why it's so important to welcome aboard those who might not be engaged yet in virtual spaces.

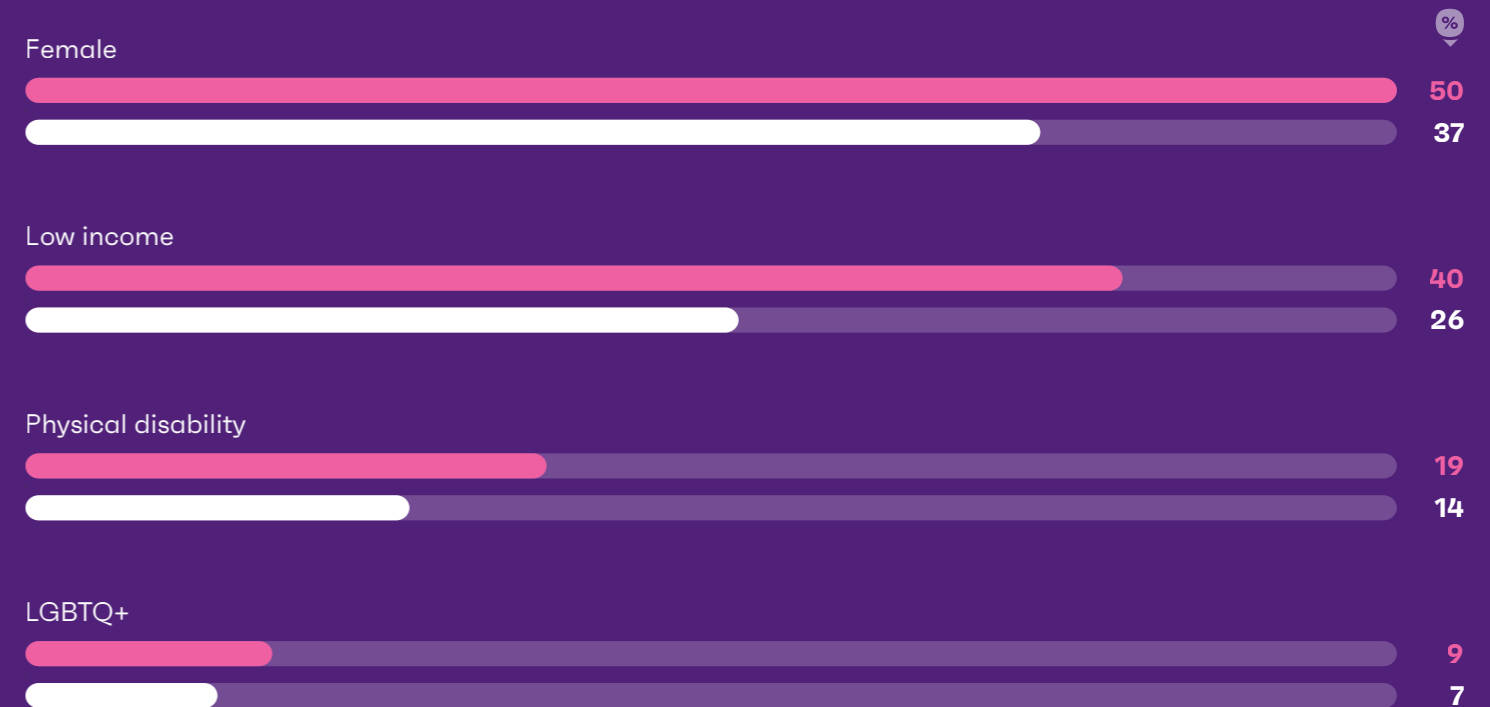


## Early metaverse adopters don't represent wider populations

7

% of consumers who prefer to spend their time online/are interested in the metaverse, and fall within the following groups

● Prefer to spend their time online ● Are interested in the metaverse



GWI Zeitgeist March 2022  
1,045 consumers who prefer to spend their time online & 449 interested in the metaverse aged 16-64 in the UK/US



## Gaming's open world

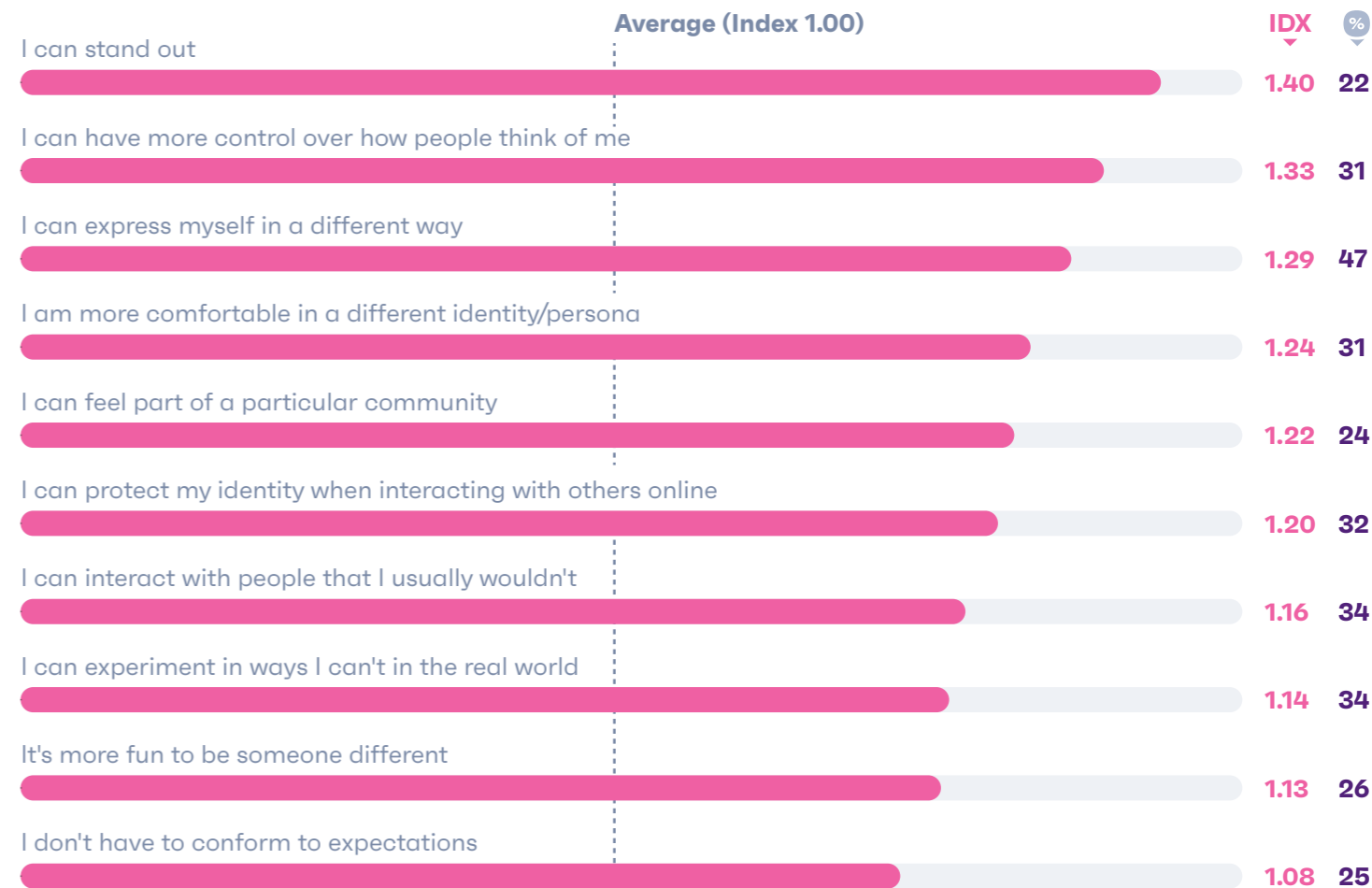
We've seen a host of brands exploring proto-metaverses, with a wide range of activities and interests to engage users. 2022 saw the first ever **mixed reality drag show** and virtual broadcast of a **football match**. The opportunities are huge, but they need to be planned with all potential users in mind.

The likes of Roblox and Fortnite have brought user-generated content in gaming to the mainstream and are continuing to grow. In fact, the number of adult gamers playing Roblox increased by 32% in the last year, and they play an important role when it comes to digital identities.

We know that many consumers adopt different personalities when they're online, citing reasons like being able to express themselves in a different way, and interacting with people they usually wouldn't as main motivations. But among players of Fortnite and Roblox, they're set apart by citing reasons like being able to stand out, and having more control over how people think of them.

## Roblox and Fortnite players want to stand out, but with more control over how they're perceived

% of Roblox and Fortnite players who say their personality is different online for the following reasons, sorted by over-index



GWI Zeitgeist August 2022 391 Fortnite/Roblox players with different online personalities aged 16-64 in 12 markets



This isn't the first time people have gone online into immersive worlds to experiment with aspects of their identity. Second Life, which was released in 2003, is widely considered to be one of the first proto-metaverses and an important space for many to understand themselves better through avatars. In its heyday, brands got involved too, with **Dell**, **IBM**, and **Reuters** all having a presence.

It has given members of the LGBTQ+ community new experiences to learn how they could express themselves online, interacting with other members of their communities in safe spaces, with **regions** and celebrations. It's been a space where people could reflect on their personalities, adopt new identities, and observe how others interact with their avatar. These early lessons around identity are key to the success of the metaverse, giving users the opportunity to experiment, interact, and reflect.

Unlike broadcast-based social media platforms, these digital spaces give people somewhere to **hang out with**

**their communities**, and create a sense of shared identity. It's a change from follower count to community, and brands are becoming more aware of this shift.

The likes of **Tommy Hilfiger** and **Gap** opened virtual offerings in Roblox with community-oriented experiences, championing individual style and expression. It's something that future metaverse audiences value, notably, **Gen Alpha**. Gaming is one of their favorite pastimes, and they're also socially conscious, with teen players of Fortnite, Minecraft, or Roblox standing out from their peers for saying that protecting people from bullying, and seeing all types of people in ads, TV shows, or movies are important to them.

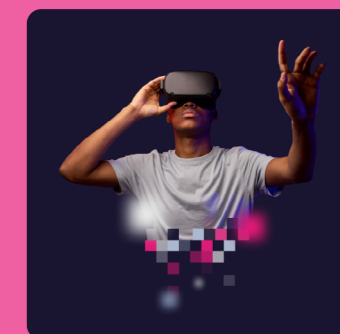
This generation could be a major wave of metaverse users, and brands need to have their attitudes in mind when contributing to this virtual world. Among this generation these sorts of values are an expectation, not an exception.



## Making virtual a reality

### Report

Need to nail your brand's NFT launch, or figure out your metaverse strategy? Here's our gamified rulebook.



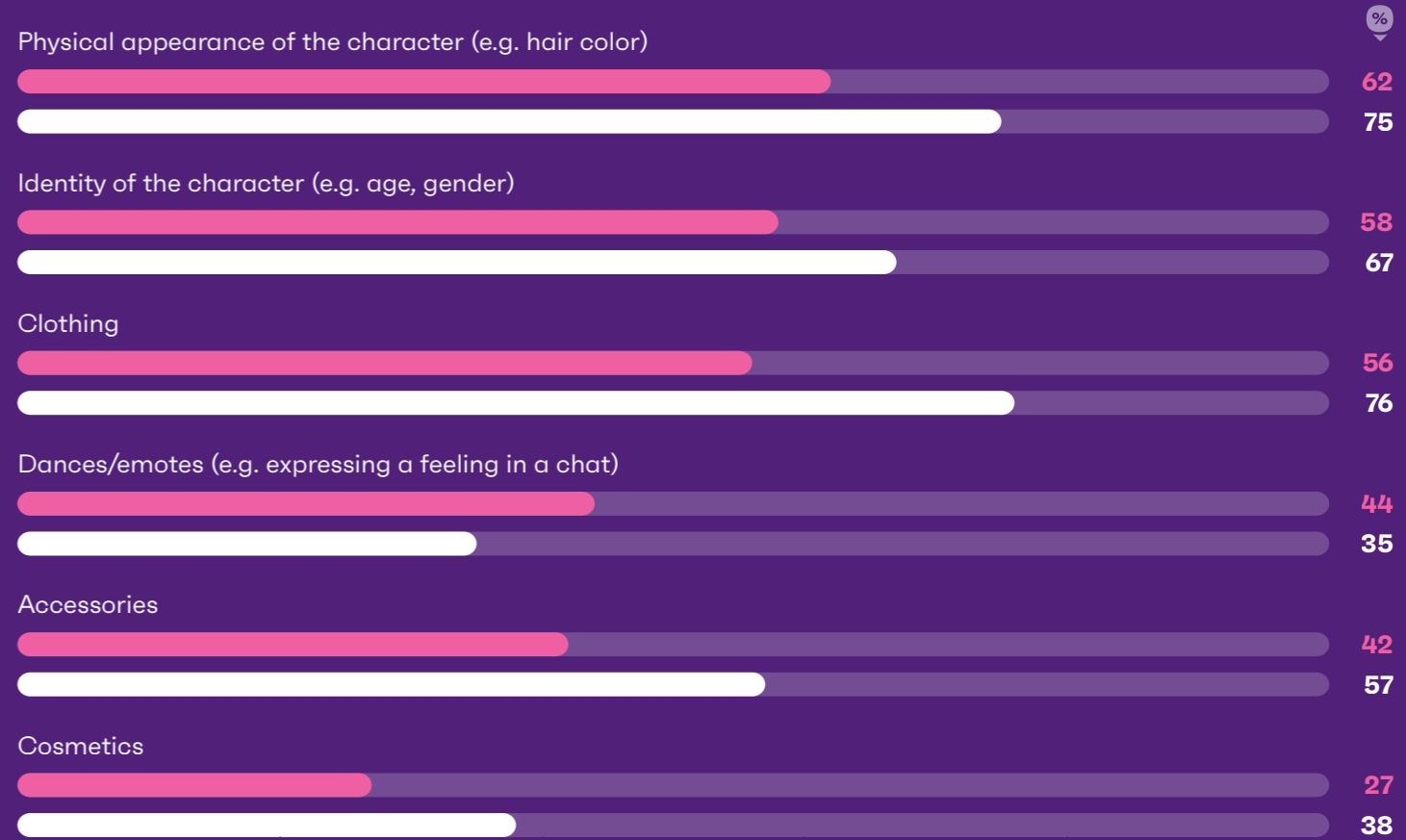
Unlock the feature



### For the LGBTQ+ community, character personalization is a priority

% of consumers who are interested in creating an avatar and say they'd like to customize the following

● All consumers ● LGBTQ+ consumers



GWJ Zeitgeist August 2022  
 5,581 consumers in 12 markets & 199 LGBTQ+ consumers in Australia, Canada, France, Germany, Italy, UK, and the USA interested in avatars aged 16-64



**The key is customization**

If open world gaming has taught us anything, it's the importance of customization. Virtual worlds are both a social playground and a place for community, where users can connect and collaborate on common interests.

Early studies showed customization is an important feature for **increasing play satisfaction** and autonomy, like having more choices, and being able to explore. It's little wonder that with increasing virtual opportunities, 47% of consumers say they're interested in creating an avatar.

# All of this can only flourish in safe spaces, and safety should be paramount for brands and developers

The physical appearance of the character (e.g. hair color), and the identity of the character (e.g. age, gender), are the most important customization options.

It shows just how important identity play is. Users want to change their appearance more than their wardrobe, underlining the need to allow users to be themselves in a different way online.

Take Meta, for example. It offers more than a quintillion different attribute

combinations for Meta avatars, from skin tones and facial shapes, to assistive devices like hearing aids, so that more people can feel **represented and included**. But the benefit of the metaverse is that creating customization options doesn't just lie with major tech companies, but many startups also have a **growing influence**.

Major brands and startups are acknowledging the need for choice, and to create an environment where users are free to express themselves.

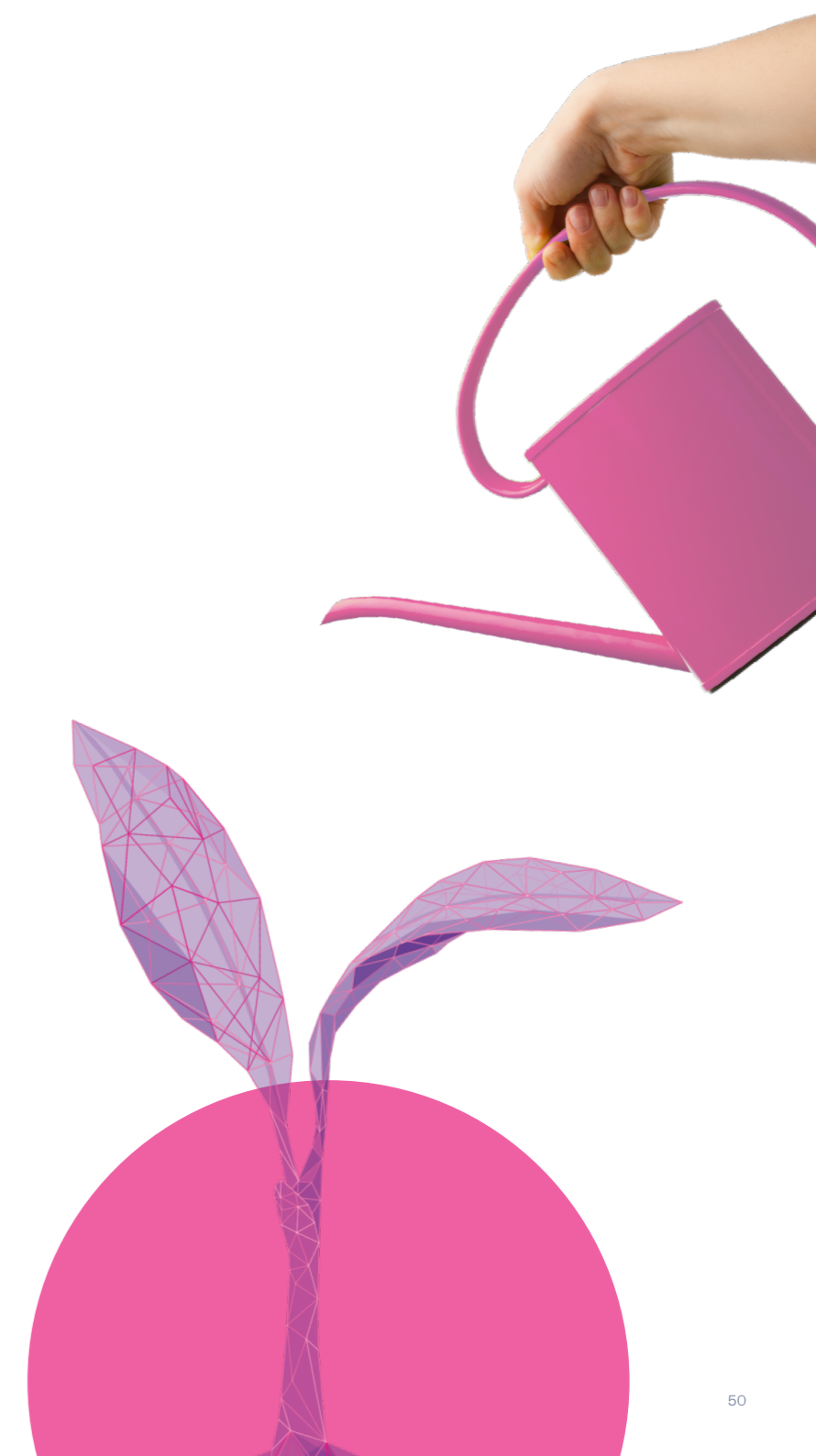


## What's next in 2023?

Virtual worlds have long given users **anonymity and independence** from their everyday lives, allowing them to adopt new personas without fear of disapproval from their real-life social circles. It's a pattern we've seen through the internet's history on bulletin boards, forums, and social media. Now the focus is on the metaverse to create new experiences and environments where users feel welcome.

Consumers want to experiment and interact in new ways that they can't in the real world, or that existing digital offerings can't provide. Businesses will need to step up their efforts to build inclusive settings and products, enabling users to be creative, express their digital identity, and discover their unique style – all while having fun.

The future of the metaverse has the opportunity to weave this into the very fabric with which it's developed, and not be an afterthought. The question for brands is if they feel they can make a difference in this space, and you can expect more names to stake their claim as we begin to understand what this virtual future will hold.





# Live a little

Where might consumers' "treat budget" be headed in 2023?



by  
**KATIE GILSEMAN**



Back in the 2008 recession, luxury lingerie sales soared. During the Great Depression and the 2001 recession, people were buying lipsticks in droves. You'd expect consumers to cut down on these "luxuries" during a downturn - so what's going on here?

Well, consumers' behaviors and attitudes aren't that straightforward. Sometimes they do the opposite of what you'd rationally expect. But even though every crisis brings its own unique challenges, there are lessons we can learn from past downturns to understand how consumers might behave in the future.

There's lots of talk about potential recessions in several major global economies heading our way again. While nothing is clear-cut yet, if it does come to pass, it'll likely be very different to past slowdowns. No other recession has ever followed a time of such severe restrictions before, so pent-up demand is high.

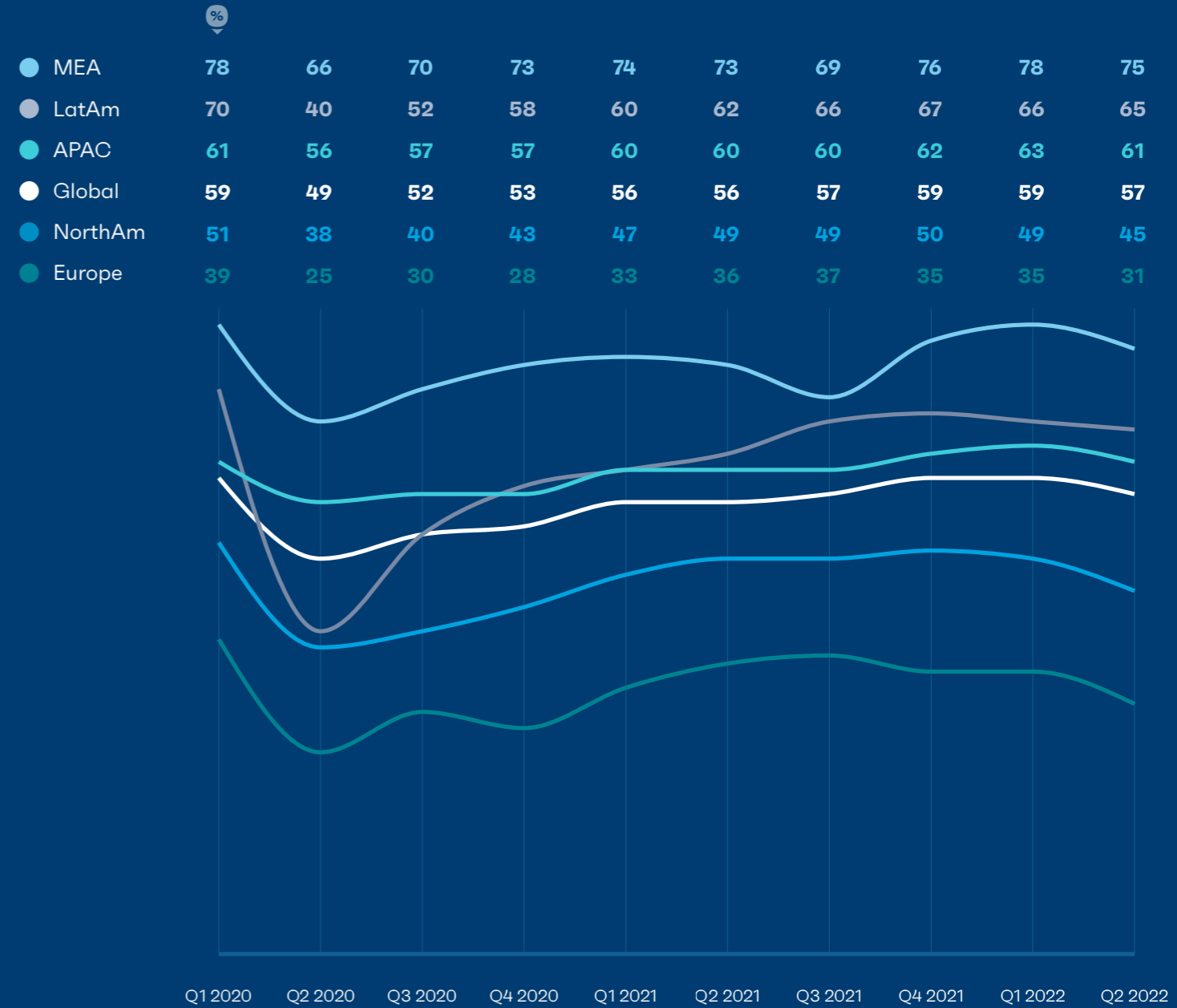
We'd be lying if we said we had concrete answers. Nobody does. But what we can do is use our global data to try to piece together the puzzle, and offer up some predictions of where consumers' discretionary spending might be headed in 2023.



**No other recession  
has ever followed  
a time of such  
severe restrictions  
before, so pent-up  
demand is high**

# Financial confidence is starting to dip

% of internet users who feel their personal finances will get better in the next 6 months



GWIC  
 GWI Core Q1 2020-Q2 2022  
 2,000,974 internet users aged 16-64



## Vibe check on financial confidence

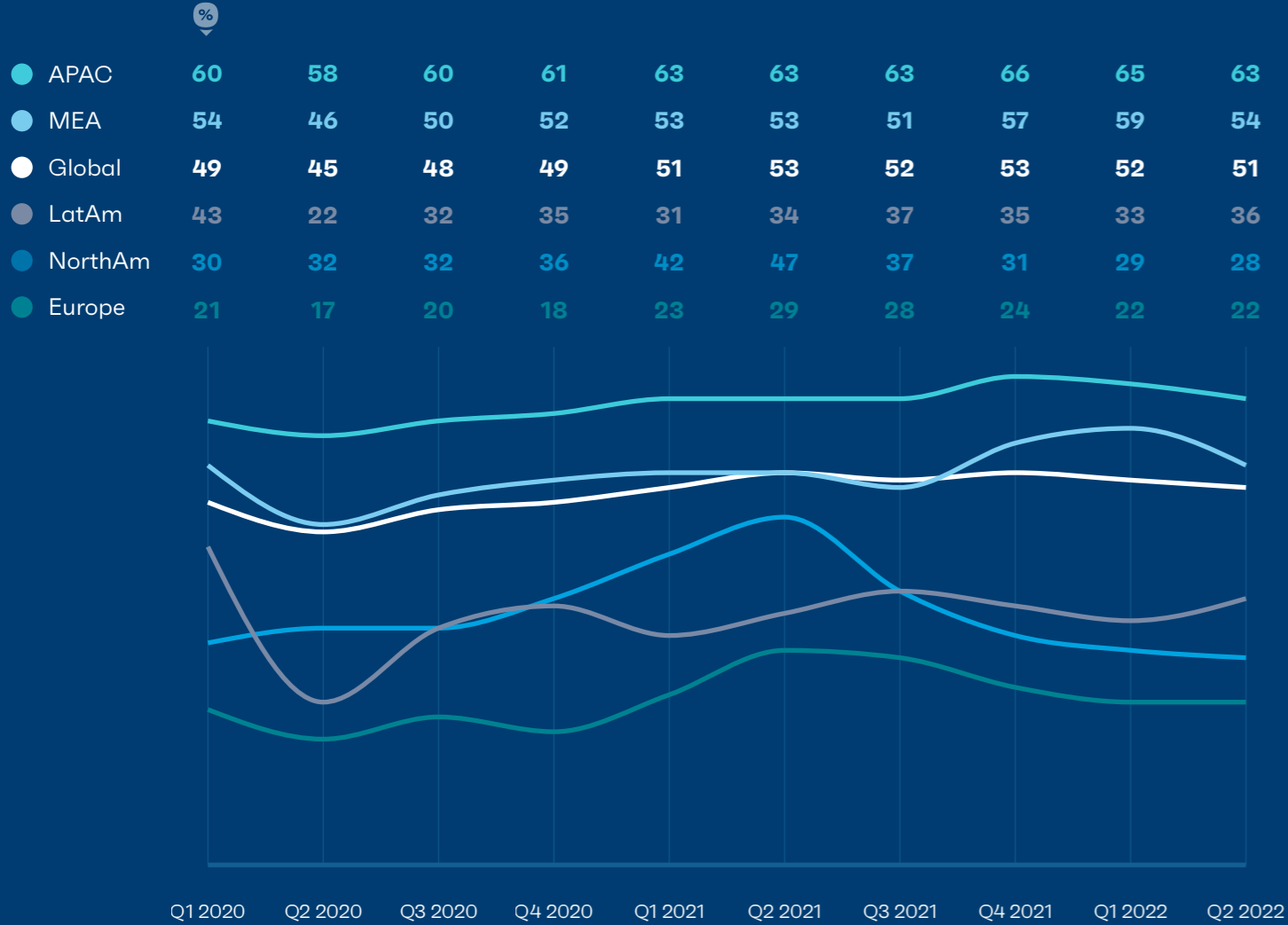
Globally, financial and economic confidence is starting to waver. This is a natural, expected reaction during times of uncertainty, similar to what we saw during the onset of the pandemic.

With the exception of APAC, consumers generally feel more confident about their financial situation than the economy as a whole. North America and Europe have seen the biggest decreases in financial and economic confidence since mid 2021, regions where confidence is significantly lower generally compared to others. Confidence in the economy has dropped by 40% in North America and 24% in Europe during this time.

## Optimism about the economy is also wavering in many regions

11

% of internet users who feel their country's economy will get better in the next 6 months



GWI Core Q1 2020-Q2 2022 2,000,974 internet users aged 16-64

Live a little

However, outside of China, two-thirds of consumers say their current financial situation is secure

Pent-up savings off the back of the pandemic or a favorable job market could be contributing to feelings of greater financial comfort.

It's important to remember that not everyone will feel the brunt in the same way, and while many consumers will no doubt make cutbacks and re-prioritize spending, many others - particularly higher earners - **will continue to spend**, and spend big.

Obviously, financial security during times like these is incredibly uncertain, and likely to fluctuate further. But, for now, many aren't battenning down the spending hatches just yet.





### Clothing ranks top for budget treats

Ranking based on the % of consumers who would buy the following as a treat for themselves on a budget

- 1 Clothing/apparel
- 2 Ordering delivery (e.g. food, drinks, snacks)
- 3 Technology/electronic items
- 4 Dining out
- 5 Travel (e.g. a domestic/international trip)
- 6 Health/personal care items (e.g. hair care)
- 7 Accessories (e.g. shoes, bags, jewelry)
- 8 A day out/experience (e.g. a spa day)
- 9 Skincare products (e.g. serums, moisturizer)
- 10 In-home entertainment (e.g. films/music)

GWJ Zeitgeist August 2022  
 13,773 internet users who treat themselves aged 16-64 in 12 markets



### It's called fashion, darling

We know from **previous recessions** that products and services can quickly shift from essentials to treats, or even expendables, in consumers' minds.

So, which categories look set to make it into consumers' "treat" list in 2023?



# Off-price retailers ticking upward in the US

13

When it comes to treating on a budget, clothing is the only category to appear in the top 3 choices across all generations and genders.

With weddings and parties back on, many consumers aren't so quick to say goodbye to their clothing wishlists. **Some retailers** are seeing sales slow, but others, like Zara owner Inditex, are seeing sales soar. The retailer's first-half sales and profits **hit historic highs** in 2022, suggesting some retailers are managing to weather the storm better than others.

Globally, purchases of clothing haven't fluctuated significantly. For Gen Z in particular, they're in line with pre-pandemic levels.

% of Americans who say they've shopped at the following retailers in the last 3 months

% growth since Q2 2021



GW USA Q2 2021 & Q2 2022



40,224 US internet users aged 16+

Using **GW USA**, we can see “luxury for less” retailers are among the fastest-growing ones, with purchases from retailers like Marshalls and T.J.Maxx up 13% and 12% since mid 2021. This chimes in with **Google's own research** where searches for “cheap holidays” and “designer outlet” surged in July 2022.

Consumers aren't only focused on getting the cheapest product when it comes to clothing, they've got their eyes set on quality – something that'll last the test of time. While price is important, it's not always the wisest move to lower it – particularly for luxury brands. Decreasing prices could potentially reduce the aspirational power of a purchase, and even reduce trust.

## Quality ranks ahead of cost when deciding which brands to buy from



## Skincare/beauty is high on the agenda

14

Ranking based on the % of consumers who would buy the following as a treat for themselves on a budget by age/gender



### Look good, feel good

During the 2001 recession, the phenomenon known as the “lipstick index” was born, when Estée Lauder observed increases in lipstick sales. In 2023, we can expect to see a similar story.

Ulta Beauty smashed its **Q2 earnings** expectations across all major categories. Coty’s cosmetics sales are up, with “**prestige**” sales rising by 20% during the beauty brand’s financial year. Meanwhile, Target and Walmart are both refreshing their beauty departments, with Walmart offering a more affordable display called “**Beauty Finds**”, where shoppers can nab deals for as low as \$3.



GWJ Zeitgeist August 2022 13,773 internet users who treat themselves aged 16-64 in 12 markets

In our own research, younger women are more inclined to prioritize buying skincare and beauty/cosmetics as treats when on a budget. For female millennials, beauty/cosmetics and skincare nabs second and third place in their list of treats, just behind clothing.

Beauty's resilience is likely down to a combination of factors: more socializing, affordability, and emotional connection. The last one is important. Consumers are often reluctant to give up on little treats or indulgences that ultimately make them feel good, which is arguably even more important during hard times. It's really the emotional connection that keeps consumers hooked, and something brands need to emphasize more in their campaigns.



**Beauty's resilience is likely down to multiple factors: more socializing, affordability, and emotional connection**

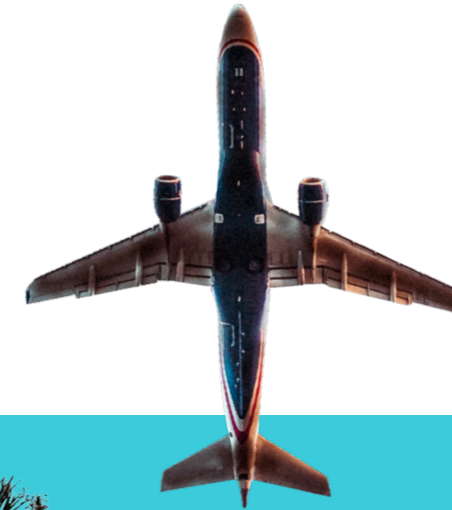




## Revenge travel is back with a bang

Many consumers aren't paring back on big-ticket items either (literally). The number purchasing vacations or travel tickets has increased by 19% since mid 2021 outside of China. People have been cooped up for so long, so many aren't willing to scrap getaways again anytime soon.

When we asked consumers what would bring them joy in the future, 55% said travel/taking vacations – ranking second behind spending time with their family. Gen X and baby boomers also ranked travel within their top 3 priority purchases when on a budget, suggesting there's other cutbacks they'd rather make instead.



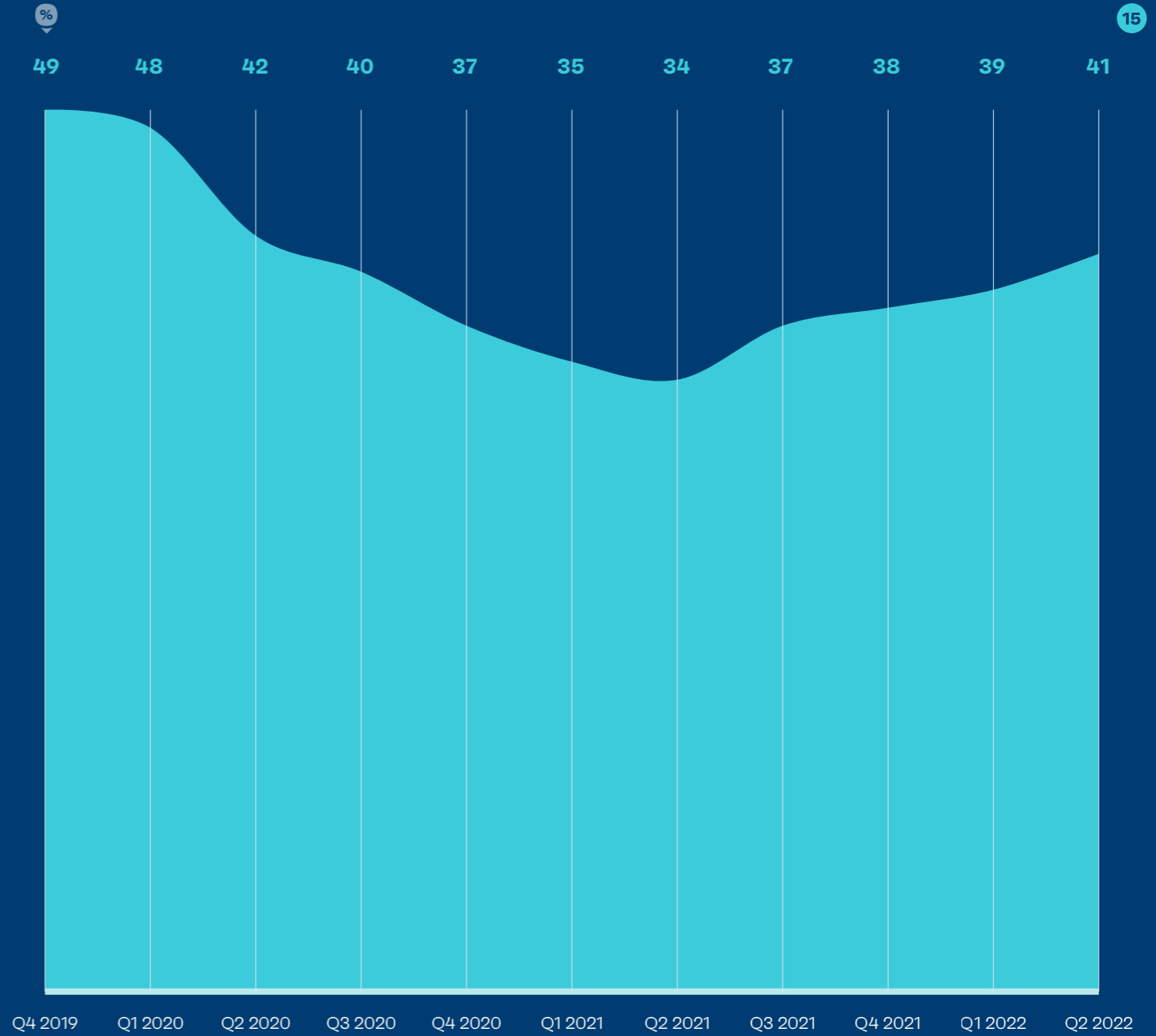
Millennial vacationers in particular, are inclined to splurge on trips away to make up for lost time. Not only does this generation lead the way for saying vacations are important to them, they're also willing to treat themselves at various stages of the vacation journey.

Millennials are 22% more likely than everyone else to say they'd spend extra on flights/travel

The takeaway for brands? Expect millennials to be a key market for premium upgrades.

### Travel has started to pick up

% of internet users, outside China, who say they've purchased a vacation or travel tickets in the past 3-6 months



GW  
GWI Core Q4 2019-Q2 2022  
1,352,860 internet users aged 16-64 outside China



## Domestic vacations are higher on the agenda across most markets

% of internet users who say they intend to take a domestic/international vacation in the next 12 months



GWI Travel Q3 2022 15,888 consumers aged 16-64 in 10 markets

Live a little

16



This really reinforces just how much consumers prioritize time off and travel after being tied down for so long. According to **GWI Travel**, just over 90% of consumers say they're intending to take a vacation in the next 12 months, with many seeking some well-needed R&R. For many, breaks away are key to maintaining their **well-being**, so these are qualities that travel brands should lean into to catch consumers' attention.

### How can brands navigate a new era of travel?

#### Feature

Who's traveling where? And how? New questions are emerging about what's next. And we've got answers.



Explore the feature



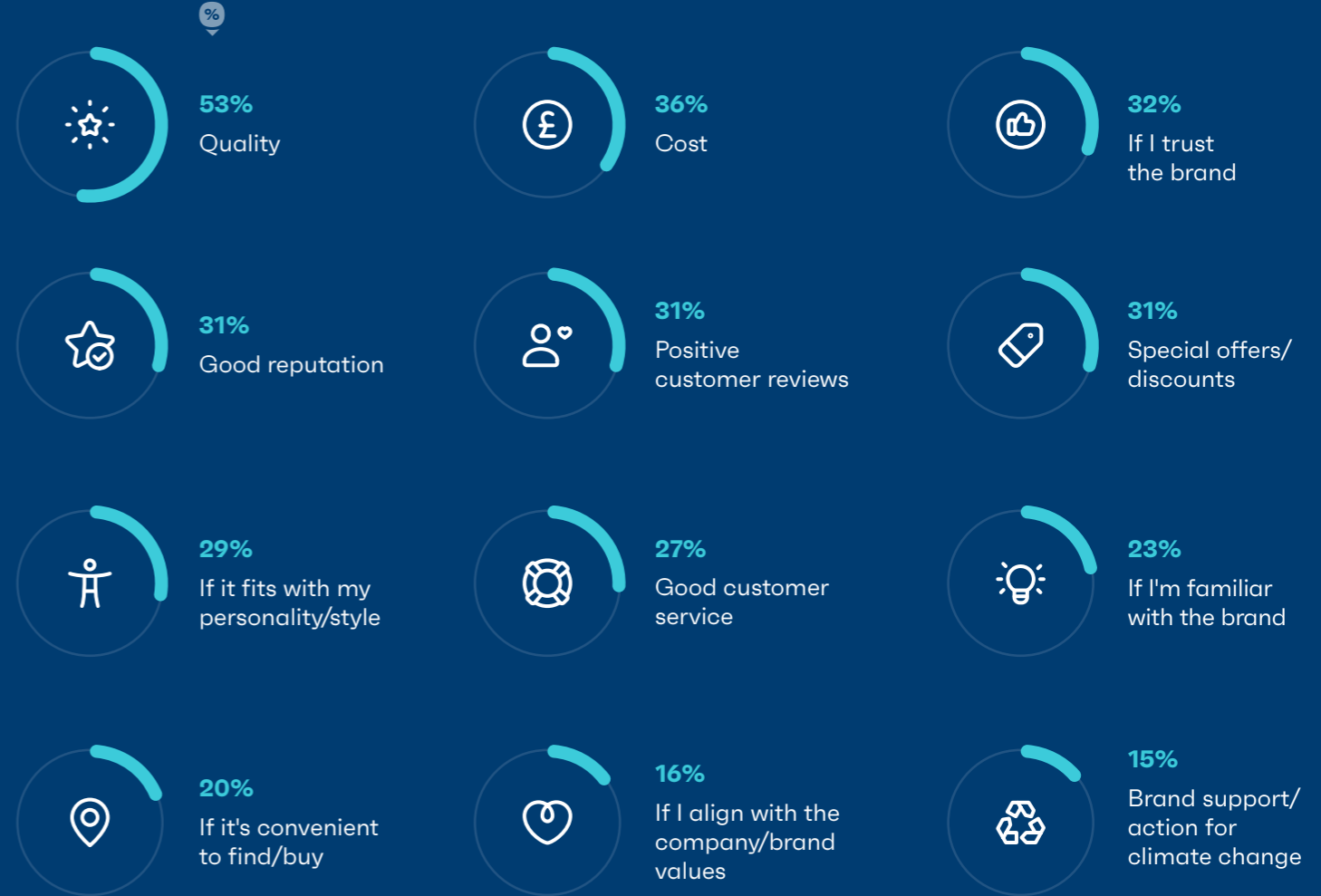
### Price isn't the only lever to pull

During downturns, most brands will increasingly compete on price. In the UK, Boots has leaned into low-cost alternatives, launching a new "every-day" brand of toiletries for under £1.

But not all brands can compete on price, especially as their own costs increase. Consumers are increasingly aware that prices are rising - outside of China, two-thirds say the cost of living has increased compared to 3 months ago. So, as prices inevitably increase, how can brands keep consumers engaged?

### Driving purchases through trust

% of internet users who say the following is important to them when deciding which brands to buy



GWI Zeitgeist August 2022  
 15,399 internet users aged 16-64 in 12 markets

# As consumers lose confidence, brands that build trust with customers become a much safer bet



Trust for the brand ranks third out of a list of 14 purchase drivers, coming ahead of discounts, good customer service, and purpose-driven factors. As we've seen in previous recessions, the **trust gap can widen** during times of uncertainty. As consumers lose confidence, brands that build trust with customers become a much safer bet.

Businesses can build trust by being **open and transparent** about how

price changes are impacting their business, and focus on building direct relationships with their customers to keep their loyalty even as they raise prices. At the same time, reassuring messages and actions that **demonstrate empathy** can also have a similar effect.

As businesses increasingly compete on price, the retailers that look set to stand out are those that prioritize

building trust, keep innovating, and drive empathetic, value-add messaging – focusing on the person behind the product.

While the road ahead looks bumpy, it's important for brands to remember that not everyone will be paring back spending completely. There's still so much pent-up demand, and many consumers will be carving out space for their must-have treats.

# Buy now, save the planet later

Sustainability has a prioritization problem



by  
**CHASE BUCKLE**





The data you're about to see might make you uncomfortable. It might even contradict data you've seen elsewhere, but we're confident in what it's telling us, and it's a global story.

Cracks in the consumer sustainability narrative can no longer be ignored, and they're about to become even deeper and wider.



# Cracks in the consumer sustainability narrative can no longer be ignored



## People are predictable, individuals aren't

Ask an individual if they care about the environment, and the chances are they'll confirm. Given the weight of scientific evidence in favor of climate change, the evident loss of biodiversity, natural disasters, and public outrage, it would be very controversial to say otherwise.

Ask *millions* of individuals on an ongoing basis if they care about the environment, and you can start to read between the lines and see the bigger patterns. As is often the case with our data, the truth isn't just found in *what* our respondents tell us - it's also in *how* those responses change over time or between groups.



## Forget what you know

In the vast majority of countries we track, fewer people now tell us helping the environment is important to them compared to pre-pandemic. In every country we track, the number of people who say they expect brands to be eco-friendly has also shrunk in the last few years.

A quick Google search can dig up countless recent studies or news headlines which might contradict that. But the data you're looking at tells the same story in many completely different countries, at different points in time, and the gradual trend lines are unmistakable.

This is one of many declining sustainability-related trend lines all pointing in the same direction; including interest in environmental issues, self-reported recycling, willingness to spend more on eco-friendly products, and environmental optimism. All have diminished in at least 20 or more countries.

Sustainability is slipping through the cracks



# Helping the environment is important to me

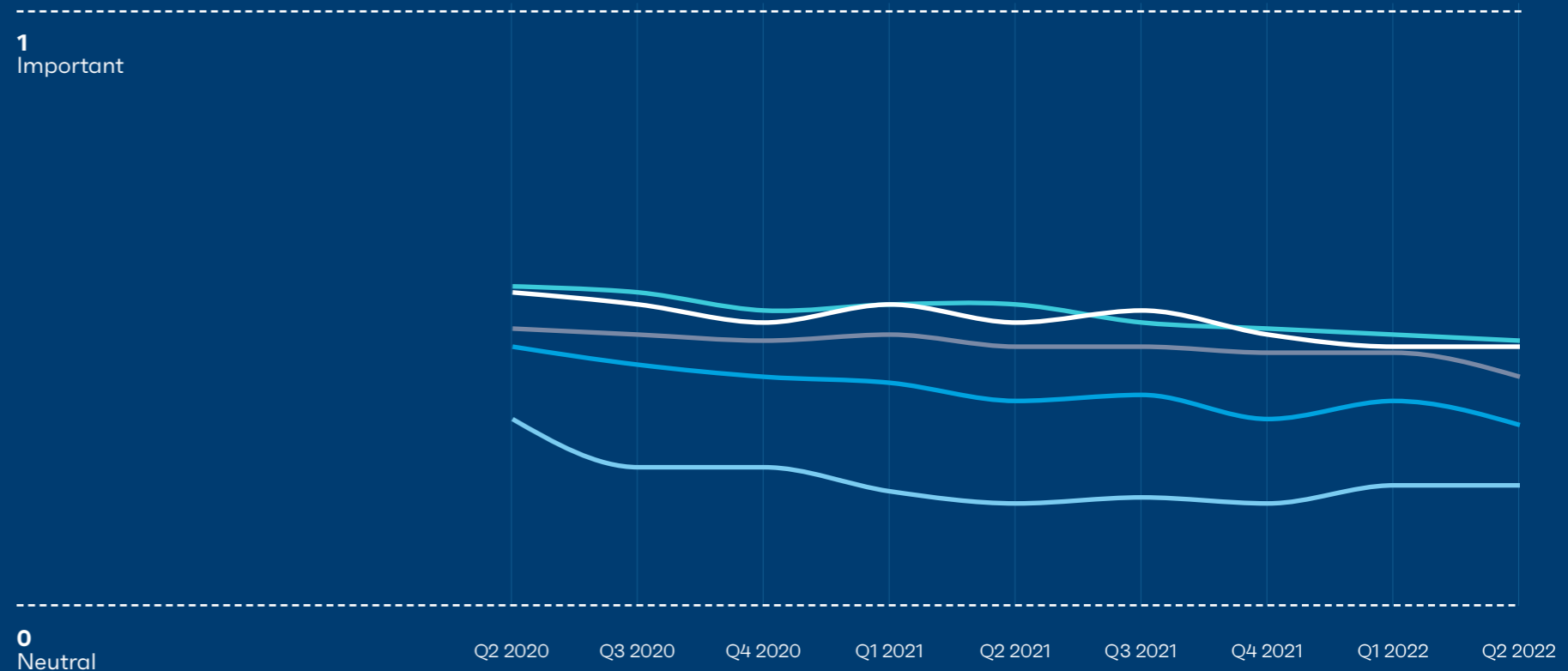
**Average sentiment score**  
representing importance of helping the environment (among the 5 markets with the biggest drops)

Want to see data from the rest of the markets we cover?

[Find out more](#)



Spain	0.53	0.52	0.49	0.50	0.50	0.47	0.46	0.45	0.44
Thailand	0.52	0.50	0.47	0.50	0.47	0.49	0.45	0.43	0.43
UK	0.46	0.45	0.44	0.45	0.43	0.43	0.42	0.42	0.38
Denmark	0.43	0.40	0.38	0.37	0.34	0.35	0.31	0.34	0.30
Egypt	0.31	0.23	0.23	0.19	0.17	0.18	0.17	0.20	0.20



Sustainability is slipping through the cracks

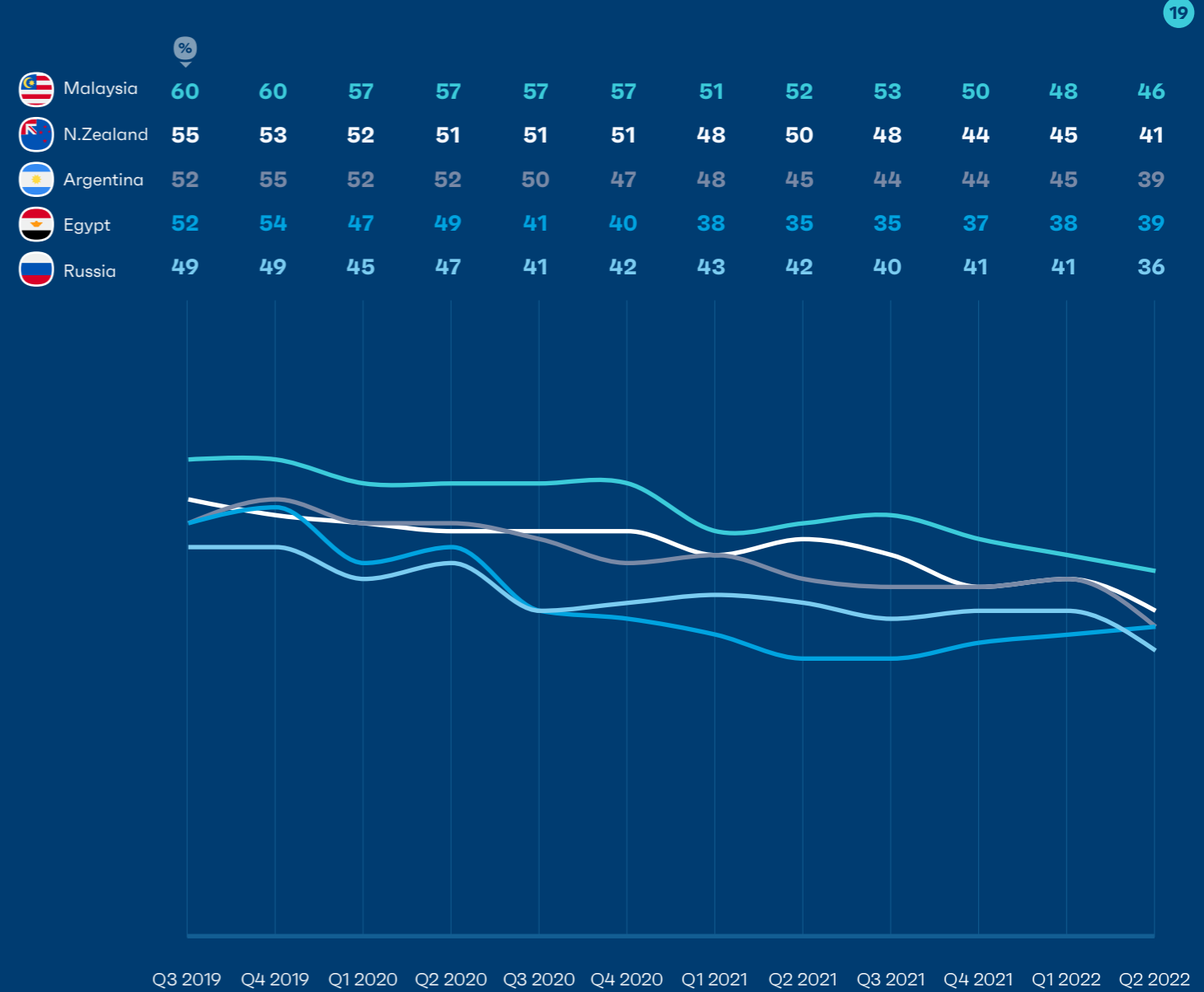


I expect brands to be eco-friendly

% who say they expect brands to be eco-friendly (among the 5 markets with the biggest drops)

Want to see data from the rest of the markets we cover?

Find out more







## A bigger echo chamber

On many fronts, we're calling into question a lot of what we "know" about the fight against climate change. The **market research industry** has often failed to represent the problem in the cold light of day, the much-hyped **ESG criteria** has come under intense fire from many directions for its supposed contradictions, and the idea that consumer demands and choices set the **agenda for sustainability** is increasingly controversial.

Consumer choices are often framed as one of the most important drivers of change, but those same actions are far from free - they have many constraints bearing down on them.



# People aren't suddenly less outraged by the degradation of our planet. It's more a case of prioritization, and mental bandwidth.

## The link between economic confidence and sustainability attitudes

We define economic confidence as future expectations of a respondent's country's economy, or their personal finances. This shows that changes in economic confidence can help predict changes in sustainability attitudes



### Tip

The fact France is at the top means the relationship between economic confidence and the desire to help the environment is strongest in this country



The higher the number, the stronger the correlation

### Economic confidence and importance of helping the environment



### Economic confidence and expectations of brands to be eco-friendly



20



## Don't just blame the economy

The **cost of living crisis** is front-of-mind for driving this apparent environmental apathy. In some countries, there's a statistically significant relationship between changes in how people feel about their country's economy or their personal finances, and changes in the degree to which helping the environment is a priority.

In fewer countries, we see a relationship between financial outlook and how many people expect brands to be eco-friendly. Many of these markets have witnessed some of the biggest drops in economic confidence.

Inflation is plaguing many economies and outgoings are taking up larger shares of household incomes. That's why sustainability in the year ahead will increasingly look like a luxury.

But it would be a mistake to stop at the economy. This trend stretches back over 2 years, during which time many countries saw record-high accumulations of cash savings.



GWI Core Q2 2020-Q2 2022 • Q1 2021-Q2 2022



1,825,429 & 1,286,157 internet users aged 16-64



## The price of pent-up demand

Post-pandemic pent-up demand has been extremely stubborn in the face of the cost of living crisis. In virtually every country we track, the number of people saying they would rather sacrifice other spending to buy a product sooner continually grew between Q2 2020 and Q2 2022.

At the same time, expectations of brands to be eco-friendly dropped, and consumers' willingness to pay more for eco-friendly products also fell. So this "sacrifice" was in some instances likely to have been sustainable purchasing.

This relationship between wayward spending and sustainability attitudes seems to be most prominent in Asian countries, including China, India, and Indonesia. And based on the number of countries, it appears to have had a stronger long-term bearing on consumer sustainability than financial anxiety.

For a handful of markets, including the US, uptake of Buy Now Pay Later (BNPL) services appear to have an inverse relationship with willingness to pay more for eco-friendly products. Correlation does not, however, mean causation. This is much more likely a reflection of the spending mindset than the spending mechanism.

## Sustainability in the US

### Report

Are American consumers price-conscious or eco-conscious? What's getting culled in the cost of living crisis?



Find out more

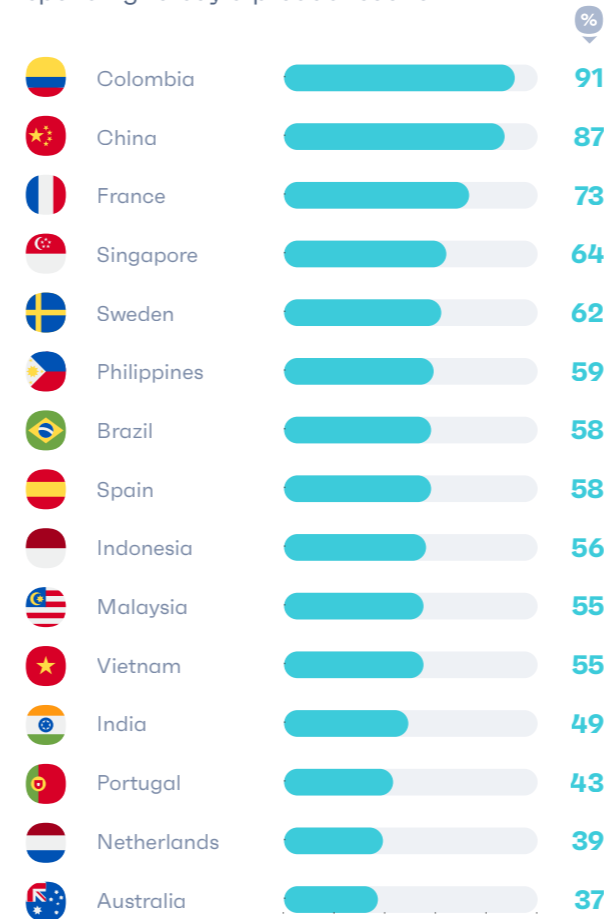


## The link between pent-up demand and sustainability attitudes

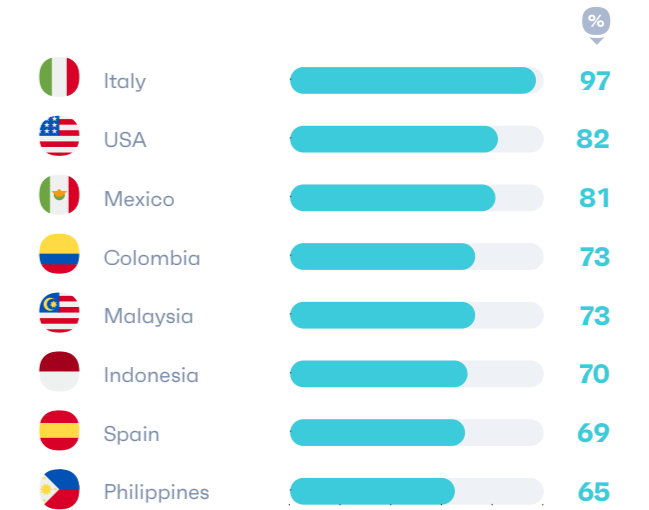
This shows that changes in spendthrift attitudes can help predict changes in how willing people are to spend more on eco-friendly products

The higher the number, the stronger the correlation

Willingness to spend more on eco-friendly products and preference to sacrifice other spending to buy a product sooner



Willingness to spend more on eco-friendly products and weekly Buy Now Pay Later usage



### Tip

The fact Italy is at the top means the relationship between BNPL uptake and willingness to spend more for eco-friendly products is strongest in this country

GWl Core Q2 2020-Q2 2022 • Q1 2021-Q2 2022  
1,825,429 & 1,286,157 internet users aged 16-64





## Doomscrolling and deglobalization

Interest in news was at its highest during COVID-19 in most of our tracked countries. Since then, news agendas have been inundated with new coronavirus strains, war, climate disasters, superpower tensions, an energy crisis, and economic crises. But rather than maintain people's interest, they appear to have lost it.

Interest in news, politics, social issues and current events has declined in over 90% of our tracked countries since 2020.

In even more countries, we've seen a growing detachment from the global community, with fewer people saying they're interested in what's going on in the world.

Sustainability is a global issue. In an **attention economy**, the sad reality is it must compete for mental bandwidth when many are actively switching off from current affairs and global society. In over half of our markets the data suggests shifts in news interest or global awareness can help predict changes in whether consumers prioritize helping the environment.

Sustainable B2C advancements will be few and far between if they are driven by winning this battle for attention. The year ahead will further expose how climate change prevention is on shaky ground as a consumer-led movement.





## The link between dissociation and sustainability attitudes

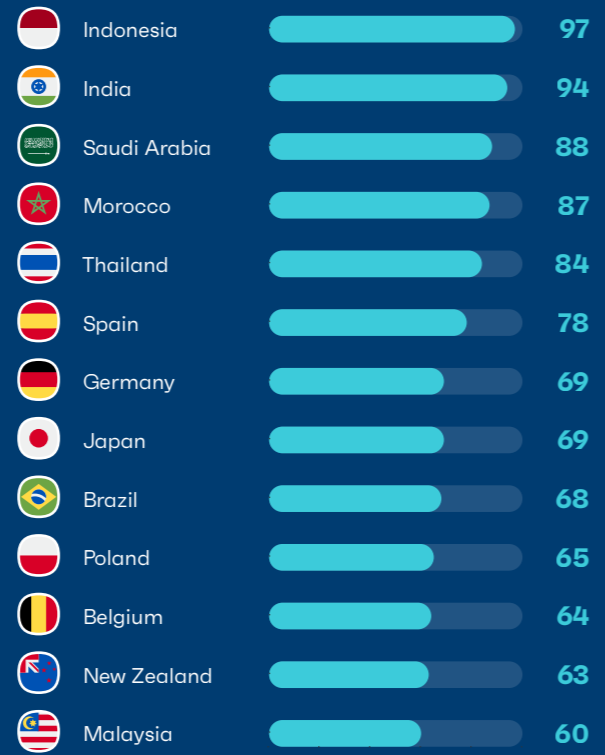
This shows that attitudinal changes towards global events can help predict changes in the importance placed on helping the environment

**Tip**  
The fact Indonesia is at the top means the relationship between interest in current events, and the importance placed on helping the environment, is strongest in this country

● The higher the number, the stronger the correlation

GWI Core Q1 2021-Q2 2022  
1,286,157 internet users aged 16-64

### Interest in news/current affairs/politics/social issues and importance placed on helping the environment



### Desire to know what's going on in the world and importance placed on helping the environment





## Rewrite industry incentives

We would love to point to growing consumer demand to justify the need for brand-led eco-initiatives. But the world is more complicated, and consumer incentives are far more fickle.

People are struggling to find the means and headspace to live and demand a more sustainable lifestyle. This has never been more apparent, right as we sit on the precipice of what many believe will be a year of recessions, food security risks, and further geopolitical tensions.

The lesson is simple, familiar, but no less profound: consumer sentiment can no longer be the north star for industry action.



The lesson is simple, familiar, but no less profound: consumer sentiment can no longer be the north star for industry action

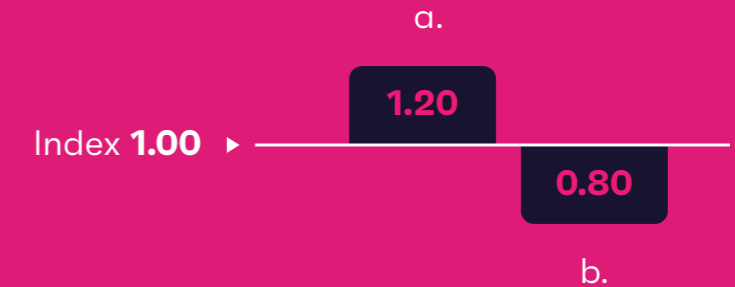
# Methodology & definitions

Most figures in this report are drawn from our Core survey, which represents internet users aged 16-64 in each market.

As the percentage of people with internet access varies globally, the online population can be very different from one market to the next. In markets with more widespread internet usage, the online population will be very similar to the total population. In markets with medium to more dispersed internet usage, the online population will generally be more affluent, educated, urban and younger than the national average.

Each year, over 950,000 internet users complete our Core survey. Some of these respondents complete a shorter version of the survey via mobile, while others answer additional questions about their brand and media consumption. Because of this, the sample sizes presented throughout this report may differ as some questions are asked of all respondents while others are only asked of a subset. For more details on our research check out our [Help Center](#).

## Defining index



Throughout this report we refer to indexes. Indexes are used to compare any given group against the average (1.00), which unless otherwise stated refers to the global average. For example, an index of “1.20” (a) means that a given group is 20% above the global average, and an index of “0.80” (b) means that an audience is 20% below the global average.

# Want to know what 2.7bn people think, feel and do?

Every business has questions about its audiences; GWI has the answers. Powered by consistent, global research, our platform is an on-demand window into their world.



[Book your demo](#)





# Appendix

1 On an average day, how long do you spend online on a PC/laptop/tablet/mobile?

2 Which of these things are important reasons for you using the internet?

3 Which of the following do you feel describes you?

4 Which of these things are important reasons for you using the internet?

5 Which of the following online sources do you mainly use when you are actively looking for more information about brands, products, or services?

6 What are the most common

reason(s) why you make impulse purchases?

7 How do you prefer to spend your time? (Online) • How interested would you be in participating in a metaverse? (Very/Extremely interested)

8 Why do you feel you have a different persona when online?

9 Which of these would you be interested in customizing in the metaverse?

10 In the next 6 months, how do you think your personal finances will change? (Get better)

11 In the next 6 months, how do you think your country's economy will change? (Get better)

12 If you were on a limited budget, which of these would you buy as a treat for yourself?

13 Which of these retailers have you shopped at in the last three months?

14 If you were on a limited budget, which of these would you buy as a treat for yourself?

15 Which of these products have you or your household purchased in the last 3-6 months?

16 This data is based on

the number of vacations planned and vacations typically taken question

17 When deciding which brands to buy, which of these are most important to you?

18 Which of these things are important to you? (Helping the environment)

19 Which of these things do you want brands to do? (Be eco-friendly)

20 Significance level: 0.05 • Strength of relationship represents adjusted R2 • Y range: Which of these things do you want brands to do? (Be eco-friendly) | Which of the following things are

important to you? (Helping the environment) • X range: In the next 6 months, how do you think the following will change? (The economy of the country where you live/your personal finances) • Importance of helping the environment and economic confidence measures use average sentiment score

21 Significance level: 0.05 • Strength of relationship represents R2 • Y range: Typically, which of the following would you rather do? (Pay less for a non eco-friendly version) • X range: Typically, which of the following would you rather do? (Sacrifice other spending to buy a product sooner) | In the last week, which of these have you watched, listened

to, or done online? (Used a Buy Now, Pay Later service)

22 Significance level: 0.05 • Strength of relationship represents R2 • Y range: Which of the following things are important to you? (Helping the environment) • X range: Which of these things are you interested in? (News/current affairs • Politics/social issues) • Which of the following do you feel describes you? (I like to know what is going on in the world) • Importance of helping the environment uses average sentiment score

**GW**I.