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Solving the Consumer Equation

Future trends 2030

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Overview



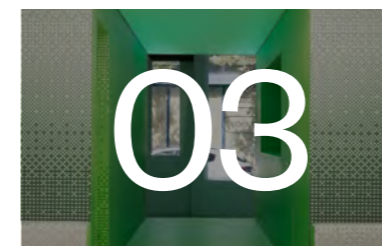
INTRODUCTION

An introduction to the changing shape of retail and a call to action for the brands of 2030, this section explores how innovators will delve beyond transaction to inspire connection with consumers.



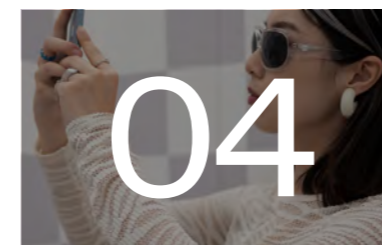
NEW CULTURAL CURRENCIES

To transform the retail relationship, brands must consider the range of economic, social and environmental shifts taking place. Here, we explore how these factors are resulting in a state of paradox for emerging generations.



SOLVING THE CONSUMER EQUATION

To unlock next-gen consumers, brands will need to consider how the overlapping pillars of retail, technology and finance are coming together to meet new mindsets and uncover fresh innovations. Welcome to the Consumer Equation of 2030.



CONCLUSION

A summary of the blueprint that the brands of 2030 will implement to drive value, forge culture, create new paths to purchase and hone engaged brand communities.

Experts

: Holly Friend

Futurist, Writer and Cultural Strategist

: Mark McCrindle

Demographer and Social Researcher

: Melissa Netram

Global Head of Central Policy, Block

: Robert Pasco

Co-founder and CEO, Plend

: Maxim Raykhrud

Former Chief Product Officer, Zero10

: Will Wilkinson

Head of Policy, TBD

Introduction

Imagine a future where every swipe, click and purchase tells a story, not just of transaction, but also of connection. By 2030, the many shifts of the 2020s will have transformed our interactions with technology, currency, retail, work, identity and community. Tomorrow's brands face the task of reimagining consumerism as the next decade gets set to utilise new technologies, embrace next-generation values, and build a more experiential and equitable landscape.

As people begin to occupy new influential roles beyond that of 'consumer', the way commerce operates will become more dynamic than ever. Customers are transitioning from passive purchasers to active participants, who are keen to co-create the products and services they use.

The retail and financial services industries – at the crossroads of brand innovation and consumer values – are on the cusp of an equally substantial shift. Innovators across these sectors must evolve into open-source leaders, community builders and service providers. They must be ready to offer the tools, experiences and services needed to inspire, guide and empower the next generation. The objective is clear: to forge a more social, inclusive and enhanced value exchange.

Yet navigating this new terrain poses big questions for brands and businesses. How do they get there? What tools do they need? What values must they embody? And how can they bring these metrics together to provide solutions to the consumer equation of 2030 and beyond?

In this report, strategic foresight consultancy The Future Laboratory, in partnership with Afterpay, explores the strategies that will guide and push brands forward – identifying three distinct pieces of the puzzle: Retail, Finance and Technology.

Through a series of expert interviews, research and analysis, we investigate how these pillars will unlock the next age of commerce.



Part one

New Cultural Currencies

Today's economic, social and environmental shifts are already shaping tomorrow's commerce landscape. For brands and businesses, global changes are not only raising the stakes, but are also presenting new challenges and opportunities.

These changes are restructuring the ways in which consumers think about and interact with brands. A framework is being revealed, where key players can rebuild commerce – and the consumer experience – for the better.

Here, we explore the cultural state of play stretching the region and beyond. We consider the paradoxes that encompass:

: **How** society is shifting

: **What** consumers care about

: **Who** they trust

: **Where** they are focusing their time

: **How** brands can crack the code to become more meaningful, valuable and transformative than ever before

Tech-tility

Technology is transforming from a nice to have to a need to have. Innovation is unlocking paths and creating new experiences for individuals and ways to connect with others.

Digital innovators are turning away from speculation and towards solutions, striving to ensure the technical capabilities on offer have real utility.

Tech is being reframed as a human right and a path to progress, rather than as a consumer good. This step change is reflected most profoundly in AI's boom, with its uses multiplying for consumers and organisations alike. PwC reports that AI will transform the global economy, contributing up to

AUS\$23.8 trillion by 2030, with 45% of the economic gains coming from product enhancements, which will stimulate consumer demand.

For business, embedding AI capabilities into back and front-end offerings is becoming a minimum requirement: a majority (71%) of organisations are already using AI (source: Microsoft).

Tech-tility is not only being realised through technological acceleration and innovation, but also through the legitimisation of digital spaces as vital parts of our future. For Millennials and Gen Z, these spaces offer a valid, and often enhanced, place to engage with others, and are more than a temporary substitution for in-real-life encounters and experiences.

With consumers increasingly embedding digital touchpoints across their lives, brands have the opportunity to make their offerings suit new digital leanings and are preparing for a future where the physical and digital spheres are fused entirely.

Ephemeral Culture

Next generations are looking to brands that cut through the noise of the algorithm and enable them to realise their true selves.

Algorithmic overload is flattening culture, leaving people to sift through an overwhelming sea of sameness. In Australia, almost three-quarters (73%) of Gen Z feel pressure to keep up with the latest topics, trends and content to make sure they're not seen as out of touch, finds Snapchat, and nearly two in three (66%) report feeling fatigued by the volume of 'new' stuff that they see online. Here, new is not a synonym for products that are fresh or different, but are simply more of the same.

As a result of the 'trendification' of culture, where microtrends, cores and aesthetics are given a daily refresh, consumers are looking to brands to help them cut through the noise. They want to connect on

a deeper level and to develop enduring values and ideas. Dazed Media reports a 217% increase in brands partnering with cultural figures to boost influence.

They may be adept at creating their own identities, but emerging generations are also acutely aware of AI-powered algorithms, which are able to copy, repackage and redistribute those same identities – and unique characteristics – back to them. Ontario College of Art & Design University reports that 73% of Gen Z believe they need more self-expression to live a happy, healthy life.

With social networks rapidly burning through cultural tastes, the question is: 'How can brands foster, rather than hinder, authentic self-expression?'

'The digital platforms we spend so much time on are making our tastes more similar than different,' writes author and culture journalist Kyle Chayka. He notes a common concern is 'algorithmic anxiety' – unease about algorithms judging us incorrectly or too accurately.



Systemic Endemic

People are gravitating towards brands that embody their values and drive positive change amid global shifts.

At a time of global dissonance, there's a call for society to realign with the needs of individuals, and the planet. But people are locked in a paradox between aspiring to improve and limited means. They consider brands to be facilitators of positive change.

Individuals are eager for brands to reflect their values and enable sustainable choices. In Australia, 90% of people are interested in acting sustainably, while 78% think a company's behaviour is as important as its products, according to Ernst & Young.

Yet how do these values square with fast fashion's pace and rapid hype cycles? Are emerging generations dressed in hypocrisy? Can they square their ideals with the pressure to follow today's trends? Put plainly, they can't afford to live up to their values all of the time.

In fact, Women's Wear Daily finds that 96% of youth can't afford eco-friendly purchases due to rising living costs. Now demand is growing for brands to implement more equitable climate policies that ensure customers don't foot the bill for acting responsibly.

In New Zealand, 38% of people are concerned about their financial future – ranking the cost of living crisis and inflation (68%), housing (59%) and the economic situation (42%) as the most pressing issues society faces, according to Statista. Meanwhile, global searches on Google for 'greedflation' peaked in April 2024. Inequality is now front of mind.

New Life Trajectories

Next generations are becoming the experimental architects of their own future – transforming life paths, goals and markers of success.

The cost of living crisis is not just affecting people's financial situations, but also their aspirations, and now traditional markers of success are being replaced with a focus on life paths.

'Millennials truly followed that linear process, believing that if they worked hard, they could create a life and identity through work and success,' says Futurist and Cultural Strategist Holly Friend. 'The reality of 2020s living has crushed that false sense of meritocracy. Emerging generations are instead designing their own vision of the future and are ready to game the system.'

A survey by Microsoft reveals that almost three-quarters (73%) of employees are demanding more compelling reasons to return to work beyond 'company expectations'. The number of people

who left their employment for 'a better job' or because they 'wanted a change' increased from 215,000 in the first quarter of 2019 to 343,200 in February 2023 (source: Australian Bureau of Statistics). Gen Z is the generation most likely (37%) to leave their job in Australia, PwC reports. However, with senior executives ranking just behind them at 35%, it is clear that these sentiments are shared across generations.

The desire for change goes beyond where people work to how they work, with 87% of younger Australians moving away from the traditional 9 to 5 schedule and instead are seeking new ways to earn a living (source: Snapchat).

This shift has a focus on financial empowerment, as people explore new ways to earn, save and spend. Increasing literacy in decentralised finance is emerging, challenging monopolistic structures, promoting inclusive entrepreneurship, and changing how people access and exchange products and services online.

Around 56% of Gen Z are including cryptocurrencies in their retirement strategy, shows research by Capitalize, while Visa finds that 42% of those who own cryptocurrency say they are motivated to participate because they believe it's the financial way of the future.

'The reality of 2020s living has crushed that false sense of meritocracy. Emerging generations are instead designing their own vision of the future and are ready to game the system'

Holly Friend, Futurist and Cultural Strategist



My Chosen Family campaign by H&M, UK

Evolving Identities

Emerging generations designing who they are in their own worldview. Identity markers are shifting, altering dynamics within societies and how people connect.

Diversity in Australia's younger generations is increasing. In 2022, the number of residents born overseas grew by 155,000, and more than one in five residents now speak a non-English language at home. Over 983,700 Australians identified as First Nations in 2021, and 51% of Aboriginal and Torres Strait Islander people were under the age of 25 (source: Australian Bureau of Statistics).

But the ways in which they will redefine culture and society are still largely unexplored. Identity is expanding in multiple directions, becoming more complex, fluid and intersectional. Google Analytics reveals increases in searches in 2024

for neurodiversity (+49%), LGBTQIA (+50%) and identity fluidity (+22%), as individuals reflect on their senses of self.

'Emerging generations aren't just looking inwards, but outwards too,' explains Holly Friend. 'They are defining everything on their own terms, with identity, growth, relationships and family removed from traditional expectations or traditional markers of 'success' – it's not something brands have fully got to grips with yet.'

Companies are playing catch up. Despite inclusion efforts, more than 75% of Gen Zs think brands need to do a better job of accurately representing and reflecting the diversity in Australia, according to Snapchat. This reflects a gap between acknowledging the presence of diverse identities and truly understanding what individuals want and need.

Today, fluid identities, solo living, cohabitation, community and new household compositions are displacing marriage, monogamy, childbearing and nuclear structures to diversify society and reshape social structures. The challenge for brands? To ensure products and services keep pace.

Crowd Mentality

Community is fast becoming the key to individual and social betterment, with sharing, caring and collaboration emerging as vital cultural currencies for brands and consumers.

Future generations may be establishing a strong sense of self, but collaborative thinking and community-building is emerging as a vital tool to forge a better future. Young people are relying on this to counter their loneliness and are looking to digital spaces and the resurgence of in-real-life pursuits such as reading clubs and walking groups.

With rapid rates of globalization and the expansion of digital platforms, the capacity for connection has never been greater. In the past three years, more than half (56%) of Australian Gen Z feel that everyone is 'in

this together', according to JCDcaux, while a global survey from Dazed Media reveals that respondents picking 'community' in how they define themselves has risen by 43% since 2020.

'Community engagement is not dead for emerging generations,' explains Mark McCrindle, a Demographer and Social Researcher. 'They're not just anywhere, they're somewhere and they want to put down roots in a community and connect – just in new ways.'

Time spent worshipping at brand altars – where purchasing is paramount – has been replaced with community ecosystems. Here, the experience and culture surrounding a brand is important and it provides individuals with opportunities to connect with like-minded individuals in branded spaces.

'There's an oversaturation of products on every social platform,' says Holly Friend. 'Consumers are losing trust as a result – instead they want hyper-specific, curated recommendations and experiences. Who better to do that than their own community?'

Part Two

Solving the Consumer Equation

Today's cultural currencies point to a clear conclusion: to exist as a consumer today is to exist in a state of paradox. Brand-lovers want to act sustainably, people with unique identities are seeking communities, and tech-loving individuals are heading towards a world where AI blends our interests.

Brands of 2030 will be tasked with reimagining what it means to be a consumer against an ever-shifting and paradoxical backdrop. Here, next-gen technologies, mindsets and values will pave the way and will build a more reciprocal and meaningful future for all.

That's why we're unpacking the 2030 consumer equation in three overlapping pillars: Retail, Technology and Finance which each have a distinctive part to play. Here, we explore the mindsets, innovations and cultural shifts leading the way, plus the 2030 futures set to spark this future into action.

Retail 2030: Connected Commerce

The boundaries of commerce are blurring. Consumers, overwhelmed with ‘stuff’, are looking to the brands that facilitate experiences beyond the point of transaction, and are seeking personalised, immersive and intimate moments.

Digital spaces have become intrinsically shoppable ones, with commerce moving beyond bricks and mortar to enter content feeds and digital media. But, what’s next? Algorithm fatigue is threatening social’s dominance, with research from Gartner predicting that 50% of people are looking to limit their social media usage by 2025. Tint reveals that more than two-thirds (67%) feel more connected through community than through social media.

Commerce is creating holistic spaces where like-minded individuals can connect and express their values – after all, almost three-quarters (74%) of people are more likely to purchase more frequently because of an online brand community (source: Tint)

Now, retailers are tasked with shifting consumers’ sense of transaction and space – changing their brand language, style and how they define and produce exciting moments to meet customers’ demands.

‘When you move from a transactions model you are moving from a point-of-sale perspective to a point-of-connection one,’ explains retail designer, futurist and author, Ibrahim Ibrahim. ‘This means that we need to work with our teams to speak like a magazine, change like a gallery, build loyalty like a club, share like an app, seed like an incubator and engage like a show.’

Here, we identify how this connected future will take shape, exploring **The Social Storefront**, **Incentivised Ethics** and the **Live-retail Redux**.

The Social Storefront

By 2030, retailers will trade-in the hard sell for the social sell, increasing audience interaction, learning and attention to create new marketplaces where consumers are excited and are incentivised to gather.

Social retail is ripe for reinvention. There is a shift from social commerce as an add-on to social media to it being a destination in its own right, where the focus is on discovery, personalisation and interaction.

The opportunity is vast, with social commerce valued at AUS\$1 trillion in 2022 and expected to grow at an average rate of 31.6% annually from 2023 to 2030 (source: Grand View Research). This represents a chance to connect with consumers on a practical level, by integrating commerce into their daily lives, and on an emotional level, by aligning with their desires and needs.

Sune, a social discovery platform, is putting this into practice with an immersive app that generates personal recommendations, which become smarter and more accurate as consumers scroll. The flexibility of Sune allows brands, hosts and influencers to design

their own storefront with purpose-driven content, video entertainment and stories, forming authentic connections with users in the process.

Prioritising a community of ‘members’ over ‘customers’ will be key, as people continue to value connections with each other and brands. Deloitte research indicates over half of Australian consumers, and three-quarters of younger ones, are watching more user-generated content.

This form of participation is essential for collaborating with Gen Z. As Mark McCrindle explains: ‘Gen Z aren’t used to being passive customers. Even online, their experiences are centred on interaction and interplay, with brands and with each other.’

Brands charting a course for the future are using social communities as currency. Take the reciprocal loyalty created by retail innovators such as Telfar. Not only does the brand rely on authentic consumer-generated content that celebrates the diversity of its shoppers, it’s also forging the way for release strategies beyond the hype of the ‘drop’.

Telfar enables consistent access to popular accessories via adverts on Telfar TV, rewarding loyal and engaged community members. ‘Our currency is connection ... our investors are our customers,’ say co-founders Babak Radboy and Telfar Clemens.

Incentivised Ethics

Across the next decade, retailers will find a route to connect consumers' values with their behaviours. They will lead by example and encourage and reward ethical practices.

Buyers can effect change through their brand choices, and ethical consumerism has shifted from feel-good purchases to supporting brands with a commitment to action. And companies, with their resources, can drive more significant change than individuals alone. 'Emerging generations are on high alert when it comes to greenwashing and wokewashing,' explains Holly Friend. 'Gen Z are done with being the saviour generation and are saying, 'If you can't even make small changes, why should I?' It's up to brands.'

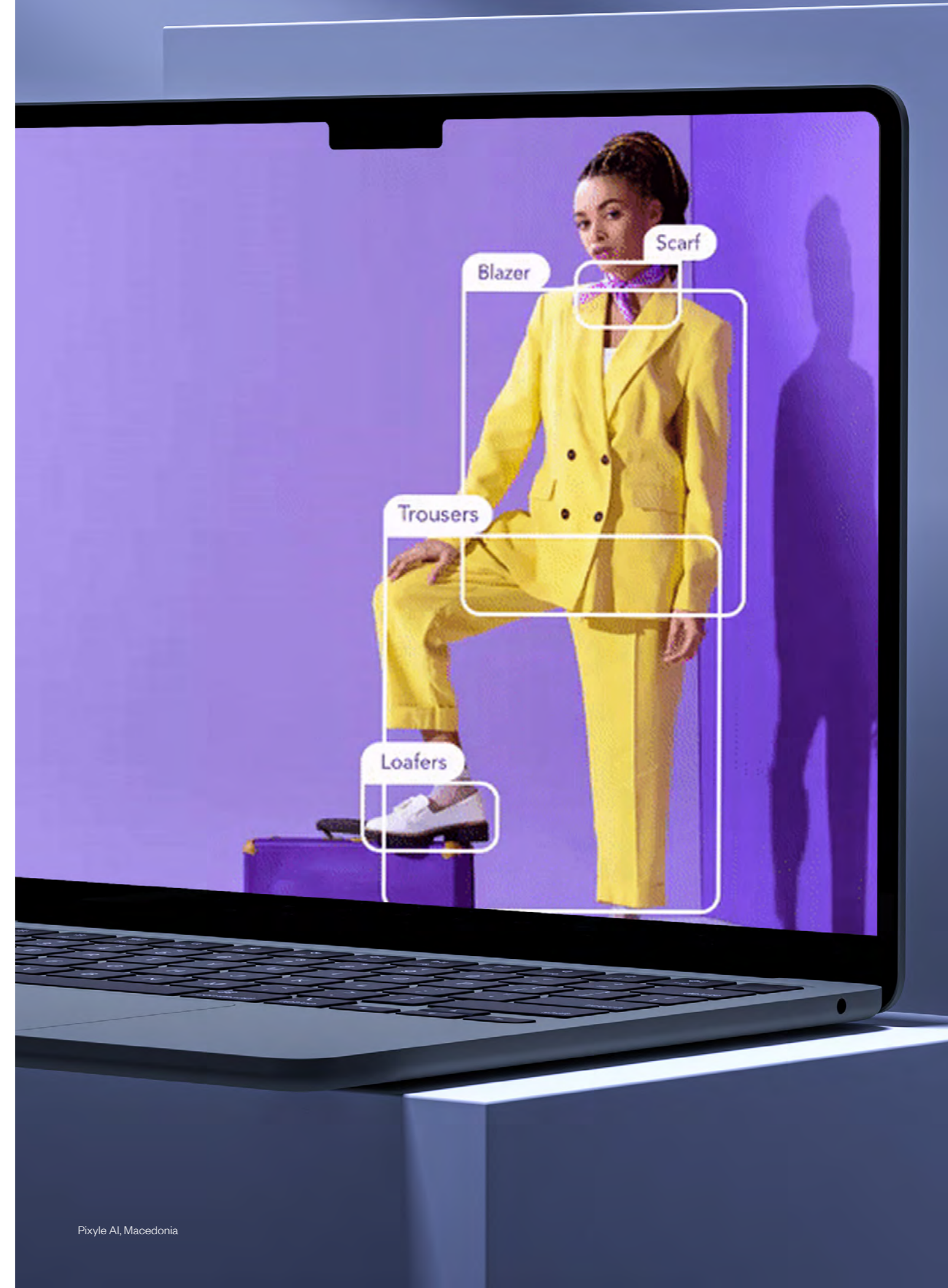
Now, the retail sector is facing pressures to be transparent about its impact on the environment, particularly around its carbon footprint, and to take action to reduce and offset emissions.

One solution is EcoCart, a web extension that enables shoppers to make purchases from partner retailers carbon neutral. Notably, EcoCart doesn't require the buyer to foot the bill; instead, the brand pays to offset emissions, typically by supporting initiatives such as reforestation or green energy programmes.

Casting a wider net, UK fintech start-up Tred has launched an app that allows users to track the carbon emissions linked to their financial transactions. The open banking-powered app gives customers an overview of the carbon emissions created every time they spend, giving them knowledge that helps them to transform their purpose into practice.

As the understanding about the impact of climate change evolves, the conversation is moving beyond interventions such as carbon offsetting to community-supported sustainable projects, and brands will utilise digital technologies to immerse people in their values.

Luxury beauty brand Guerlain is hinting at how this future might take shape. Its Reaverse activation sold 1,828 non-fungible tokens (NFTs) of bees to support a rewilding project in France. The move enabled the brand to unite its digital community through real-life action and to reward its members through the lens of regeneration.



'You need to have your customers thinking about you more often than when they want a new item'

Maxim Raykhrud, Former Chief Product Officer, Zero10

Live-retail Redux

By 2030, the consumer desire for next-gen engagement will transform retail into a third space that combines community, leisure, entertainment and commerce. Here, branded entertainment experiences will drive value and connection.

Live social media and e-commerce growth are reshaping live commerce. McKinsey forecasts live shopping will constitute 20% of retail by 2026, with US sales expected to grow from the equivalent of AUS\$30bn in 2022 to AUS\$103bn by 2026.

The format is gaining traction across Asia Pacific and 'shoppertainment' has the potential to uncover AUS\$1.5 trillion in market value by 2025, shows data from Boston Consulting Group and TikTok. Australia is already a key adopter, growing at an average of 59% between 2022 and 2025.

Innovators are ditching QVC connotations in favour of entertaining formats. 'The e-commerce experience has always been about bringing the best deals to the right audiences as efficiently as possible. However, consumer purchasing habits are evolving, and people are looking to be delighted online. Nobody wants to be sold to, but everyone will say yes to being entertained,' said Brett Armstrong, global business solutions and general manager at TikTok ANZ.

Shoppable mobile video-stream NTWRK is showing how entertainment formats could cross paths with retail. The pop-culture hub attracts high-profile celebrity and brand collaborations, and has secured AUS\$75m in funding to improve its live virtual event and festival offerings.

For Maxim Raykhrud, former Chief Product Officer at Zero10, this type of cultural hub is key for engaging and retaining customers. 'You need to have your customers thinking about you more often than when they want a new item,' he explains. 'It needs to be an immersive experience that checks off your cultural interests or social needs in one place – a mix of a shop, an art gallery, a social space. It must go beyond transaction.'

Looking ahead to the future, brands will be able to harness the unique capabilities of live selling to create truly immersive experiences. From pushing time-sensitive tactics, such as one-off coupons that reward users for staying tuned in, to harnessing developments in augmented and virtual reality to create immersive and personalised experiences. The industry will get creative to uncover the best aspects of these new digital channels.

2030 RETAIL FUTURES:

Imagine a future where Connected Commerce unlocks a new frontier for retail – uniting community subscriptions, elevated transactions, consumer values and entertainment, all in one place. Here, retail brands will become more than trusted purchase partners, but spaces for community building, value-forging and experiential moments.

- : Experience First, Commerce Second: Be part of the curation of culture, not just commerce. Future brand communities will bring people closer to like-minded people and entertainers they admire. Consider how this crowdsourced approach to entertainment could create a new breed of private social media networks.
- : Show-and-Tell Values: Look beyond ethical gestures and unite your customers over more than their purchase patterns. Future brands will create meaningful progress within their own business and facilitate this for consumers too. Make ethical changes a group project that individuals can discuss and vote for, and ensure that people see the fruits of their (purchasing) labour.

Finance 2030: New Well-th

Financial empowerment is a new priority, as economic shifts give way to disruptive, entrepreneurial mindsets looking to redefine when it means to be well-thy.

Younger generations are facing economic challenges, such as inflation and a difficult job market – impacting life's traditional milestones. Globally, over half of Gen Z and Millennials are now living from pay cheque to pay cheque, according to research from Deloitte. Almost two-thirds believe that owning their own home will be harder or even impossible in the future, and around half say that starting a family is going to be out of reach – or very hard.

There's a growing mood that the financial systems built to support and enable individuals are no longer fit for purpose. Promisingly, financial innovators can forge more inclusive and egalitarian models to help people spend, save and live how they want to.

“It's a commonly held belief that the financial industry – credit particularly – is set up to fail consumers,” explains Robert Pasco, Co-founder and CEO at Plend, a UK alternative lender. “There has been a backlash to that – and that's where innovators have come in to offer something new – more human.”

Third-generation web technology is stepping in to enable this future, offering consumers pathways to fairer and more flexible economies. Here, we identify how this future will take shape, exploring **Equitable Economics**, **Biometric Budgets** and **Next-Gen Currencies**.

Equitable Economics

By 2030, there will be an increase in human-centric tools and metrics in this finance sector, credit services will be more intuitive and people will have access to a wider pool of financial opportunities.

Despite the diversity of today's economic challenges, credit systems and financial culture remain outdated. Currently, the complex and jargon-filled process for obtaining credit does not align with modern consumer behaviours.

Research from Plend shows that over 20 million people's financial situations are misrepresented because of outdated or inaccurate records. It also reveals that 28% of people feel locked out of the financial system, rising to almost half (47%) for people aged 18–34. Individuals feel ‘ignored’ or ‘invisible’ and some are unable to access credit products – creating an unfair system of financial access.

A human-first approach is needed that upends traditional models, including a bespoke way of building credit scores to more trusting lenders. People want financial service providers to work in tandem with their values and behaviours. Research from Afterpay reveals that 70% of global respondents think flexibility is important to their financial decisions.

‘Innovators have emerged that speak the language of the next generation,’ explains Mark McCrindle. ‘That don't require the bank manager or the credit reference – but are responding to their needs.’

Afterpay adopts this approach with its buy now, pay later (BNPL) and Pay-in-4 options, which allows purchases without the high interest rates of credit cards. Afterpay starts consumers on low credit limits

– a few hundred dollars – which only increases when the consumer pays on time. In this way, Afterpay customers build their credit profile and ‘trust’ with the brand through positive and consistent repayment behaviour, avoiding the debt cycle of traditional credit.

Paving the way for fairer and more equitable financial tools, Plend's bespoke credit score is also levelling the economic playing field. The company aims to end financial exclusion by personalising the loan process through open banking-powered credit. Its patented technology analyses an individual's financial information – crafting a portrait of how individuals earn and spend their money, and what they can afford, beyond their credit scores.

Open banking – the secure interoperability that allows banking service providers to share data – is fast becoming key to a fairer financial future. Despite lower awareness, research suggests a high preference towards open banking, with around one-third (32%) of Australians saying it's their preferred method of sharing financial data in the mortgage application process, according to research from Frollo.

It's visibility, choice and personalisation that consumers are craving. In the Frollo survey, almost half (48%) of the Australians questioned would consider switching to a bank that provides them with a full financial overview, with a similar proportion willing to switch for financial insights (44%) and money management tools (43%). This signals a shift towards open services that understand and support consumers' financial journeys.

Future services, enhanced by open banking and emerging technologies, promise smoother experiences and to revolutionise credit scores and lending. CredoLab paves the way by allowing banks to use smartphone and online behaviour for digital scorecards. The firm uses AI for an alternative credit score, ensuring quick, secure decision-making in the BNPL sector.

Biometric Budgets

Innovators are gearing up to embed financial wellness into their offerings, using AI-enhanced safety and security controls to tailor advice and user experience to individual needs.

Consumers are looking to brands and services that safeguard their financial security, seamlessly. According to GWI, 75% of Australians expect banks to enhance their financial security; however, only 34% feel that their banks meet this need.

The answer lies in smart and streamlined integration. Emerging technologies can do the legwork to embed financial education into relevant apps. ‘The key is bringing the education and controls to consumers inside the platforms they use,’ explains Melissa Netram, Head of Bitcoin Policy at Block. ‘Making it part of the experience, part of the package of using that service, so that safeguarding naturally becomes part of the financial solution.’

Future financial platforms will leverage AI to merge personalised advice with spending insights. From assistant apps that help users to build credit and budget to intuitive interventions that alert users to spending habits that might negatively affect their budgets or saving habits.

Already, over one-third of consumers in New Zealand could imagine dealing with their finances exclusively on their smartphones, according to research from Statista, pointing to a future where spending, saving and financial education unite in one place.

Cash App, for example, facilitates sending, receiving and saving money, and features goal-specific savings and ‘round ups’ for spare change. In 2024, it announced a no-fee, high-yield feature, with a 4.5% annual percentage yield for savers.

Offering a holistic option, credit platform TotallyMoney combines the capabilities of open banking and AI to provide predictive insights and proactive bill and payment tracking. Teaming up with data intelligence service Bud, the app analyses users’ complete financial data, with AI-trained models generating a dynamic breakdown of how users are spending and how they can reach their financial targets.

By 2030, solutions will make use of biometric advancements to further personalise financial services, forging a future where digital platforms have a thorough understanding of users.

Future platforms could harness behavioural biometrics – such as heart rate, voiceprint and retina information – to streamline user identification. This could mean using an individual’s biomarkers to profile their financial histories and their spending and saving capabilities. The results could lead not only to ultra-tailored user experience (UX) and advice, but also to more streamlined payments and – all at the tips of users’ fingers.



Next-Gen Currencies

By 2030, alternative currencies will provide new ways for people to spend, save and live, providing flexibility for nomadic working, alternative family structures and financial growth.

Increasingly popular new financial models are laying the groundwork for a more creative approach to saving and spending. Innovation in this space will disrupt finance by creating power players that give consumers more freedom over what they buy, and how.

It's an approach finding alignment with DeFi. Here, crypto is shifting from an investment vehicle to a currency in its own right, with more people opting in. 'Generation Z are happy to transfer their trust,' explains Mark McCrindle. 'The strength of the legacy bank, of legacy financing, is not so much a perk for this generation – but the social recommendation is.'

The AUS\$5 trillion global cryptocurrency market is set to cement new economic foundations. In Australia, almost one in four adults owns some type of cryptocurrency, according to Statista – with 2024 showing a significant spike in the daily active users of cryptocurrency wallet apps.

Cash App is illustrating the currency's mainstream integration. The platform's Bitcoin feature is an all-in-one solution to buy, sell, send and receive cryptocurrencies – even allowing users to get paid in Bitcoin through an automated feature. With several major companies – including Microsoft and AT&T – now accepting Bitcoin payments, it's a future just getting started.

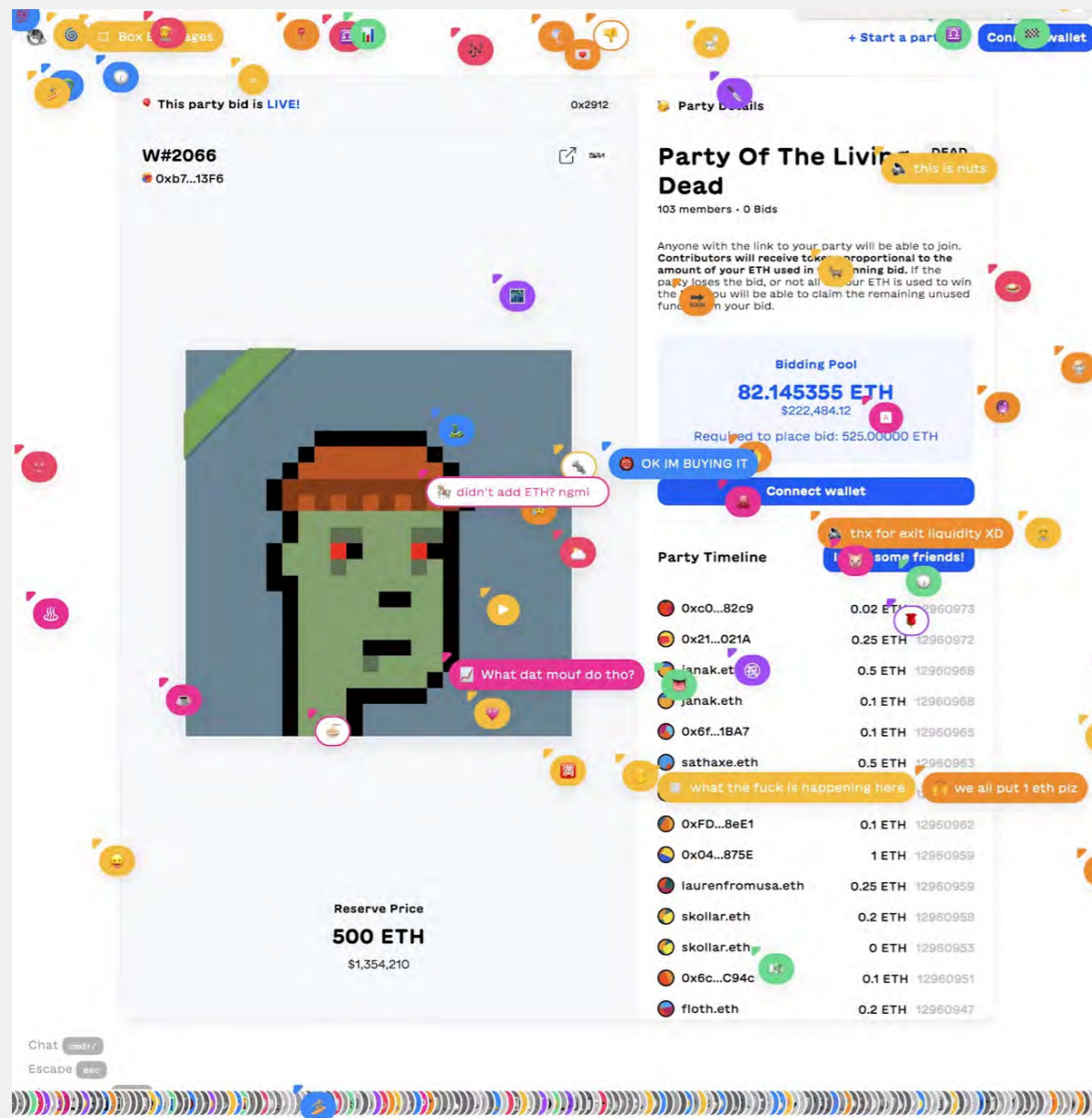
'At their core, decentralised protocols can support better products and better consumer experiences that people end up using,' explains Will Wilkinson, Head of Policy at TBD. 'If we can build financial infrastructure as a kind of public utility that just lives inside the way the internet works, there is a huge amount of potential for entrepreneurs – currently trapped by insufficient infrastructure in lots of places – to restructure the way financial services work.'

The emergence of new family and housing models will require a fresh approach to finances. Illustrating this, Together Price offers 'friendship plans' that allow customers to split the cost of digital subscriptions with others around the world. This benefits, for example, people who are single and don't share subscription costs with a partner. This approach could find traction in the BNPL space too, with borrowers able to 'split' their lending with others.

2030 FINANCE FUTURES

Imagine a future where New Well-th mindsets inspire a wave of immersive – and equitable – financial products and tools. Here, innovation will unite flexible policies and next-gen credit scores to make financial processes more streamlined, interactive and personalised – providing more people with more financial opportunities at their fingertips:

- : Transforming Credit: Credit scores and ways to lend must adapt in line with the way that next-gen consumers truly live, spend and save. Future financial services will redesign credit ratings to be more visible, intuitive and immersive. Consider the emerging metrics needed to devise a user's trust score, beyond the credit card.
- : Collaborative Currencies: Brands should take the lead from the open-source and community-minded nature of cryptocurrencies. Why should emerging generations pay the unofficial singles tax? Imagine consumers coming together across digital spaces to be able to shop, save and spend together, and to split lending agreements as seamlessly as payments.



Technology 2030: Smart- Sumption

Artificial intelligence is set to take centre stage to inform a world of hyper-personalised experiences. Here, innovators will harness every touchpoint as a learning opportunity, using technology to cater for customers' idiosyncratic needs at scale.

Commerce is settling into a hybrid model that blends online and in-person shopping, with customers inviting brands into their homes digitally while still valuing physical store visits. In Australia, shoppers are seeking the best of both worlds. Figures from SOTI show that 43% of consumers in the region favour e-commerce, but a similar proportion favour buying online, and picking up in store.

As a more complex purchasing journey emerges, retailers are having to work harder to acquire and retain consumers, with seamless paths to purchase. In fact, 49% of Australian consumers prefer shopping experiences tailored to their preferences, according to SOTI. Consumers with emotional brand connections have a 306% higher lifetime value and are more likely to recommend the brand (71%) than merely satisfied customers (45%) (source: Motista).

It's a case of trading privacy for privilege. As people increasingly entrust brands with their data, they're demanding more from personalisation. Some 66%

expect companies to understand their unique needs and expectations, and yet only 32% of executives say they can convert data into personalised prices, offers and products in real time across channels, says Salesforce.

This focus on the individual can feel impossible to achieve, but the advancement of technology is helping retailers to build this at scale.

'The technologies exist, so the question becomes: 'How do we use them?' It's about creating magic,' says Brian Solis, global innovation evangelist at Salesforce. 'Great retailers, in the future, will make you feel like you're in a special place, designed especially for you, so that you take time out of your life to go to that place because it feels like the right place to be.'

In this section, we explore how these intelligent commerce journeys are rising to the fore, and uncover **Personality Purchasing**, **Feedback Flagships** and **O2O Retail**.



Personality Purchasing

By 2030, personalisation will move beyond consumers' past shopping behaviours to develop a deep understanding of their personality – utilising sentiment analysis to create more intimate pathways to purchase.

As individuals become more deeply connected with brands, UXs are becoming more intimate and conversational. Juniper Research forecasts that global retail spending via chatbots will rise from AUS\$4.2bn in 2019 to AUS\$214.4bn by 2024.

Individuals are becoming increasingly comfortable with more complex chatbot conversations, as consumer-facing AI evolves. In Australia, over half of 14–26-year-olds have used generative AI tools, shows YouthSurvey. Figures rise to almost three-quarters (70%) for the 14–17-year-old cohort.

This is set to transform how people shop and engage with brands – from customer service to product discovery and purchasing. Deep-learning language processing is illustrating the scale of the opportunity, with consumers now turning to chatbots to discuss what they're looking for.

In 2023, conversational engagement platform specialist Gupshup launched Auto Bot Builder, illustrating how this future might look. The platform allows retailers to train a chatbot with their own content, creating conversations that not only understand the niche and nuances of the brand, but their customers too.

Future products will leverage sentimental analysis, offering products that match individual personalities. Perfect Corp is experimenting with using artificial intelligence to understand these traits. Its AI Personality Finder measures users' levels of extroversion, conscientiousness, openness, agreeability and neuroticism by categorising their facial features. This would enable beauty brands to tailor product recommendations to users based on these metrics.

For multi-brand players, there are opportunities to develop even deeper relationships with consumers. All-in-one apps like Afterpay can utilise the vast amounts of data on offer across individual's purchasing history and preferences to change what consumers see. From pricing offers, to product reviews and brand experiences that suit a user's personality and neurological preferences. As Maxim Raykhrud explains: 'People don't want to feel their shopping is automated, but they do want it to feel more personal.'

'People don't want to feel their shopping is automated, but they do want it to feel more personal'

Maxim Raykhrud, Former Chief Product Officer, Zero10



Lacoste virtual reality store by Emperia, US

Feedback Flagships

Digital shopping partners will design virtual flagships that enhance consumer engagement – for longer. These seamless retail journeys will allow customers to move from physical stores to digital stores, and back again.

Retailers are making the e-commerce relationship less transactional and more personal through virtual flagship stores that complement omnichannel shopping. These flagships, moving on from metaverse experiments, promise lasting immersive experiences that not only bridge online and offline behaviours, but also allow for a feedback loop between physical stores and e-commerce.

‘The earlier marketing hype, which was based on a campaign-dependent, short-lived virtual space, has now become a permanent, long-term e-commerce solution, which is treated as a flagship virtual store,’ says Olga Dogadkina, co-founder of Emperia, a studio that offers brands the tools to build their own virtual flagship stores.

Emperia integrates with existing e-commerce and stock management software to enable shopping in virtual showrooms with real inventory via mobile phones, without the need for VR headsets. Working with Emperia, Lacoste created a virtual

store, featuring five seasonal products, with a further token-gated room for VIP customers in Lacoste’s Web3 community.

The impact of immersive virtual worlds where consumers will spend more time (and money) is set to increase in the next few years. Statista projects the global metaverse market will expand from AUS\$113bn in 2024 to AUS\$766bn in 2030.

Future innovations will enable retailers to connect the data flows created by virtual flagships with their physical stores – creating seamless, personalised journeys that begin virtually and end in-store, or vice versa. This drive is set to find traction in Australia, where one-third of consumers still want to see and touch an item before purchasing, according to Statista.

US supermarket Kroger is demonstrating the value of integrating feedback across retail destinations. Its Edge Shelf technology contains digital displays that show real-time pricing, promotions and detailed product information, all integrated with its mobile app.

Merging Connected Commerce with Smart-sumption is what will drive emotional retail experiences. This comes at a time when locality remains important to consumers: the domestic retail market increased by 25% in Australia in 2023, according to Statista.

So, how could future integrations elevate the value of the hyper-local store? Technology and smart integration are paving the way – creating engaged brand communities in the process, and driving value for consumers and retail partners alike.

O2O Retail

With the energy behind Connected Commerce ramping up, the future retail-consumer relationship could transform from B2C to O2O (owner to owner) – creating more egalitarian relationships between brands and their communities.

Consumers are looking to retail that enables personal ties between the store and the community it exists in. This mindset is helping brands meet emerging generations where they are. As many as 63% of Gen Z and Millennials are interested in having greater influence over how brands make their decisions, according to research from Long Dash. Almost two-thirds (60%) of this group are also interested in using company-issued crypto tokens to vote on decisions.

Co-ops are experiencing a resurgence, as stores run by, and for, the community emerge to meet specific financial and cultural needs. In the UK, there are now almost 10,000 democratic businesses according to data from Co-Operatives UK – with the number of community-owned hospitality ventures increasing by 62.6% across the last five years.

Adding technology into the mix will be key to making this communal approach work at scale. The focus should be on offering users concrete benefits for engaging with and investing in brands, rather than just ‘owning’ a piece of them through digital collectibles associated with them.

In this sense, retailers could take the lead from alternative governance models such as decentralised autonomous organisations (DAOs) by allowing community members to vote on product launches, collaborators, campaigns and social causes, or gain access to exclusive drops.

Prada is one of the first luxury houses to use digital currencies to unlock brand loyalty and rewards, transforming their customers into ‘members’ in the process. Every month, Prada drops a Timecapsule collection NFT garment, available to purchase using Ethereum for just 24 hours. Owners of Timecapsule pieces are granted access to Prada Crypted, a Discord channel with members-only experiences.

DeStore is the world’s first DAO-operated bricks-and-mortar store. It allows people to buy one of three NFT keys, each unlocking different perks ranging from access to a chat group for owners, to managing profits and voting on product and brand curation.

Crucially, half of the tokens are for people who live in the community, while the other half are open to anyone worldwide.

‘It takes so long to build a community for each store. What if this community exists first and then the community co-runs and co-owns the store?’ asks founder Itsuki Daito. ‘People share the cost incentives, and most importantly, share the story of the store.’

The idea is that as more consumers become owners with a vested interest in retail ventures, there will be greater engagement and loyalty. DAO-operated stores present a future model where brands empower loyal members to influence decisions, not just own stock. What could come with the rise of these DAO-inspired stores is a greater level of personalisation at local level – a 21st-century version of a co-op where retail is literally distributed throughout the community.

2030 TECHNOLOGY FUTURES

Imagine a future where smart data and AI integration combine to transform commerce into a more proactive, anticipatory and empathic experience. Here, Smart-sumption will disrupt the boundaries of brand and consumer to foster a new era – one where technology enables personalised experiences to form between digital and physical spaces.

: **Data-Driven Stores:** Imagine arriving at a retail store that’s been designed in line with your Pinterest board, your social calendar and your mood. In this future, brands will engage consumers in meaningful conversations with AI systems which will generate product recommendations that understand individual needs.

: **Brand Members:** Brands have an enhanced place in consumers lives – looking to share cultural, social and philanthropic interests with them, and other community members. Consider how this loyalty could be rewarded through involvement in decision-making, giving selected consumers a seat at the table and the chance to help decide the direction of products, activations and campaigns.

‘Great retailers, in the future, will make you feel like you’re in a special place, designed especially for you, so that you take time out of your life to go to that place because it feels like the right place to be’

Brian Solis, Global Innovation Evangelist, Salesforce

Part Three

Conclusion

Today, commerce isn't just commerce – it's connection. Brands – armed with new mindsets, values and innovations – are redefining their relationship with consumers, who are becoming active members of brand communities.

Once only engaged with via a handful of touchpoints, consumers are now increasingly accessible to businesses – and are becoming influential in transforming brands and brand experiences. Enhanced expectations are set to follow.

The power dynamic is undoubtedly shifting, and brands have exciting opportunities to accelerate in order to keep up, from blurring the boundaries between commerce and culture, to creating new paths to purchase and ways to coordinate brand value.

This report has highlighted a framework for how this future is taking shape across three key areas – Retail, Finance and Technology. Each has a part to play.

The financial piece of the consumer landscape is rife for reinvention and innovations will span not only how consumers spend, but how they save and live too – with the sector able to unlock wide-scale individual and social betterment.

Now is the chance for brands to pioneer an alternative future. As Martin Raymond, co-founder of The Future Laboratory, explains: 'Brands are increasingly stepping in where society is falling short – elevating experiences, creating value and driving change. Now, they have the opportunity to redefine what it means to be a consumer by creating the tools, services and experiences that will enable us to live better.'



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