

WARC | Strategy

The Marketer's Toolkit 2026

CLARITY IN CHAOS

SAMPLE REPORT

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Evolution of Marketing

In this report

Now in its 15th year, the Marketer's Toolkit 2026 is the centrepiece of WARC's Evolution of Marketing programme, the leading source of insight into the changing face of marketing. This year's Toolkit identifies five trends that will disrupt existing global marketing practices, and offers insights to help turn these disruptive areas into opportunities for growth.

Trend identification is based on our proprietary GEISTE methodology along with an in-depth review of the latest insights and industry information. The report further incorporates a global survey of 1,000 plus marketing executives, and one-on-one interviews with leading marketers worldwide, as well as analysis and insight from WARC's global team of experts.

Note: Unless specified otherwise, all survey data in this report is from the 2025 Voice of the Marketer survey, an online survey of 1,000+ marketers worldwide, conducted from Sept. to Oct. 2025. Data from prior years is from equivalent surveys conducted in the years listed. Some questions and answer options displayed have been lightly edited for length and clarity.



Contents



1

The vanishing middle

Long the bedrock of category growth, the middle market is disappearing as spending shifts towards high- or low-end products.

2

The creator gamble

Brands see creators as essential for achieving their goals, but face challenges in demonstrating effectiveness with their investments.

3

The great escape

In an era where consumers are seeking escape, brands can offer emotionally immersive experiences that transport people out of their everyday.

4

The zero-click customer journey

AI is gaining influence across the customer journey. But even as brands experiment with it, more established strategies and channels will remain important.

5

The reset of consumer milestones

Brands will need to adapt to new spending triggers as life milestones (marriage, children, home buying, graduating university etc.) are changing for consumers.

Sustained uncertainty is creating lasting change



Aditya Kishore
Insight Director, WARC

Marketers will need to adjust to societal shifts caused by lasting economic instability.

Going into 2026, the only certainty is that there will be uncertainty. Tariffs are only one part of an unpredictable US policy agenda, while geopolitical threats and climate change dangers continue to build. The IMF **sees** risks tilted towards the downside for 2026, with global growth slowing to 3.1%, and advanced economies growing just 1.5%.

As consumers contend with economic uncertainty and **stuttering growth**, they are shifting their spending, their lifestyles and their ambitions. Significant wealth and income inequalities, building up for years are not just affecting lower income households. The middle market is fading away, as middle class households realign their spending.

We're also seeing shifts in consumer lifestyles, goals and milestones, which are redefining their purchase triggers. Consumers are also increasingly looking for new pastimes, events or immersive experiences to escape their day-to-day stresses. Online, the rise of AI threatens to transform the web experience, while the explosively growing creator economy is devouring ad investment but not always delivering effectiveness.

These changes could create new opportunities for brands that can understand them and adapt quickly to cater to them.

It's true marketer optimism is down 11 points from last year, and nearly twice as many respondents to our survey expected marketing budgets to decline. But WARC Media still forecasts global ad spend growth of 8.1% to \$1.27 trillion in 2026, and 54% of marketers expect business to be better next year.

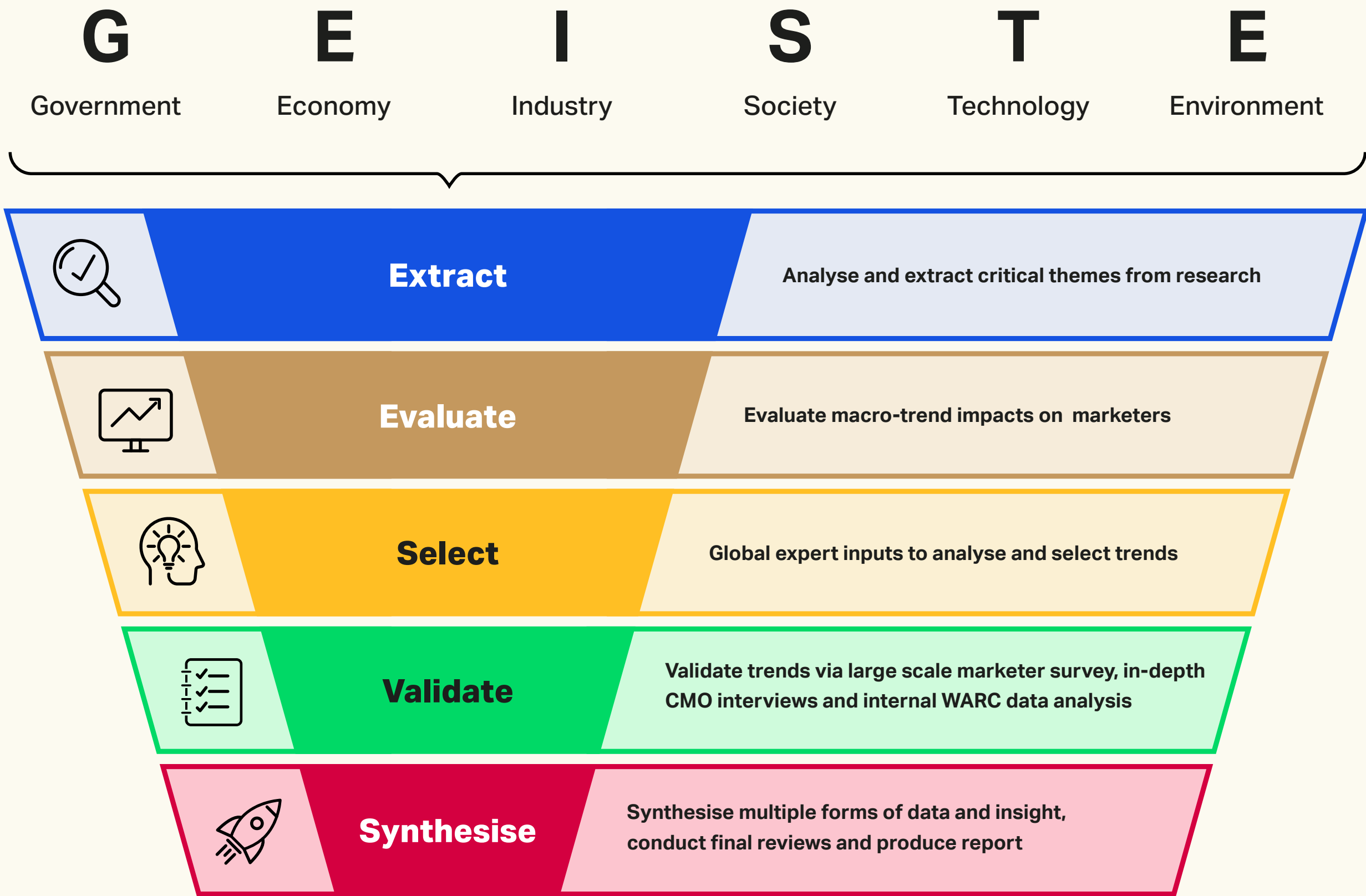
That's more than half who remain positive, expecting to find clarity and direction amidst all the uncertainty. We hope this report helps.

A robust methodology

The Marketer's Toolkit is based on WARC's proprietary GEISTE framework, which focuses on six macro-level drivers of change: **Government, Economy, Industry, Society, Technology and Environment.**

Once this research identifies the disruptive forces shaping the coming year, WARC analysts assess their impact on marketers via a multi-stage process, and then select the trends that have the greatest impact. Subsequent research and analysis, including interviews with marketing leaders worldwide and a global survey, help us define and validate the most effective strategies to manage these changes, and identify new areas of opportunity.

More details are available [here](#).



Chapter 1

The vanishing middle

Offering brands both scale and margin, the middle market has long been the bedrock of category growth. But now it's rapidly disappearing, as a hollowing middle class increasingly bifurcates its spending towards high- or low-end products.

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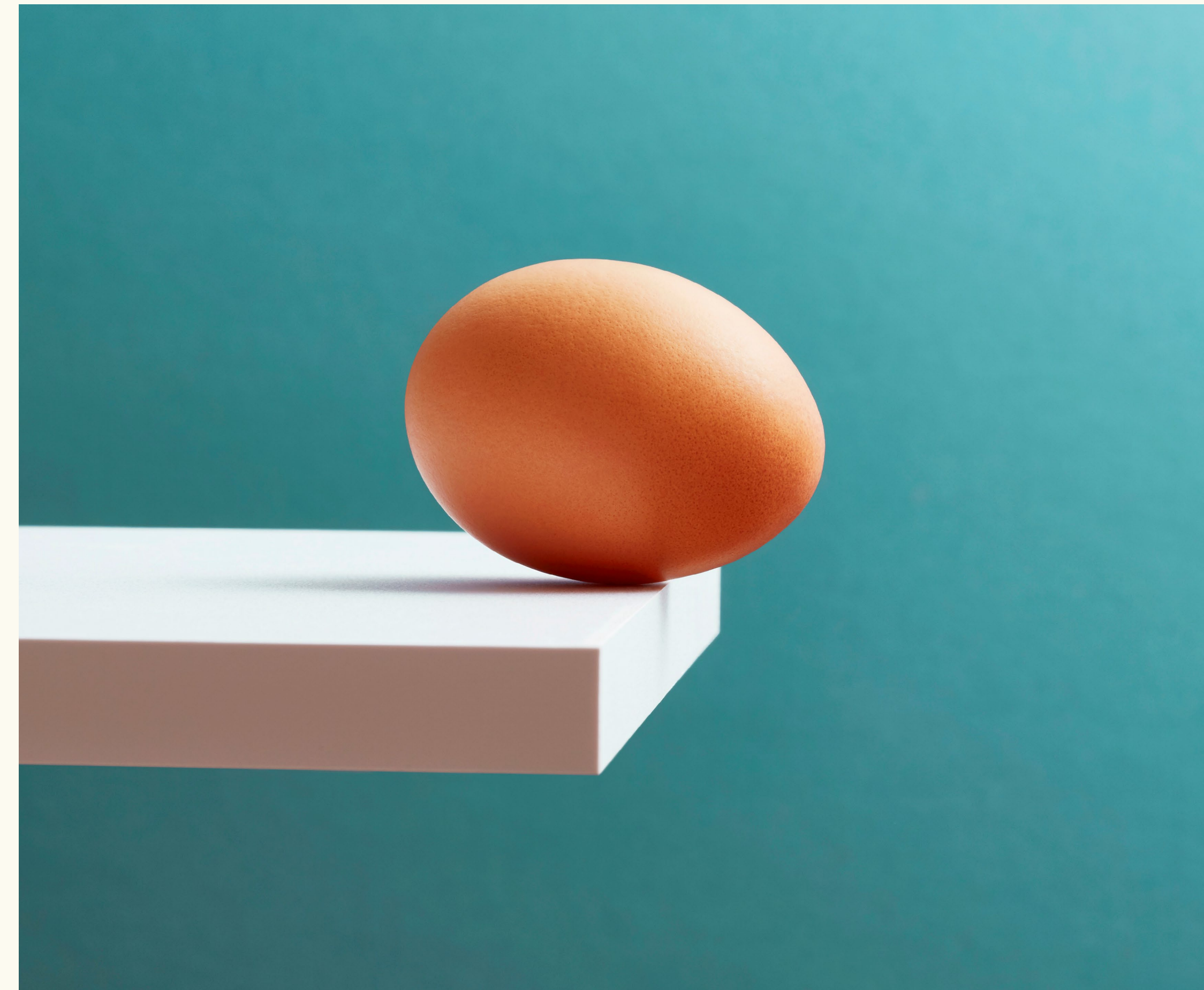
A quiet dissolution reaches a tipping point

The **top 10%** of wealthy Americans now drive 50% of US spending. This **concentration of wealth** isn't news, but the scale of it is. And notably, it's not just hurting lower income households: middle-income households have been steadily losing their role as the '**centre of economic gravity**'.

This shift has now become a global issue, affecting a **range** of **European** and **Asian** nations. Even the mighty **Chinese middle-class** is now struggling, facing a property crisis, **slowing economic growth** and maturing of previous growth drivers including global expansion and urbanisation.

This trend has **macro-level implications**; a strong, prosperous middle class has been seen as the bedrock of healthy economies and societies by both economists and policy makers. It also poses a huge challenge for marketers, who have traditionally built categories on the back of the middle market before expanding into premium and budget segments.

As the once-core 'middle market' is increasingly squeezed, brands will have to rethink strategies to find growth at either end of the market.



The meaningless 'middle-class'

More than a quarter of marketers (28%) strongly agreed the term 'middle-class' is becoming meaningless. Others were more circumspect, but a combined 73% of respondents – nearly three out of every four – considered the statement at least somewhat valid. Just 14% disagreed.

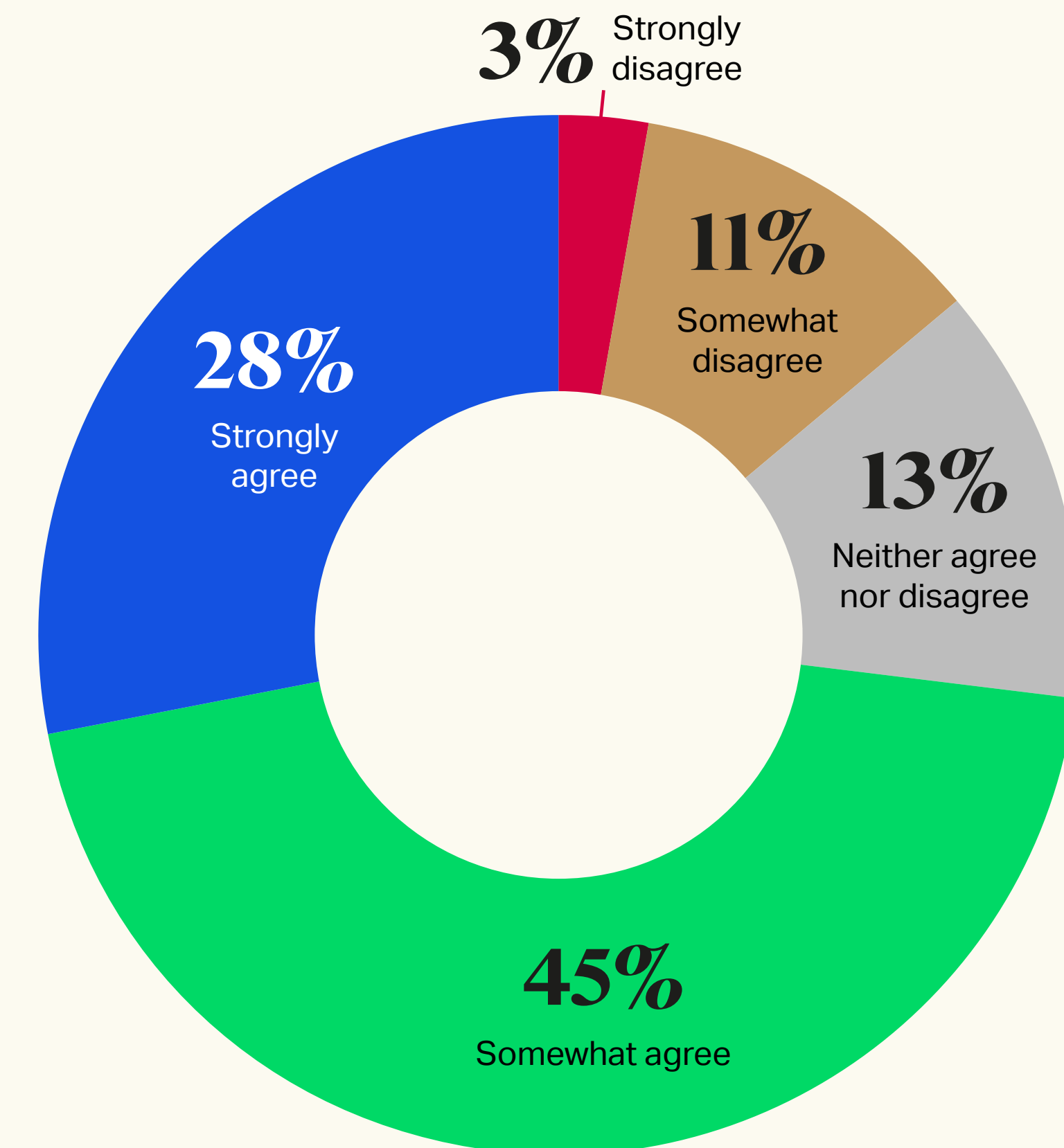
The impact of this on businesses is becoming increasingly **evident**. As median incomes have remained sluggish, the **costs of a middle class lifestyle** (house prices, the cost of education, childcare etc.) have surged. At the same time job security has plunged, with one-in-six middle-income

jobs facing high risk of automation. More than 20% of US middle income households now spend more than they earn, leading to debt, **financial insecurity** and sharply reduced spending. Recent private **credit sector failures** are raising new concerns about the ongoing availability of funding for both businesses and consumers, and their ability to repay.

The middle-class is effectively **bifurcating**, with the better-off moving up the spend spectrum, while others anxiously cut costs.

All image

The term middle-class is losing its meaning, with wide variances seen across wealth, income and attitudes towards spending



Younger consumers accelerate middle market decline

AI image

This division of the middle market will widen among younger generations. The children of wealthy boomers are set to **inherit \$84 trillion** in coming years, the largest wealth transfer in history. Meanwhile the majority of less fortunate younger Millennials and Gen Z are battling a **negative wealth** problem as growing debt stifles their life chances.



There are signs that this is creating a crisis of ambition. **Interest** in a university education, a critical **determinant of lifetime income**, is declining. So is interest in **rising up the corporate ladder**. This will further limit financial opportunities.

For some, the response is a focus on **living in the moment**, cutting costs in some areas so they can trade-up in categories that really matter to them. Brands will need to better understand consumer spend patterns and trade-offs for their individual categories to find the pockets of opportunity. Insight into consumers' state of mind as well as emotional and values-based decision drivers will be critical.



Finding a new place on the price spectrum

Apart from simply cutting prices, two broad approaches have emerged for brands: 'premiumise' by repositioning the brand as more upscale; or reframe value, to strengthen their price-value equation for more budget-conscious consumers.

Premiumise: Rise up the scale

As Faris Yakob points out, the automobile industry is now trying to **sell fewer, more expensive** cars, rather than catering to a **declining middle class**. It's not the only sector; this premiumising of brands and portfolios is a sustained trend across categories including **house paints**, **airlines** and **beauty care**.

Obviously, brand strategy and investment will become more important than ever, as the success of this approach will be heavily dependent on shifting brand perception.

The boomer opportunity

Higher income households are now powering the global economy and **older cohorts** now hold much of the world's wealth: **\$15 trillion** in purchasing power by 2030, while making up 35% of **international travellers**. They are also more adventurous than previous generations at the same age. This will create new **opportunities** for brands that can cater to their **requirements**.



AI image

Granular understanding of consumer trade-offs will be critical to reframe value. So will brand investment, as higher brand equity delivers stronger pricing power.

Reframing value for customers

Consumers with less spending power are also splitting their spend, but it's driven by increased **intentionality** as they spend more on some items while cutting down on others.

The 'living in the moment' mindset of younger consumers appears to favor **travel and experiences**. **Saving for homes** and **splurging on**

big weddings are in decline, while mindfulness and mental health matter more. Understanding these shifts will help brands tap into younger cohorts' priorities.

Small adjustments can address 'affordability tension'

Successful marketers will be able to understand and address the tension between what consumers still want to do but are struggling to afford. Offering small premium options for those on a budget could be one strategy. A good example of this approach is the **premium white label** options from supermarkets. Another strategy is 'barbell' pricing, which some **restaurant chains** have used effectively, offering low-priced menu options for the budget constrained customer but also including higher-end items for those looking for a more upscale dining experience.

Lean into culture and emotion

Tapping into **cultural nuances** can be effective when done with a clear understanding of **customer variances**, while **purpose** or other **emotionally-driven** value propositions could help sway customers regardless of price.

High quality customer service as well as practical benefits and rewards for loyal customers can also help with customer loyalty – increasingly important as the market drifts away from the middle. **TCO**, a concept widely used in B2B purchasing can be useful here, helping brands evidence long-term savings resulting from long-lasting, high-quality products.



In their own words



Brent Smart

CMO
Telstra

“I think that people can really tell the difference when things are crafted beautifully. We are a premium brand. We cost a bit more. And especially in the world we're heading into, I think craft can become a really powerful differentiator for brands.”



George Felix

SVP & CMO
Chili's Grill & Bar

“Chili's has always been a place for everyone. Our 'barbell' pricing strategy offers everyday value and premium options, keeping the brand relevant across the spend spectrum. Showcasing this approach in our marketing has kept this balance visible to our guests, helping Chili's grow even in a challenging economic environment.”

Case Study

Award: Curious Felis, Silver, 2024

Agency: Happy People Project, Istanbul

Advertiser: OPPO

Market: Turkey

Nailed with OPPO

[Explore the case study](#) ↗

Smartphone manufacturer OPPO needed to stand out in the crowded Turkish middle market. It recognised that middle-market customers in Turkey were sensitive to the financial burden of repairing or replacing damaged phones.

Rather than lower its price, the brand identified an opportunity to build a strategy around its A60 model's military-grade durability. The campaign used real-life demonstrations to

highlight its toughness, including using the phone to hammer nails. Recognising the similarity of the Turkish words for 'nailed' and 'shot', it developed the tagline 'Nailed It With A60' as a clever play on iPhone's 'Shot on iPhone'.

Results

- The campaign drove sale volumes that exceeded projections by 75%.
- The three films generated approximately 500,000 organic social media views on the first day and over 7 million views in total.

Takeaways

- Promoting the A60 phone's durability helped consumers appreciate the TCO or long-term economy of the product, differentiating it in a crowded middle-market.
- OPPO proved that empathising with the middle market squeeze doesn't always mean price cutting. Instead value enhancement or adapting the value proposition can be more effective.

Takeaways

1



Help your customers navigate affordability tension

Brands will need to address gaps between what consumers still want, and what they can still afford. There will be opportunities for narrowly sliced premium tiers in certain categories. Using a portfolio strategy catering to varying price points within the same category will help match costs with willingness to pay.

2



Build emotional connections with your brand

Strong brands are proven to have lower price elasticity. As the middle market loses momentum, brand investment will be required more than ever. Being able to build emotional connections with consumers will help sustain demand even in challenging categories. Deep understanding of cultural nuances, ideological values and belief systems will be critical here.

3



Identify cohort-oriented strategies to drive growth

Affluent boomers are a particularly valuable segment. Adapting value propositions to serve their specific requirements could be beneficial. At the other end of the age spectrum, understanding increased intentionality and what drives younger audiences' purchase priorities will be the key to finding the right pockets of opportunity within those cohorts.

Chapter 2

The creator gamble

Brands perceive influencers and creators to be vital in helping them to achieve their goals, but face challenges in being effective with their creator marketing investments. The tension between reach and control is likely to come to a head in 2026.

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Chapter 3

The great escape

In a world weighed down by polycrisis, consumers are seeking an escape. Brands can help consumers move away from doomscrolling by investing in emotionally immersive experiences that transport people out of the everyday and restore connection.

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Chapter 4

The zero-click customer journey

Artificial intelligence (AI) is gaining influence across the customer journey, from search to generative engine optimization and agentic commerce. Marketers will need to scale up their experiments with AI while, in most cases, continuing to invest in more established strategies and channels.

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Chapter 5

The reset of consumer milestones

Household units are fundamentally changing, as consumers rethink traditional life milestones, from having children to the nature of retirement. This phenomenon is altering established spending triggers, putting the onus on brands to reevaluate typical category entry points for their customers.

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The Evolution of Marketing



The Evolution of Marketing programme offers a series of reports designed to help marketers address major industry shifts, as well as provide them with decision-making tools to help drive marketing effectiveness in the coming year.

Related reports from the Evolution of Marketing programme include:

- **The GEISTE report** [↗](#)
Analysis of the major macro-level forces shaping 2026, and the implications on marketers
- **The Voice of the Marketer**
Granular analysis from a survey of 1,000+ marketers
- **Future of media**
Major developments in media and technology shaping the coming year

Who are we?

WARC – The global authority on marketing effectiveness

For nearly 40 years, WARC has been powering the marketing segment by providing rigorous and unbiased evidence, expertise and guidance to make marketers more effective. Across several platforms – WARC Strategy, WARC Creative, WARC Media, – its services include 100,000+ case studies, best practice guides, research papers, special reports, advertising trend data, news and opinion articles, as well as awards, events and advisory services.

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We know that creativity can and should be applied across the full marketing mix. Creativity is an impactful business driver - and when it's integrated with a culture of effectiveness, it's a competitive advantage.

Backed by over 150 years of combined experience and evidence, Cannes Lions, WARC, Effie, Contagious and Acuity Pricing provide the global marketing industry with the definitive benchmarks, intelligence, training and tailored advice needed to grow.

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