

The background of the entire slide is a close-up, high-angle photograph of a honeycomb structure. The hexagonal cells are illuminated from the upper right, creating a strong sense of depth and texture with bright highlights and deep shadows. The overall color palette is warm, ranging from dark brown to bright golden-yellow.

KANTAR

Futures Academy

U.S. DRIVERS OF CHANGE KIT

September 2020

Drivers of Change

The following sample of 30+ Drivers of Change is organized across the **seven domains below**

*The Category domain let blank for you to fill out!

S	T	E	E	P	W	C
Social	Technological	Economic	Environmental	Political	Wellbeing	Category
<ul style="list-style-type: none">- Rising discourse of racial inequity in America- Rising demand for women's social and economic equality- Greater political activism and civil unrest- Increasingly central role of the home- Continuously aging population- Increasing perceptions of social isolation	<ul style="list-style-type: none">- Advancements in blockchain technology- Increasing vulnerabilities of cybersecurity- Consumerization of mixed reality solutions- Increasing improvement in man-machine technology- Continued advancement in materials science- Advancements in gene editing technology	<ul style="list-style-type: none">- Shift to economic recovery- Increasing uncertainty in consumer spending behavior- Rising retail share of e-commerce- Widening wealth gap- Volatility of alternative currencies	<ul style="list-style-type: none">- Increasingly extreme weather and environment crises- Diminishing water supplies- Increasing real estate and insurance risks- Accelerated pace of anti-plastic movement- The rise of circular economy	<ul style="list-style-type: none">- Increasing political polarity- Shifting political affiliations among youth- Uncertainty of geo-political impact on trade and prices- Rise in domestic threats of terror and violence	<ul style="list-style-type: none">- Increasing risk of global health crises- Increased requirement for hygiene and sanitation- Increasing popularity of non-medicinal healthcare- Increasing scientific understanding of mental illness- Growing understanding and importance of the microbiome	<ul style="list-style-type: none">- Create your own

*This is **NOT** meant a comprehensive list, but a sample of the kinds of key global shifts and industry-shaping forces that will impact the consumer and the marketplace in the next decade. This list is meant to give you an idea of what drivers are and what they look like, as well as allow you to create additional drivers as necessary. As a general rule of thumb, we have found that the sweet spot for a Futures Project is to develop around 60+ Drivers of Change.

What are (and aren't) Drivers of Change?

Drivers of Change

ARE ...

- Measurable
- Enduring
- Large-scale forces

They influence the **strength and direction** of **consumer trends**

They signal **opportunity and disruption** in **entire categories**

They are a **tool** for **anticipating change and finding future growth** for your business

Drivers of Change

ARE NOT...

- Consumer trends
- Short-term fads
- Wildcards

They do not change often or quickly.

Their impact is not evenly distributed. Some Drivers can reshape entire industries, while having little impact on others.

They do not act alone. They are most useful by combining them to identify tensions and opportunities.

Why are Drivers of Change so important?

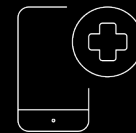
Drivers of Change are **foundational forces** for understanding **consumers and trends** today and what innovation opportunities your business can confidently pursue.



*EXAMPLE:
Increased risk of
pandemics*



*EXAMPLE:
The need for
Everyday Defense*



*EXAMPLE:
Innovate with
hygiene at the core*



Rising discourse of racial inequity in America

Rising demand for women's social and economic equality

Greater political activism and civil unrest

Increasingly central role of the home

Continuously aging population

Increasing perceptions of social isolation

Rising discourse of racial inequity in America



NOW

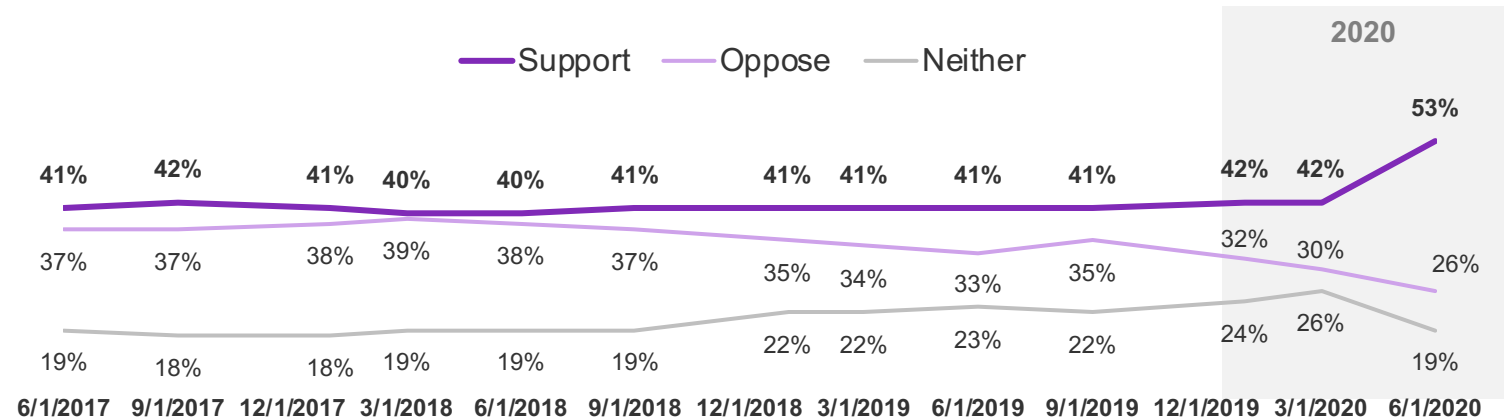
Views of race relations in America have been increasingly polarized over the years, however the recent surge in Black Lives Matter protests following the deaths of Breonna Taylor, George Floyd and others at the hands of police have reignited conversations about systemic racism in the United States. For activists, conversations are not enough, and structural reform and equity are demanded. At the time of publication these protests are still under way, but their early effects on public opinion suggest significant potential for change.

NEXT

The data below show a marked increase almost overnight in favorable opinions toward the Black Lives Matter movement. These data are reminiscent of the rapid shift in public opinion on same-sex marriage and marijuana legalization seen in the last decade. Progress made by and on behalf of black Americans during this movement could very well encourage other minority groups in America to make similar demands against existing racial and cultural oppression against their communities in the years to come.

SUPPORTING EVIDENCE

Do you support or oppose the Black Lives Matter movement?



Civiqs, 2020



Social

Rising demand for women's social and economic equality

NOW

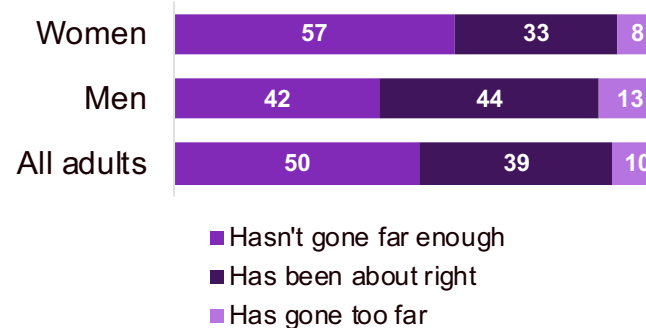
In 2020, the United States was ranked 53rd (out of 149) in the World Economic Forum's Global Gender Gap Report, a decline from 51st in 2018 and 20th in 2014. While the position, roles and status of women across the globe have changed profoundly in recent years, continued efforts toward women's equality in the U.S. still face continued social and political resistance. In the marketplace, women make up a majority of primary household shoppers and, in turn, control a majority of discretionary spending.

NEXT

The number of woman-held seats in congress is growing, continuing a trend toward increased representation of women in the political realm. However, social and political tensions in the U.S. will likely present continued and significant barriers in the coming years for women's equality—particularly concerning the uncertainty around women's healthcare and relative lack of progress toward closing the pay gap.

SUPPORTING EVIDENCE

Opinions on how the U.S. has handled gender equality



Pew Research Center, 2019



None of us will see gender parity in our lifetimes, and nor likely will many of our children. Gender parity will not be attained for 99.5 years.”

World Economic Forum, 2020

S

Social

Greater political activism and civil unrest



NOW

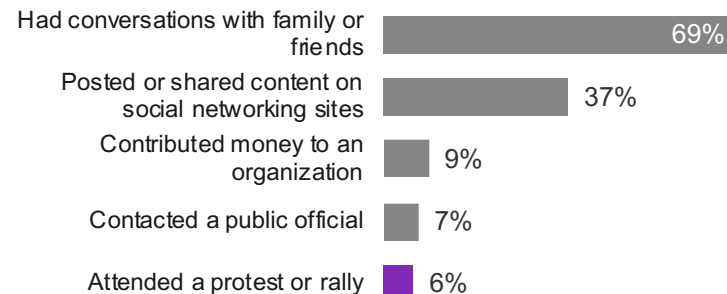
The recent protests have accelerated the level of political activation for many Americans. With growing inequality, faced-paced development, shifting global politics and the 24/7 connection of social media, many people are increasingly aware of and seeking to address issues through voting, activism, and peaceful (or unpeaceful) protest. Many protests of large scale have recently occurred, and many of these protests have been led by young people.

NEXT

As frustration grows and consumers find their governments unresponsive to many of the changes and disruptions in their markets from political, economic, social and environmental causes – political activism will intensify. The pervasiveness of connected digital devices and social media will continue to make political organization faster and easier than ever before, amplifying activism and possible unrest.

SUPPORTING EVIDENCE

Percent of Americans that have done the following about race or racial equality in the last month



Pew, June 2020

“

Americans are definitely cynical about politics ... experts say **cynicism actually seems to be a political motivator**, increasing both activism and voter turnout.”

FiveThirtyEight, 2019



Social

Increasingly central role of the home



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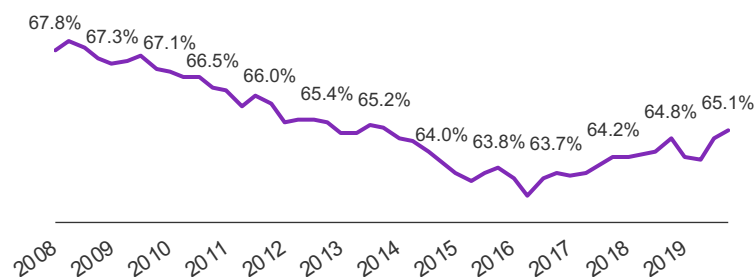
The role of the home has evolved over the decades, shaped by demographic changes, new economic realities, technological innovation and shifting American values. Today the home is a hub—a central, multipurpose location from which people have access to the world around them. This new role has been amplified by the need to stay at home during the current pandemic, but this shift was underway before Americans had to shelter in place.

NEXT

The future of the home will mean further integration of the outside world into the home space. Through different product and service innovations, the home is already an office, a fitness studio, and a movie theater. As household structures change, the home will need to satisfy new needs for new members. Americans are moving at the lowest rate on record, meaning future opportunity for them to invest and adapt the space they live into their needs.

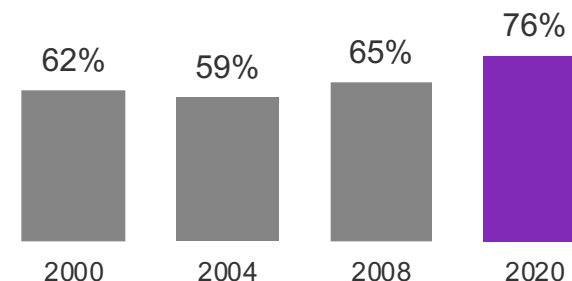
SUPPORTING EVIDENCE

Homeownership rate for the U.S. since the Great Recession



Federal Reserve, 2019

I prefer spending my leisure time around the house rather than out and about

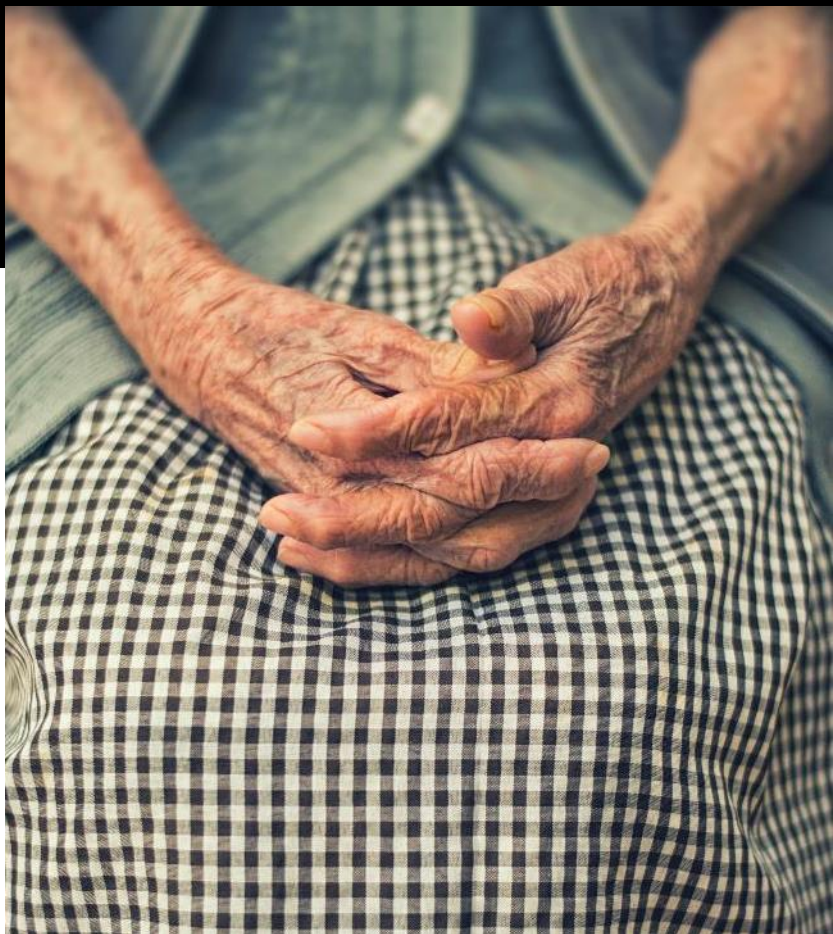


Kantar U.S. MONITOR 2019 (Q4)



Social

Continuously aging population



NOW

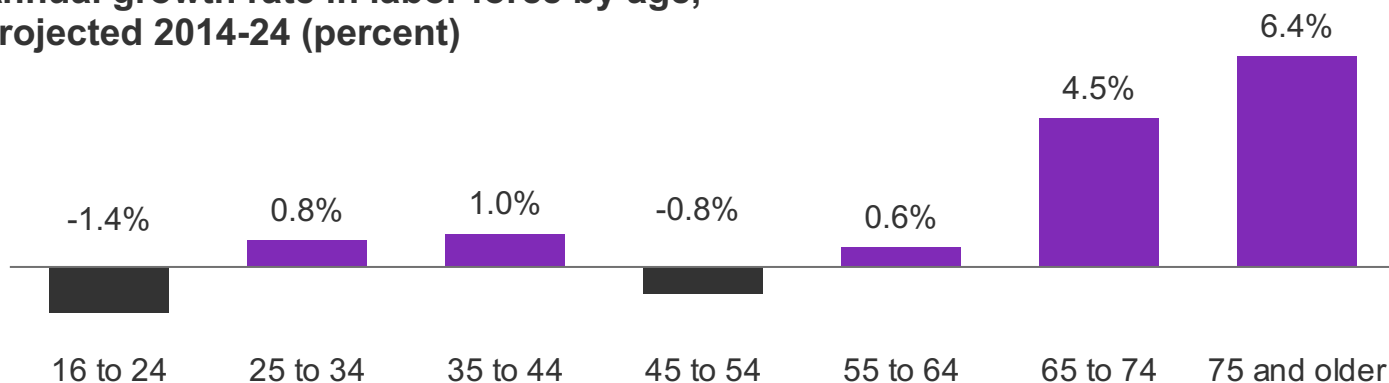
Today, 48 million Americans, or roughly 15 percent of the U.S. population, are over the age of 65. Life expectancies continue to rise, from an average of 70 in 1955 to 79 today. Meanwhile, birth rates continue to decline, from 3.7 to 1.9 per woman over the same time period, creating radical changes to age structure across the country. By the end of this decade, the spending power of consumers aged 60 and older will hit \$15 trillion globally, up from \$8 trillion in 2010, with those over 55 spending twice as much as Millennials.

NEXT

The longer term transitional trend is clear, with the World Health Organization forecasting that the share of the global population aged over 60 will nearly double by 2050, from 12% to 22%. The over-65 U.S. population is expected to double in size between 2014-2060, from 46 million to 98 million with the biggest increase expected in the decade 2020-2030, when the population aged 65 and over is projected to increase by 18 million (from 56 million to 74) or constitute 1 in 5 Americans.

SUPPORTING EVIDENCE

Annual growth rate in labor force by age, projected 2014-24 (percent)



BLS, 2017



Social

Increasing perceptions of social isolation



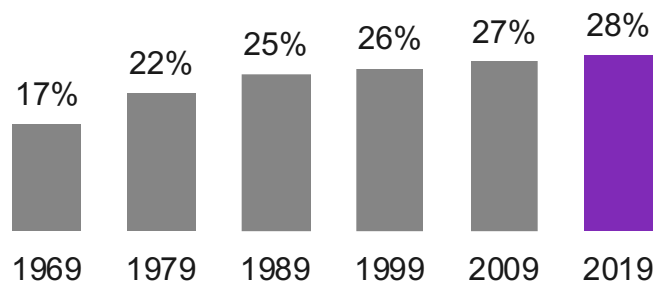
NOW

Before the COVID-19 pandemic much of the discussion about social connections in America was that people were drifting apart and becoming more secluded. This was happening physically as an increasing number of Americans live alone—many by choice—and socially as people socialize online more frequently. The recent shelter-in-place orders have been a test of the strength of these social connections. Crowds flocking back to places that are reopening suggest that those social bonds and the need for human connection are quite essential.

NEXT

Although social media use is not directly correlated with loneliness, there are some data that suggest its negative impacts on social connection can be more powerful than its positive effects. The key distinction to understand for the future is differentiating between loneliness and aloneness. Even while under lockdown, many Americans showed an appreciation for the slower pace of life that increased aloneness has brought to their lives. However, extended isolation can have serious consequences for those already suffering from mental illness.

Percent of American households that are one person




Census Bureau, 2019

How do you feel about being at home so much more of the time?

#1	Cooped Up	43%
#2	Bored	43%
#3	Safe	40%

*Kantar U.S. MONITOR COVID-19 Data
(April 2020)*



T

Technological

Advancements in blockchain technology

Increasing vulnerabilities of cybersecurity

Consumerization of mixed reality solutions

Increasing improvement in man-machine technology

Continued advancement in materials science

Advancements in gene editing technology



Advancements in blockchain technology



NOW

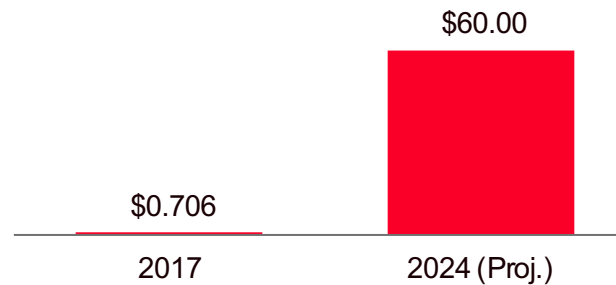
Blockchain has become a recognizable word in popular culture—namely due to the popularity of Bitcoin and cryptocurrencies which rely on it. However, a majority of Americans still say they don't know what blockchain is, and companies are still finding uses for the technology which can scale for broader usage. Shared trust and the elimination of bureaucratic middlemen are two of the most attractive features for proponents. Cost, time and scalability are seen as major barriers.

NEXT

Cryptocurrencies are currently the primary application for blockchains, and while other applications show promise they are still largely in experimental or small-scale phases. The next few years will likely see blockchain progress in supply chain management, healthcare, legal applications and cryptocurrencies. It is unlikely to have any major disruptive impact on markets within the next five years as the technology matures.

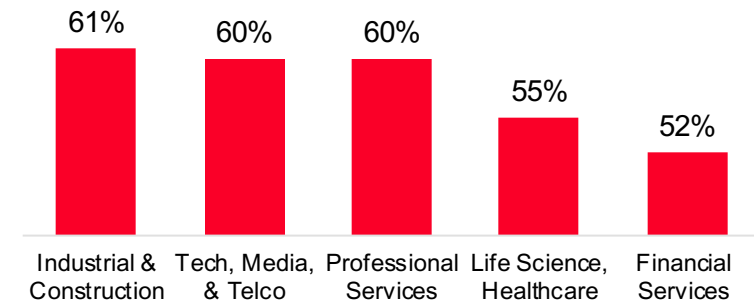
SUPPORTING EVIDENCE

Blockchain market size (in billions of U.S. dollars)



Market Study, 2019

Blockchain will enable new business functionalities and revenue streams in my industry



Deloitte 2019 Global Blockchain Survey, 2019



Increasing vulnerabilities of cybersecurity



NOW

In 2018, the second-largest data breach in history and played host to the infamous Facebook/Cambridge Analytica scandal. In 2019, the U.S. saw an increase in mobile hacks and ransomware attacks. In 2020, California passed the Consumer Privacy Act that provides consumers with more knowledge and control over what data companies collect and whether it is sold. Government has begun to play a larger role in attempts to regulate how companies handle digital user data, however efforts in the U.S. still lag behind those of the EU's GDPR.

NEXT

By 2026, it's estimated that global cyber security spending will have increased to over \$270 billion. The growth of the Internet of Things and 5G will provide an additional and growing risk to manage device security, as it may open up exploitation of a wide range of potentially poorly secured devices. With more attacks on the rise, federal and local governments are starting to consider implementing more legislature to ensure data privacy.

SUPPORTING EVIDENCE

I am resigned to the fact that sooner or later the security or privacy of my personal financial information is going to be breached



Kantar U.S. MONITOR 2018 (Q1)

**\$8.19
million**

Average cost for a U.S. company that experiences a data breach

IBM, 2019



Consumerization of mixed reality solutions



NOW

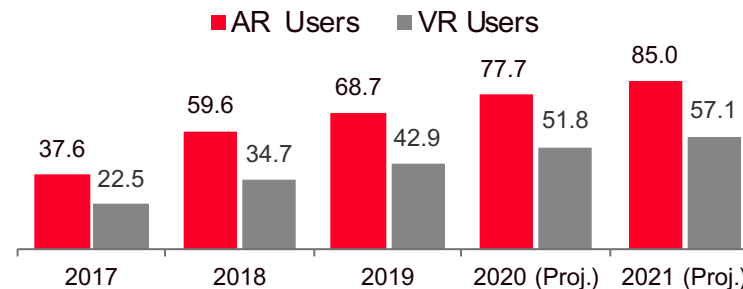
For decades, virtual reality served as a clunky hardware solution aimed at providing immersive experiences for consumers. Today, augmented and mixed reality solutions—along with significant improvements and cost reduction in virtual reality technology—combine to provide fully immersive experiences for consumers, mostly via entertainment, creating a AR/VR market estimated at \$18.8 billion, globally.

NEXT

Gaming and entertainment industry leaders continue to invest in mixed reality solutions, but, with the advent of 5G mobile networks and improved bandwidth, these technologies will gain traction outside the gaming industry for their ability to enhance storytelling and blend experiences. There are other promising applications in other categories, particularly in education and in the workplace. The future of these solutions will be focused on providing both utility and entertainment.

SUPPORTING EVIDENCE

U.S. Virtual Reality and Augmented Reality Users (in millions)



eMarketer, 2019



There are consumer applications and there are enterprise applications. This is the reason we're so excited about AR. You rarely have new technology that both business and consumers see as key to them. That's the reason I think **it's going to pervade your life – it's going to go across both business and home life.**

Tim Cook
Apple CEO



Increasing improvement in man-machine technology



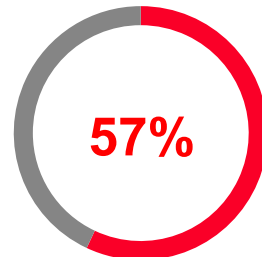
NOW

While automation threatens to displace employment opportunities across an increasingly wide variety of industries, many are finding optimum efficiency and productivity at the intersection of human and machine engagement. Healthcare and heavy industry are already increasing efficiency with a combination of man-machine efforts, allowing human employees to take on more creative, cognitive and non-routine functions. The increasing number of degrees in mechatronics—a combination of mechanical, electrical and robotics engineering—is evidence of this growing demand.

NEXT

Man-machine partnerships—spearheaded by recent efforts in personal service robotics—will become increasingly common in traditional settings such as the home and in the marketplace. As people reclaim humanness in interactions, robots will help build that bridge by adding more convenience, accessibility and even interactions.

SUPPORTING EVIDENCE



of technology companies do not expect technological advances will displace any of their workers in the next five years

Consumer Technology Association, 2019

The total number of professional service robots sold in 2018 rose by 61% to more than **271,000 units**, up from roughly 168,000 in 2017.

The sales value increased by 32% to **\$9.2 billion**.

International Federation of Robotics, 2019



Continued advancement in materials science



NOW

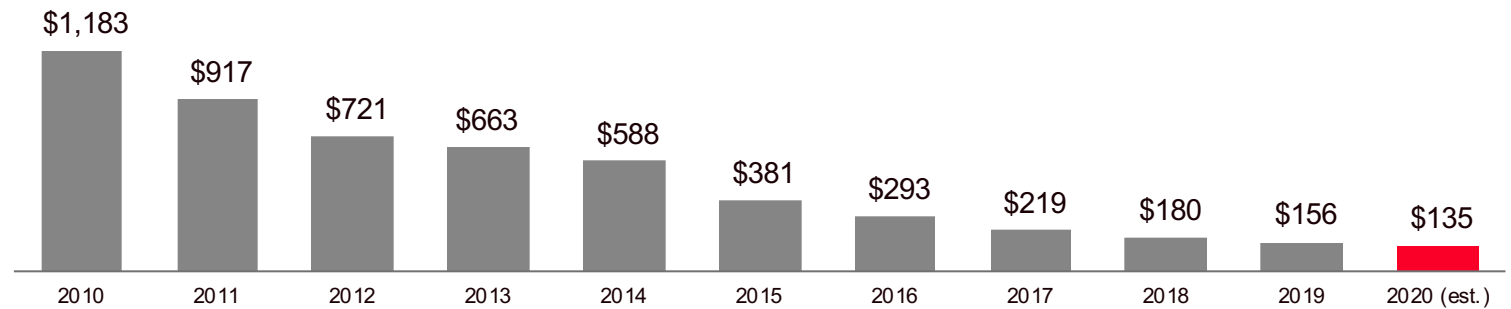
Several years ago, scientists figured out a way to reduce graphite to atom-thick sheets, called graphene. Graphene is known for its mechanical strength and is being added to plastics, metals or other materials to make them even stronger. Other applications include anti-corrosion coatings and paints, efficient and precise sensors, faster and efficient electronics, flexible displays, efficient solar panels, faster DNA sequencing and drug delivery. Materials science is also driving innovation in the battery industry, which could significantly impact domains from digital technology to clean energy.

NEXT

Another exciting area of innovation in materials science is 3-D printing. But many scientists now envision the future to include not just the printing of inert objects (furniture to artificial limbs) but of 3-D objects with Internet-of-things capabilities. By using something called “conductive inks” one could enable the integration of electrical circuits on 3-D printed objects. People could, in effect, print their own circuit boards, solar cells, LEDs and other electronic devices.

SUPPORTING EVIDENCE

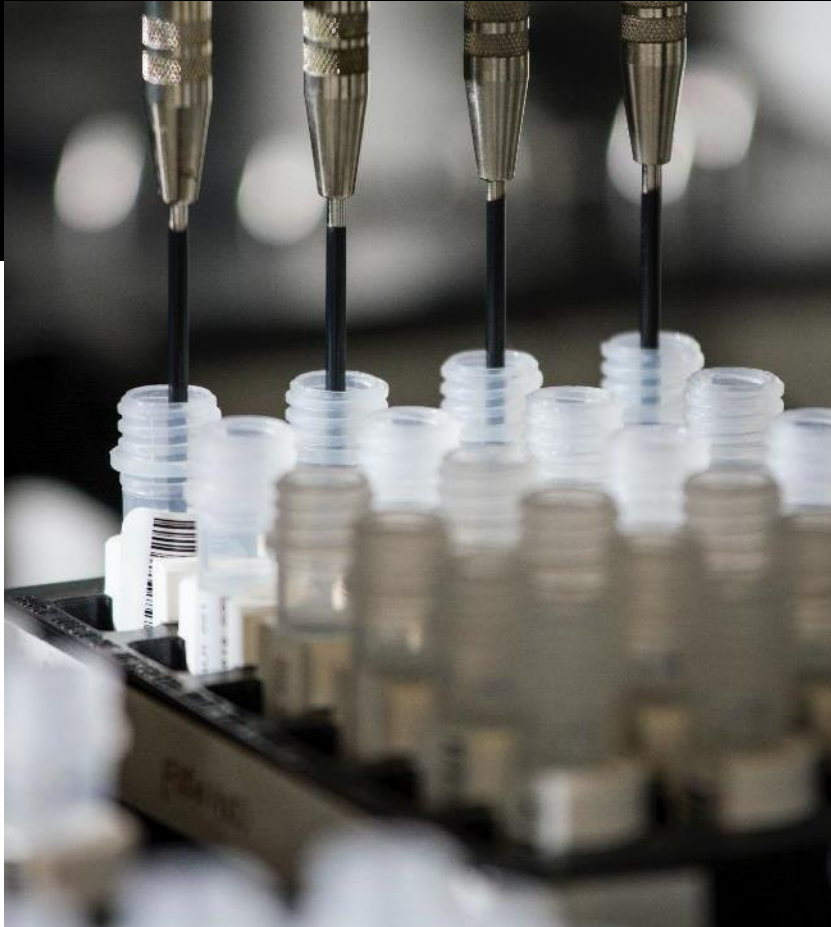
Lithium-ion battery pack price (real 2019 \$/kWh)



BloombergNEF, 2020



Advancements in gene editing technology



NOW

2017 saw a revolution in gene-editing capabilities through CRISPR, a bacteria-based enzyme which causes double-strand breaks in DNA to edit specific parts of genes rather than removing an entire gene. Tests remain very controversial, and the long-term effects of editing genes are still unknown. CRISPR's potential is coming forth as some teams of scientists deploy it to fight the Sars-CoV-2 virus and potentially other coronaviruses in the future.

NEXT

There will continue to be an ethical debate surrounding gene editing and the limitations that should be placed on any future innovation, particularly in regards to its use on humans. Similarly, there are still many technological barriers for genome-editing tools to be truly efficient. Progress will likely come from the health and food sectors, where uses for disease prevention, livestock breeding, and healthier food production will drive the need for investment and innovation.

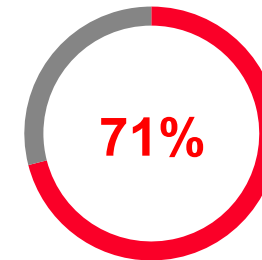
SUPPORTING EVIDENCE

“

An effective lipidoid delivery, coupled with CRISPR targeting, could enable a very powerful strategy for fighting viral disease **not only against COVID-19 but possibly against newly viral strains with pandemic potential.**”

Michael Connolly
Principal Scientific Associate, UC Berkeley

Berkeley Lab, 2020



of Americans favor using gene editing to prevent an incurable or fatal disease that a child could inherit

STAT, 2018



E

Economic

Shift to economic recovery

Increasing uncertainty in consumer spending behavior

Rising retail share of e-commerce

Widening wealth gap

Volatility of alternative currencies

E

Economic

Shift to economic recovery

NOW

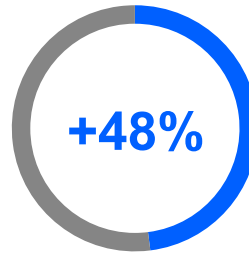
The economic impact of the COVID-19 pandemic has been expected in some ways and unexpected in others. While the stock market continues its climb upward after bottoming out at the end of March, record unemployment and mounting bankruptcies signal years of a recovery mindset for businesses across the country.

NEXT

The Congressional Budget Office predicts that employment will improve in the second half of 2020 and that economic output should improve as well, neither are projected to return to pre-pandemic levels until at least the beginning of 2022. The next two years will see no shortage of potential volatility—a recurrence of the pandemic at home or abroad, the 2020 elections, and even the possibility of prolonged protests could all factor into the rate at which the economy reestablishes itself.



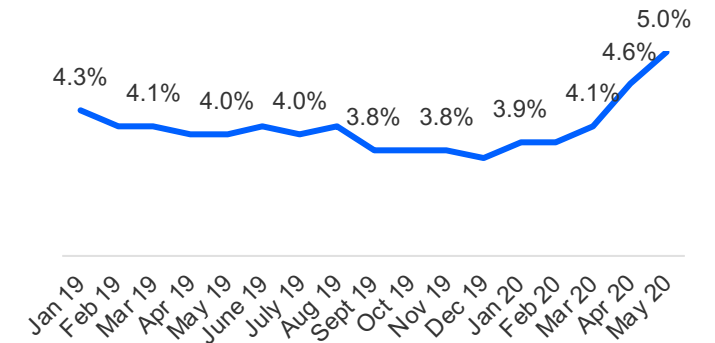
SUPPORTING EVIDENCE



increase in Chapter 11 bankruptcies filed in May 2020 compared to May 2019, amounting to 722 in total for the month

Epiq Global, 2020

“Core” unemployment rate¹



The New York Times, 2020



Increasing uncertainty in consumer spending behavior



NOW

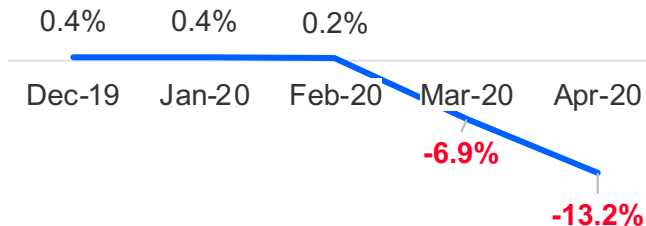
Unsurprisingly, consumer spending experienced an extraordinary decline in March and April of 2020. May showed signs of an increase, however a return to previous levels will be hampered by a number of factors, from different industries like restaurants and movie theaters taking longer to open up and doing so with lower capacity, to consumers simply not trusting the safety and reengaging with the world around them.

NEXT

The true spending impacts of the COVID-19 pandemic will bear out in the long term. Today, spending is decreased because of strict lockdowns and the pure inability for consumers to spend money in areas they used to. However, for low-income and other disadvantaged populations, healthcare costs, moving expenses, and sustained underemployment may depress spending for years. Increased spending—like most of the recovery—will not be distributed evenly.

SUPPORTING EVIDENCE

Consumer spending percent change from preceding month



BEA, 2020

In May of 2020, retail spending **increased 17.7%** over the previous month, more than double expected forecasts.

Still, sales were **down 6%** compared to May 2019.

MarketWatch, 2020



Rising retail share of e-commerce



NOW

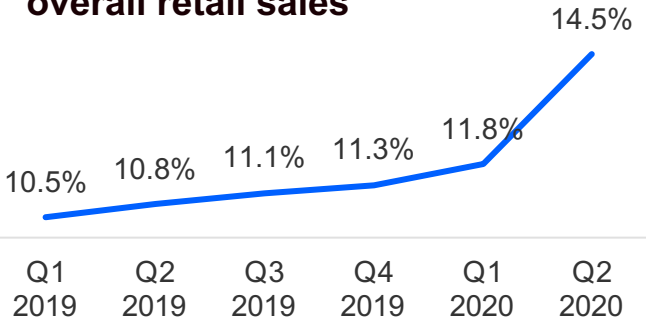
E-commerce growth was steadily rising before the COVID-19 pandemic, although it still only accounted for a small portion of overall retail sales. The surge in E-commerce because of the pandemic has been notable—it now makes up roughly 14.5% of total commerce compared to roughly 12% before the pandemic. However, this has not been enough to offset brick-and-mortar retail losses

NEXT

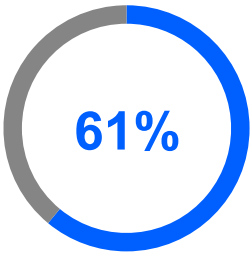
The current increase in e-commerce activity will undoubtedly convert some consumers for the long run. This may be increased as it takes years for some brick-and-mortar businesses to regain their footing if they're able to remain open at all. However, offline retail's dominance in the marketplace will not be lost in a few months, and may even see higher-than-average traffic as a result of pent-up demand if a vaccine for COVID-19 becomes available in early 2021.

SUPPORTING EVIDENCE

E-commerce as a percent of overall retail sales



Census, eMarketer, 2020



Because of the coronavirus, I am buying things online that I would normally buy in the store (among age 18+)

Kantar U.S. MONITOR COVID-19 Survey (April 2020)

Widening wealth gap



NOW

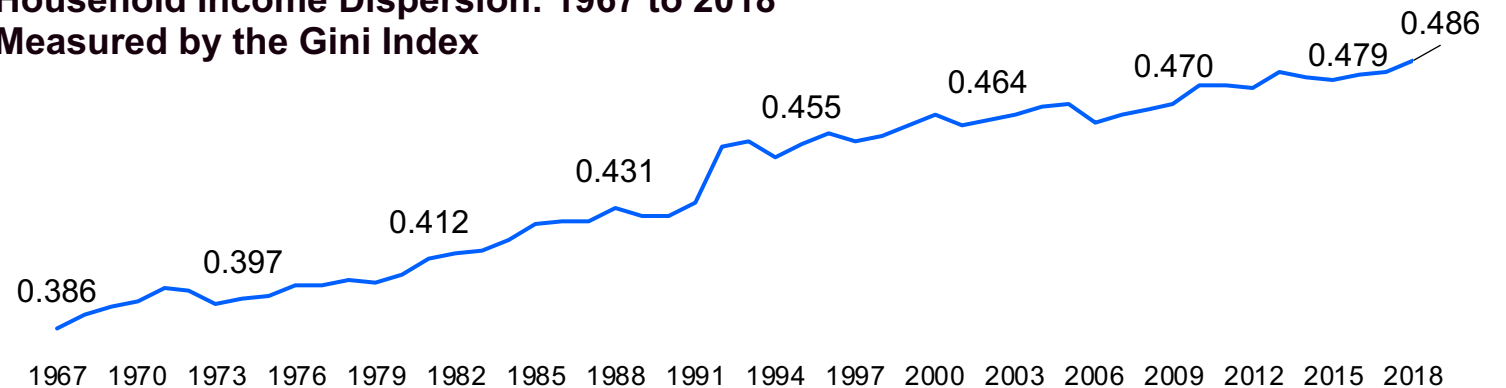
The reality of global economic inequality is complex, but over the last 10 years income inequality levels have remained at historic highs. Income inequality has risen globally, and the U.S. is currently experiencing the widest income inequality gap in its history. Overall, household disposable incomes are lower than before the financial crisis, especially for the least well-off. Socially, the issue is intensified by the disconnect between record highs in the stock market and its minimal impact on the life of the average American.

NEXT

Continuing income inequality could exacerbate political instability and structurally constrain future economic growth. Future political approaches will be key to determining outcomes with a range of varied—and opposing—policy suggestions offered, including letting the current form of globalization continue and relying on trickle-down economics to spread new wealth, to calls for direct wealth redistribution or developing wealth creation among the middle class.

SUPPORTING EVIDENCE

Household Income Dispersion: 1967 to 2018
Measured by the Gini Index



U.S. Census Bureau, 2018

Volatility of alternative currencies

NOW

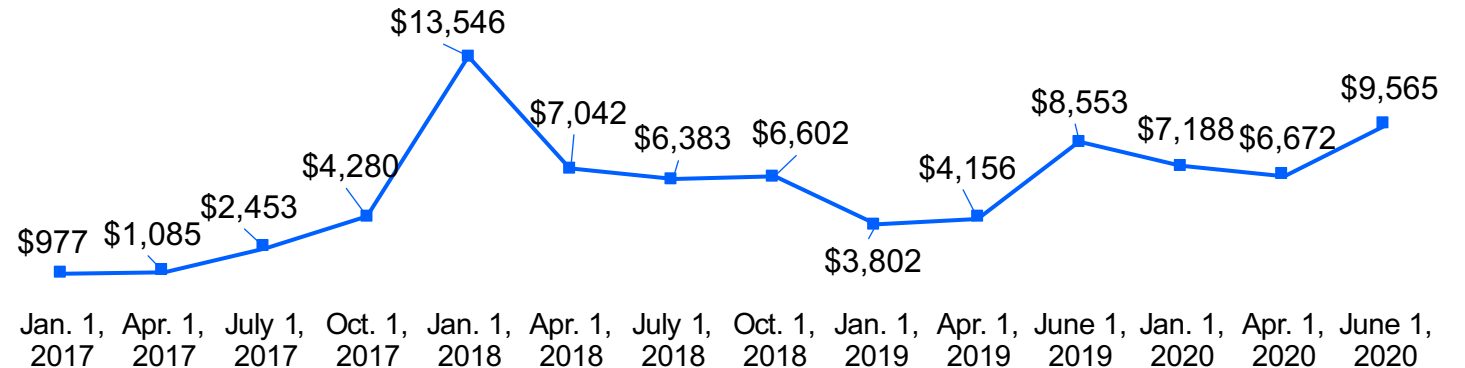
Global alternative currencies, in the form of cryptocurrencies and altcoins such as Bitcoin, have begun to emerge over the last five years. These markets have been defined by their volatility—the estimated total market value of cryptocurrencies was roughly \$80 billion in mid-2018, shot above \$740 billion in early 2018, dipped back to around \$100 billion in early 2019, and currently sits at about \$250 billion in mid-2020. It is estimated that there are currently more than 2,000 cryptocurrencies available for trade in online markets.

NEXT



Cryptocurrencies have the potential to be transformative, but likely issues of liquidity, currency stability, adoption and regulation will play key roles in determining whether they fully enter the mainstream. Central banks in the U.S., U.K. and China have begun their own research into the potential implications on banking, which could result in the development of their own state-sponsored cryptocurrencies. Innovation in blockchain technology will also determine the future of cryptocurrencies.

SUPPORTING EVIDENCE

Bitcoin prices, Jan. 2017 – June 2020



99Bitcoins, 2020



E

Environmental

Increasingly extreme weather and environment crises

Diminishing water supplies

Increasing real estate and insurance risks

Accelerated pace of anti-plastic movement

The rise of circular economy



Increasingly extreme weather and environment crises



NOW

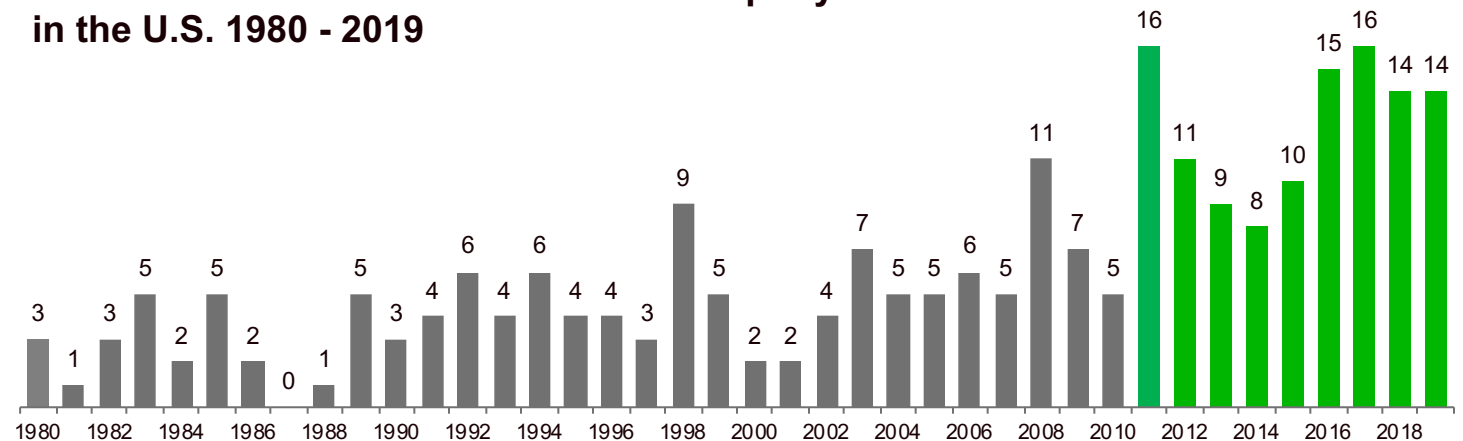
The World Economic Forum's 2019 Global Risks Report ranked five environmental risks both high-risk and high-likelihood, with extreme weather events emerging as the single most probable global risk. Climate change has made extreme weather events and environmental crises (such as heat waves, hurricanes, droughts, flooding, wildfires, and snow-storms) more frequent, more intense, and more costly in recent years, with the cost of billion-dollar disasters impacting the U.S. averaging \$107.1 billion/year for the last 5 years.

NEXT

Extreme weather and environmental crises are likely to impact ever greater numbers of people due to population growth, rapid urbanization and aging infrastructure, incurring increasing damage costs and longer term economic impacts. Small and young businesses—which account for 50% of employment and 45% of U.S. GDP—are most vulnerable to extreme weather. Businesses of all sizes will have to deal with increasing costs, such as rising insurance rates, as a result of extreme weather.

SUPPORTING EVIDENCE

Number of billion-dollar disaster events per year in the U.S. 1980 - 2019



NOAA, 2019



Diminishing water supplies



NOW

The combined effects of population growth and climate change are beginning to cause water shortages. Climate change could reduce levels of rainfall and increase evaporation rates, leading to higher water prices that are most intensely felt by low income families. In the past decade water bills have surged 31%, especially in metropolitan areas in the US.

NEXT

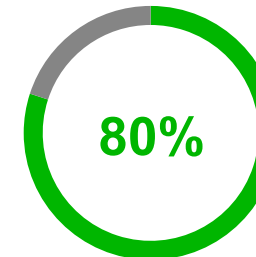
Regional water crises are predicted to intensify in the coming years. One team of scientists has predicted that as many as 96 of the U.S.'s 204 major freshwater basins could fail to meet monthly demand by 2071. According to the UN, nearly half of the world's population will be living in countries "highly stressed" for water by 2030. Changes in infrastructure and technology can improve the efficiency and production of water and restoring natural eco-systems.

SUPPORTING EVIDENCE



America's grade on the American Society for Civil Engineer's 2017 Drinking Water Report Card.

ASCE, 2017



of the annual consumption of water in the U.S. is used for irrigated agriculture

USDA, 2019



Increasing real estate and insurance risks



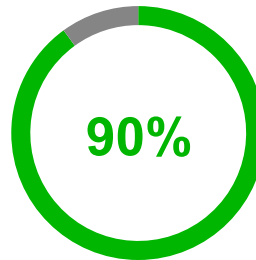
NOW

It's easy to see how climate change negatively effects the real estate market across a range of environments: along seacoasts, within watersheds, on hillsides and in vulnerable urban, suburban & exurban areas. Risks are created both by catastrophic events and transitional risks that build over time. The progress of climate change could depress real estate market growth and property values, while insurance costs set to rise and become more volatile due to uncertainty around the pace and impact of climate change.

NEXT

The real estate and construction industries are starting to respond to the threat, mitigating their contribution to climate change by using more environmentally sustainable materials and clean, renewable energy sources. Municipalities are also taking action, ranging from implementing stricter building codes (e.g. prohibiting building in areas designated as flood plains or wetlands) to establishing public-private funded commitments for climate change risk mitigation.

SUPPORTING EVIDENCE



of disaster damage in U.S. is caused by flooding

FEMA, 2019

- **\$340 billion:** damage due to natural disasters worldwide in 2017
- **\$138 billion:** amount of insurance payouts connected to natural disasters
- **11%:** the percentage of the U.S. GDP made up of insurance spending

Grist, 2019



Accelerated pace of anti-plastic movement



NOW

Consumer outcry against plastic straws is only the latest expression of a rising anti-plastic movement. Consumers are advocating for more sustainable supply chains, renewable materials, and moving towards long-term zero-waste strategies that oppose products such as plastic toothbrushes or packaging.

NEXT

While social momentum for the anti-plastic movement has largely stalled during the pandemic, the energy consumers brought to the marketplace had already institute change in many ways. The amount of plastic that has found its way back into people's lives because of the pandemic as a sign of hygiene will likely deter momentum until social hygiene concerns are quelled, but plastic for non-hygienic purposes, such as microplastics found in synthetic fabrics, will continue to receive public criticism.

SUPPORTING EVIDENCE

8
million
tons

of plastic enter
the oceans
each year

Plastic Ocean Project, 2019

Only **1%** of the plastic in the ocean is visible. The other **99%** is presumed to exist deep in the oceans, down to the ocean floor.

The Guardian, 2019



The rise of circular economy



NOW

Driven by environmental awareness and pressure on resources, commodities, energy prices and operational costs, businesses are increasingly adopting a new regenerative economic model—the circular economy—moving away from ‘take, make and waste’ practices and adopting more sustainable ones based on designing waste out of products and managing materials for longer circulation and greater re-usability.

NEXT

The circular economy is forecast to generate \$4.5 trillion of additional economic output by 2030 as a result of technology, product innovation and the development of new business models. An increasingly digitized service economy will help minimize the damaging effects of waste, however legislation—such as China’s restrictions on imports of recyclables from the U.S.—could make it an imperative that businesses find ways to minimize or reuse the waste they create.

SUPPORTING EVIDENCE

62%

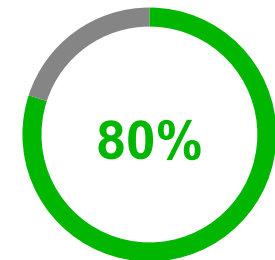
of American companies have currently implemented some type of circular manufacturing process

16%

of American companies plan to move toward a circular manufacturing process

ING, 2018

I expect businesses to have a positive impact on society/environment:
(among those 18+)



Kantar U.S. MONITOR 2019 (Q4)



P

Political

Increasing political polarity

Shifting political affiliations among youth

Uncertainty of geo-political impact on trade and prices

Rise in domestic threats of terror and violence



Increasing political polarity



NOW

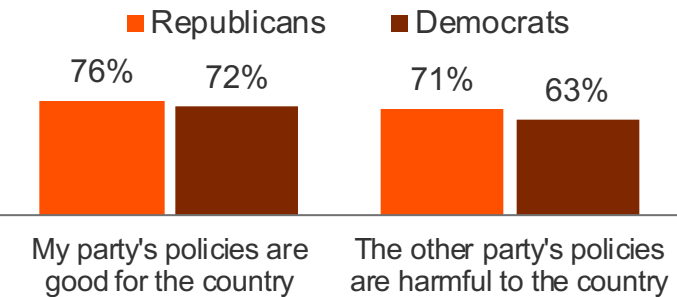
Globally, international tensions have led to an increasing polarization of political positions with countries vying to exert influence and control. This is being increasingly felt in the United States, from consistent congressional gridlock and inefficiency to the deep partisan divides which characterized the 2016 election. At the same time, growing public and political hostility to international trade and participation has emerged.

NEXT

The 2016 elections happened amidst strong political polarity in the United States—a sense of hyperpartisanship which has increased since. Tension between federal and state law will continue to be driven by partisan ideals leading up to the 2020 elections, the results of which will likely stoke further polarity regardless of outcomes. New divides, such as the rural and urban divide as well as regions hit hardest by the COVID-19 pandemic vs. those that weren't will further fragment the future political landscape.

SUPPORTING EVIDENCE

Percent who agree _____ is a major reason for them identifying as a Republican or Democrat¹



Pew, 2018



only
35%
of Americans have
faith in the
American political
system

Kantar U.S. MONITOR 2019 (Q4)

P

Political

Shifting political affiliations among youth



NOW

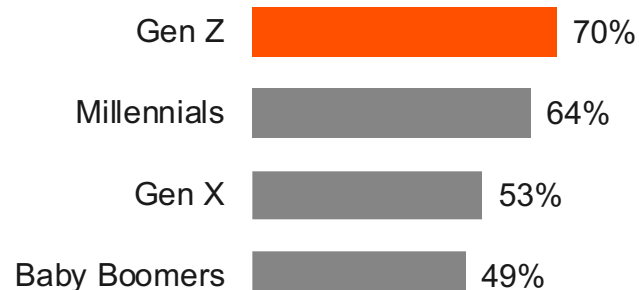
Both Millennials and Gen Zers hold significantly different political views than previous generations: they overwhelmingly disapprove of President Trump, believe the government should do more, and reject American exceptionalism. Younger Republicans also differ from older ones in important ways: they are more likely to believe Black Americans are treated unfairly, and that global warming can be attributed to human activity. Only 15% of Millennials and Gen Zers call themselves “conservative”, while about 50% describe themselves as “liberal.”

NEXT

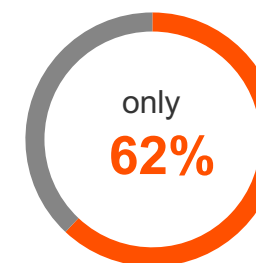
Gen Z is on the cusp of adulthood, with the oldest members of the generation currently graduating college. In 2020, almost half of the generation is of voting age. In 2018, however, just 31% of eligible Millennials voted in the midterms – if both of these cohorts can increase their electoral participation rate to match that of older generations, they will become a formidable voting bloc. A January 2020 poll by Pew Research found that 61% of registered voters aged 12-23 said they would definitely or probably vote for the Democratic presidential candidate.

SUPPORTING EVIDENCE

The government should do more to solve problems



Pew, 2019

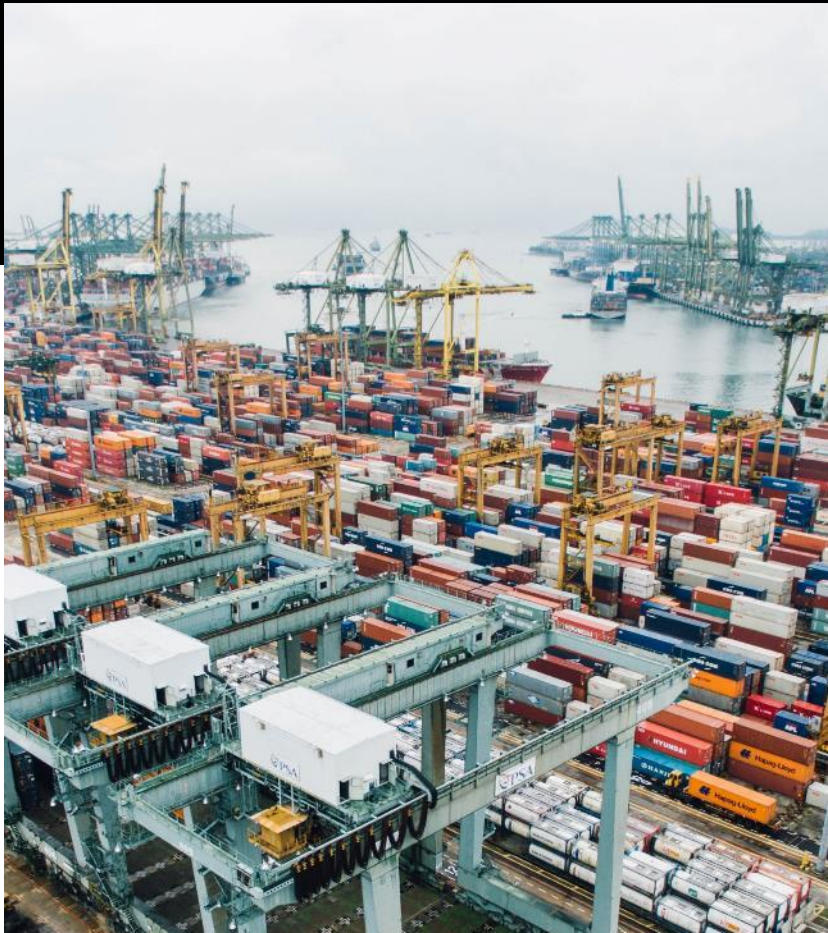


only
62%
of Gen Z agree that their political vote will have an impact on the outcome

Kantar U.S. MONITOR 2019 (Q4)



Uncertainty of geo-political impact on trade and prices



NOW

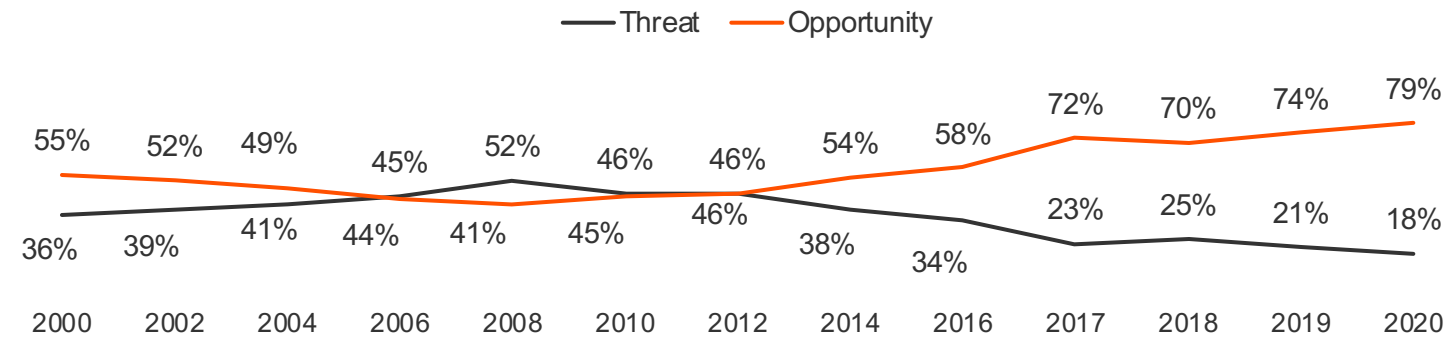
Political parties continue to push and pull at the benefits and drawbacks of globalization and, subsequently, global trade. Global agreements, such as the Trans-Pacific Partnership (TPP)—which would have represented 40% of the world’s GDP—highlighted other key drivers of change, from the rising influence of Eastern markets on the global economy to the significant influence of private businesses and public affairs. Despite rising international tensions, a record number of Americans see foreign trade as an opportunity.

NEXT

Trade regulations in the next five years will be subject to much political posturing, likely illuminating the scale and influence of global trade and its potential effects on domestic jobs and on the prices of goods and services. Trade regulation will become increasingly complex as globalization continues to expand, and businesses will need to be more agile to adjust to new tariffs and duties.

SUPPORTING EVIDENCE

Percent of Americans who see foreign trade as a threat or opportunity



Gallup, 2020

P

Political

Rise in domestic threats of terror and violence



NOW

Terrorism, while still largely perceived as foreign for many Americans, is increasingly becoming a domestic issue as issues concerning gun violence make local headlines. The spate of recent attacks, from Orlando to Parkland to Las Vegas to Pittsburgh to El Paso have brought the issue into the national spotlight. Solutions to combating terror such as increased military presence or surveillance initiatives have become highly polarized and subsequently divisive.

NEXT

Empowered by global instability, political polarity and increasingly rapid methods of communication, terrorism will likely manifest in the actions of individuals rather than organizations in the future. As this makes the threat more difficult to address, police and define, governments will struggle to design clear policy and strategy to assuage the concerns of citizens. In the midst of the Black Lives Matter protests of 2020, increased attention and scrutiny will undoubtedly be paid to changes in this arena.

SUPPORTING EVIDENCE

“

In April 2019, the FBI established the Domestic Terrorism-Hate Crimes Fusion Cell to address the intersection of the FBI missions to combat domestic terrorism and provide justice to those who are victims of hate crimes.”

Department of Justice, 2019



W

Wellbeing

Increasing risk of global health crises

Increased requirement for hygiene and sanitation

Increasing popularity of non-medicinal healthcare

Increasing scientific understanding of mental illness

Growing understanding and importance of the microbiome



Increasing risk of global health crises



NOW

A pandemic has occurred every 10 to 50 years for the past few centuries. The current COVID-19 pandemic has shown how these global health crises can disrupt global and local economies. Despite advances in medication and emergency care, the world is just as susceptible as ever to the human and economic losses that infectious outbreaks cause. The institutional response to the current pandemic has been disjointed and inefficient in many ways, suggesting the U.S. needs improved response infrastructure.

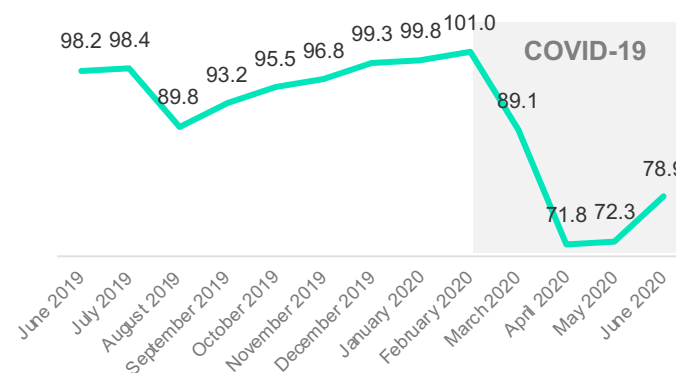
NEXT

Most public health experts believe we will continue to be at greater risk of experiencing global outbreaks and pandemics like those we've seen recently: SARS, swine flu, Ebola, Zika and of course COVID-19. Driven by urbanization, climate change, global travel and the faster spread of information, the threat of pandemics are expected to increase. Lifestyles will likely return closer to normal when risk subsides, with a few meaningful changes, such as an increased presence of hygiene in the marketplace.

SUPPORTING EVIDENCE

U.S. consumer sentiment

June 2019 – June 2020



University of Michigan, 2020



When historians write the book on the COVID-19 pandemic, what we've lived through so far will probably take up only the first third or so. **The bulk of the story will be what happens next.**

Bill Gates
The Economist



Increased requirement for hygiene and sanitation



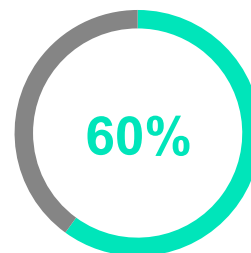
NOW

The COVID-19 pandemic has emphasized the importance of personal hygiene and sanitization in curbing the effects of ongoing pandemics and preventing the spread of future viruses. For many people, new habits formed during this period will remain, particularly as businesses require these practices for in-person engagement and leverage them as a means of reassurance for consumers.

NEXT

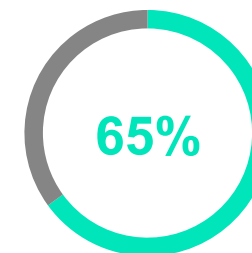
Regardless of industry, we will see an increased focus on sanitized spaces and products. The same will translate to the workplace. Telemedicine and telework options will be more widely available for those who want to mitigate risk, meaning new policies and procedures for medical and business professionals. The marketing and advertising industry will also need to adapt, incorporating hygiene into messaging and innovation.

SUPPORTING EVIDENCE



The coronavirus will change the way I shop, even when it is over

*Kantar U.S. MONITOR COVID-19 Survey
(April 2020)*

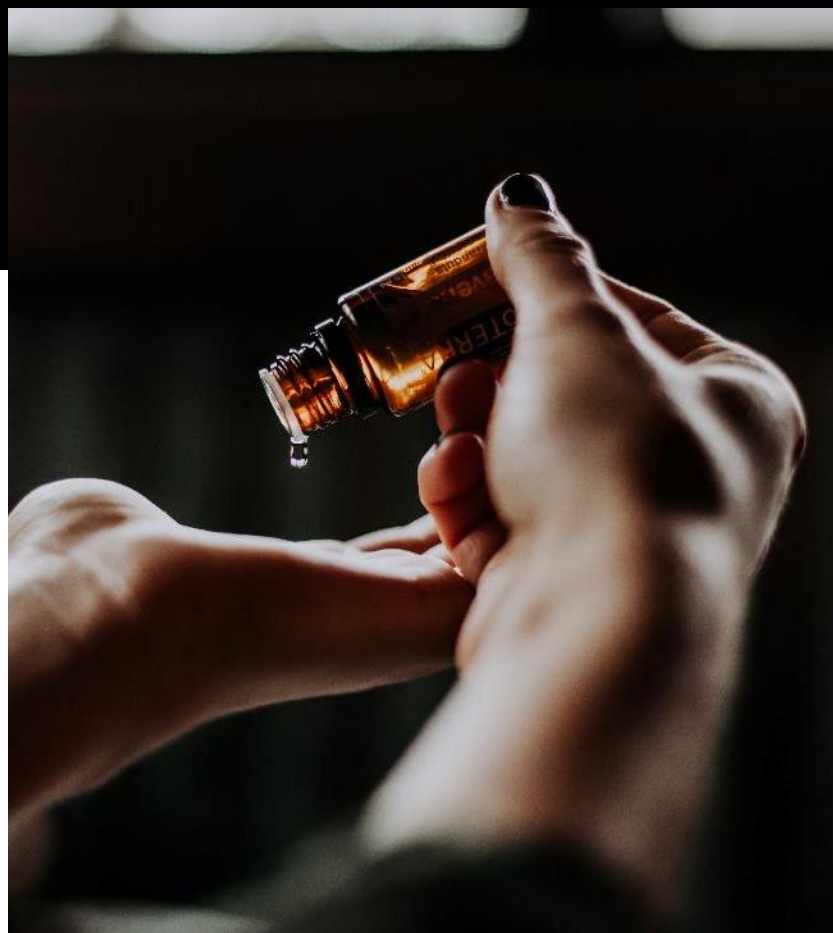


Five years from now, facemasks will be a normal part of public life in America

*Kantar U.S. MONITOR COVID-19 Survey
(April 2020)*



Increasing popularity of non-medicinal healthcare



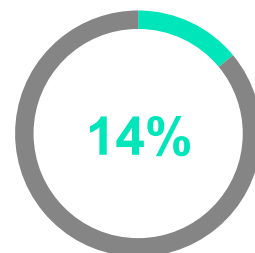
NOW

Complementary and alternative medicine (or 'CAM') is no longer seen as a fringe practice or fad. According to one study, the global CAM market is expected to generate \$210 billion by 2026. About two-thirds of the population in most developed countries reported using some form of CAM, especially herbal dietary supplements, functional foods & beverages, and wellness therapies such as yoga and acupuncture.

NEXT

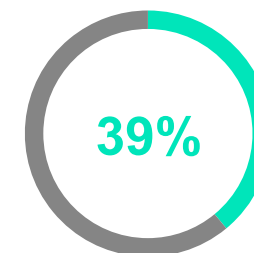
Many entrepreneurs see huge potential for growth in this space, as the number of new CAM businesses is increasing exponentially. Consider the explosion of CBD-related topical and ingestible brands in only a year, despite their murky legal status in many states. Startups are taking formerly fringe practices like acupuncture and Botox into mainstream medical communities by offering a health and luxury experience in one.

SUPPORTING EVIDENCE



of Americans say they use CBD products

Gallup, 2019



of Americans believe that cancer can be cured solely through alternative therapies

ASCO, 2018



Increasing scientific understanding of mental illness



NOW

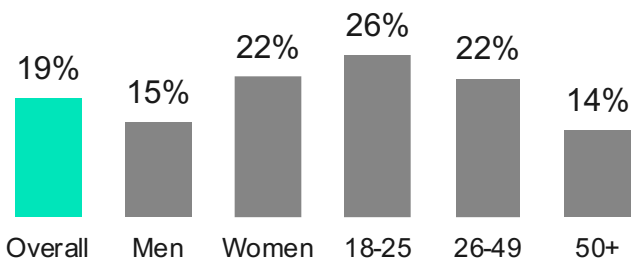
With nearly one in five U.S. adults living with a mental illness, mental health is increasingly recognized as one of the major global burdens of disease, prompting action from governments and institutions in an area that has been historically undervalued. This includes greater focus on major depression (16 million adults in the U.S. diagnosed) and anxiety disorders (42 million American adults diagnosed), as well as attention to less common mental illnesses such as schizophrenia and bipolar disorder.

NEXT

Better scientific understanding and subsequent social awareness of the effects and treatments will continue to bring mental illness to the forefront of the national health discussion. Cross-discipline partnership between technology and medical institutions are working to develop consumer solutions, such as apps and wearables, that can help augment, modify and normalize emotional and physical triggers of various mental diseases.

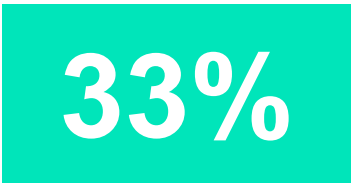
SUPPORTING EVIDENCE

Past year prevalence of any mental illness among U.S. adults



NIMH, 2017

The age-adjusted suicide rate increased



between 1999 and 2017.

CDC, 2018



Growing understanding and importance of the microbiome



NOW

Scientists increasingly view the human microbiome—the micro-organisms that live in our bodies and on our skin—as a critical component of health and wellness. As more attention is paid to specialized diets and allergens, new ways to equip the microbiome to prevent disease and illnesses will continue to be used as a natural defense system.

NEXT

Microbiome research is already working to uncover the relationship between human microbiota and their state of health or disease. Researchers will continue to work on new forms of living medicine, using advanced biomonitoring solutions and DNA alterations to recognize irregularities in the body and deliver natural solutions using organisms already existing in the patient's system.

SUPPORTING EVIDENCE



We will see a scenario where **probiotics or prebiotics will be recommended for people with milder forms of depression or anxiety**. We don't have the trials at the moment to make those recommendations, but it will happen in the future.”

Science Focus, 2019



Create your own!