

What matters to today's consumer 2026

How AI is transforming
value perception



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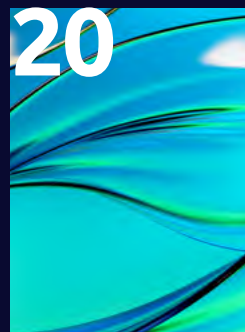
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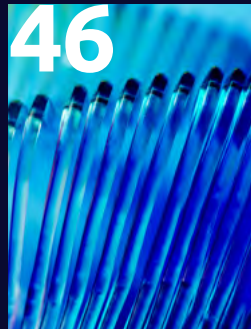
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Executive summary

AI-enabled shopping, heightened expectations of fairness and transparency, and meaningful human interaction at key moments are reshaping consumer decision-making in a new era of empowered consumer decision making. As AI becomes more deeply woven into everyday choices, shoppers are rewriting what they consider acceptable, valuable, and worth paying for. Expectations are sharper, tolerance is lower, and the definition of value has expanded beyond price. This report explores how AI, trust, and emotion are reshaping what consumers perceive as worth their time, money, and attention

Fairness and quality define value

Transparent prices, consistent policies, and clear communication sit alongside quality in shaping perceived value. Seventy four percent of consumers say they would switch brands if they found a lower regular price elsewhere,

and 71 percent would switch if pack sizes or product quality were reduced without clear communication. Promotions still have pulling power. Sixty two percent say more attractive deals can make them switch, while 61 percent believe bundles that combine products with services or warranties create stronger value. Quality now carries more weight than ever, and 64 percent of consumers view 'shrinkflation'¹ as an unfair practice. Health benefits, 'clean' ingredients,² convenience, and durability guide decisions across categories, and many shoppers are willing to pay more for faster delivery when it meaningfully improves their experience.

Careful spending meets intentional indulgence

Consumers are becoming more deliberate about how they save and where they treat themselves.

Around two in five are choosing lower cost alternatives, opting for private label, or buying smaller quantities to manage budgets. Yet these choices stop short when reliability is at stake. Many have adopted a hybrid mindset: willing to trade down in certain categories, while retaining spending in others (e.g., when prioritizing health-related aspects). Nearly four in five avoid private labels in performance critical categories. Promotional influence is also becoming more

71%

of consumers would switch brands if pack sizes or product quality were reduced without clear communication.

structured. Three in four consumers say money off discounts are most motivating, followed by percent off and buy one get one offers. Impulse restraint is also easing 54% say they are making fewer impulse purchases, down from 71% last year, signaling a modest rebound of 'intentional indulgence' alongside persistent deal-seeking.

Trust in channels matters. Two in three consumers believe ecommerce offers fair prices, with thrift and discount formats close behind. Emotional release also plays a role. Seven in ten say small indulgences help manage financial stress, showing that value blends rational savings with emotional satisfaction.

AI - The consumer's trusted guide

AI-driven tools are becoming central to how shoppers navigate the marketplace. Chatbots are now widely used for service and personalized

follow up, and agentic AI is moving into routine tasks. Almost half of consumers (52%) use virtual assistants that automate re-ordering or meal planning at least once a week, though only one in five is willing to pay a monthly subscription or a one-time payment. Control remains essential. Seventy six percent want the ability to set clear rules for when an assistant acts. Concerns about transparency continue, with 71 percent worried about how generative AI uses their information. Awareness of synthetic influencers is widespread at 66 percent, yet trust remains low at 52 percent. Two thirds of consumers expect brands to disclose AI generated advertising. Social commerce is growing quickly, and 35 percent have already purchased through platforms like Instagram or YouTube.

Technological convenience with a human touch drives loyalty

Consumers want efficiency, relevance, and emotional connection to coexist. Sixty three percent want generative AI to provide hyper personalized content, and 65 percent feel technology has reduced stress in their shopping routines. Yet human support remains essential. More than seven in ten consumers value in person assistance when dealing with complex purchases or resolving service issues. Preference for human assistance has risen sharply, with seventy four percent valuing support during in-store customer service and sixty six percent during the purchase stage, up from 54 percent and 40 percent last year. To win consumer loyalty brands must focus on fair value and dependable experiences such as clear pricing, consistent product quality, and a balanced mix of digital convenience and human support.

What should consumer products and retail (CPR) organizations do differently?

Accelerate growth with intelligent engagement:

Position digital assistant as full engagement channels that influence discovery, evaluation, and purchase behaviors, rather than as background utilities. Adapt interactions to different shopper preferences, from full autonomy to guided choices. Design promotional hierarchies that play to the strengths of each channel and are aligned with shoppers' behavior in mobile, online, and store environments. Pilot anticipatory commerce models with safeguards that protect consumer control, including clear permissions, easy edits, and transparent triggers. Incorporate emotional drivers that deliver reassurance, ease, and confidence.

Optimize operations with seamless AI:

Deploy AI that communicates clearly, supports everyday use, and creates intuitive experiences to enhance customer journey. Strengthen feedback loops between AI systems and operations so that pricing, inventory accuracy, and customer experience [CX] are mutually reinforced. Build fairness, transparency, and consistency into pricing logic.

Lead with purpose through resilient transformation:

Make sustainability central to the value equation. Ensure responsible AI use across the shopper journey to build long-term trust. Reinforce credibility through openness about how you deliver value, from promotion mechanics to AI-supported decisions. Redefine loyalty as a two-way relationship that offers both financial and emotional returns.



Who should read this report and why?

This report is designed for leaders across the consumer products and retail ecosystem who are navigating rapidly changing expectations around value, technology, and trust. Chief marketing officers, digital and ecommerce heads, loyalty and consumer insights leads, product executives, and category managers will find practical guidance on how AI, personalization, and emotion are reshaping consumer decision making. Strategy, pricing, and innovation teams will benefit from understanding how fairness, deal hierarchies, and anticipatory commerce influence switching behavior and long-term loyalty. Technology and data leaders can use these insights to prioritize consumer grade AI, strengthen governance, and design systems that create clarity rather than complexity. For organizations operating across physical and digital channels, this report offers a clear view of how empowered consumers evaluate value and how brands can respond with experiences that feel transparent, adaptive, and human.

This report is the fifth in our annual research series that examines evolving consumer behaviors. It is based on findings from a comprehensive global survey of 12,000 consumers aged 18 and over across 12 countries: Australia, Canada, France, Germany, India, Italy, Japan, the Netherlands, Spain, Sweden, the UK, and the US, and in-depth interviews with executives from consumer products and retail industries. See the research methodology at the end of the report for more details on the consumers surveyed.



01

Value redefined: where fairness and quality intersect

In today's marketplace, customers demand more than just competitive pricing—they expect transparency, ethical practices, and uncompromised quality at every stage of their shopping journey. Redefining value means creating experiences where fairness in pricing, policies, and treatment seamlessly aligns with superior product and service standards. This convergence builds trust, strengthens loyalty, and transforms transactions into lasting relationships, ensuring brands deliver not just products, but genuine value.

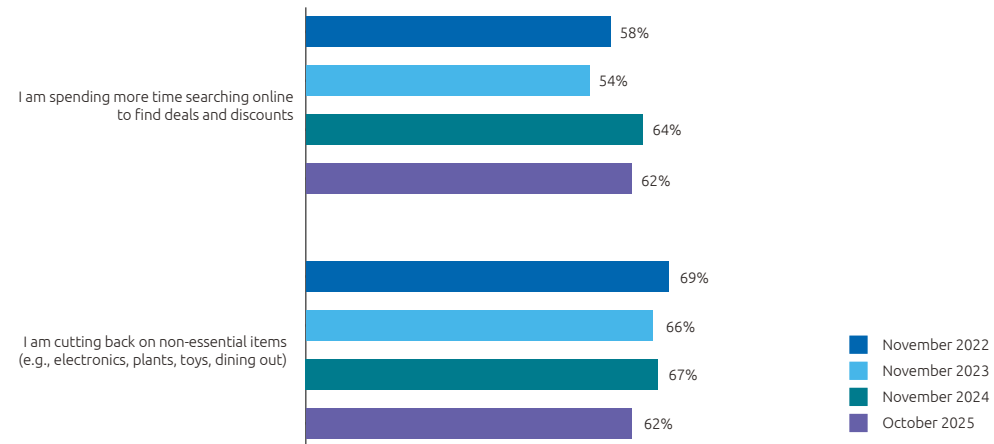
Inflation fatigue fuels the quest for fair value

Consumers are weary of persistent price increases. But this runs deeper, to an underlying frustration with diminishing purchasing power and financial uncertainty. Inflation fatigue is driving a behavioral shift. With inflation beginning to fall, we see some signs that consumers are beginning to relax their drive for value, but percentages still remain high. Consumers continue to spend more time searching online for the best deals (62% in October 2025, comparable to 64% in November 2024) and cutting back on non-essential items (62% in October 2025; see Figure 1). Neha Donald, Senior Director of Global Strategy, Transformation and Innovation at PepsiCo, says, *"Inflation and tariffs have shifted consumers*

Figure 1.

Most consumers continue to look for the best deals and cut back on non-essentials

% of respondents who agree with the following statements



Source: Capgemini Research Institute, *What matters to today's consumer 2026*, October 2025, N = 6,000 consumers; *What matters to today's consumer 2025*, November 2024, N = 12,000; *What matters to today's consumer 2024*, November 2023, N = 11,681; *What matters to today's consumer 2023*, November 2022, N = 11,300 consumers.

to value-seeking behavior. They actively compare prices across platforms, look for discounts and loyalty benefits, and trade down to private labels or affordable brands. We also see smaller pack sizes gaining traction and multi-brand baskets becoming common. Loyalty is now conditional, driven by better deals, faster delivery, and personalized rewards."

Nikos Bartzoulanos, Group Chief Marketing Officer at Electrolux (2024 – 2025), remarks, *"Economic uncertainty and rising costs have changed purchase behavior. Consumers are holding on to appliances longer and delaying replacements unless truly necessary. Value and durability have become non-negotiable; and this is another area where great brands and products can make a difference to consumer lives."*

As consumers remain discerning, they are prioritizing transparency, efficiency, and value. Almost half (49%) are buying smaller pack sizes. Jason Coan, Vice President Operations at Reliance Trends, says, *"Customers have money to spend, but they are more discerning. They look for deals and better value. Coordinated sets like top and bottom at a sharper price are flying off shelves because they offer perceived value compared to buying separates."*

Here are a few examples of strategies adopted by prominent retailers:

- Amazon has unified its grocery private labels under the new Amazon Grocery brand, introducing over 1,000 essential items priced below \$5. As a result, private-label sales surged 15% in 2024 over the previous year, underscoring how private label brands have evolved into a structural hedge by consumers against price inflation.³
- Target froze 2024 pricing on more than 1,000 back-to-school essentials for the 2025 season, including bundles under \$20. The move followed a 4.8% decline in store traffic and was intended to rebuild trust among inflation-fatigued shoppers. Complementing this, Target rolled out 20% storewide discounts for students and teachers, hoping price integrity and deep promotions can reignite engagement with value-driven consumers.⁴
- In the Netherlands, grocery retailer Jumbo stands out by adopting a flexible, category-specific packaging design rather than a single, uniform private-label identity. This approach allows the Jumbo brand to convey a sense of quality while remaining affordable and delicious.⁵

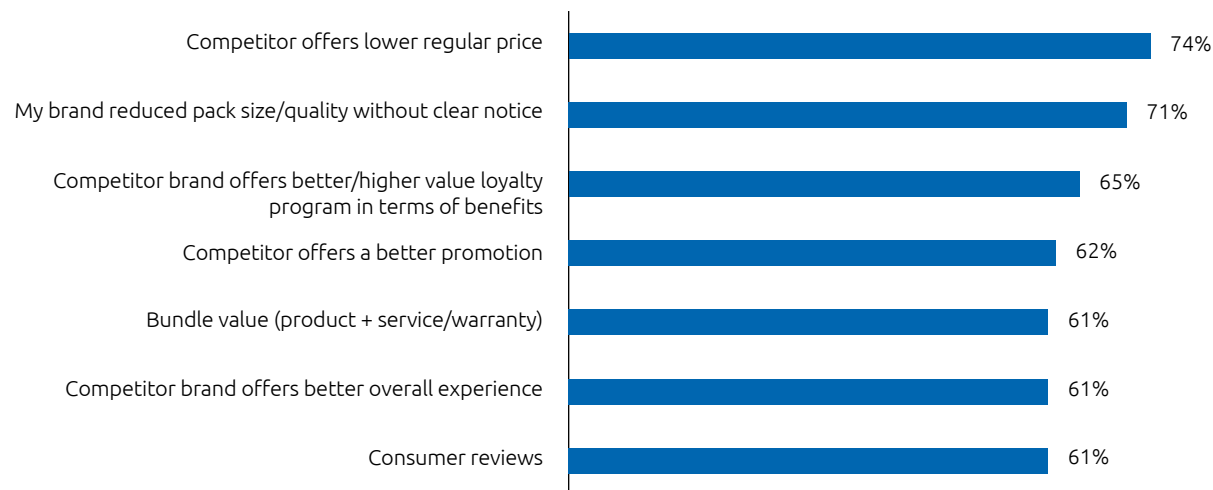
When inflation or economic uncertainty amplifies consumer affordability and corresponding price sensitivity, brand loyalty weakens. Consumers will increasingly prioritize value over familiarity, readily switching brands if they see a fairer alternative. Most consumers will switch brands if competitors offer lower regular prices (74%) or their current brand reduces pack size/product quality without clear communication rationalizing this (71%) (see Figure 2).

74%

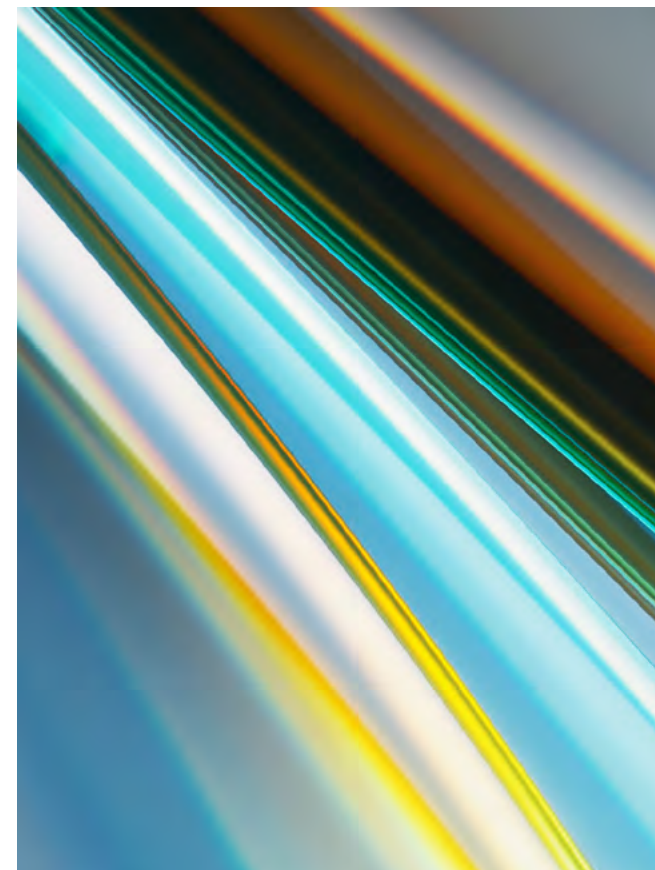
of consumers will switch brands if competitors offer lower regular prices.

Figure 2.

Lower prices and reduced pack size/quality without clear notice emerge as top drivers for switching brands

Most compelling reasons for consumers to switch brands or retail stores

Source: Capgemini Research Institute, *What matters to today's consumer 2026*, October 2025, N = 12,000 consumers.



Consumers still pay for what they believe in

The consumer purchase decision-making process remains multi-dimensional considering multiple factors across brand reputation, price sensitivity, product shelf life, purchase frequency, and level of personal involvement. For low involvement or frequently purchased products such as groceries, household necessities, and stationery products, price point and convenience dominate (see Figure 3).

When it comes to aspirational, high-involvement, or long-lifecycle products such as luxury goods, home improvements, or consumer electronics, emotional alignment with brand values often outweighs cost considerations. For instance, luxury brands distinguish themselves through exceptional quality, masterful craftsmanship, and rich heritage, not merely by price. Luxury houses such as Louis Vuitton, Chanel, Hermès, and Gucci are often cited as category benchmarks; however, perceived value is anchored in assurances of longevity and service rather than just brand storytelling.⁶ This, interestingly, also holds true for baby care products, where parents show a refusal to compromise on their child's wellbeing.

Consumers are increasingly assessing more than just product quality and price. They scrutinize the reliability, transparency, and ethical standards of the retail channel itself. Aspects such as secure payment systems, data privacy, product authenticity probability, fulfilment speeds and fair return policies strongly influence trust.

Priyanka Bhargav, Head of Insights and Brand Strategy at Flipkart, concludes, *"Quick commerce is no longer a metro phenomenon, it's democratizing speed across India. Today, 25% of quick commerce spending comes from mid to low-affluent consumers in Tier 2 and Tier 3 towns. These customers are willing to pay a little extra for faster delivery, signaling that convenience and immediacy are becoming universal expectations."*



**Figure 3.**

Price takes precedence for low-involvement or frequently purchased products

Categories where price takes precedence	Categories where brand takes precedence	Categories where price and brand are equally important	Categories where either brand or price takes precedence depending on the context
Fresh produce	Luxury products	Subscription model ready-to-eat meal kits	Apparel and accessories
Dry groceries and food supplies	Home improvements and DIY supplies		Furniture and home décor
Household necessities (e.g., cleaning products)	Consumer electronics		Personal care products
Stationery, school and office supplies	Baby care products (including baby formula and diapers)		Health and beauty products

Source: Capgemini Research Institute, *What matters to today's consumer 2026*, October 2025, N = 12,000 consumers.



Fair pricing builds brand credibility

Consumers are developing a very clear view on pricing practices that target consumer value vs. those that prioritize company profit. While most consumers find volume-based discounts (80%) and personalized coupons based on purchase history (70%) very fair, they find policies like different prices by sales channel and shrinkflation as highly unfair (see Figure 4).

Shrinkflation has repercussions for both consumers and brands:

- Frequent shrinkage across multiple product lines increases overall spending. Consumers feel they're paying the same for less, which can erode trust. Most consumers (59%) notice when product sizes decrease without price changes and 66% say they would actually prefer a small price increase vs. non-signaled size reductions.
- While shrinkflation may boost margins in the short term, lack of transparency can quickly erode brand credibility and loyalty. Consumers frequently call out such practices on social media, amplifying reputational and commercial risks. Such practices may also have regulatory ramifications.

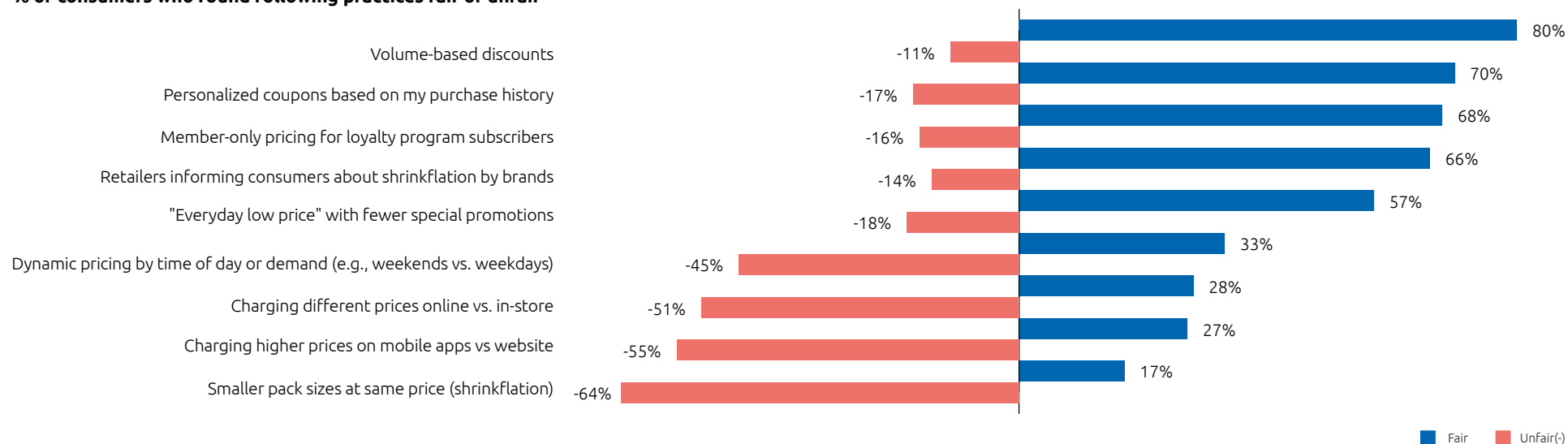
Conversely, consumers have shown they will reward brands who pass on savings when costs fall. Scandinavian furniture seller IKEA (Inter IKEA + Ingka Group) promoted they were cutting prices due to reduced input costs (such as raw materials and transportation) and to be aligned to its business idea and mission of "affordability", a strategy that helps attract cost-conscious customers. The result: IKEA grew operating profit and saw visitor rates rise (+4.5% in-store, +21% online), highlighting affordable, transparent pricing as a fairness cue that supports demand and trust.⁷

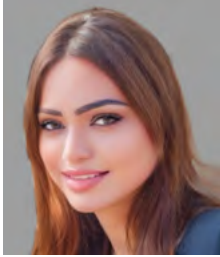
66%

of consumers say they would actually prefer a small price increase vs. non-signaled size reductions.

Figure 4.

64% of the consumers consider shrinkflation an unfair practice

% of consumers who found following practices fair or unfairSource: Capgemini Research Institute, *What matters to today's consumer 2026*, October 2025, N = 12,000 consumers.



"Inflation and tariffs have shifted consumers to value-seeking behavior. They actively compare prices across platforms, look for discounts and loyalty benefits, and trade down to private labels or affordable brands. We also see smaller pack sizes gaining traction and multi-brand baskets becoming common. Loyalty is now conditional, driven by better deals, faster delivery, and personalized rewards."

Neha Donald

Senior Director of Global Strategy, Transformation and Innovation, PepsiCo

What makes a product 'worth it?'

Consumers consistently rank product quality and durability as the most important factor in determining whether a purchase is worthwhile (see Figure 5). In fresh produce, 74% of consumers cite quality as a top driver, followed by 73% in dry groceries and 72% in household necessities. Functional performance is also highly significant, especially in categories such as personal care (71%). This focus on tangible product value shows that consumers aren't just bargain-hunting, they seek reliable, high-performing essentials. L'Oréal, a global leader in beauty and personal care, drives innovation through extensive research, delivering high-quality, long-lasting products across skincare, haircare, and cosmetics.

Consumers are paying attention to the origin and qualities of ingredients and components. In fresh produce, 69% of consumers say health benefits are a top factor, and 68% prioritize clean or natural ingredients. This pattern holds across dry groceries (67% health, 66% clean ingredients) and personal care (70% health, 66% clean ingredients). Launched in 2019, The Whole Truth Foods has rapidly earned its place as one of India's most trusted clean-label food companies, building a loyal community of health-conscious consumers through three core principles of ingredient transparency, with every component listed upfront with no fine print; clean

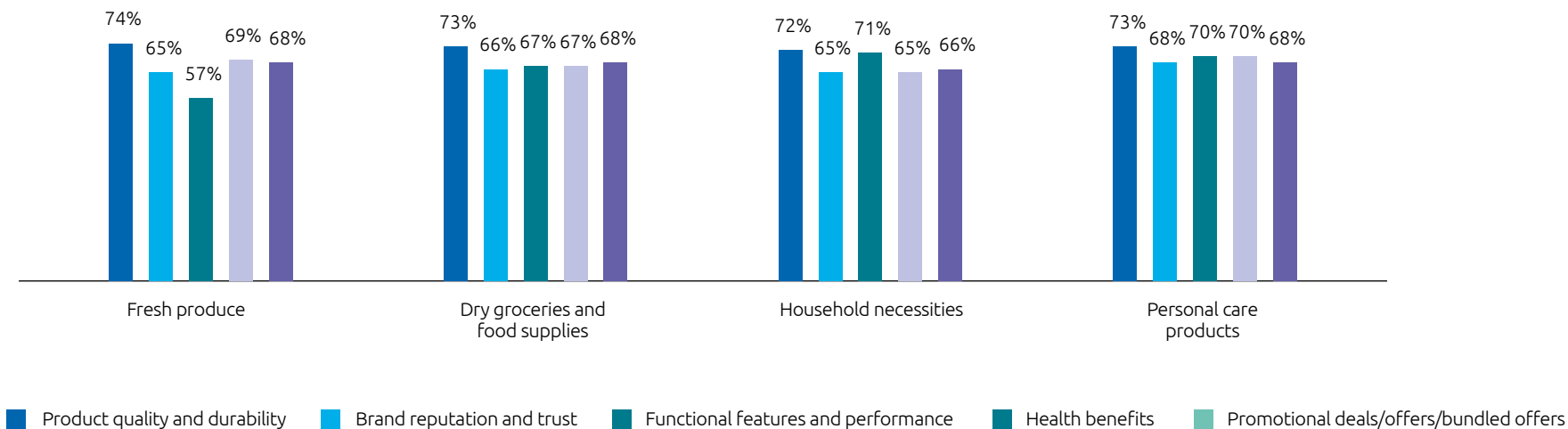
formulation free from refined sugar, preservatives, palm oil, and artificial flavors; and prioritizing real nutrition knowledge over aggressive sales tactics.⁸ Neha Donald from PepsiCo adds, *"There is a large consumer shift in FMCG, especially food and beverage. Consumers now want healthier products and functional portfolios. Gen Z is highly inclined towards sustainability and transparency, so it's no longer just about selling a product it's about selling a story that resonates with values like clean labels and responsible sourcing."*

While quality and health considerations remain dominant, convenience emerges as a critical secondary driver. In fresh produce, 65% of consumers cite factors like delivery speed or store proximity as significant. This indicates that ease of access and time-saving options (e.g., pre-cut, ready-to-eat formats, fast delivery) can enhance perceived value, especially when combined with quality.

Figure 5.

Product quality and health benefits consistently rank as top purchase drivers across categories

How important are the following features when deciding if a product is worth the price?



Source: Capgemini Research Institute, *What matters to today's consumer 2026*, October 2025, N = 12,000 consumers.

Consumers are increasingly willing to pay a premium for the convenience of faster delivery. However, the extra amount they are willing to pay has declined compared to last year (see Figure 6).

Likewise, consumers are prepared to pay a premium for features they perceive as valuable. They are willing to pay around 8% extra on the order value for extended warranty of electronics and appliances, and 3% extra on the order value for sustainable packaging and carbon offsetting for shipping emissions.

12%

Percentage of the average order value that consumers are willing to pay as premium for 10-minute delivery.

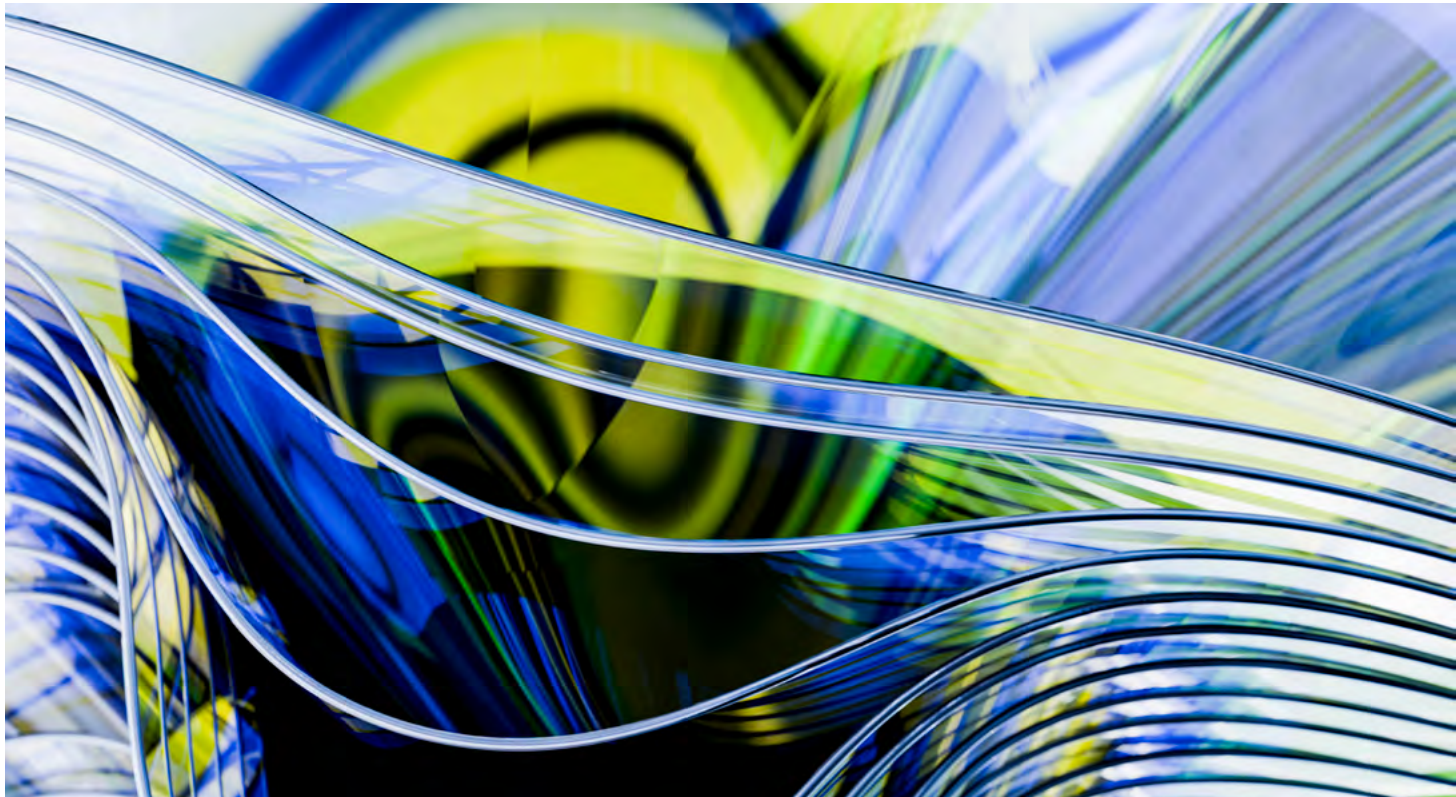
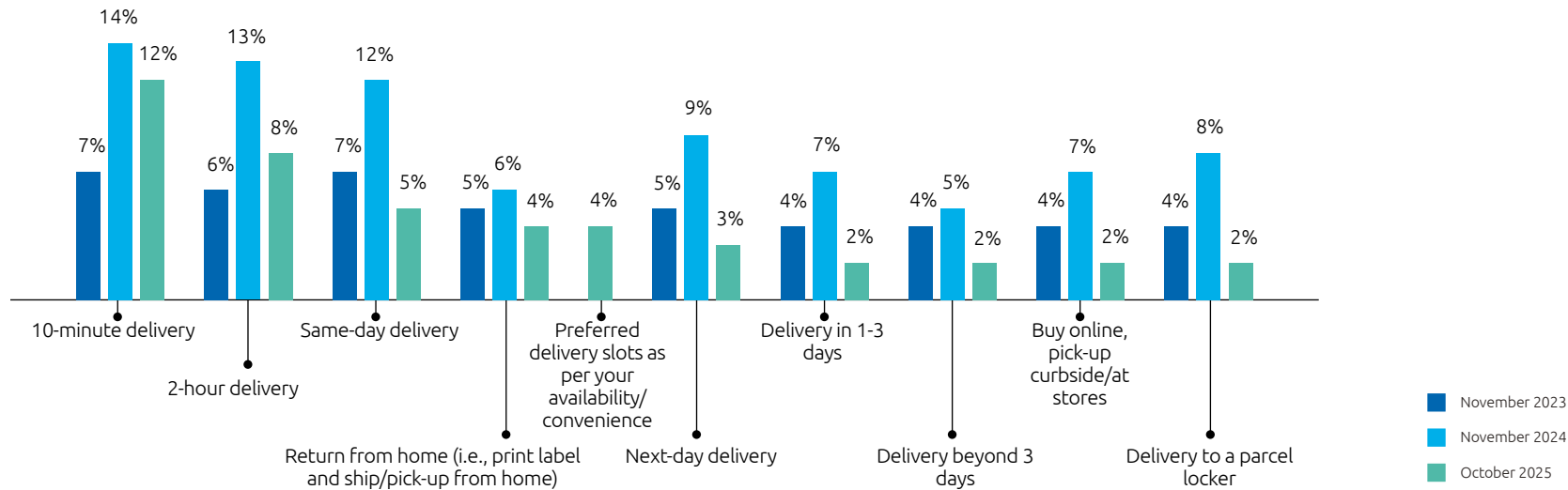


Figure 6.

Consumers are willing to pay extra for speed and convenience, but less than last year

Average % of the order value consumers would be willing to pay for the following delivery speeds and services:



Source: Capgemini Research Institute, *What matters to today's consumer 2026*, October 2025, N = 12,000 consumers; *What matters to today's consumer 2025*, November 2024, N = 12,000; *What matters to today's consumer 2024*, November 2023, N = 11,681 consumers.



02

Careful spending meets intentional indulgence



"Customers have money to spend, but they are more discerning. They look for deals and better value. Coordinated sets like top and bottom at a sharper price are flying off shelves because they offer perceived value compared to buying separates."

Jason Coan

Vice President Operations, Reliance Trends

Impulse restraint is easing, with 54% of consumers reporting fewer impulse purchases versus 71% last year, signaling a modest rebound of 'intentional indulgence' alongside persistent deal-seeking and cutbacks on non-essentials. Despite rising cost-of-living concerns, consumers do indicate they are making selective trade-offs to give emotional boosts alongside a sense of control. Many have adopted a hybrid mindset: willing to trade down in certain categories, while retaining spending in others (e.g., when prioritizing health-related aspects). We have previously seen that health benefits consistently rank as a top priority for consumers when choosing food products. Studies indicate that consumers are willing to pay, on average, a 30% premium for healthier options.⁹ Within the health and wellness space, high-protein diets have seen a notable surge in popularity. Consumers are eating more protein than ever before, with 61% of Americans reporting increased protein intake in 2024, up from 48% in 2019.¹⁰

Strategic saving, selective splurging

We are entering an era of 'smart downshifting', where shoppers mix high and low choices across categories.

Strategic saving

As prices rise, many consumers are recalibrating their purchasing behavior, reducing quantity, substituting with lower-cost alternatives, or switching to private labels. For instance, around half (49%) are buying smaller quantities, suggesting a shift toward consumption control, rather than complete avoidance. A similar proportion (48%) are embracing cheaper alternatives, such as canned fruit instead of fresh, highlighting a willingness to compromise on experience to manage budgets.

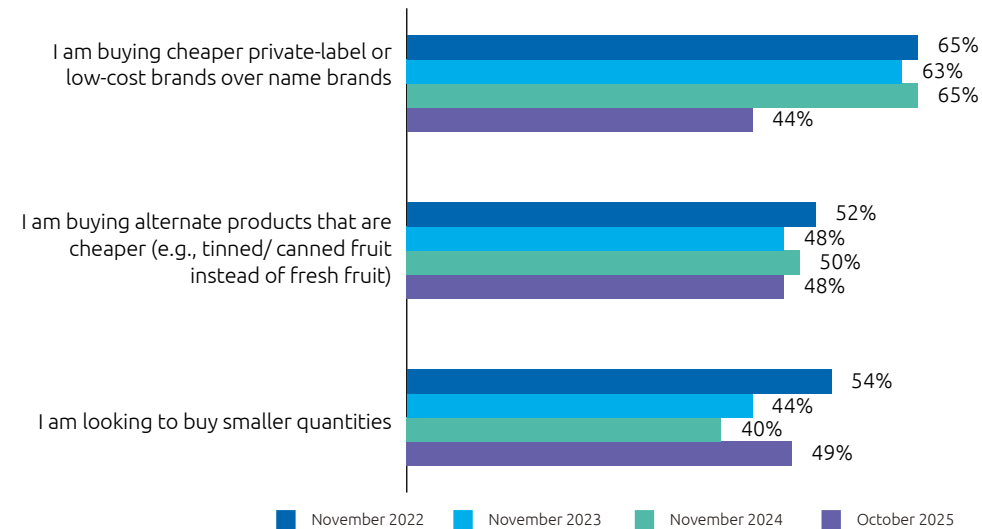
Ronald Sargent, Interim CEO and Chairman at Kroger, highlights: *"When you look at the income cohorts, low- and middle-income households are really looking for deals. They're using coupons more. They're making smaller but more frequent trips. They're also eating out less."*¹¹

The preference for private labels dropped 21pp from 65% in November 2024 to 44% this year. During periods of heightened financial pressure and inflation, shoppers were more inclined to trade down. As prices stabilized, the emphasis shifted back to quality assurance, and concerns over product performance resurfaced. Trust dynamics likely amplified this trend. Scrutiny around shrinkflation made low-cost alternatives seem less dependable, driving a sharp decline in preference for private labels.

Figure 7.

Around two in five consumers are opting for cheaper options over name brands

How have your shopping behaviors changed in response to price increases over the past year?



Source: Capgemini Research Institute, *What matters to today's consumer 2026*, October 2025, N = 6,000 consumers, *What matters to today's consumer 2025*, November 2024, N = 12,000; *What matters to today's consumer 2024*, November 2023, N = 11,681; *What matters to today's consumer 2023*, November 2022, N = 11,300.



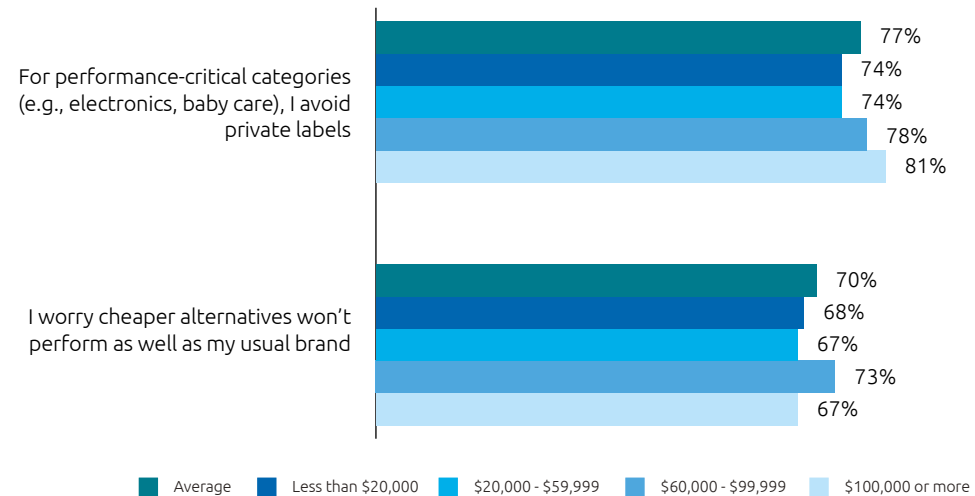
Selective splurging

Trust, reliability, and performance are critical drivers of purchase decisions, particularly for products that influence safety, health, or long-term use. Consumers seek confidence that these products will function as intended and pose no risks. This is especially true in high-stakes categories such as electronics, baby care, and health products, where 77% of consumers across income brackets say they avoid private labels and 70% worry that cheaper substitutes may underperform (see Figure 8). Electronics represent a significant investment where technical reliability is essential, while safety and health considerations are paramount in baby care and healthcare items. In these sensitive segments, shoppers gravitate toward established brands with proven track records. Conversely, private labels often lack strong brand equity, creating a perception of risk that makes customers hesitant to choose them.

Figure 8.

Nearly four in five consumers avoid private labels for performance-critical products

% of consumers agreeing that they exhibit the below behaviors, by annual household incomes



Source: Capgemini Research Institute, *What matters to today's consumer 2026*, October 2025, N = 12,000 consumers.

The deal hierarchy is well defined

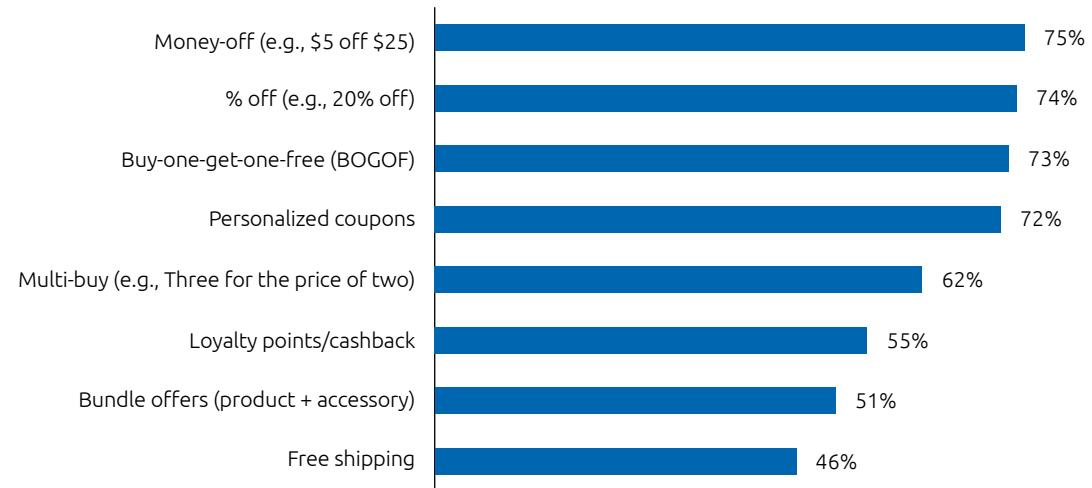
In the eyes of today's value-conscious consumer, not all promotions are created equal. Three out of four shoppers find 'money-off' deals to be the most effective, followed closely by percentage discounts and buy-one-get-one-free (BOGOF) offers. This ranking reveals a clear deal hierarchy that prioritizes immediacy, clarity, and tangible value. In a period of ongoing economic strain, consumers are gravitating toward promotions that offer direct and simple savings at the checkout.

Importantly, consumers are not only seeking the deepest discount, but also the least cognitive friction. Retailers that prioritize transparent, no-strings-attached offers are more likely to see higher engagement and conversion rates. Personalized coupons and multi-buy offers rank lower, not necessarily due to lack of value, but due to the mental effort or delay they often involve. Alex Owens, former VP, Global Head of PDC's, Analytics, Shopping Insight & Executive Sponsor of Unilever's LGBTQI+ Network, highlights, *"Pricing remains one of the biggest challenges for FMCG. Beyond rising commodity and supply-chain costs, brands must also navigate retailer margin pressure, increased price transparency, and highly price-sensitive consumers. While some cost increases have to be passed on, this only works where shoppers continue to perceive strong brand value and clear product efficacy."*

Figure 9.

Three in four consumers find money-off the most effective promotion type

How effective are the following types of promotions in driving your purchase decisions?



Source: Capgemini Research Institute, *What matters to today's consumer 2026*, October 2025, N = 12,000 consumers.

Beauty retailer Sephora, for instance, offered 30% off all Sephora Collection products during its annual sale in November 2025.¹² After a slight dip in U.S. sales in Q1 2025, partly due to aggressive price cuts by e-commerce platforms, Sephora partnered with Lyft to offer customers \$20 off rides to select stores in New York City, Seattle, Los Angeles, San Francisco, and Chicago. The initiative aimed to drive more foot traffic into physical stores and reduce reliance on online shopping. The organization also ran a limited-time promotion offering \$10 off any order over \$50 at checkout, and a free personalized 'skin scan.'¹³

75%

of consumers say money-off deals are the most effective promotions, ahead of percent off and BOGO (Buy One, Get One) offers.

Figure 10.

Two in three consumers trust ecommerce players to give them a fair price

Do you trust that you are getting a fair price from the following retail channels?



Source: Capgemini Research Institute, *What matters to today's consumer 2026*, October 2025, N = 12,000 consumers.

Benchmarking fair value

As value perceptions evolve, fair pricing is not only about finding the lowest number, but also about feeling well informed. Our research shows that two in three consumers now trust ecommerce players to offer fair prices, reflecting how comparison tools have normalized transparency in online marketplaces. Amazon's 'Compare with similar items' tool auto-populates a comparison chart with three other similar items, saving customers time. Besides showing additional information for the main product, the platform also shows technical details, warranty information and even the ranking of sellers.¹⁴ AI-generated review summaries on platforms such as Amazon and Best Buy are helping shoppers interpret thousands of opinions instantly, filtering for individual priorities such as quality, durability, and eco-friendliness.

At the discount end of the market, 59% express confidence in discount chains, long associated with everyday low prices. Second hand marketplaces are also growing in significance, with 63% of consumers trusting thrift or secondhand stores, where 'discovered value' adds to the sense of fairness.

Interestingly, around half (53%) expect fair pricing from physical stores, on par with brand websites and apps. Consumers seem to suspect that the individual time

investment needed to conduct price comparison is allowing brands and retailers to charge them more. Equally, not all digital experiences are earning trust. Only 17% of consumers say they trust social commerce platforms such as TikTok Shop or Instagram, with rapid product turnover and opaque pricing undermining credibility. Given TikTok Shop is the fastest growing retailer in the world, it will be interesting to see if this trust changes over time as they scale.

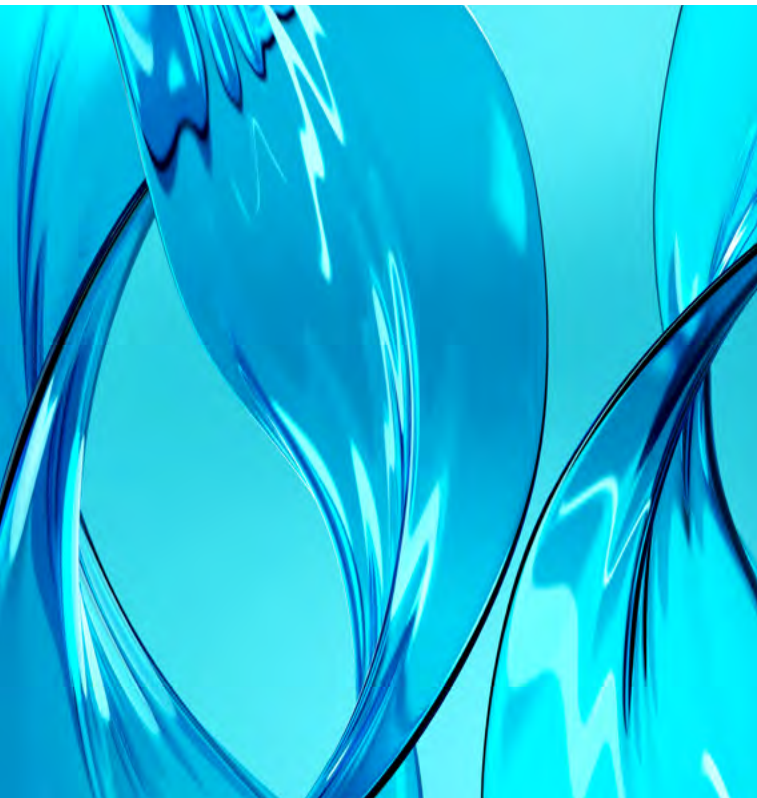
Indulgence is the new emotional buffer

Consumers are now redefining indulgence as a coping mechanism, rather than a luxury. Seven in ten shoppers in our survey say small treats help them deal with financial stress, while an equal share feel they deserve an emotional/sensory reward for making savings elsewhere. This 'emotional offset' reflects a wider behavioral shift wherein people are balancing prudence with small moments of pleasure that restore a sense of normality and self-gratification. The pattern is strongest among Millennials and Gen Z, who are accustomed to the language of emotional wellness and mindful consumption.

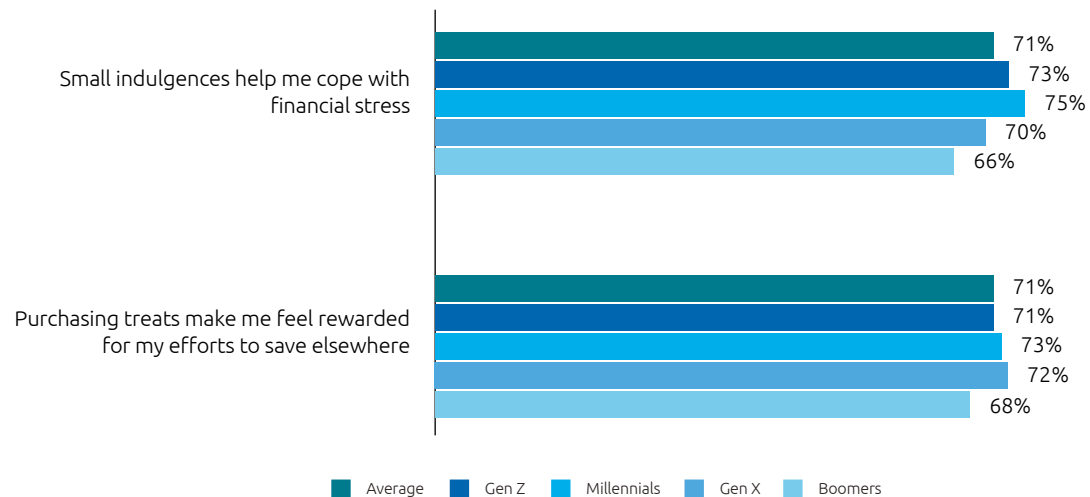
Retailers and brands are responding to this desire for 'guilt-free joy.' Mondelez reported continued growth in its

'snacking moments' segment in 2024, noting that consumers are buying smaller pack sizes but with greater frequency, practicing what the organization calls 'indulgent stacking' (building up a pile or supply of small treats).¹⁵ Similarly, Starbucks introduced cold foam drinks served in layers with vibrant flavor add-ons for customers seeking a little personalized indulgence without straining budgets.¹⁶

Indulgence is no longer at odds with frugality. It has become an essential emotional release within financially disciplined lifestyles. Brands that can position small pleasures, whether a premium snack or an affordable aesthetic upgrade, as attainable acts of self-care are most likely to thrive in this new value equation.

**Figure 11.**

Seven in ten consumers opt for treats and small indulgences to cope with financial stress

To what extent do you believe these statements describe you?

Source: Capgemini Research Institute, *What matters to today's consumer 2026*, October 2025, N = 12,000 consumers.



"Brands must move beyond being optimized for search to being optimized for selection. Success increasingly depends on being chosen by algorithms, not just found by consumers. This requires brands to be context aware, relevant, and ready to surface naturally at the right moment. The future of discovery lies in being present where decisions are made, often before the consumer even realizes a choice is underway."

Dreen Yang

EVP, Global Consumer Products and Retail Lead, Capgemini



“Affordability cannot come at the expense of efficacy. Consumers expect both, they actively compare products, scrutinize ingredient lists, and demand transparency before making decisions. In short, today’s definition of value means delivering quality and trust at every price point.”

Edwin Taborda

Global Chief Consumer & Market Intelligence Officer,
L’Oreal Consumer Products Division



03

AI - The consumer's trusted guide

With an abundance of information readily accessible online and sophisticated tools to sift through and analyze it, consumers are no longer passive targets of marketing. Consumers are increasingly conducting thorough pre-purchase research, evaluating options across multiple platforms, and drawing on reviews, expert insights, and peer recommendations. In fact, one-quarter (25%) have already used Gen AI shopping tools in 2025, while a further 31% plan to use them in future (see Figure 12).

In today's reimagined shopping journey, AI has transitioned from a behind-the-scenes enabler to a trusted, front-line advisor. It's no longer just about automating tasks but about enhancing human decision making. From interpreting user preferences and behaviors to delivering real-time, conversational support through chatbots and virtual assistants, AI now plays a central role in guiding consumers.

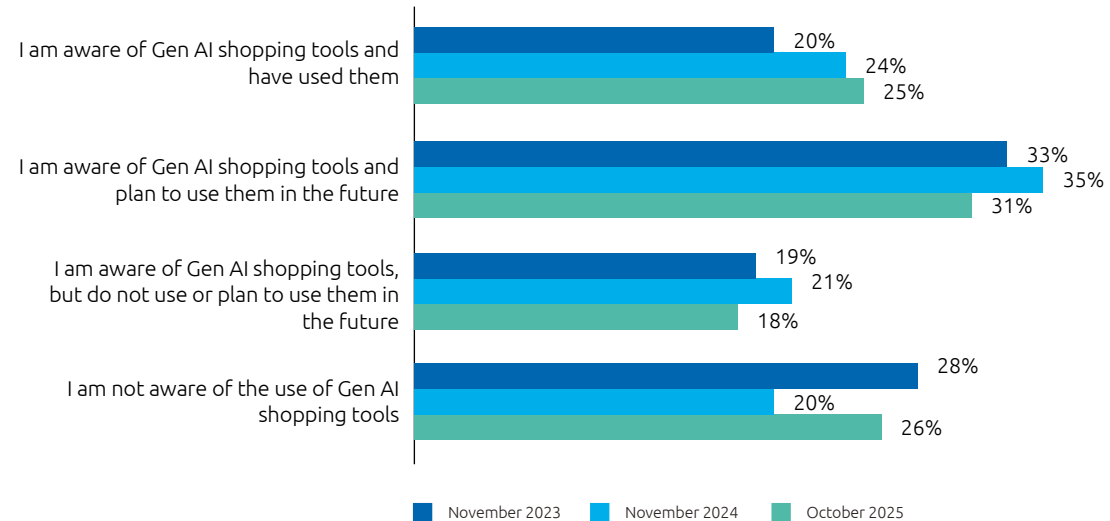
Frictionless tools drive adoption

Consumers are most likely to embrace technological solutions that address a genuine need as intuitively as possible. At least six out of ten consumers consider chatbots for query resolution and personalized post-purchase follow-ups among

Figure 12.

One in four consumers has used Gen AI shopping tools in 2025

% of consumers who agree with the following statements



Source: Capgemini Research Institute, *What matters to today's consumer 2026*, October 2025, N = 12,000 consumers; *What matters to today's consumer 2025*, November 2024, N = 12,000; *What matters to today's consumer 2024*, November 2023, N = 11,681 consumers.

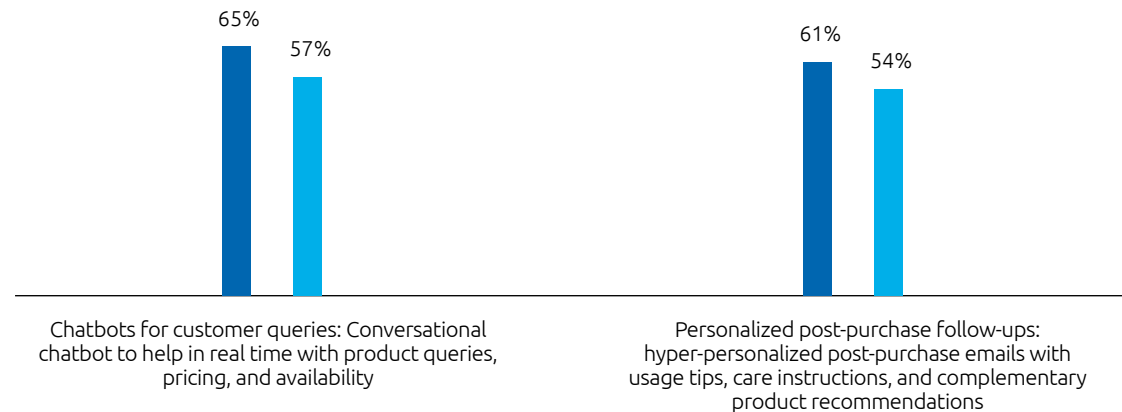
the most valuable features in their digital interactions (see Figure 13).

Chatbots are becoming pivotal in elevating CX by delivering instant, real-time assistance. Adoption of these tools is high with almost three-quarters (73%) of consumers having used chatbots for queries at least once. These chatbots provide ways for brands and retailers to provide instant support 24/7 across consumer query categories such as product information, availability, promotions and post purchase assistance with the aim to improve customer experience. However, execution does not appear to be keeping up with adoption, with only 57% satisfied with the experience (see Figure 13). While chatbots offer instant responses, convenience, and speed, their limited problem-solving ability, lack of personalization and empathy, poor contextual understanding, and difficulty in escalating to human support often lead to disappointment. Despite being marketed as “smart,” the actual experience may frequently feel basic. Brands/retailers need to ensure chatbots are not deployed simply to divert consumers away from human channels and reduce costs. Chatbots should be developed to provide a frictionless experience which should include a human off-ramp’ that diverts the query back to an employee should the consumer wish to prevent dis-engagement.

Figure 13.

Most consumers find chatbots useful

% of consumers who mentioned the following



Source: Capgemini Research Institute, *What matters to today's consumer 2026*, October 2025, N (consumers who have used this tool at least once) = 3,949 consumers for chatbots for customer queries, 4,024 consumers for personalized post-purchase follow ups.

Proactive post-purchase consumer engagement can transform a simple transaction into a lasting relationship. More than three in five (61%) of consumers have encountered post-purchase personalized follow-ups, and more than half (54%) are satisfied with these hyper-personalized emails that feature usage tips, care instructions to extend product life, and tailored recommendations for complementary products or accessories, giving the consumer a real sense of post-purchase support and significantly boosting brand engagement. This can build trust and loyalty as well as inspire repeat purchases, creating a deeper emotional connection with consumers.

Everyday agents: Shoppers already let AI act on their behalf

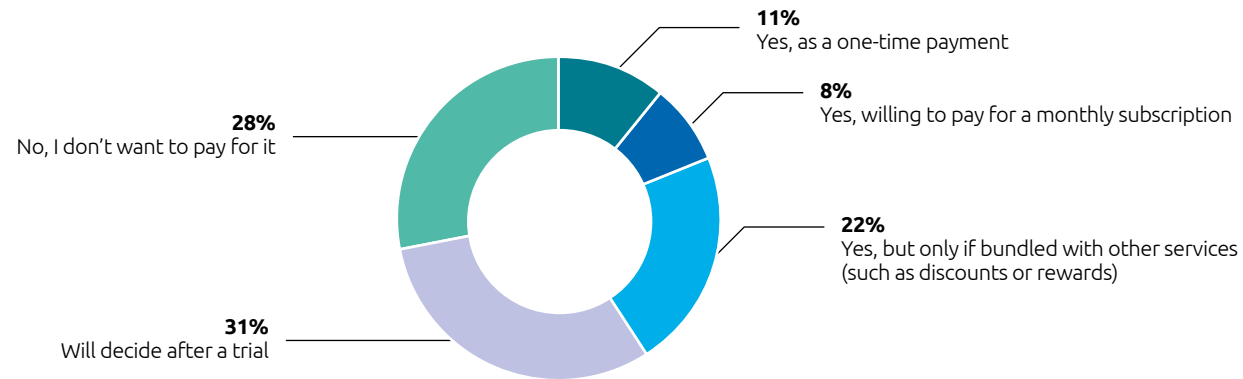
Consumers are increasingly relying on AI to handle more complex purchases such as planning meals. Balancing variety, dietary restrictions, nutritional goals, personal taste preferences, budgetary constraints, and minimizing food waste, all around busy schedules, make meal planning a demanding endeavor. Almost half of consumers (52%) use virtual assistants that automate re-ordering or meal planning at least once a week. Among these, less than half (46%) are satisfied with the experience, but the maturity curve of these technologies suggests this will quickly rise. Automated meal planning offers the added advantage of significantly reducing food waste by providing consumers with data-driven insights, optimizing grocery purchases, and ensuring existing ingredients are used before they spoil. This approach addresses key drivers of household food waste, such as overbuying and improper storage. Jason Coan from Reliance Trends adds, *"We are embedding AI agents into apps and even changing rooms. A style advisor can ask, 'What matches with a polka dot dress?' and get instant suggestions. Consumers will soon be able to say, 'Show me an outfit for a wedding,' and receive curated looks linked to real-time stock."*

- Walmart Voice Order, integrated with Google Assistant, enables hands-free grocery shopping by harnessing AI to recognize natural language and re-order frequently purchased items. It learns from past purchases to select the individual consumer's preferred brands and sizes, and even suggests alternatives based on local availability and pricing. Over time, the system becomes smarter, offering more personalized and efficient shopping experiences.¹⁷
- The Samsung Family Hub Refrigerator integrates SmartThings and Samsung Food to create a connected kitchen experience. It helps with meal planning and grocery management by using internal cameras to monitor inventory, suggesting recipes based on what's available, and offering the option to place grocery orders through the fridge or a smartphone. The system can adapt to user preferences, automate ingredient reordering, and works with voice assistants like Bixby or Alexa for hands-free control.¹⁸
- Google has added an AI Mode to its Search tab, enabling users to describe what they need in a conversational format and receive clear, structured results. This feature organizes responses with visuals, pricing, reviews, and inventory details, and can present side-by-side comparison tables that incorporate insights from customer feedback.¹⁹ Its agentic

Figure 14.

Only one in five consumers is willing to pay

% of consumers willing to pay for chatbots or virtual shopping assistants that can automatically order items on their behalf



Source: Capgemini Research Institute, *What matters to today's consumer 2026*, October 2025, N = 3,125 (consumers who use chatbots at least once a week).

checkout allows users to set product preferences, define a target price, and activate a “Track price” option. When the price reaches the specified target, Google’s AI sends a notification and completes the purchase securely through Google Pay.²⁰ The AI-powered “Let Google Call” feature helps users check product availability nearby. When someone searches “near me,” Google’s AI contacts local stores to confirm stock, pricing, and offers, then provides a summary via text or email.²¹

While consumers generally welcome chatbots and virtual shopping assistants, willingness to pay for such automation is far lower than adoption rates. Just 11% are open to a one-time payment and 8% prefer a subscription model, although 22% would consider paying if bundled with discounts or rewards (see Figure 14).

Trust grows when AI explains itself

In today's AI-powered commerce, earning consumer trust has become essential. Transparency and user control are fundamental to building and sustaining that trust.

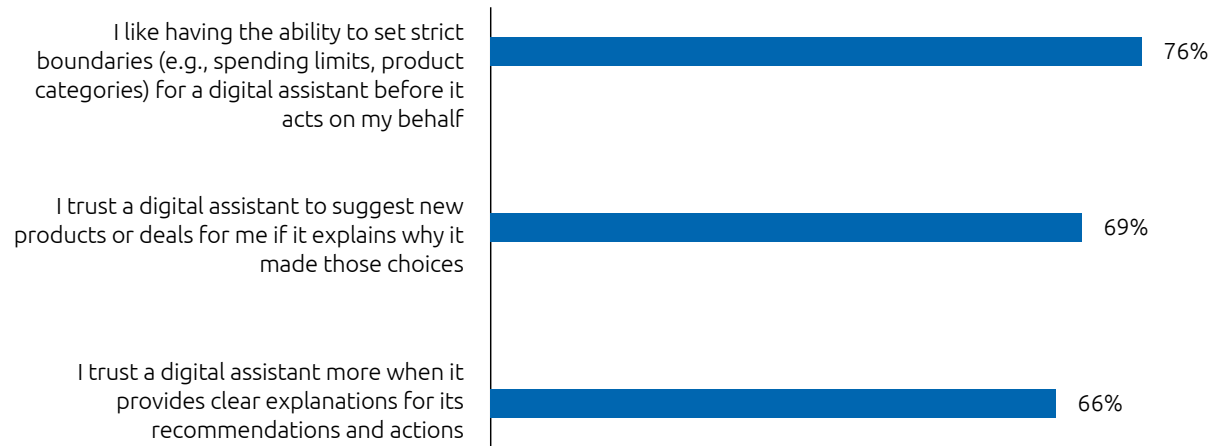
Most consumers (76%) want to set boundaries for these digital assistants (see Figure 15). The ability to adjust preferences, accept or reject suggestions, and manage data sharing empowers users and fosters confidence. This control ensures that AI enhances, rather than dictates, the experience, allowing shoppers to tailor interactions to dietary restrictions, budgets, or brand loyalties. When users can also provide feedback, AI systems learn and improve, creating a cycle of trust, relevance, and engagement.

Explainability and transparency are also key to earning consumer trust. More than six in ten consumers trust a digital assistant when it explains its recommendations and actions (see Figure 15). Users feel more informed and in control, at the same time more disposed to share more data for personalization, and explore advanced features with confidence.

Figure 15.

Three in four consumers like to set strict boundaries for a digital assistant

% of consumers who agree with the following statements



Source: Capgemini Research Institute, *What matters to today's consumer 2026*, October 2025, N = 12,000 consumers.

While consumers increasingly expect AI-based tools to deliver personalized experiences and act on their behalf, most (71%) are also worried about lack of clarity on consent and transparency around collection and usage of personal data (see Figure 16).

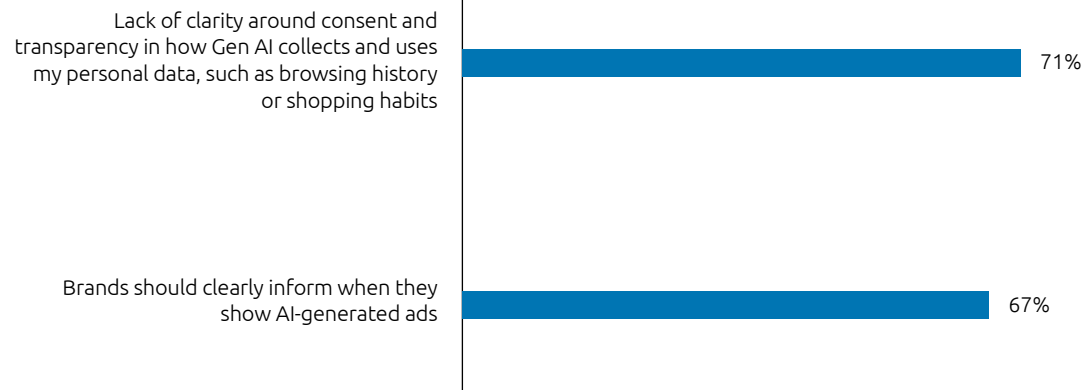
A significant 66% of consumers are aware of the use of synthetic or virtual influencers in advertising, with over half (52%) not trusting them. Two-thirds (67%) expect brands to clearly flag when they show AI-generated ads.

Regulatory bodies recognize the need for explicit transparency around AI-generated content. China's 2025 law requires clear visual tags and hidden watermarks on AI-generated media, including chatbots and synthetic videos, while the EU's AI Act mandates transparency by notifying users when they interact with AI content.²²

Figure 16.

71% of consumers are worried about Gen AI data use

% of consumers who agree with the following statements



Source: Capgemini Research Institute, *What matters to today's consumer 2026*, October 2025, N = 12,000 for "Lack of clarity around consent and transparency in how Gen AI collects and uses my personal data, such as browsing history or shopping habits," N = 2,003 for "Brands should clearly inform when they show AI-generated ads."

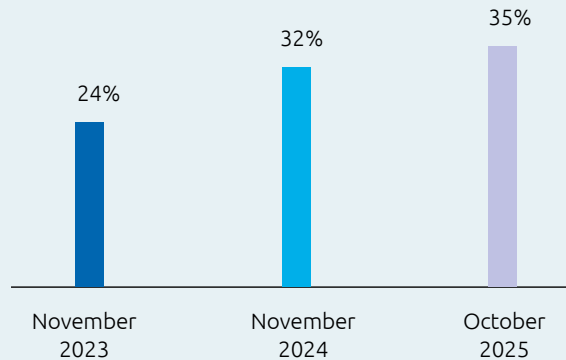
Social commerce remains a force to be reckoned with

Social commerce, a unique blend of social media and ecommerce, remains relevant for consumers (see Figure 17). Social commerce makes shopping more interactive, personalized, and emotionally engaging for today's digitally native consumers. Increasingly, people discover products through influencers, peers, and user-generated content on social media platforms, where recommendations feel more authentic and trustworthy than those through traditional advertising. Social platforms integrate shopping seamlessly into the user experience by offering one-click purchases and integrated payment options, making it frictionless. As a result, these platforms remain popular even though they score lower on trust when it comes to fair pricing.

Figure 17.

35% of consumers purchased a product via a social media platform in 2025

% of consumers who said 'yes' to the question: Have you bought a product via a social media platform?



Source: Capgemini Research Institute, *What matters to today's consumer 2026*, October 2025, N = 12,000, *What matters to today's consumer 2025*, November 2024, N = 12,000, *What matters to today's consumer 2024*, November 2023, N = 12,000.



"Quick commerce is no longer a metro phenomenon, it's democratizing speed across India. Today, 25% of quick commerce spending comes from mid to low-affluent consumers in Tier 2 and Tier 3 towns. These customers are willing to pay a little extra for faster delivery, signaling that convenience and immediacy are becoming universal expectations."

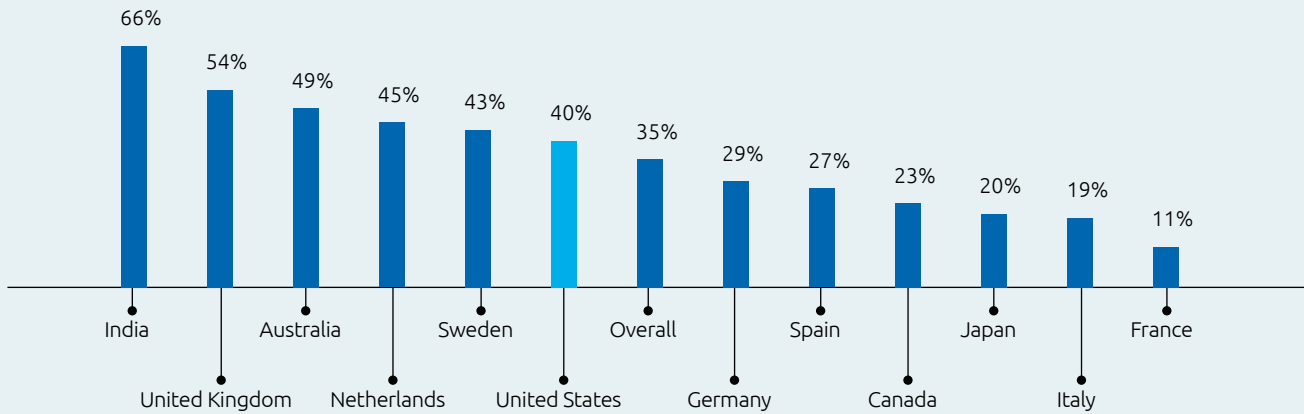
Priyanka Bhargav

Head of Insights and Brand Strategy, Flipkart

Figure 18.

Indian consumers are leading the social commerce trend

Percentage of consumers who said 'Yes' to the question: Have you bought a product via a social media platform? (By country)



Source: Capgemini Research Institute, *What matters to today's consumer 2026*, October 2025, N = 12,000 consumers.



Social commerce growth is being driven largely by Indian consumers (see Figure 18).

Social commerce taps into emotional drivers such as 'belonging,' 'aspiration,' and 'self-expression,' allowing consumers to connect with brands that reflect their values. Through interactive features such as comments, direct messages (DMs), and live sessions, brands build trust and loyalty while gathering real-time feedback to refine offerings. Combined with AI-driven recommendations and social proof such as likes, shares, and reviews, social commerce becomes more relevant and persuasive, boosting consumer confidence and purchase intent. Instagram and YouTube retain their position as the most popular social commerce platforms, followed by Facebook and TikTok (see Figure 19).

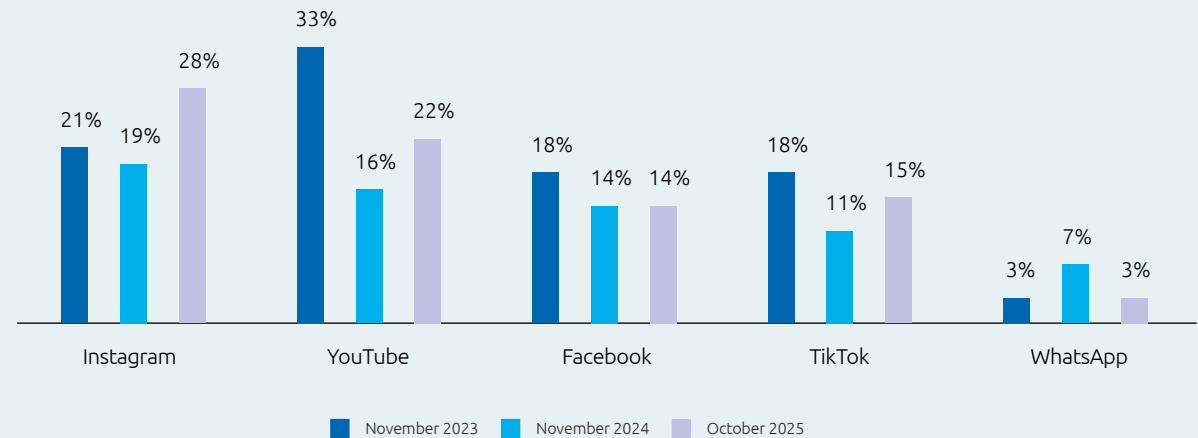
Social commerce empowers small businesses and independent creators to connect with audiences directly, bypassing the need for large marketing budgets or complex infrastructure. This levels the playing field, allowing them to compete and grow through authentic engagement and community-driven content.

The trend to watch in 2026 is what effect the new wave of Agentic commerce is going to have on this trend. With Agentic commerce, brands go from being 'discovered by consumers' to being 'chosen by AI'. This is a fundamental shift and requires all brands/retailers to prepare for this SEO to GEO shift.

Figure 19.

Instagram and YouTube remain the most popular social commerce channels

Social media platforms most preferred by consumers (Rank 1)



Source: Capgemini Research Institute, *What matters to today's consumer 2026*, October 2025, N = 4,248 consumers who have bought on social media platform; *What matters to today's consumer 2025*, November 2024, N = 3,805 consumers who have bought on social media platform; *What matters to today's consumer 2024*, November 2023, N = 2,774 consumers who have bought on social media platform.



04

Reliable tech builds loyalty – but with boundaries

Organizations need a nuanced understanding of how digital tools can enhance CX, while recognizing the importance of respecting consumer trust and privacy.

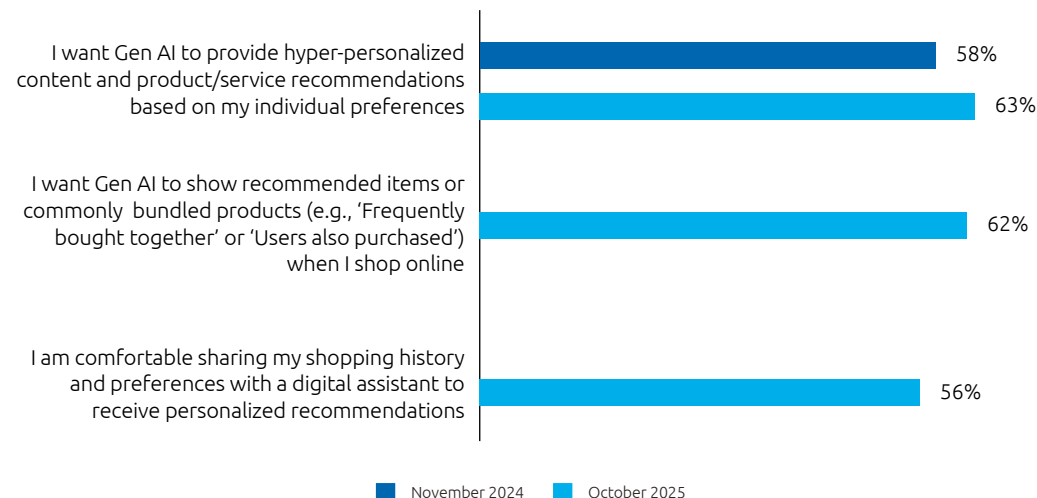
Data-driven experiences deliver value across the journey

The shopping journey offers numerous opportunities to create value, with personalization the most obvious and prominent today. Smart use of AI and data can enable enhanced personalized recommendations, offers, and content, making shopping more efficient and increasing repeat visits. Consumers want this. A notable 63% of consumers want Gen AI to share hyper-personalized content and over half (56%) are comfortable sharing their shopping history and preferences.

Figure 20.

63% of consumers want Gen AI to provide hyper-personalized content

% of consumers who agree with the following statements



Source: Capgemini Research Institute, *What matters to today's consumer 2026*, October 2025, N = 12,000 consumers; *What matters to today's consumer 2025*, October 2024, N = 12,000 consumers.

Our survey also shows other areas where retailers can enhance the shopping journey:

- Features such as mobile apps, voice assistants, and seamless checkout enhance satisfaction from the convenience they offer.
- Omnichannel options (e.g., buying online versus picking up in-store) build trust when executed consistently.
- Gamified loyalty programs with points and instant rewards keep consumers engaged and loyal.

The privacy paradox: The more personal, the more cautious

Most consumers (65%) acknowledge that technology has elevated their shopping experience. Consumers appreciate personalization if it's respectful, secure, and optional. However, over-personalization and constant tracking can feel invasive, whilst excessive digital prompts risk overwhelming users. Seven in ten (69%) consumers are worried about personal data privacy being used to create hyper-personalization of content (see Figure 21). More is not always better, and brands/retailers need to get the balance right.

Figure 21.

65% of consumers agree that technology has made shopping less stressful

% of consumers who agree with following statements



Source: Capgemini Research Institute, *What matters to today's consumer 2026*, October 2025, N = 12,000 consumers.

Nikos Bartzoulianos from Electrolux, says: *"The biggest and immediate responsibility is respecting and protecting users' privacy and sensitive data, always complying with local relevant regulations. Navigating these regulations globally while still delivering a meaningful consumer experience is a significant challenge."*

Organizations that prioritize privacy and security are more likely to earn long-term loyalty and differentiate themselves in a competitive market. This is reflected in the sentiment that over half (52%) would switch retailers for better data-protection policies. Consumers want to feel confident that organizations are actively protecting their personal data through strong policies, transparent practices, and clear consent options.

Beyond reward points: Loyalty that feels like partnership

In today's experience-driven economy, loyalty is no longer just about accumulating points or redeeming discounts. Rather, it's about building a relationship grounded in mutual respect, emotional connection, and personal relevance. Loyalty should feel less like a program and more like a partnership. Consumers want to feel like active participants in a brand's journey, not just passive recipients of rewards. Priyanka Bhargava from Flipkart remarks, *"Moment marketing is critical, but consistency matters. We've moved from four big TV bursts a year to an 'always-on' strategy across channels like social media, influencer marketing, CRM, and video commerce. Nano influencers and regional content help us win, while features like Video Assist and Happy Attach replicate offline trust online, ensuring we stay relevant without losing our brand voice."*

Value programs that recognize customers' efforts (brand engagement, advocacy, participation) as well as spending will define the next era of brand affinity. When loyalty feels like a partnership, it creates emotional equity. Consumers become advocates instead of simply repeat buyers. They invest in the brand's success because they feel the brand is invested in theirs. Organizations that successfully navigate

this transformation are achieving remarkable outcomes: a 67% increase in customer lifetime value; 89% improvement in engagement rates; and loyalty that endures through economic challenges and competitive pressures.²³

Moving beyond transactional rewards, today's programs harness advanced tools to build richer, more personalized relationships with consumers.²⁴ Ulta Beauty has reimaged its loyalty program as Ulta Beauty Rewards, giving customers the flexibility to select their birthday gifts from a diverse range of brands and categories.²⁵

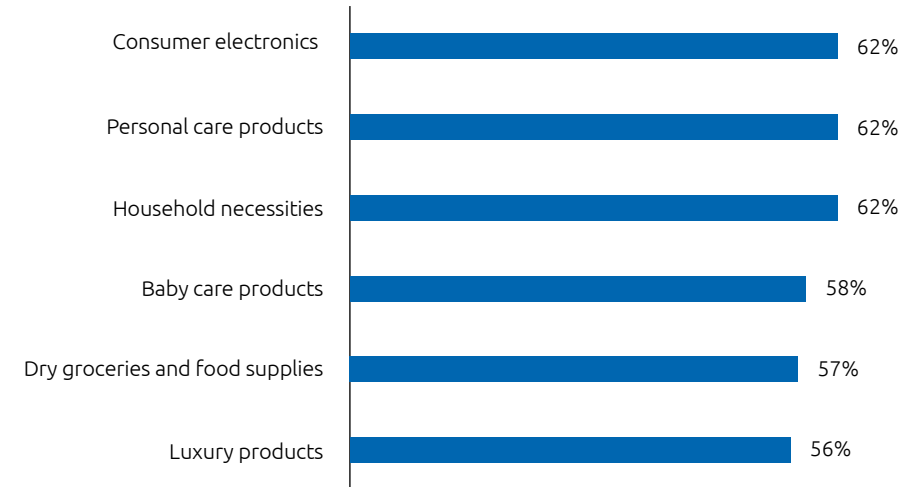
Human moments matter more than ever

In an increasingly digital and automated world, human-centered experiences in shopping journeys matter, they create emotional resonance, which helps build trust and drive lasting brand loyalty. These personalized interactions influence purchasing decisions in ways data and algorithms alone cannot. Consumers build emotional connections with brands through human interactions such as helpful support, personalized messages, and relatable stories.

Figure 22.

Most consumers across categories prefer loyalty programs that reward engagement

**% of consumers who agree with the following statement for each category:
I prefer loyalty programs that reward engagement with meaningful experiences and cost savings**



Source: Capgemini Research Institute, *What matters to today's consumer 2026*, October 2025, N = 1,842 for consumer electronics, 1,857 for personal care, 1,851 for household necessities, 1,837 for health and beauty, 1,843 for apparel, 1,859 for home improvements, 1,839 for meal kits, 1,841 for furniture, 1,847 for stationery, 1,833 for fresh produce, 1,845 for baby care, 1,861 for dry groceries, 1,845 for luxury products.

Phygital parity: When tech enhances human touch

'Phygital parity' is achieved when technology seamlessly enhances human interaction in retail, creating a unified experience across physical and digital channels. When digital tools support sensory experiences, they empower staff and ensure customers feel valued and understood. While shopping in physical stores, 76% of consumers value shelf-scanning apps to quickly highlight relevant products based on purchase history; 73% cite immediate product availability; and 70% state easy returns as the attributes they look for most keenly.

In-store human interactions offer face-to-face expert advice and community events, strengthening the bonding process. Nearly three out of four consumers (74% in October 2025, up from 54% in November 2024) report that human interaction during automated in-store customer support enhances their loyalty (see Figure 23). Similarly, a majority of consumers (66%) agree that increasing human interaction during the purchase stage boosts loyalty (compared to only 40% in November 2024). While digital tools can enhance retail, they should not replace the emotional and sensory richness of in-store shopping.

Even in digital shopping, human touches such as live support and expert recommendations add emotional value, turning transactions into relationships. AI earns loyalty by

consistently reducing wait times, resolving issues quickly, and providing clear, real-time updates.

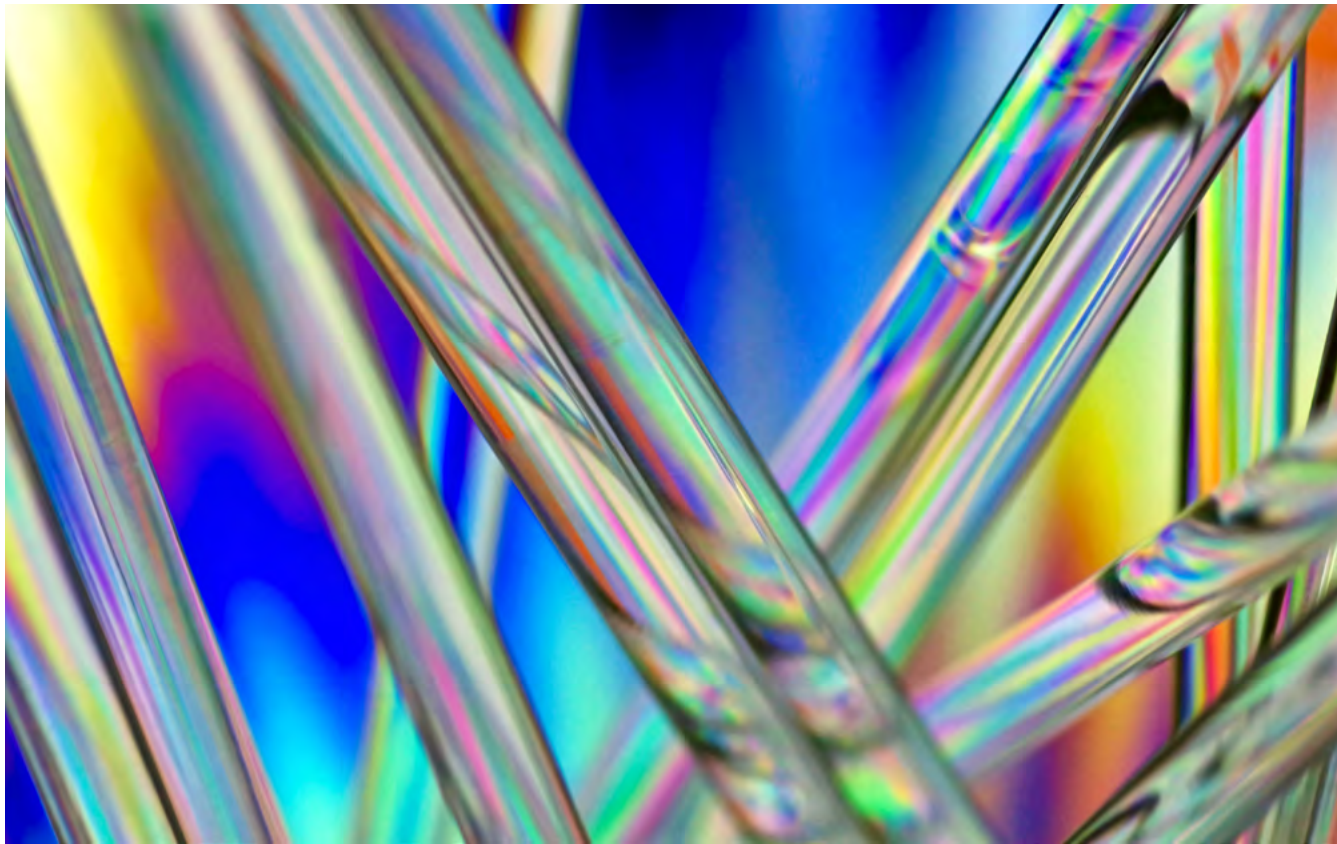
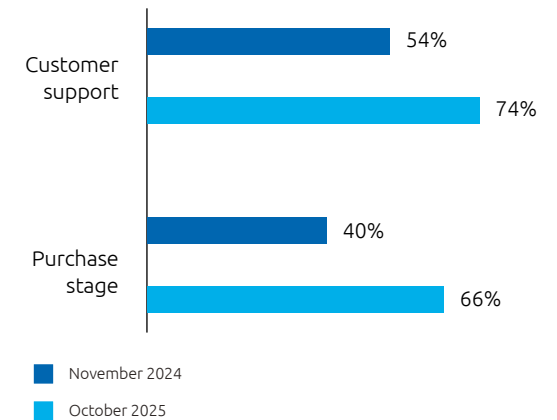


Figure 23.

More than seven in ten consumers value human interaction during in-store shopping

% of consumers who said human interaction increases loyalty in the following stages of in-store shopping



Source: Capgemini Research Institute, *What matters to today's consumer 2026*, October 2025, N = 12,000 consumers; *What matters to today's consumer 2025*, November 2024, N = 12,000 consumers.



05

What should CPR
organizations do differently?

Accelerate growth with intelligent engagement

Retailers and consumer product organizations can drive profitable growth by using AI and data to create more relevant experiences, unlock new revenue streams, and meet consumers where value matters most.

Position digital assistants as a distinct engagement channel

Digital assistants are evolving from support tools into fully-fledged consumer engagement channels. Recommendations are arrived at conversationally, rather than through solitary browsing, and trust is built through guidance. Capturing growth in an AI guided marketplace requires a focused set of actions.

- Firstly, organizations must optimize brand presence and Generative Engine Optimization (GEO) for agent interactions by ensuring that the underlying data is both high-quality and real-time. Edwin Taborda, Global Chief Consumer & Market Intelligence Officer at L'Oreal Consumer Products Division, elaborates, *"It's no longer just about search engine optimization; we also need generative engine*

optimization. We must serve both audiences, those still using traditional search and those already leveraging AI. To do this effectively, we need to address friction points such as diversity, accuracy, and transparency to ensure our outputs genuinely meet consumer needs." When customers buy household essentials or groceries via Alexa, for example, the assistant often recommends Amazon's Choice listings or items that have strong ratings and availability.²⁶ These brands have built up customer loyalty by investing in high-quality content and reliable supply and live data feeds that reflect what is truly available at the moment of choice. Effective GEO means getting data right so AI can interpret, surface, and recommend your brand in real time. This requires structured, machine-readable data enriched with product attributes and context, continuously refreshed to capture current inventory, pricing, and promotions, optimized for conversational queries, integrated with AI ecosystems, so that recommendations always reflect the latest state of the shelf. Additionally, third-party sources like reviews and ratings matter because they influence how LLMs describe the product or brand. Managing these external signals can significantly impact recommendations and brand perception. Dreen Yang, EVP, Global Consumer Products and Retail Lead at Capgemini, shares, *"Brands must move beyond being*

optimized for search to being optimized for selection. Success increasingly depends on being chosen by algorithms, not just found by consumers. This requires brands to be context aware, relevant, and ready to surface naturally at the right moment. The future of discovery lies in being present where decisions are made, often before the consumer even realizes a choice is underway."

- **Agentic commerce is here.** Leading retailers like Walmart and Target have announced that customers can now make purchases directly within AI platforms. For agentic commerce use cases, models combine catalog data with live feeds on price, stock, promotions, and user history to decide what to surface and when. This means organizations should expose not only rich, structured product content but also up-to-date availability, ratings and reviews, return policies, and preference signals so the agent can match a natural language request to the right Stock Keeping Unit (SKU) and justify that choice for that specific user and moment. Kees Jacobs, Vice President, Global Lead for Insights and Data, Capgemini Consumer Products and Retail shares, *"Consumers already rely on AI and algorithms more than they recognize, shaping everyday decisions from content discovery to grocery shopping. As intelligent agents become more capable, they will reduce the friction of searching, comparing, and purchasing. The real opportunity lies in freeing consumers from time and effort, while*

ensuring they remain informed and in control throughout the journey.”

- **Embed product information in a richer context intelligible to agent models.** Agents perform best when they understand who the item is for, when it is relevant, and why it is a good choice in a given situation. Walmart’s voice-ordering integration with Google Assistant provides a relevant example: customers can say, “Add milk to my cart,” and the assistant selects based on prior purchase behavior. Walmart saw a 15% boost in repeat purchases owing to the voice-enabled shopping experience. Brands that maintain clean product attributes, consistent naming, and high ratings tend to be prioritized in these interactions.
- **Create agent-ready campaigns that recognize the assistant as a recommendation engine.** Instacart’s ‘Ask Instacart’ feature, powered by Gen AI, helps users plan meals, comparing items and finding substitutions as required.²⁷ AI is more likely to recommend brands that supply rich descriptive content, ingredient details, and usage guidance in response to queries such as “Help me plan a quick dinner” or “Find a healthier snack for my kids.”
- **CPR organizations should treat assistants as a loyalty surface.** With the rise of ‘shopping shortcuts’

and personalized routines in Amazon Alexa and Google Home, brands that encourage routine creation, provide replenishment cues, or support subscription-friendly formats can secure recurring share in a channel where convenience dictates behavior.

- Consumers will increasingly rely on AI to optimize purchases across multiple retailers, potentially buying groceries from four stores instead of one. To stay in the AI’s recommendations, pricing competitiveness and real-time dynamic pricing will be critical. Retailers that adapt will remain chosen; those that don’t risk being left out.

Digital assistants are rapidly advancing toward agentic-level capabilities. Organizations that prepare for this shift will gain an advantage not only in engagement but also in long-term value capture.

Personalize the decision journey, not just the offer

Personalizing the decision journey requires that brands shape consumers’ decision-making in a contextualized way, adapting both the content and the path to the consumer’s real-time situation and signals. Some want full control and rely on search, comparison, and reviews, while others

welcome curated options that reduce cognitive load. CPR organizations must prepare adaptive offerings for these different mindsets rather than pushing a single pathway for all customers.

They can:

- **Consider building adaptive discovery flows.** Tesco offers its shoppers meal suggestions and recipe bundles based on past purchases and household preferences.²⁸ This reduces decision fatigue for routine tasks such as weekly groceries and increases perceived relevance for shoppers who value speed.
- **Support different decision styles within the same interface.** The Sephora app illustrates this approach well. Consumers who enjoy exploration can use features such as virtual try-on, ingredient filters, and community reviews. Those who prefer a more structured experience can select guided routines that recommend skincare or make-up based on quiz inputs and past behavior.²⁹ This dual-path design respects both autonomy and delegation, acknowledging that preference for control varies across categories and moments.
- **Treat the decision journey as a sequence of contextualized micro-moments that update in real time as**

new signals appear (device, location, recency, behavior), rather than as a fixed linear path. By using AI-driven decisioning to dynamically adapt steps, messages, and product suggestions at each moment, CPR organizations can reduce friction, improve conversion rates, and strengthen emotional connection. Effective personalization is no longer about offering the consumer a coupon for their favorite product; rather, it is about delivering a tailored, context-aware process that makes consumers feel informed, supported, and in control.

By designing journeys that respond to customers' preferred modes of decision making and to their context in the moment, organizations can improve satisfaction, reduce abandonment, and increase conversion. The future of personalization is not only about delivering the right message. It is about showing the consumer the right path at the right time, given who they are, what they need, and where they are in their journey.

Rebuild the promotions architecture

Consumers do not respond to promotions uniformly across channels. The same shopper behaves differently on mobile, in-store, on social commerce, and on retailer websites. The most effective retailers and FMCG companies integrate Revenue Growth Management (RGM) principles into their promotion design, calibrating mechanics and investment by channel to maximize incremental profit—not just volume. Rather than distributing a single promotion type everywhere, they treat trade promotions as a portfolio to be optimized across touchpoints.

Nikos Bartzoulianos from Electrolux, says: *"Your core brand promise should remain the same, but the way you deliver it must adapt. Ten years ago, a TV commercial might have been enough. Today, social media dominates, and the challenge is to stay authentic while evolving your channel mix."*

- **Align deal mechanics with the speed and intent of mobile shoppers.** Mobile users often display sporadic browsing patterns and prefer promotions that can deliver instant clarity. Such a simple format allows mobile users to assess value at a glance without navigating deeper into menus or secondary pages.
- **Lean more heavily on personalized coupons and multi-buy promotions in store,** where shoppers have more time



"Economic uncertainty and rising costs have changed purchase behavior. Consumers are holding on to appliances longer and delaying replacements unless truly necessary. Value and durability have become non-negotiable; and this is another area where great brands and products can make a difference to consumer lives."

Nikos Bartzoulianos

Group Chief Marketing Officer,
Electrolux (2024 – 2025)

to evaluate options. Schnucks, a supermarket chain, offers its customers digital coupons and app-linked savings for in-store shopping.³⁰ This format drives higher basket sizes as the physical environment encourages visual exploration and bulk-buying. In-store retail media is set to be a major trend in 2026. How brands deliver these promotions, whether through apps, store screens, or smart carts, will play a key role in enhancing customer experience and driving promotional effectiveness.

- **Pair online channels with bundled savings that encourage recurring purchases.** Retailers often promote bundled offers for subscriptions, which are highly effective in digital contexts where customers can see the cumulative benefit of consolidated orders. From an RGM perspective, these mechanics help lock in frequency and share of wallet while smoothing demand and improving forecasting accuracy.

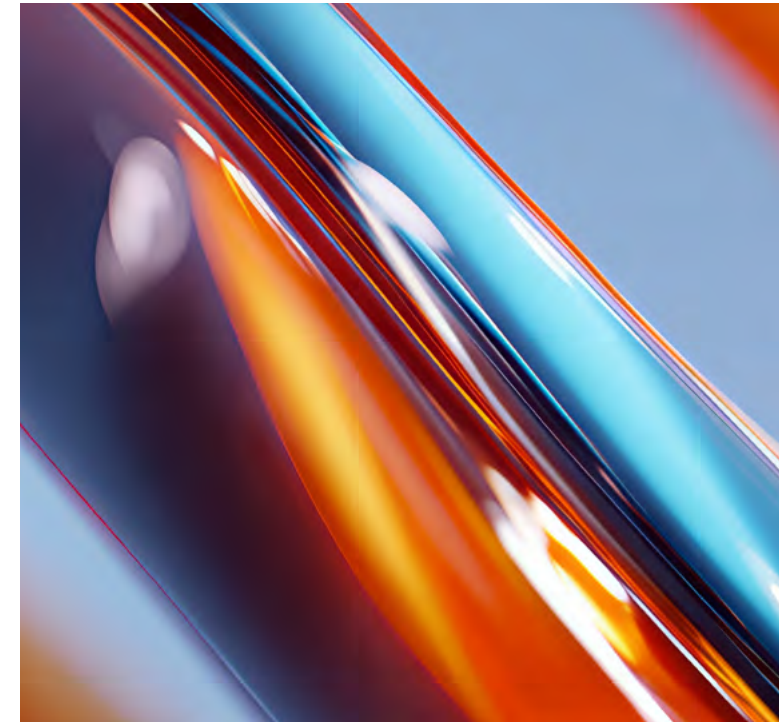
By designing promotional hierarchies that reflect both context and category, CPR organizations can embed trade-promotion optimization into everyday activation decisions. This means steering investment toward the channels, mechanics, and missions that generate true incremental value, strengthening price credibility while improving both top-line growth and promotional ROI.

Pilot predictive commerce with built-in safeguards

As retailers strive to offer shoppers a more guided experience, predictive commerce is gaining traction. Using past or real-time behavior and contextual signals, they can offer pre-filled baskets, automatic reordering, and suggested bundles. However, success in this space depends on two conditions. The first is accuracy, because inaccurate predictions erode trust. The second is control, because consumers want automation that supports their choices rather than overrides them.

One of the clearest examples of anticipatory commerce in practice is Amazon's 'Subscribe & Save' program. The model automatically replenishes household staples on a schedule chosen by the customer. Customers can easily adjust quantities, skip deliveries, or pause subscriptions, which reassures them that they will not run out but neither have they made an unwanted commitment.

Anticipatory commerce represents a major step toward a low-friction shopping future. Retailers that build transparency and control into these experiences will earn both adoption and long-term loyalty.





Reimagine value by integrating emotional drivers

To stay competitive and relevant for consumers, brands must understand the emotional drivers that shape buying decisions. While attributes such as price and performance remain important, they must also consider convenience, health benefits, indulgence, and security, as creators of personal value. Examples where functionality meets emotional gratification include:

- Pairing a fitness tracker with a wellness app for health-conscious consumers
- Using customer success stories to build trust around a brand
- Engaging in influencer marketing by partnering with influencers who reflect the target audience and serve as trusted voices within niche communities
- Including gourmet snacks in a subscription box to tap into the urge for indulgence and self-care
- Time-saving services such as express delivery or easy returns satisfy the desire for convenience

- Identifying opportunities to connect products with meaningful moments or experiences for added value (e.g., outfit suggestions for your upcoming trip, etc.)

- Sharing contextual insights such as explaining health benefits, allergens, sustainability scores, recipe ideas, pairing suggestions, storage tips, etc. for food products

Brands that design for emotional engagement at every stage achieve 3x higher customer satisfaction and 2.5x better retention.³¹ This process starts with accurate mapping of the customer journey, identifying touchpoints and supplying the desired emotional connection at each stage.

Sentiment analysis helps brands monitor consumer emotions and track shifts in perception, especially in response to marketing campaigns or news events:

- Unilever uses AI to analyze real-time social data from forums, blogs, and search activity to spot emerging consumer trends. During the pandemic, this approach quickly revealed rising interest in herbal and immunity-boosting drinks, leading to the rapid launch of a wellness-focused tea range—an insight that traditional research would have taken months to uncover.³²



"Most companies have so far used AI primarily to drive efficiencies rather than true differentiation. It accelerates content creation, innovation, and packaging design, helping brands move faster and reduce costs, but few have identified transformative use cases. Simply overlaying AI onto existing processes without re-engineering them means it isn't genuinely embedded or delivering its full strategic value."

Alex Owens

Former VP, Global Head of PDC's, Analytics, Shopping Insight & Executive Sponsor of Unilever's LGBTQI+ Network

- The Coca-Cola Company uses advanced AI to monitor social media, reviews, and feedback platforms, enabling real-time consumer sentiment analysis. This helps the organization quickly identify trends, refine marketing strategies, and address issues before they escalate. AI also tracks shifts in consumer sentiment over time, guiding long-term brand strategy and product development to better align with evolving customer preferences.³³

The trend is slowing shifting from using data to spot trends early to leveraging data to predict the next trend before it emerges, creating a first-mover advantage.

Human moments in store build connection by offering reassurance and confidence at the points of decision and service. Preference for in person assistance has risen sharply: 74% value human support during customer service and 66% during the purchase stage, up from 54% and 40% last year. When knowledgeable associates are visible and easy to reach, shoppers feel understood, issues are resolved faster, and trust deepens especially for higher involvement purchases. Designing the in store journey around timely, expert human assistance can foster lasting customer loyalty.

To make human assistance visible and effective, brands can do the following:

- Staff expert support and bookable help at service and purchase stages in higher involvement categories; make the path to a person simple in store and from digital
- Carry context forward from chatbot or app to the associate so customers don't repeat details; use brief explainability scripts for price, substitutions, and recommendations

Optimize operations with seamless AI

Organizations should unify and streamline operations across production, supply chains, and stores with real-time intelligence and predictive decisioning that reduce costs, improve accuracy, and increase speed across the value chain. Advanced AI tools integrated into agile operational systems enable organizations to respond swiftly to disruptions, build resilience, and personalize experiences at scale. From demand forecasting and inventory optimization to dynamic pricing and smarter substitutions, AI-driven insights help businesses stay adaptive, efficient, and aligned with evolving consumer expectations. Alex Owens, formerly from Unilever, adds, *"Most companies have so far used AI primarily to drive efficiencies rather than true differentiation. It accelerates content creation, innovation, and packaging design, helping brands move faster and reduce costs, but few have identified transformative*

use cases. Simply overlaying AI onto existing processes without re-engineering them means it isn't genuinely embedded or delivering its full strategic value."

Deploy AI (invisibly) to enhance the customer journey

Consumer-grade AI significantly transforms the shopper journey, from discovery and comparison to purchase and post-sale engagement, by making interactions smoother and more personalized. New Gen AI tools should focus on consumer needs, ensure explainability, set clear boundaries, and make the experience intuitive.

- **Product innovation and content creation:** The agility and cost-effectiveness of consumer-grade AI allow businesses to test product market fitness efficiently and adapt to real-time user behavior. Procter & Gamble (P&G) uses AI-driven virtual testing environments to simulate consumer reactions to product concepts and packaging designs, bypassing traditional focus groups. This approach has cut product development time by 40% and boosted the success rate of new product launches by 25%.³⁴ Netflix uses advanced AI to analyze viewer behavior and preferences. For example, while human writers created the popular series *Stranger Things*,

AI insights guide audience targeting, success prediction, and even casting decisions.³⁵

- **Hyper-contextualization of the customer shopping journey:** AI-driven tools analyze user behavior to make the experience more intuitive and personalized. Spanish fashion retailer Zara's AI systems analyze customer behavior to provide highly tailored product recommendations, including browsing history, purchase data, and wish lists. Smart mirrors and mobile apps bring real-time in-store personalization and dynamic styling suggestions.³⁶ Pampers' My Perfect Fit app uses AI to recommend the ideal diaper size based on a baby's birth date, weight, height, and fit feedback—achieving 90% accuracy and reducing discomfort and mess.³⁷ The next wave of personalization focuses on adding real-time context (hyper-contextualization) to meet customers exactly where they are in the moment. For example, avoid promoting unhealthy snacks right after someone has visited the gym.

- **Consumer-grade AI meets shoppers in physical as well as natural digital spaces,** streamlining search, comparison and checkout. Wegmans adopted AI-powered smart shopping carts with computer vision and sensors that auto-detect items, display personalized promotions, and enable direct checkout. This innovation eliminated checkout lines,

improved customer satisfaction, and provided valuable insights for merchandising and marketing.³⁸ Amazon's AI shopping assistant, Rufus, can search by activity or purpose, find top deals, auto-add items to customer's cart, check prices, auto-purchase at set prices, and even convert handwritten grocery lists into orders. Rufus has served over 250M customers this year, with monthly users up 140% and interactions up 210% YoY. Shoppers using Rufus are 60% more likely to convert.³⁹

- **Empower store associates with AI for smarter, faster service:** AI is increasingly becoming a force multiplier for front line staff rather than a replacement. In store, AI can equip associates with real time insights into inventory, promotions, and customer preferences, enabling faster and more confident service. AI powered tools can surface product comparisons, suggest relevant add ons, and flag personalized offers at the moment of interaction. By removing routine friction and guesswork, AI allows staff to focus on higher value activities such as advice, reassurance, and relationship building, ultimately strengthening trust and improving the overall shopping experience.



Consumer-grade AI boosts consumers' conversion rates through personalized experiences, strengthens customer loyalty with intuitive interactions, lowers support costs via automation, and unlocks rich behavioral insights to guide marketing and product strategies. An example is The Coca-Cola Company's AI-enhanced vending machines with voice recognition and personalized interactions. By identifying returning customers and their preferences, these offer engaging, tailored experiences.⁴⁰

As AI becomes the primary gateway to commerce, brands need to optimize not only for human shoppers but also for the intelligent agents that increasingly mediate their choices. This means making themselves easily discoverable and recommendable in AI-driven environments.

Doing so requires focused investment in GEO, a new discipline dedicated to tuning content and data for AI-led search and recommendation. GEO demands new skills and tools: richly structured, machine-readable data, context that reflects how people actually converse and shop, and deep integration with AI ecosystems so agents can interpret, compare, and surface the brand accurately and in real time.

Consumer-grade AI is set to power the next wave of retail innovation by making every interaction more context-aware

and situationally relevant to the shopper's needs in the moment. Through hyper-contextualization, it will enable rich, multimodal experiences that fluidly combine voice, image, and text while also feeding finely tailored loyalty programs that reward individual behaviors, preferences, and missions rather than broad segments.

Strengthen feedback loops between AI and operations

Insights drawn from AI-agent interactions, such as those with chatbots, virtual assistants, and recommendation engines, can become a powerful driver for significantly enhancing retail operations, making them more responsive, efficient, and customer-focused.

When these insights are systematically fed into operational systems, they can inform and optimize critical functions such as inventory planning, product availability, freshness management, and substitution logic.

For example:

- Frequent queries about out-of-stock items can trigger inventory adjustments

- Feedback on product quality or freshness can refine replenishment cycles
- Analyzing which AI-suggested alternatives are accepted or rejected can improve substitution algorithms

Such an active, continuous feedback loop ensures that operations are not only reactive but proactively aligned with evolving consumer needs, leading to better service delivery, reduced friction, and stronger customer satisfaction. Akhil Srivastava, Senior Director of International Supply Chain at AB InBev, mentions, *"Quick commerce has fundamentally changed consumer planning behavior, speed of thought to speed of operation is now the norm. This shift requires brands to capture the consumer's mindset in the moment and respond with agility, which demands advanced modelling and AI-driven insights."* In India, More Retail Limited (MRL) adopted Amazon Forecast in collaboration with Ganit, boosting forecast accuracy from 24% to 76%, raising in-stock rates for fresh produce from 80% to 90%, reducing fresh waste by up to 30%, and increasing gross profit by 25%.⁴¹

Beyond inventory and substitute insights, retailers are leveraging machine vision at self-checkout to identify SKUs that customers struggle to scan, informing packaging redesign for better visibility and ergonomics. Walmart has

expanded its AI-driven checkout systems to 500 U.S. stores, using computer vision and real-time sensor fusion to track items and automate payment. This approach improves speed, reduces theft, and provides valuable insights into customer behavior and inventory flow. Additionally, Walmart integrates invisible barcodes (Digimarc) into packaging for easier scanning and enhanced theft prevention.⁴²

Build fairness into pricing logic

In recent years, high inflation has driven brands to find ways to absorb rising costs. Our research shows that consumers prefer straightforward price increases over shrinkflation, making some cost-offset strategies counterproductive. As more shoppers rely on AI agents, the time spent comparing prices will diminish because the agent will handle it. This shift means most organizations will need a dynamic pricing strategy, grounded in RGM, to adapt quickly to changing market conditions while protecting long-term value creation, not just short-term volume. To prepare, brands and retailers can leverage online pricing to run price elasticity tests across product categories, gaining insights into consumers' willingness to pay and feeding RGM playbooks on where to take price, where to use pack/price architecture, and where to lean on promotions instead. Edwin Taborda from L'Oreal

Consumer Products Division shares, *“Affordability cannot come at the expense of efficacy. Consumers expect both, they actively compare products, scrutinize ingredient lists, and demand transparency before making decisions. In short, today’s definition of value means delivering quality and trust at every price point.”*

Building pricing strategies that feel fair is essential for trust and loyalty. In an RGM context, “fairness” becomes a design constraint for assortment, pack/price, and promo architecture, not an afterthought. This requires transparency, clear communication about what customers are paying for, and equitable access to deals across segments so that revenue choices do not undermine brand equity. Fair pricing should be embedded throughout the shopping journey, with every RGM decision (list price, promo depth, frequency, and mechanics) aligned with customer expectations. The experience must feel honest, inclusive, and customer-centric. When consumers perceive pricing as fair, they are far more likely to trust the brand.

Embedding fairness into pricing logic means designing algorithms and promotional strategies that prioritize customer trust, not just short-term revenue. It’s about aligning pricing with perceived value and maintaining integrity across every touchpoint in the shopping experience.

Below are a few examples of how organizations are working towards this:

- Managing optimal pricing across Zara’s global product range is complex. To address this, Zara employs AI-driven pricing algorithms that continuously track competitor prices, enabling real-time, dynamic pricing adjustments to ensure market competitiveness with the minimum hit to profitability.⁴³
- The Coca-Cola Company uses AI-driven pricing algorithms to adjust product prices in real time, factoring in demand shifts, competitor pricing, and consumer behavior. This ensures region-specific pricing that balances competitiveness with profitability, while staying aligned with consumer expectations.⁴⁴

Lead with purpose through resilient transformation

Organizations can strengthen trust, comply with rising expectations, and build long-term resilience by embedding low-impact design, responsible innovation, and climate-ready practices across products and operations.

Make sustainability central to the value equation

Consumers are recalibrating what ‘worth it’ means. Our research shows product quality and durability remains the top driver, with 74% of consumers citing it as “most important” for fresh produce, 73% for dry groceries, and 73% for personal care. But emotional and ethical factors are now central to value perception:

- **Health benefits** rank highly across categories (69% for fresh produce, 70% for personal care)
- **Clean and natural ingredients** matter to two-thirds of shoppers (68% for fresh produce, 66% for personal care)
- **Sustainability credentials** such as eco-packaging and ethical sourcing are considered important by 58–60% of consumers in everyday categories
- **Willingness to pay for quality remains strong:** 60–62% would pay more for better quality, and 52–56% would pay more for brands they trust
- **Consumers also accept modest eco-premiums:** 44% of consumers would accept a 2% surcharge for sustainable packaging, and 43% would pay a 2% premium for carbon offsetting, provided there is transparency.

- **Indulgence is still a coping mechanism:** 71% say small treats help manage financial stress, and 71% feel they feel they deserve a reward for saving elsewhere, but indulgence must now feel controlled and responsible

To win in this new value equation, organizations must offer pleasure with principles:

71%

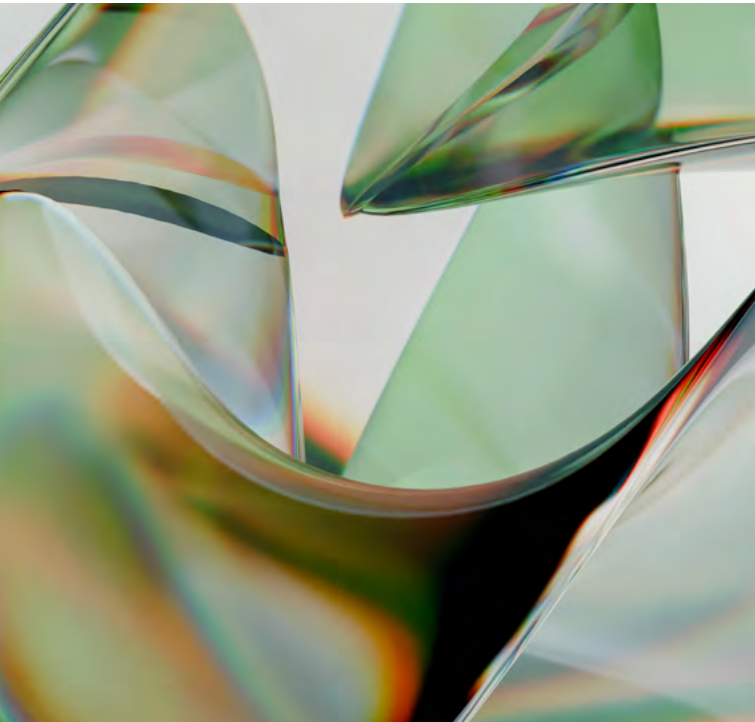
of consumers opt for treats and small indulgences as a way to cope with financial stress.



“Consumers already rely on AI and algorithms more than they recognize, shaping everyday decisions from content discovery to grocery shopping. As intelligent agents become more capable, they will reduce the friction of searching, comparing, and purchasing. The real opportunity lies in freeing consumers from time and effort, while ensuring they remain informed and in control throughout the journey.”

Kees Jacobs

Vice President, Global Lead for Insights and Data,
Capgemini Consumer Products and Retail



- **Launch premium sustainable tiers:** These apply to everyday categories such as clean-label, ethically sourced, refillable or recyclable packaging
- **Make impact visible:** Use QR codes and app badges to show carbon savings, sourcing traceability, and refill options
- **Create conscious bundles:** Pair indulgent SKUs with refill kits or carbon-offset credits, keeping green surcharges small and explicit (1–2%)
- **Integrate sustainability into loyalty:** Reward eco-actions such as refill purchases, low-waste delivery choices, and near-expiry 'rescue' buys

What leaders are already doing:

- Lush has mainstreamed packaging free ('naked') formats and circular take back, avoiding the production of ~14,000 tonnes of plastic and ~180 million bottles since 2005, turning low waste into a value cue and normalizing principled indulgence at scale.⁴⁵
- Patagonia shows how durability and repairability creates emotional equity. The Worn Wear/repair ecosystem extends garment life and reduces impacts, converting sustainability into point of difference.

- IKEA supports the circular economy through its Buyback & Resell service, where it purchases fully assembled, functional IKEA furniture from customers and resells it in the "As-Is" section at a reduced price.⁴⁶

Ensure responsible AI use to build long-term trust

When AI is transparent, bounded, and optional, customers feel comfortable with it. In our survey, 76% want the ability to set strict boundaries (e.g., spend caps, category limits) before a digital assistant acts; 66–69% trust AI more when explanations are clear; and 71% are extremely worried about unclear consent and data misuse. A further 67% want brands to label AI generated ads/content. Together, these numbers define the 'trust contract:' explain → ask → act, with human control at every step.

Regulators are moving in the same direction. The EU AI Act phases in obligations for general purpose AI alongside a voluntary Code of Practice that sets expectations for transparency, copyright, and safety (with a practical grace period for signatories as guidance beds in).⁴⁷ In the UK, the Competition and Market Authority's (CMA) principles emphasize transparency and accountability, reinforcing the need for clear consumer disclosures in AI mediated

journeys.⁴⁸ These expectations shape how brands should label AI generated ads and reviews.

Brands and retailers should consider the following action points:

- **Adopt the Explain → Ask → Act** pattern as default. Before any AI initiated step (auto reorder, substitution, dynamic bundle), present a plain language rationale (why this item, why now, what data was used), then obtain one tap approval or respect pre set guardrails (budget caps, brand exclusions).
- **Make data use explicit and minimalist.** At the point of personalization, show a compact 'data used' panel (e.g., past purchases, on site browsing, stated preferences), provide toggle level controls (include/exclude data types), and honor tiered consent (essentials/savings/VIP).
- **Label synthetic content end to end.** Tag AI generated ads, copy, imagery, and review summaries in both human readable and machine readable forms (to meet future interoperability requirements).
- **Employ consent aware personalization.** Use privacy-first customer data platform practices (consent capture, purpose binding, deletion, and opt-out propagation) so that offers and

recommendations only reach those who have given consent, with that choice clearly visible to all.

While AI tools provide organizations with the ability to hyper-personalize every aspect of the customer shopping experience, they also introduce ethical and operational challenges such as data privacy concerns, biased recommendations, and discriminatory pricing. Additionally, children are particularly vulnerable to being targeted, especially on social media. Therefore, responsible AI deployment is essential for organizations. This involves implementing data minimization, encryption, and secure data handling; embedding fairness metrics and human oversight in recommendation engines; conducting regular audits of AI models for bias; using diverse and inclusive training datasets; adopting explainable AI frameworks to make personalization decisions transparent; complying with regulatory norms; establishing internal AI ethics boards and governance frameworks; and monitoring for model drift and unintended personalization outcomes.

Be open about how value is delivered

Two in three shoppers prefer an explicit price increase over shrinkflation, and around seven in ten expect clear disclosure of tariff impacts when these influence shelf prices. Both statistics signal that how value is delivered matters and that RGM must treat perceived fairness as a core design constraint, not a side effect. Consumers dislike feeling taken advantage of through practices like inconsistent pricing across channels, shrinkflation, and undisclosed pack or quality reductions. These reductions are among the top two triggers for switching, alongside lower regular prices and better promotions. In short, price transparency and promotion architecture are now central pillars of loyalty and should sit at the heart of any RGM framework.

76%

of consumers want strict boundaries on how and when a digital assistant can act on their behalf.

Brands need to communicate clearly how technology, efficiency gains, and operational improvements translate into either better prices or higher-quality products. In RGM terms, this means making the value equation legible: when margin is taken, explain why; when value is added, make it visible. Transparency becomes a strategic asset that feeds directly into brand equity, supporting more frequent and deeper price/mix moves over time because consumers feel treated fairly.

- **Establish consistent pricing guardrails across all channels.** When price parity isn't possible, provide clear context, such as courier surcharges or store markdowns, and highlight the option with the lowest overall cost for the day. This approach reduces confusion and builds trust, discouraging customers from switching between tabs. Our research shows fairness concerns peak when pricing gaps appear without explanation, especially between app and web or online and in-store. Instacart has included the banner 'same as in-store prices' for grocery brands as part of their price-parity initiative.

Chris Rogers, the Chief Executive Officer of Instacart, highlighted that retailers maintaining price parity across online and in-store channels see stronger growth and

increased brand loyalty, *"Over the past year, retailers offering same-as-in-store pricing have on average grown more than 10 percentage points faster than those that haven't, and they retain customers better on our platform."*⁴⁹

- **Adopt a policy of transparent communication on any changes in pack size or quality and encode this into RGM pack/price architecture rules.** Use clear indicators—such as shrinkflation flags and unit price callouts—across both store and app. These practices align with consumer expectations, build trust, and help prevent confusion or switching due to hidden downsizing. Carrefour, a leading French supermarket chain, has introduced labels that alert shoppers when a product has decreased in size but increased in price, providing transparency on shrinkflation.⁵⁰ The French government already requires retailers to inform consumers when products shrink without a price drop. Notices must be displayed for two months on downsized items that result in higher unit prices.⁵¹

Redefine loyalty as a two-way relationship

Our survey reveals 65% of consumers say loyalty programs influence switching decisions, making them a critical lever for retention. Consumers increasingly expect personalized experiences and eco-conscious incentives: willingness

to engage rises when programs offer rewards for refill purchases, low-waste delivery, and responsible returns.

Brands should move beyond transactional loyalty to purpose-driven engagement:

- **Recognize budgeting behaviors:** Incentivize planned purchases, list-building, and low-waste shopping with tiered perks that reward loyalty
- **Gamify sustainability:** Introduce challenges (e.g., 'Complete 5 refill purchases → bonus points') to reward green habits in a fun way
- **Personalize at scale:** Use AI-driven segmentation to tailor rewards to individual values, from clean beauty bonuses to carbon-offset credits
- **Integrate loyalty into circular models:** Link repair, resale, and trade-in programs to loyalty tiers, turning sustainability into a driver of retention
- **Reward affirmative eco-action:** Offer points or credits for choosing slower, consolidated delivery, bringing reusable packaging, or participating in recycling programs.

Global examples leading the way:

- **Ulta Beauty:** With >44 million loyalty members driving ~95% of sales, Ulta uses Adobe's real-time customer data platform (CDP) to personalize offers and embed its Conscious Beauty program (clean ingredients, sustainable packaging) into loyalty rewards. This approach transforms eco-conscious choices into emotional loyalty drivers.⁵²
- **Sephora:** Its Beauty Insider program blends points with experiential perks (VIP events, early access) and now adds gamified challenges rewarding behaviors such as buy-online-pick-up-in-store and eco-friendly product purchases appealing to Gen Z's desire for engagement and sustainability.⁵³

65%

of consumers say loyalty programs influence switching decisions.

Conclusion

This research points to an increasingly discerning, technologically capable, and emotionally expressive consumer landscape. For CPR organizations, the implications are clear. Value is no longer based on price and quality alone but is shaped by fairness, transparency, emotional reassurance, and access to intelligent tools that support being able to make informed purchase decisions.

The continued rise of AI supports active redesign of the shopping experience. Consumers want technology that streamlines decision making, reveals value with clarity, and respects personal boundaries with consistent, reasonable pricing. At the same time, the emotional dimension of value is gaining strength. Small indulgences, human support, community orientation, and responsible use of data all contribute to brand attractiveness and retention.

The path forward for CPR organizations requires a cohesive value strategy that blends intelligence, transparency, and purpose. Competing effectively will require investment in

consumer-grade AI that communicates clearly and works seamlessly across touchpoints. Pricing systems must embed fairness. Real-time operational feedback loops help organizations reflect customer values and needs, building confidence, reassurance, and delight in the shopping experience. Increasingly, growth will come from channels shaped by AI.

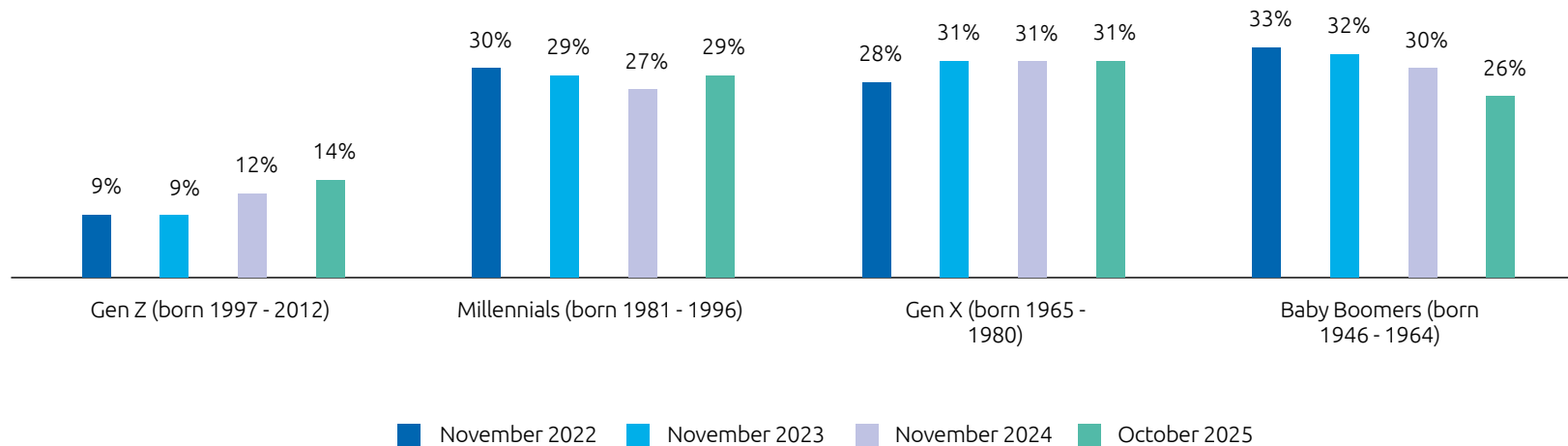
The decision journey itself should be contextualized so that each shopper receives the experience they want. Promotional strategies should reflect the strengths of each platform and, as anticipatory commerce matures, automation should be introduced gradually with built-in safeguards that protect consumer agency. Long-term advantage will come from leading with purpose. Brands must be open about how value is delivered, cultivate loyalty as a two-way relationship, and ensure they use AI responsibly across the shopping journey. The organizations that succeed will be those that see value not only as a transaction but as an experience that earns trust every day.

Research methodology

We surveyed 12,000 consumers over the age of 18 in 12 countries across North America, Europe, and Asia-Pacific in October 2025. The survey was supplemented by interviews with more than ten experts from the consumer products and retail industries. The demographic details of the consumers are below.

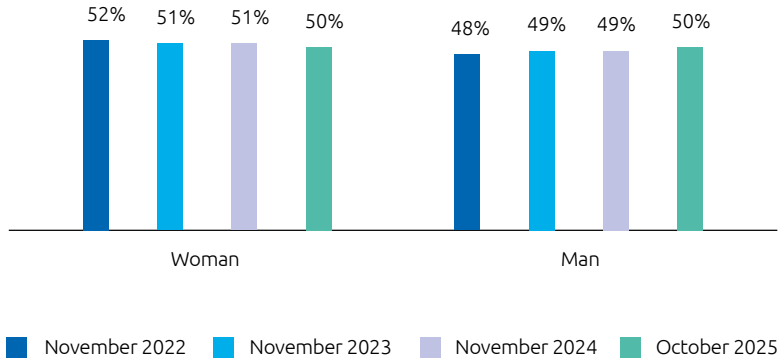
The study findings reflect the views of the respondents to our online questionnaire for this research and are intended to provide directional guidance. Please contact one of the Capgemini experts listed at the end of the report to discuss specific implications. All views expressed by the interviewees featured in this research are solely their own and do not represent the views of any organization they are currently or formerly affiliated with.

Consumers by age group

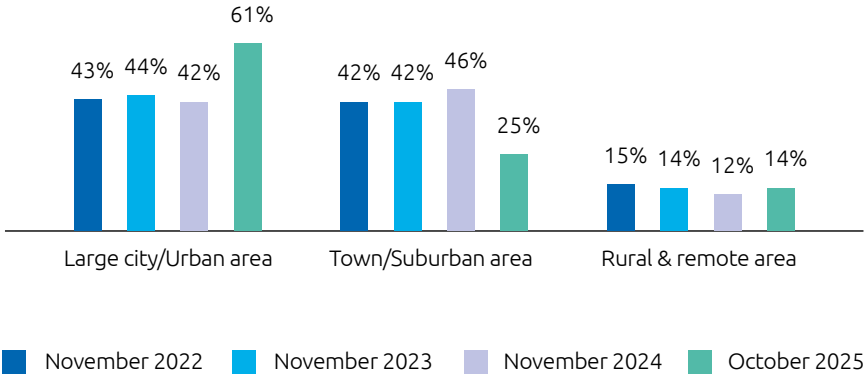


Source: Capgemini Research Institute, What matters to today's consumers 2026, October 2025, N = 12,000 consumers, What matters to today's consumers 2025, November 2024, N = 12,000; What matters to today's consumers 2024, November 2023, N = 11,681; What matters to today's consumers 2023, November 2022, N = 11,300 consumers.

Consumers by gender

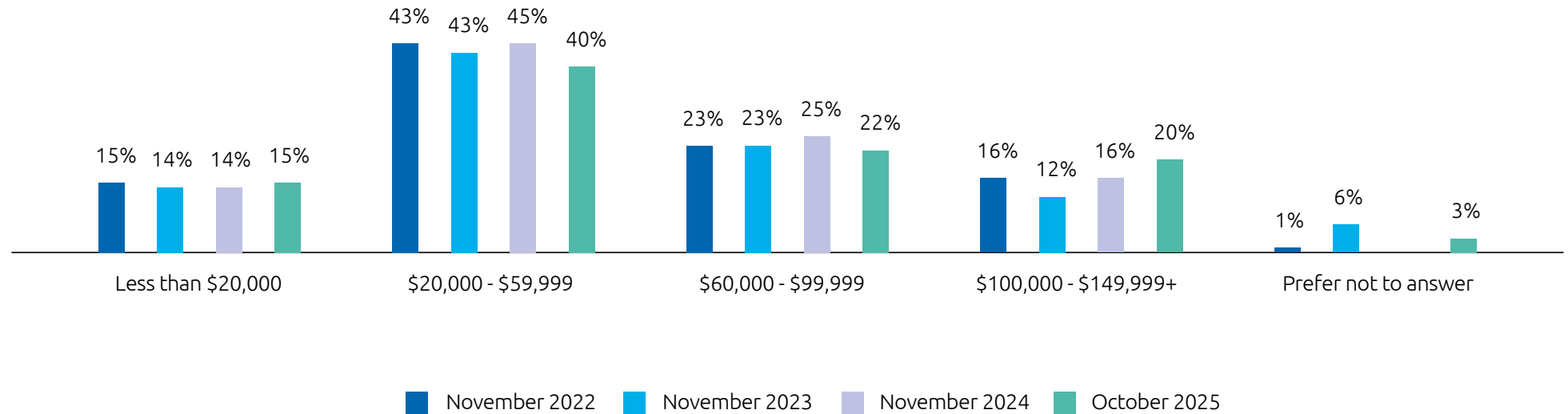


Consumers by self-identified residential area



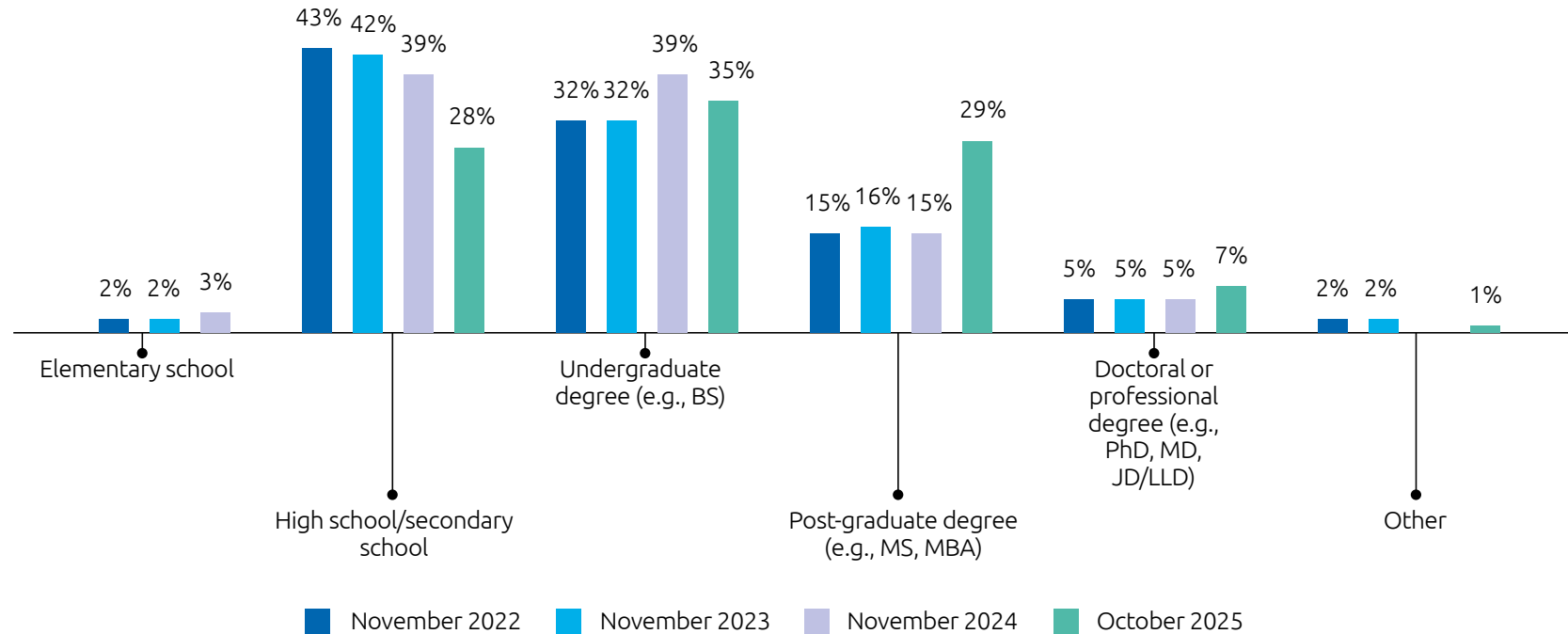
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Consumers by annual household income



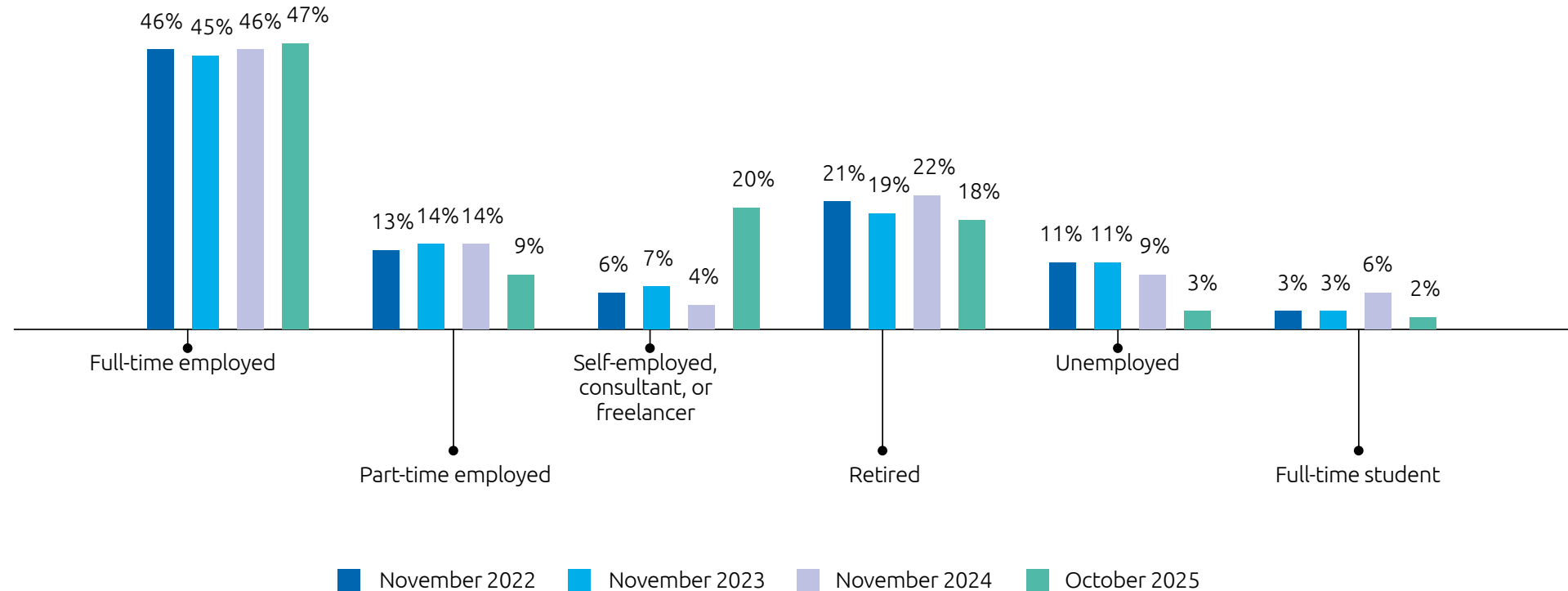
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Consumers by highest educational level



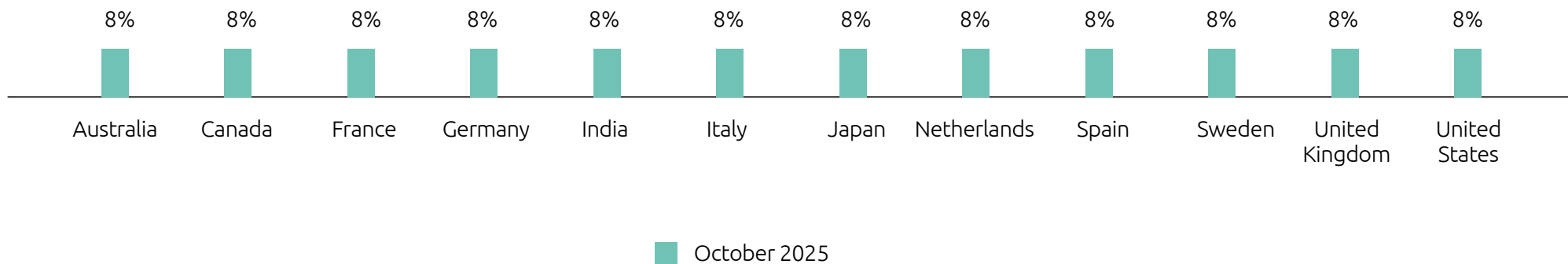
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Consumers by employment



Source: Capgemini Research Institute, *What matters to today's consumer 2026*, October 2025, N = 12,000 consumers, *What matters to today's consumer 2025*, November 2024, N = 12,000; *What matters to today's consumer 2024*, November 2023, N = 11,681; *What matters to today's consumer 2023*, November 2022, N = 11,300 consumers.

Consumers by country of residence



Source: Capgemini Research Institute, *What matters to today's consumer 2026*, October 2025, N = 12,000 consumers, *What matters to today's consumer 2025*, November 2024, N = 12,000; *What matters to today's consumer 2024*, November 2023, N = 11,681; *What matters to today's consumer 2023*, November 2022, N = 11,300 consumers.

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Dreen Yang is Global Industry Leader for Consumer Products & Retail at Capgemini, driving strategic growth across 50+ countries. With deep FMCG expertise and leadership at Coca-Cola, he's launched \$100M+ ventures and revitalized billion-dollar enterprises across North America, Asia, and Europe. Dreen is a passionate advocate for leveraging the power of agentic AI to reshape consumer engagement, creating new revenue streams for brands and retailers, while unlocking new levels of agility to optimize operations. Dreen is known for turning complexity into opportunity through data-driven strategy and next-gen technology.



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With a career spanning more than 22 years in consulting and transformation leadership, Mark Ruston brings deep expertise in supply chain strategy and execution, helping retailers close the gap between vision and delivery and positioning operations as a true differentiator in the consumer experience. Mark has a proven track record of guiding large Tier 1 retail and CPG organizations through complex, digitally enabled business transformations, unlocking channel growth, adapting to rapid market change, and delivering measurable outcomes at scale. Passionate about the transformative potential of AI, Mark champions its use to drive productivity, create positive societal impact, from reducing operational inefficiencies to minimizing food and packaging waste.



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Across the value chain, we help clients **accelerate growth with intelligent engagement**, using AI and data to create more relevant experiences, unlock new revenue streams, and meet consumers where value matters most. We **optimize operations with seamless AI**, unifying production, supply chains, and stores with real-time intelligence and predictive decisioning that improve accuracy, reduce cost, and increase speed at scale. And we **lead with purpose through resilient transformation**, embedding responsible AI, low-impact design, and climate-ready practices to build trust and long-term resilience.

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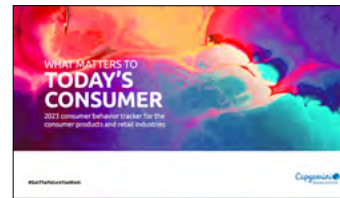
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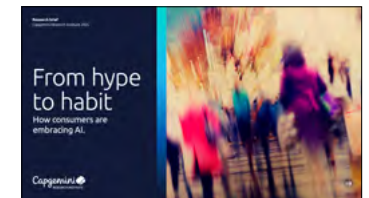
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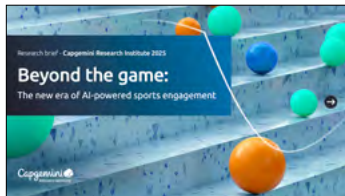
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