MATTER INTELLIGENCE OPINION 2026

Undoing Overexposure, Navigating a Polarised World

Matter

INTRODUCTION

In its 2026 Intelligence Opinion, Matter analyses the challenging macro-economic landscape confronting executives, before identifying the most salient changes in consumer behaviour and how channel strategies can be redrawn to align with it. We conclude with the cultural thermals that matter most in influencing consumer identity, attention-spend and purchasing behaviour.

EXECUTIVE SUMMARY

Between 2022-2025, the luxury industry is estimated to have lost 15% of its customers, shrinking from 400 million to 340 million individuals in just three years. In an effort to placate shareholders, numerous executives have pointed to the affordability crisis by way of explanation. However, the affordability crisis is rooted in consumer behaviour, not consumer finances. It is true that a gallon of milk cost $3 in American stores in January 2019 and now costs 25% more. However, in reality, wages are growing faster than product prices across the income spectrum in the United States and Europe, while in China, falling product prices are outpacing falling wages.

What's more, the rich, traditionally luxury's core consumer base, are richer than ever. UBS reports that there are now 2,919 billionaires, up from 2,682 in 2024. Indeed, the acquisitive power of the rich has grown exponentially. Wealth polarisation now exceeds that experienced in Tsarist Russia. Nowhere is that reality more apparent than in the U.S. — both the consumer goods and luxury industries' most significant growth engine. The net worth held by the top 0.1% of households in the U.S. reached $23.3 trillion in Q2 2025. More than double the $10.7 trillion a decade earlier, according to data shared by the Federal Reserve of St Louis.

The challenge facing the luxury industry is not related to affordability. Instead, it stems from luxury products' desirability and relevance — or the lack thereof. Today, relevance has replaced cost as the consumer's primary value-measure to prompt purchases. The contemporaneous lack of relevance means the luxury industry faces a lean forecast. Bain data forecasts that growth will contract by 3-5% in China and 1-3% in Europe, with only modest growth in America (0-2%) and more sustained, tourism-fueled demand in the Middle East, specifically the UAE (4-6%). Compare those growth rates with those relating to the wellness, travel and experiences industries. To illustrate, Bain forecasts that the global wellness economy is projected to expand by 7.6% annually from 2024 to 2029, reaching nearly $9.8 trillion by 2029.

Compounding the issue, the overt commercialisation of social media channels, and the overexposure of luxury within them and every other media channel of scale, has prompted widespread disengagement. Luxury is inescapable; few care, fewer buy. Worse, in our increasingly digital age, consumers across the wealth spectrum inhabit the same sales channels. That means reflecting and outfitting the lifestyle of one exceedingly privileged cohort, responsible for profit-making big-ticket product sales, in full view of the other, which represents 99.99% of the population. As 'In' and 'Out' group mentalities become increasingly entrenched, this risks both alienation, through overexposure for the rich, and public condemnation from the many in response to inexcusable elitism.

The path ahead is unchartered, unpredictable and volatile. This report is designed to synthesise the business intelligence that will deliver commercial results. From the true shape of media consumption, to tracking-apps succeeding open-social-media, agentic recommendations replacing affiliate links, and why redrawing the marketing funnel in entirety is now a necessity. Combined, these are the insights that will matter most in 2026.

Robin Mellery-Pratt

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The Great Divide: Consumers, Channels and Commerce

The divisions in society are now significant enough to impact sales channels and with them brand and marketing strategies.
In 2026, brands must dominate in cultural relevance or be forced to choose between the haves and have nots.

The Great Divide: Consumers

In 2026, brands will be forced to wrestle with the overweening reality that the very rich are driving the performance of not just luxury brands but entire economies.

In our increasingly digital age, consumers across the wealth spectrum inhabit the same sales channels. That means reflecting and outfitting the lifestyle of one cohort, responsible for profit-making sales, in full view of the other, which represents 99.99% of the population, risking both alienation through overexposure and public condemnation as a result of inexcusable elitism.

Nowhere is that reality more apparent than in the U.S. — the most significant growth engine for both the consumer goods and luxury industries. LVMH, Hermès, Kering, Prada and others explicitly referenced the region's significance and potential in earnings calls. Compounding the problem, polarisation has entered the culturesphere. Voters are flocking to zero-sum parties, genders across the spectrum are at odds with each other, and older and younger generations share less and less common ground in the futures they're envisaging.

To succeed in such a bifurcated environment, relevance is paramount. Cost, quality, availability, and exclusivity remain significant levers. However, all pale in comparison to relevance. Across consumer behaviour, market conditions and cultural thermals, in this introductory analysis, Matter synthesises the most salient indicators that will dictate the commercial landscape in 2026. How to respond to this outlook is addressed in the succeeding three chapters.

The Haves & Have Nots

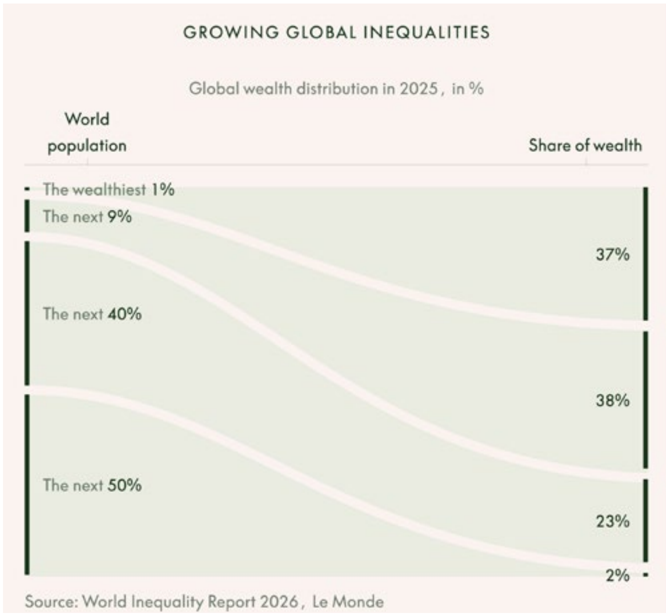
Wealth Polarisation

The cracks in consumer consensus have become chasms. Today, the lived experience, financial outlook and purchase-drivers relevant to the lucky few are irrelevant to the less fortunate many.

Wealth polarisation now exceeds the extremes of Tsarist Russia. Last year, the Financial Times reported that global deal-making hit $4.5 trillion — the second-highest year on record. The problem is, a comparatively minuscule few have benefitted. In fact, extreme wealth has come at a high cost to meritocracy and social mobility.

$23.3 trillion—The net worth held by the top 0.1% of households in the U.S. (more than double the $10.7 trillion a decade earlier)—The Federal Reserve of St Louis.

The U.S., in particular, has an embarrassment of billionaires (currently the most appropriate group noun for the oligarchic class). Three Americans, Mark Zuckerberg, Jeff Bezos and Elon Musk (who became a naturalised U.S. citizen in 2002. He is an immigrant from South Africa, where his parents emigrated to from Canada) have accumulated vastly more wealth, individually, than 50% of the U.S. population combined. The Washington Post reported that Elon Musk is set to make more annually than every U.S. elementary teacher combined.



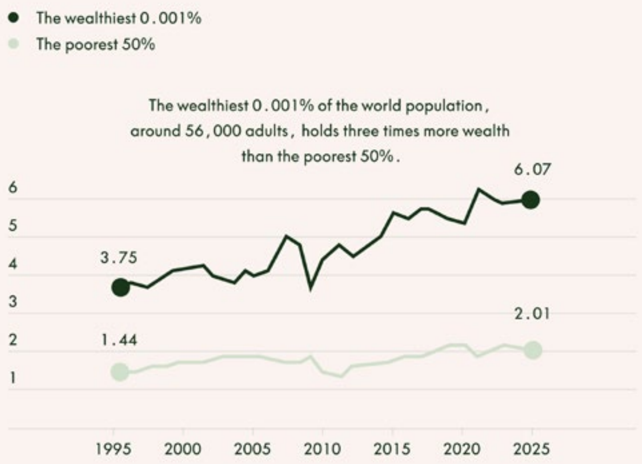
Indeed, the acquisitive power of the rich has grown exponentially. The net worth held by the top 0.1% of households in the U.S. reached $23.3 trillion in Q2 2025. More than double the $10.7 trillion a decade earlier, according to data shared by the Federal Reserve of St Louis.

The World Inequality Report found that the wealthiest 0.0001% of individuals' wealth grew by nearly 5% per year over the past 30 years. But two decimal places further, the wealthiest 0.001% of individuals have seen their wealth rise by nearly 5% per year over the past 30 years. These are the 56,000 richest individuals worldwide. And there are even loftier heights: At the very top, the 560 largest fortunes, those with at least €4 billion in assets, have seen their wealth climb 8.4% per year.

UBS reports that in 2025, globally, there are now 2,919 billionaires, up from 2,682 in 2024. In 2025, 91 people became billionaires through inheritance ($298 billion of wealth transferred in total) in the 12 months to April. The highest number since the bank's analysis began in 2015. Most of the inheritance is expected to come from the U.S., followed by India, France, Germany and Switzerland. Additionally, 196 "self-made" entrepreneurs became billionaires this year, with a collective wealth of $386.5 billion.

THE WEALTH OF THE ULTRA-RICH EXPLODES

Global income distribution, in %



Personal net wealth is equal to the sum of financial assets (e.g. shares or bonds) and non-financial assets (e.g. real estate or land) held by the individuals, less their debts.
Source: World Inequality Report 2026

2,919 billionaires up from 2,682 in 2024. —UBS

This has had a significant impact on public morale and consumer confidence in the world's largest economy. According to a Politico Poll by Public First, nearly half of Americans say that the best times of the country are behind them. In 2025, 46% of Americans agreed with the statement "The American Dream no longer exists." Comparatively, 26% disagreed, and 28% answered neither or don't know. The poll reveals a deep strain of pessimism across the electorate — but especially amongst Democrats.

Organisers are already exercising their agency — if potentially in vain. A ballot initiative proposed by a healthcare workers' union in California outlines a one-time, 5% tax on assets of individuals with net worth over $1 billion across stocks, artwork and intellectual property rights, rather than income. The proposal is an unprecedented effort to tax modern wealth, but it is far from a done deal. Supporters need about 875,000 signatures, and face stern opposition as well as significant logistical challenges.

We, the masses, have noticed.

"According to the most recent edition of an annual Harris Poll, for the first time, a majority of Americans believe billionaires are a threat to democracy. A remarkable 71% believe there should be a wealth tax. A majority believe there should be a cap on how much wealth a person can accumulate," wrote Michael Hirschorn in a New York Times op-ed.

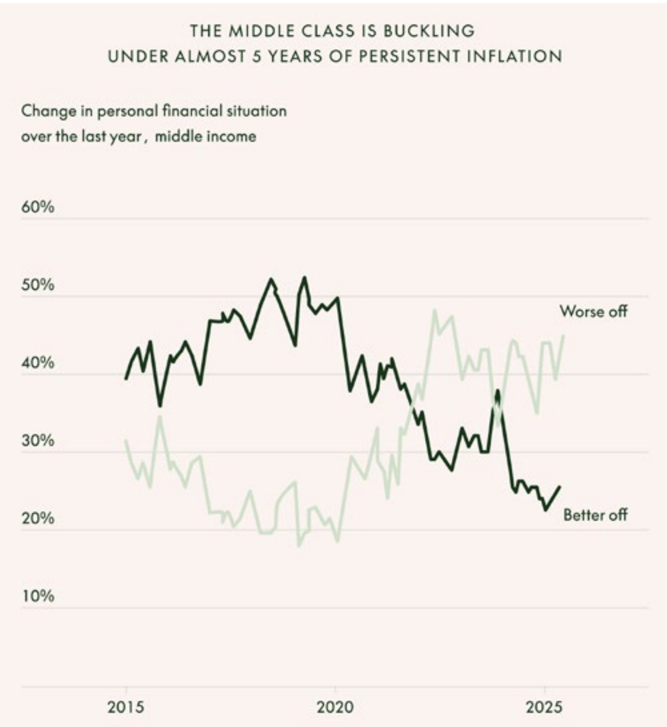
Poverty Propagated

The Cost of Politicised Policy

The U.S. unemployment rate rose to 4.6% in November of 2025, its highest in more than four years — 64,000 jobs were gained in November, while 105,000 jobs were lost in October. The number of Americans who are unemployed rose over 700,000 to 7.8 million.

4.6%—The U.S. unemployment rate rose 0.2% September to November 2025—U.S. Bureau of Labour

All the while, inflationary pressure and fixed-cost increases to household budgets are pervasive. The New York Times found that the average cost of food in America has risen 28% between 2020 and 2025. A Bloomberg report highlights that in some parts of the U.S., wholesale electricity prices are 267% higher than they were five years ago, partially due to data centre construction as per a National Moratorium request submitted to Congress.



The Budget Lab at Yale estimated that the number of Americans entering poverty last year because of tariff-related price hikes will have exceeded 875,000.

875,000—The number of U.S. citizens that will enter poverty due to tariff-related costs —The Budget Lab at Yale

Younger people in particular are struggling in the current labour market. The International Labour Organization reports that about one in four young people worldwide are neither employed nor in education or training. The resulting low-productivity services jobs they are forced into are contributing to rising political fragmentation in lower, middle and to a degree even high income economies as growing dissatisfaction succours demands for structural change.

Quoting a 2025 survey of 4,270 U.S. adults, WSJ reports that "more than any other generation, young adults are tightening their year-end spending budgets and shelling out less for gifts". Gen Z shoppers recently said they expected to cut holiday spending by an average of 34%, sharply more than other age groups, according to a Deloitte survey of over 4,200 U.S. adults.

Comparatively, Gen X consumers, those between 45 and 60 and in their peak earning years, were the only cohort to say they planned to spend more. A PwC survey found that in addition to spending less on gifts, Gen Z are pulling back on travel, dining out and clothes.

As cost of living pressures bite, the world's youngest are confronting an unprecedented tightening of the job market — before AI has truly begun to truly wield its Damoclean-scythe on entry-level opportunities.

A Stop-Over in the Great Wealth Transfer

Spouses Not Kids

Affordability is now a hot topic, politically and culturally. It is true that a gallon of milk cost $3 in American stores in January 2019 and now costs 25% more. However, in reality, if not our perception of it, wages are growing faster than product prices across the income spectrum in the United States and Europe. Nonetheless, the share of household budgets expended on goods has dropped from ~60% to 40% since WW2.

The proportion spent on services has grown instead. The Julius Baer Lifestyle Index, which analyses the cost of a basket of goods and services representative of 'living well' in 25 cities around the world, found that the overall price of goods dropped by 3.4% on average in 2025, compared to a much slighter decrease of overall services by 0.2%.

Coffee and steak by pound; eggs by dozen; gasoline and milk by gallon; orange juice concentrate by 12oz can. Sources: US Bureau of Labor Statistics, US Energy Information Administration, Financial Times

More significant to the lived experiences of the general public is the impact of compounding wealth. The wealth-to-GDP ratio is close to an all-time high in America.

"Real wages have indeed risen, but they have not gone up as fast as assets have. To think through the effects of this, picture two people who earn identical salaries that place them in the top 10% of earners. Then imagine one of these people also inherited $1m ten years ago. Had [they] put the money in the S&P 500, they would now be sitting on $4 million. When these two people want to buy a car or a phone, this is not a problem. Ford or Apple can make an additional unit and sell it at the same price. When they want to buy positional goods, such as an apartment in San Francisco with a nice view, they are in competition. For one of them, this feels like an affordability crisis," writes The Economist.

That compounding wealth is now changing hands. Over the past year, many column inches have been dedicated to the 'Great Wealth' transfer, already underway. As Millennials and Gen Z begin to inherit their parents' estates, Cerulli Associates, a wealth manager, reports that in the next 25 years, over $100tn in assets — property, stocks, gold, artwork and everything else — will be transferred from older generations to their heirs in the U.S. alone.

> **$100 trillion in assets will be transferred from older generations to their heirs over the next 25 years in the U.S —Cerulli Associates**

But the young are often not the primary beneficiaries. Cerulli Associates reports an estimated $54 trillion in wealth will pass to surviving spouses by 2048 in the U.S., with more than 95% of these transfers expected to go to women. The average for an inter-spousal transfer is cited as $1.4 million. Those beneficiaries, older women, are of an age and media diet that are still largely ignored.

Bubbles Pop

AI and Bullish U.S. Stocks

As billions change hands, there is good reason for the very wealthy, and millions of other affluent Americans, to fear the sustained bull market in U.S. stocks. The risk to American households is manifest. Stock ownership now accounts for over 30% of their total assets, the highest since the Federal Reserve started collecting such data in 1945. At the peak of the dotcom bubble the equivalent figure was 27%.

A renowned short-seller interviewed by The Economist worries about "exuberance similar to 2021, or to 25 years ago", noting that retail traders are even more exposed to the stock market than they were in the dotcom era.

Evidencing his insight to the publication, he identifies that the average account on Robinhood, a popular trading app, holds around $12,000. Having adjusted for deposits and withdrawals, account values dropped by an estimated 7% in October and November during sustained and volatile stock market uncertainty. However, that balance nevertheless suggests traders were "way out there on the risk spectrum", having invested in stocks that dropped more and recovered less than the wider market.

Another short-seller, however, shared: "I don't think there's this big bubble here," he says, since the corporate giants with the highest valuations have demonstrated excellent earnings growth. The market's too thick and the technology's too exciting" for a crash. "But a deflation could happen," he says, when "the cycle turns".

In China, Involution

Deflation By Another Name

In 2025, The International Monetary Fund projected that consumer inflation in China would average zero — it is the second-lowest rate of over 180 economies it tracks. Xi Jinping's economic train has pulled into the last station before deflation. The cause? China's state subsidies have created hugely successful and innovative companies that are outdoing each other in a race to the bottom. The fate of its electric car industry and consumer market acts as an illustrative example.

0%
The forecast for China's rate of consumer inflations. The second lowest globally.—IMF

Of increasing concern, the Bank of Korea warned in July 2025 that China could export deflation to its trading partners. Chinese exports with decreased prices would in turn depress prices abroad and create waves of impact for global players, in electronics and the vast multitude of other sectors in which Chinese production dominates.

Deflation occurs when supply significantly outpaces demand. As sales drop, companies struggle and, eventually, workforces pay the price as jobs are cut and promotions stalled. Consumption drops, businesses cut back expenditure, economic activity slows even as productivity increases, while corporate and household debt burdens rise, creating yet more deflation. Once sufficient velocity is achieved, a deflationary spiral is as self-sustaining as a virtuous cycle.

The aforementioned cultural malaise associated with low-productivity service jobs has already set in, impacting consumer behaviour.

Hu Anyan dissects every layer of the life of the worker, and how the system gradually alienates individuals by erasing their differences—Beijing Book Review

In 2023, I Deliver Parcels in Beijing became a literary sensation in China. What began as an online essay project in COVID-19, was likely the most significant book release of that year. Perhaps since. Its author, Hu Anyan, narrates a life of grinding work with no fulfilling future in sight.

"With great acuity of his personal perspective, Hu Anyan dissects every layer of the life of the worker, and how the system gradually alienates individuals by erasing their differences. He sharply analyzes his own status, slowly reclaiming his identity, and ultimately recovers his right to self-determination," wrote The Beijing Review of Books upon its release.
Matter analysed lǚ jū — the journey towards a fulfilled state — and its impact on Chinese consumer behaviour extensively in 2025. Later in this sub-chapter, we examine how a new degree of China-first patriotism is now emerging as a competitor for share of mind.

India: Literal Not Social Mobility

Limited Opportunity in Country

Over the Himalayas, in India, around 350 people control 50% of GDP. About 1.451 billion people control the other half, as per data from the Hurun India Rich List. The shape of Indian demand for consumer goods is thus less a pyramid, and more a vast monolithic base with a single block atop.

Bain found spending on luxury is expected to rise from $36 billion to $42 billion by 2030 in India. The ultra-rich are buying in-the-know items or experiences that are very out of reach and signal status to their peer group, Akanksha Kamath, an editor previously at BoF and Vogue India, told Matter. However, while GDP has grown at an average of 7% over the past decade (by the end of Donald Trump's second term, India may be the third largest economy in the world), a 2024 World Development Report calculated it would need 75 years to reach a quarter of America's per capita income.

Back in 2023, Ravi Thakran, ex-group chairman of LVMH Asia, shared "If you are an aspiring player, go to India today. This will be your biggest play going forward." Little has changed. To contextualise the level of expenditure in the market, the average investment in beauty and personal care products across India is around $15 annually, significantly lower than international trends.

Mobility, both internally and internationally, is the greatest opportunity. Car sales are projected to maintain a healthy growth rate of around 5.7% annually through 2030. The total length of national highways in India have increased by 60% in 10 years, reports India Today. Domestic air capacity grew 7.8% in the 12 months to July 2025 and India is consistently identified by aviation bodies as the fastest-growing major domestic air travel market globally, and is now the world's third-largest aviation market by passenger traffic.

The Eurozone's Availability Conundrum

Rivalrous Purchases Pinch

Food prices have shot up in Europe, as have energy prices. But, again, after a period of decline, real wages are rising, at all levels of income. The majority of narratives around affordability fail to adequately reflect the nuances of the continent, or the fact that services remain resistant to the productivity gains now achieved in manufacturing.

"In its highly regulated markets, prices cannot adjust to balance demand and supply. In fact, the continent's problem increasingly seems to be not affordability but availability. In the euro zone the affordability conundrum in services presents itself in a different way. Because the prices of services such as health care and home rental are more regulated, the problem is availability more than affordability, and it is often solved by queuing— which does not feel good, either," writes The Economist.

"The continent's shoppers have more purchasing power than they might think. But with services in short supply, they are likely to become only more disgruntled," it continues.

Bain's 2025 Report found that European sales increased, albeit on a normalizing trend of decelerating quarterly growth, with demand sustained by inbound tourism, particularly in Tier-1 cities and resort locations in southern Europe. The UK and Northern Europe were under more pressure, with limited luxury tourist inflows and weaker local demand. The picture varied across the Middle East, with more mature markets like the UAE maintaining robust growth and other areas experiencing demand normalization.

> In 25 cities around the world, the overall price of goods dropped by 3.4% on average in 2025
> — Julius Baer Lifestyle Index

Indeed, most challengingly for Europe, the impact of Russia's illegal, grinding, deadly invasion of Ukraine, and the culture wars stoked by a billionaire class with vested interests in controlling media narratives, is dampening consumer confidence and redrawing routes to the consumer. To discover how The Great Divide is showing up in culture and commerce and what matters most, read on.

2

The Great Divide: Channels

The division in society is now significant enough to impact sales channels and, with them, brand and marketing strategies.

“Hell is Other People”

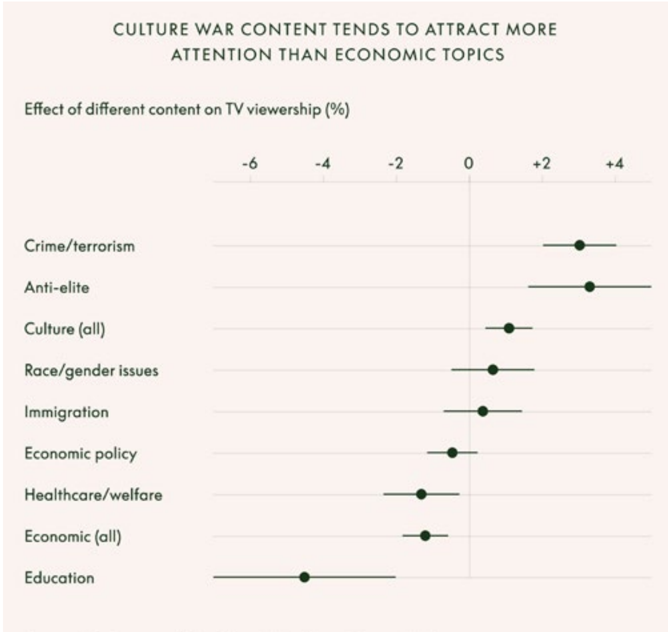
Social Polarisation

Jean-Paul Sartre’s line from his 1944 existentialist play No Exit, was his comment on how individuals’ intertwined existences were at the mercy of the other. In a digital age of extreme interconnectivity, the impact of the 'Other' on our commercial behaviour and lived experience is growing exponentially.

Culturally, the hyper-commercialisation of content and the merging of information and opinion, news and entertainment, has shifted societal attitudes towards an increasingly zero sum world, where gains for self are extracted at a cost to others.

Nothing represents this binary age quite as compellingly as the growth of prediction markets. We are betting against each other's outcomes, in record numbers and ever more obscure ways: Polymarket, the largest prediction market, maintained a 5.5% return on a position against the return of Christ in 2025. Prediction markets could trade a trillion dollars in volume annually by the end of this decade, according to research by Eilers & Krejcik, a gaming consultancy.

That same year, Aakaash Rao of Harvard University and Shakked Noy of MIT released ‘The Business of the Culture War’. Through a culture war agenda, cable news has gained audience share from viewers who would otherwise prefer entertainment while economics-and-education programming prompted people to switch channels.



Source: The Business of the Culture War (Noy & Rao, 2025)

Overall, they estimate cable news is accountable for 33% of the increase in U.S. cultural conflict since 2000. This is the cultural context brands are now building aspiration in, through brand and marketing strategies.

‘In’ & ‘Out’ Groups

Inciteful Information Infrastructure

Another study, by Northwestern University and the University of Chicago, found a significant synergy between the dynamics that fed the boom in cable TV and social media platforms.

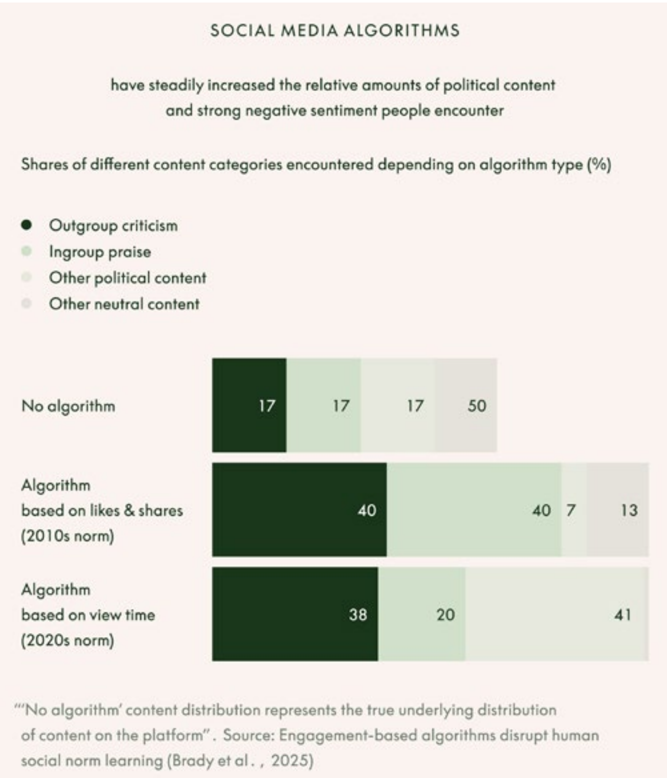
Researchers simulated a social media app, and monitored the changes on what posts a user would be exposed to, comparing three different scenarios. The first, a counterfactual, showed the hypothetical user a representative mix of all posts. The second followed the socio-network approach, popularised by Instagram in the 2010s, the third, algorithmic recommendations, modelled on TikTok, that selected posts based on how long other people spent looking at them.

The results were striking.

“Relative to the counterfactual of simply showing people an even mix of all content, the recommendation algorithm based on likes and shares (essentially how social media worked during the 2010s) consistently boosted posts that praised the viewer’s in-group and blamed their out-group, as well as pushing much more political messages into people’s feeds.

The TikTok-style algorithm, which swapped out active likes and shares for more subtle measures of passive, unconscious engagement, had similar results in significantly boosting divisive political content. But it also surfaced far more negative content attacking out-groups than positive content praising fellow group-members," reports The Financial Times.

The "parallel seismic fracturings of the information environment and sociopolitical cohesion are unlikely to be a coincidence," it concludes.



"'No algorithm' content distribution represents the true underlying distribution of content on the platform". Source: Engagement-based algorithms disrupt human social norm learning (Brady et al., 2025)

Unsurprisingly, valuable consumer cohorts are fleeing to new digital corners and offline entirely to rejig their media and content paradigms. Matter explores how to benefit from this shift extensively in Chapters 2 and 3, within Hobby Apps Are The New Social Media, The Shape of Media Consumption, Reshaping the Marketing Funnel and En-Rage-Ment Tactics.

Contemporary 'In' and 'Out' group mentality is more pervasive than traditional fault lines—Matter

TikTok style algorithms surface significantly more negative content attacking out groups than positive content praising in group members—Northwestern University and the University of Chicago

With Us, Or Against Us

Zero Sum Engagement

However, from an overarching cultural perspective, this shift towards manufactured infractions and armchair retribution has polluted the shared spaces businesses rely on to reach and engage with consumers. In the immediate term, this has already led to consumer groups, once relatively amorphous but united in common consensus, splintering into ever smaller subcategories. This matters to brands because the vast majority of the identities of these new consumer cohorts are built on the rejection of others.

Of course, liberal and conservative, pro-migration and anti-immigration, boomers and millennials, but this contemporary growth in 'In' and 'Out' group mentality is more pervasive than traditional fault lines.

Consider the scope of and scale of the discourse around trad-wives and progressive women, and how much it informs regular consumers' influences and purchase drivers. Now add Karens and Jessicas and the horrified populus that condemn the gleefully, red-pilled looksmaxxers vs. woke dads, the fallout between heteronormative Gen Z women and men, even egregious gigachads and those whom they dub subhumans.

Poorer gender relations among the young are of particular note to lifestyle brands. The Global Goals and Feminist shared a Plan International and Sensity AI study which found that "the internet is full of abuse toward women and girls, from misogyny to deepfakes to harassment, and platforms refuse to help." Today, 58% of young women and girls have experienced online harassment. Now, 96% of deepfakes are sexual deepfakes, and of those, 99% target women.

In 2026, signalling your connection to one cohort sufficiently strongly to engage them, and reflect their lived experience, will increasingly come at the cost of appealing to another.

In China, "Zìxìn" (自信) Not European Luxury

China (Brands) First

In the world's second largest economy, the opportunity for global brands to sell into the Chinese market is likely to get a lot more competitive. The home team is in the spotlight. In the U.S., America First is yet to significantly impact demand for European brands. As China's patriotism continues to be ramped up partially in response to MAGA, demand for western hemisphere products is already under threat.

Interest in homegrown brands has been growing over the past decade, with particular cut-through from sporting giants like Anta, thanks to its Olympic associations. Now, the anti has been upped by the powers-that-be.

Every five years the Chinese Communist Party releases its five year plan framed as five priorities to achieve. In the most recent, released at the end of 2025, expanding domestic demand and consumption is the second priority in the CCP's 15th Five Year Plan. It ranks higher than the comprehensive deepening of reform and ensuring national security and resilience.

The plan aims to make the domestic economy the mainstay of growth by raising household incomes, boosting consumer spending, improving the social security system, and ensuring high-quality employment.

Bloomberg reports: "Chinese consumers are losing interest in heritage European and U.S. luxury brands, instead favouring homegrown premium labels for their distinctive eastern aesthetic. The $49 billion luxury market is changing fast."

On Xiaohongshu, "cultural confidence" is being expressed through a "New Chinese Style" of travel, where global capitals are replaced by the cultural capitals of China's 5000 year history, and the wonders of the world located on Chinese soil—Matter

Culturally, "what the market is witnessing now is the main performance: the full-flowering of "zìxìn" (自信), "self-confidence," as the core driver of a new Chinese consumer identity," writes Ashley Dudarenok for Jing Daily. On Xiaohongshu, "cultural confidence" is being expressed through a "New Chinese Style" travel, where global capitals have been replaced by the cultural capitals of China's 5000 year history, across the Ming, Song, Qin and Qing dynasties, and the wonders of the natural world located on Chinese soil.

The latest Bain-Altagamma Luxury Goods Worldwide Market Study report notes that luxury consumption in China is expected to contract 3–5% YoY, with a notable consumer pivot towards localised and accessible brands.

"For global brands, product excellence alone is insufficient. They must craft immersive experiences, services, and cultural relevance to compete with domestic brands," reports Jing Daily.

Chinese consumers are losing interest in heritage European and U.S. luxury brands, instead favouring homegrown premium labels for their distinctive eastern aesthetic. The $49 billion luxury market is changing fast
—Bloomberg

3

The Great Divide: Culture

In commerce, division presents as mismatched channel strategies, bad service and the potential of dynamic pricing.

Olding Online Spaces

The Digital Lives of Over-65s

U.S. public policy has long disfavoured the young. It still does. And that is compounding the issue of so much wealth being tied up in the bank accounts of older generations. Travel first class in any train or plane today, and the age range most reflected is not the professional classes. Existing not earned wealth is winning in the availability crisis (see above).

Older generations have the funds and the flexibility to be the most favoured consumers. Yet the content promoted in the channels they now, across verticals, dominate, at best ignores them, at worst disenfranchises them from relevance in totality.

This is a missed growth vector for a challenged industry. The traditional view of screen-obsessed consumers is the young. And it is true that the highest rates of engagement are amongst Millennials and Gen Z.

However, over-65s are more likely than under-25s to own tablets, smart TVs, e-readers, and desktop and laptop computers, according to a seven-country survey by GWI. Nearly a fifth of 55- to 64-year-olds own a games console. Last year over-75s in Britain spent more than five-and-a-half hours a day watching broadcast TV, a good five hours more than those aged 16-24, according to the UK media regulator, Ofcom.

> Over-65s are more likely than under-25s to own tablets, smart TVs, e-readers, and desktop and laptop computers
> —GWI

Ofcom found that last year Britons over 65 spent more than three hours a day online on smartphones, computers and tablets. That is half as much as those aged 18-24. But if combined with their TV consumption, their media diet becomes the most extensive of all age-cohorts. And with it, their exposure to advertising.

Commercially, this remains a significant opportunity for brands. Fitness levels are increasing. Cultural engagement growing. Active lifespans stretching, archetypes of old age become less and less relevant as, for the privileged, retirements become decades-long, privately funded global explorations of self. Matter investigates how GEO and AI is transforming the influencer market in Chapter 3.3: Agents, Not Influencers. This is of particular relevance to older cohorts.

Experience (Not Product) Acquisition

Un-emulatable Expenditure

The Bain-Altagamma Study found that luxury experiences maintained faster-than-average growth as consumers continued to move their spending to travel and social events. "The market for personal luxury goods— the "core of the core" of luxury segments and the focus of this analysis— experienced its first contraction in 15 years (excluding the COVID-19 period)."

Matter explores the shift towards money-can't-buy experiences in Chapters 2 and 3. Suffice to note at this juncture, that The Economist's ultra-luxury-services index — apex experiences with both global recognition and reliable price data over many years — has risen by 90% since 2019. Notably, it surged from 2023, as luxury goods prices have fallen. By comparison, global wine consumption fell 3.3% in 2024 to 214.2 million hectoliters, the lowest level since 1961, according to the International Organization of Vine and Wine.

Clienteling has its work cut out. To succeed, access, relevance and impossible to emulate experiences are required. Think Canada Goose's expeditions with top-spenders.

At a more inclusionary level, Bank of America reports: "A generational shift toward healthy habits, [where] three areas of investment are flourishing: fitness spending, leisure-based activities and goods in the non-alcoholic beverage and anti-aging categories." Indeed, spending habits have shifted dramatically as a result of younger consumers' widely held belief, largely backed by science, that external beauty is derived from internal health.

Younger consumers tend to purchase across a wider range of discretionary products, including health-tracking devices, massage tools, IV drips, and beauty and mindfulness apps. Foot traffic growth to fitness establishments is "well-surpassing bars or pubs."

There is of course opportunity for brands that are willing to invest in establishing authentic adjacent, collaborative or complimentary use-cases to this dramatic and pervasive global shift in consumer behaviour. What's more, wellness is much more than sport and exercise. Potential products are wide-ranging for brands willing to innovate. This is where consumer attention is, the spaces they inhabit and the culture they care about, taking an expansive view of the opportunity and building out wellness-related wear occasions for product could harness this cultural thermal.

From talent choices to advertising locations and channel strategies, brands should map engagement strategies to this buoyant space. In 2025, Hyrox announced a four night fitness cruise for 2,300 athletes on a 295 metre ship.

Different Person, Different Price

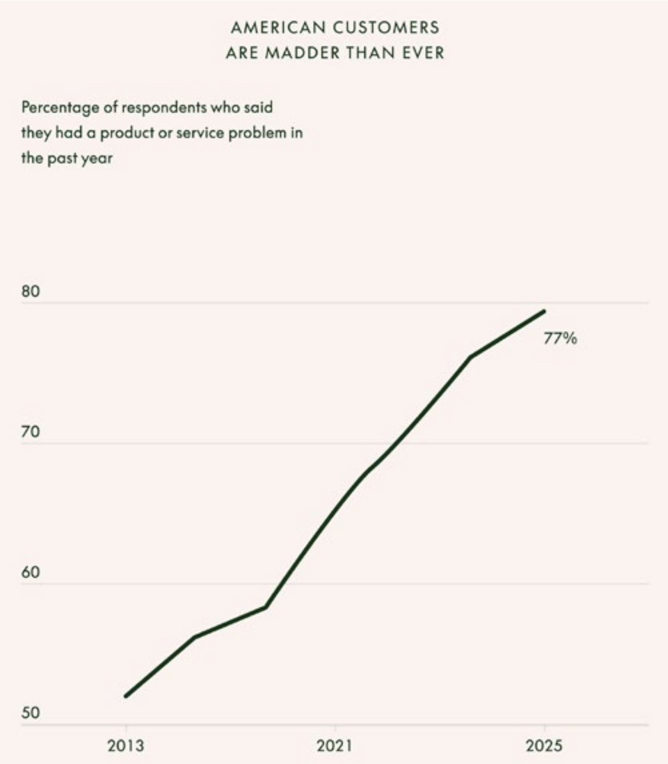
Dynamic Pricing

The bubble may pop as AI journeys towards rational financial models. If so, it will evaporate the near term performance of the S&P500, which relied on AI-fever to sustain its performance — and risk the 30% of U.S wealth locked in stocks (see above). Bubble or no bubble, cloaked in largely unfulfilled promises of efficiency, AI has entered the chat.

But the chat sucks as a result.

Yes, LLM models have greatly improved upon the rudimentary chat bots that preceded them in the interface between customers and companies. But, in comparison to the help lines and complaints teams they have eradicated, consumers find them to be wanting.

If you're near Rochester, New York, the price for a carton of Target's Good & Gather eggs is listed as $1.99...if you're in Manhattan's upscale Tribeca neighbourhood, that price changes to $2.29. It is unclear why the prices differ, but a new notice on Target's website offers a potential hint. "This price was set by an algorithm using your personal data"—Wired



LLMs, ultimately poorly informed probability equations, have not crossed the uncanny valley when it comes to human interaction. Especially in commercial environments. Worse, however, is AI's impact on companies that offer no product return refunds.

AI is enabling low level fraud through photo editing in flaws or damage, especially in China. "Mid-to low-priced SKUs under 100 RMB are disproportionately targeted, as thin margins make it costlier for SMEs to dispute claims than to absorb losses. Platforms and regulators now face an AI governance gap, as the misuse of generative tools threatens the integrity of China's high-frequency digital commerce and requires upgraded detection and legal guardrails," reports Jing Daily.

Still worse, AI is enabling dynamic pricing — eternally unpopular with consumers. Regionally, handbag prices have ranged due to boomtowns and avarice. Now, anyone's data might determine the cost they pay for eggs.

Wired reports: "If you're near Rochester, New York, the price for a carton of Target's Good & Gather eggs is listed as $1.99 on its website. If you're in Manhattan's upscale Tribeca neighbourhood, that price changes to $2.29. It is unclear why the prices differ, but a new notice on Target's website offers a potential hint. This price was set by an algorithm using your personal data."

2
Consumer Behaviour

2.1
THE NEW CONSUMER VALUE EQUATION

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2.2
LUXURY'S OVEREXPOSURE IS BITING

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— Tracking Apps
— Biohacking & Longevity
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2.1
The New Consumer Value Equation

The lack of scarcity and specialness associated with luxury products today has taken its toll. As a result, consumers are turning elsewhere for status-signalling and identitymaking.

Today, what counts as scarce and rivalrous has changed profoundly," reports The Economist. After all, experiences and services are unique, un-reproduceable commodities: "You can resell a watch, but you cannot 'resell' a day spent on Centre Court at Wimbledon."

The lack of scarcity and specialness in luxury today is taking its toll. The luxury market shrunk to an estimated 340 million shoppers in 2025, down from 400 million in 2022, reports Bain & Company and Altagamma's latest global luxury report. Growth is contracting by 3-5% in China and 1-3% in Europe, with only modest growth in America (0-2%) and more sustained, tourism-fueled demand in the Middle East (4-6%).

The luxury market shrunk to an estimated 340 million shoppers in 2025, down from 400 million in 2022—Bain & Company and Altagamma

Identity Markers Evolve

Status Signalling in 2026

Bain reports that no "hero" purchase has emerged to boost or even buoy luxury product sales. Instead, one overarching theme, across markets and cohorts, emerged in end-of-year luxury reports: consumer spending is shifting towards experiences.

Bain and Altagamma data finds that car spending is down 4% and fine art spending down 7%. Meanwhile, spending on luxury cruises rose 12%, spending on private jets and yachts 11%, fine dining 7%, and luxury hospitality 7%.

This is consistent with the findings of The Economist's latest installment of its ultra-luxury-services index, which includes "experiences with global recognition – not just nice, but the best of the best" including a Super Bowl ticket or a table at a three-Michelin-star restaurant. The index has risen 90% since 2019. Consumers are also pivoting increasingly towards spending their discretionary income on wellness, with the market forecast to reach $794.5 billion by 2029.

Car spending -4%
Fine art spending -7%
Luxury cruises +12%
Private jets and yachts +11%
Fine dining +7%
Luxury hospitality +7%.
—Bain & Company and Altagamma

What is crucial for executives to understand, however, is that the real shift has occurred in consumers' understanding, perception, and placement of value.

Telegraphing one's identity is no longer achieved by owning the latest "it" bag. The status of products has been significantly eroded by price increases, quality dips, dupe culture, resale, and the promises and distractions of other industries. Why spend $250,000 on a Saint Laurent silk organza and feathered coat, when you could spend that money on a deep-plane facelift instead?

An Altiant survey published in October 2025 identified stark differences in the evolving attributes associated with luxury products by different generational cohorts. Gen Z and Millennials place personal status and identity as the third attribute most associated with luxury, after quality and craftsmanship (which come in 1st and 2nd across the generations). For Gen X, elegance and timelessness, uniqueness, indulgence and extravagance — all precede personal status and identity in association with luxury products. Personal status and identity does not feature at all in the attributes Boomers and the Silent Generation most associate with luxury.

Wellness market forecast to reach $794.5 billion by 2029 —Global Wellness Institute

Younger consumers today are orientating around culture rather than aspiring to archive material possessions. Arguably, the "it" product of the year amongst urbanite young people was toting a matcha latte in-hand – the global market is expected to jump from $4.23 billion in 2024 to $7.86 billion by 2033 and demand has caused prices to double for first flush tencha in Kyoto, according to the Financial Times.

Products available at scale have never had so little to say or achieved less of an impact. Goyard's rich kids, Nike's athletes, Miu Miu and individualism itself. If brands were once in-markers of aspirational subcultures of customers, their mass availability and extensive product-line expansions to service all consumer needs, have dulled the potency of that signification to others.

It's not just resale and dupe culture reducing barriers to entry for interchangeable goods: the real, enduring issue is that, by selling identity very widely and across spectrums, the brands once synonymous with specific identities are no longer telegraphing anything at all.

Individualism

Taste Becomes Relevance

In 2025, 71% of Gen Z surveyed by Vogue Business and Archrival agreed that "taste has become flat; everyone buys the same brands".

One respondent, a 21-year-old student, reported buying a blue Longchamp for the first day of school: "On the first day of school, literally hundreds of other girls had the exact same bag. It was really weird because it's a specific brand in a specific colour. It almost looked dystopian." She told Vogue Business that she no longer uses the bag.

> 71% of Gen Z surveyed agreed that "taste has become flat; everyone buys the same brands"—Vogue Business and Archrival

This generational fear of losing one's identity has been magnified by the general consumer population's reception to online aesthetics. "You can tell someone's screen time from their outfit," as trend forecaster and writer Alexandra Hildreth put it – a phrase oft-repeated in TikTok discussions around the difficulty of establishing a unique personal style.

In 2025, the pejorative meme term "performative male" took a stronghold on the cultural perception of commodities including Carhartt trousers, Arc'teryx beanies, Clairo vinyls, matcha sets, Solovair loafers, JW Anderson shirts, and even the books of Joan Didion. These specific core products, exposed to mass awareness, now comprise a trend-based and highly memeified male identity, one in which the taste journey is flattened into an algorithmic by-product, lacking any social impact beyond a Throwing Fits or Nolita Dirtbag post.

Many brands now telegraph nothing but mass taste – others have more negative connotations, albeit still rooted in a loss of meaning. In response, today, the acquisition of unique-enough products relevant to your peer groups, showcasing taste developed by more than algorithmic content, insider knowledge, exclusive access – are now the tenets upon which signification of status rests.

> Many brands now telegraph nothing but mass taste—Matter

Brands like Miu Miu and Salomon once responded to this need, but now both sell individualism en masse: commercial success has undone the ability to telegraph a conscious, meaningful choice. As the New York Times recently pointed out, Salomons "sat on the shelves of the stylish Parisian boutique The Broken Arm" before being canonised as status symbols, but "now, you can hardly walk through any major city across the globe without spotting at least half a dozen pairs of Salomons on a given day." (The author saw 18 pairs in a single trip to the Peggy Guggenheim Collection in Venice this December).

Now, identity-driven purchases are orientated around relevance, rather than relative value for money. Homogenity, consolidation of accessible players, and digital ubiquity have forced consumers to express individuality and identify aesthetic status differently, in response to the commercial success of the industry and its correlative over-exposure. Resale in particular provides an aspirationally, frictional pathway to individualism.

"A Depop seller with sharp styling and particular taste – "1990-2004 New York nightlife energy only" – moves culture as much as an editor once did," writes Ana Andjelic in her Substack, The Sociology of Business. "The RealReal listing that starts, 'This is the exact Dior Homme cut Hedi sent down the runway in 2003' doesn't just sell a blazer but changes the value of an entire silhouette."

"A Depop seller with sharp styling and particular taste—"1990–2004 New York nightlife energy only"—moves culture as much as an editor once did."—Ana Andjelic, The Sociology of Business

The ability of studied, informed resale purchases to broadcast a person's unique identity is far greater than any new luxury product: scarcity, quality recognition, understanding of the nuances between the eras and designers of a brand's history, ownership of special edition or limited release items. Resale also imbues product with significant experiential value – to the point where, as The RealReal now reports, sales for timeworn bags are up 45%, with patinaed styles including Chanel Classic Medium Double Flap up 68% YoY and Hermès Togo Birkin 35 up 73% over the same period.

For the very rich, who can buy anything, speed is everything. Gab Waller, a U.S. Vogue columnist and luxury sourcing specialist who has worked with Rosie Huntington-Whiteley, Hailey Bieber, Lori Harvey, and Sofia Richie Grainge, among notable others, tells Matter: "My customers are still heavily driven by wanting the key piece of the season, and they want it first."

Any value relating to owning the key-piece-of-the-season is rooted in having it first, before it becomes ubiquitous. Matter unpacks this in Chapter 2 - Luxury's Overexposure Is Biting.

Lived Experience, Exclusively For Us

Where, Not What

As a result of product ubiquity and the diminishing social status attached to them, consumers are broadcasting their lived experiences as identity-markers.

The wealthy now telegraph their concrete material status through far more abstract, IYKYK signifiers than a Louis Vuitton or Christian Dior bag. There is nothing effective about wearing a mass-produced, mass-available, and mass-exposed luxury product, no matter the price tag. Broadcasting lived experience and inclusion in an exclusive, exclusionary, and connective in-group, however, wields significant value for consumers, who are still using fashion purchases to broadcast their alignment with certain kinds of people.

This new tribalism is centred on privilege, exposure, connections, memories, and access. Where one spends Memorial Day Weekend, for example, and how one then goes on to telegraph that experience through merchandise.

"Aspirational 20-somethings are creating personal brand equity playing logo bingo with private clubs and experiences rather than chasing the latest designer bag release. A San Vincente Bungalows camera privacy sticker on the back of your phone signals aligned-taste long after the party. They are waiting in line at Charleston's Chubby Fish for the hat as much as the food. You'll score a lot more points with an un-geotagged photo of the Lyford Cay Club pool than a Prada Re-Edition purse," explains CaraCara chief executive, Sasha Martin.

“It signifies that you’ve been somewhere special, that you’re part of a kind of quiet, insider club,” Marie-Louise Sciò, CEO and creative director of Pellicano Group, told press. Some clubs are quieter and more insider than others: the Amanjunkie t-shirt given to frequent visitors of Aman Hotels suites and only at the discretion of the general manager, the Double J x Bulgari pyjamas made available only to guests of the hotel chain’s VIP suites, or the robes quietly handed to repeat guests at properties like Rosewood. Items which are earned as much as they are bought.

“OK, so you went to St. Barts. So what?” a former bank chairman told The Wall Street Journal in September. “That tells me nothing. How’d you get there? That is key.”

Aspirational consumers are also increasingly invested in niche, tribal, access-driven telegraphing. Wi Spa shorts, an item from the eponymous Korean spa in Los Angeles, are not available to purchase – only to steal. “If you don’t know what Wi Spa is, then the shirt just looks like random merch for a spa called Wi. But if you do know what Wi Spa is, then the connotations of the shirt run deep,” writes Viv Chen, author of The Molehill Substack.

“If you don’t know what Wi Spa is, then the shirt just looks like random merch for a spa called Wi. But if you do know what Wi Spa is, then the connotations of the shirt run deep.” —Viv Chen, The Molehill Substack

The spa itself is accessible – admission is $30 – but, as Chen writes, “from the vantage point of the ‘iykyk crowd,’ its allure is that it can’t be bought. In that sense, it’s anti-merch merch… it mythologizes the Wi Spa patron-thief as a sort of chaotic wellness queen, a reluctant klepto who loves relaxation.” The shorts have been spotted on Charli XCX’s husband, and a matching t-shirt was worn by a character in Rachel Sennott’s new television show, I Love LA.

The Healthier, The Wealthier

Commoditising Youth and Beauty

McKinsey & Company data found 84% of U.S. consumers say wellness is a "top" or "important" priority. In the UK, 79% do, while in China it is an incredible 94%. It also found that nearly 30% of Gen Z and millennials in the United States report prioritizing wellness "a lot more" compared with one year ago, versus up to 23% of older generations.

Gen Z places a higher priority on appearance than other generations: in the U.S., "better appearance" shifted from the sixth-most-important dimension of health and wellness for Gen Z consumers in 2023 to the third in 2024. Gen Z in other markets also placed a greater emphasis on appearance.

In recent years, serious exercise expenditure has become a mass phenomenon. No longer only the prerogative of professional athletes, amateur runners and cyclists are telegraphing their fitness via specialised gear, subscriptions, technology, and training. Notice that nobody refers to themselves as "a jogger" anymore: these days, everyone's a runner.

This desire to broadcast one's ability to run, cycle, hike, and lift more, further, and faster, is redirecting share of discretionary income. Add up $80 a month on a supplement such as Athletic Greens, $349 for an Oura ring plus $69.99 a year for app access, $79.99 a year for Strava Premium, $300 a month for a gym membership to Third Space or Equinox, $350 a session for shockwave therapy, and that's all before including the cost of cycling equipment or marathon fees.

Increasingly, consumers are choosing facilitating being in good shape over buying a new Gucci windbreaker. The former is simply more valuable as a status symbol: on Wall Street, marathon times are a well-publicised flex, as Bloomberg recently reported.

Indeed, racing across categories is on the increase, with marathon participation growing an average of 8% over the last year. Gen Z, specifically, have increased race participation by 39% since 2023. On Strava, Gen Z is 75% more likely to say their main motivation to exercise is a race or event, according to the platform's Year In Sport trend report for 2025. The platform also saw a 5.8x increase in hiking clubs and a 2.8x increase in cycling clubs.

The oft-repeated moniker, "health is wealth", is increasingly taking on a literal bent. Bank of America credit and debit card data showed a 7% year-over-year increase in fitness spending in February, according to the note, with foot traffic growth to fitness establishments "well-surpassing bars or pubs." An Equinox subscription is $3,600 a year, plus an upfront fee. Third Space charges up to £325 a month in London.

Referral-only classes and memberships, like Liana Levi's Forma Pilates in New York and Los Angeles, are far more inaccessible, and therefore, far more desirable. "I don't cater to the masses, I cater to a demographic," Levi told the New York Times recently. When the Times asked what demographic that would be, she said: "not masses."

In 2025, the Bling Ring would be more likely to steal a $75,000 cryochamber than a similarly-priced Birkin—Matter

Clients include Hailey Bieber, Addison Rae, both Jenners, and Ariana Grande, with group sessions priced at $75 an hour and private sessions coming in at $500. But the actual expenditure is beside the point. Bieber has posted selfies coming to and from class. The sessions are exclusive and status-wielding: membership is granted only with a referral, or if an individual shares Instagram friends with Levi. The real flex today is not spending $2,000 a month on pilates classes, but rather on achieving a taut body whilst surrounded – at least by association – by the equally taut bodies of your favourite celebrities.

Indeed, the rich are now showing off their wellness expenditure as frequently as their product collections. Paris Hilton filmed a video tour of her "high tech wellness and beauty spa" for Allure, including a cryotherapy chamber, a red light therapy bed, and radio frequency machines, while Kim Kardashian posted extensively about her medi-spa trip to South Korea.

Proximity to youth has long been a valuable status symbol for the rich, but the rate of development in longevity tech has supercharged this mode of expenditure. "I would describe it as the Fountain of Youth," Hilton said of her home spa, "and basically, a longevity, wellness, and beauty center." In 2025, the Bling Ring might be more likely to steal her $75,000 cryochamber than a similarly-priced Birkin.

2.2
Luxury's Overexposure Is Biting

The industry has over-indexed on visibility. Products are seen constantly; few care and even fewer buy. In 2026, the scale of luxury's presence will engender its irrelevance, narrowing consumer cohorts and repressing sales.

"Ubiquity risk is driven by key styles appearing too often on the street and not by revenue," Luca Solca wrote in 2023. "It is driven by the volume of goods in use at any given time, and not by its revenue nor by the total volume of goods it produces."

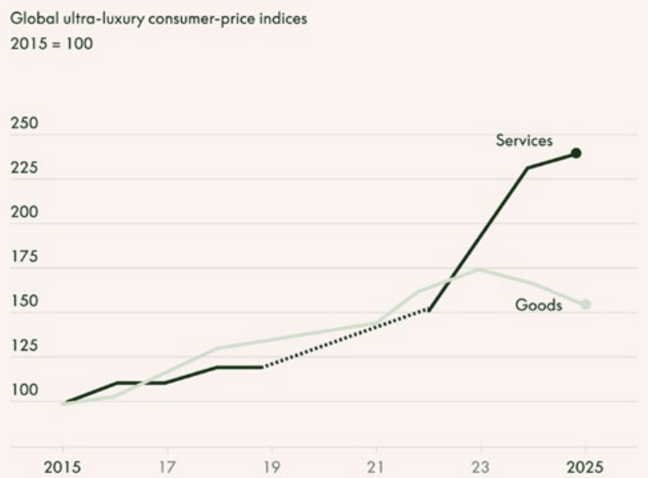
However, today, luxury isn't experienced on the streets — because no one is on them. The U.S. Bureau of Labor Statistics data shows that in-person socializing in the U.S has declined for both men and women, for all ages, for all ethnicities, and for all levels of income and education. Likewise, over the past 15 years, the share of people across OECD countries who meet others in person has steadily declined.

In 2026, framing the risk of overexposure in tangible terms — measured by the presence of physical goods on a proverbial street — discounts the forums consumers spend the greatest portion of their days in. Activate Consulting data finds that U.S. consumers spend 16% of their day consuming video (for context, they spend 16.2% on work related activities) and 40.5% of it consuming digital media or utilising tech. Now, luxury is primarily consumed through screens.

As a result, luxury is inescapable. Products are seen constantly; few care and even fewer buy. Today, the 0.01% are not buying into widely available physical products and assets, they are seeking out money-can't-emulate experiences. The Economist's ultra-luxury-services index — apex experiences with both global recognition and reliable price data over many years — has risen by 90% since 2019.

The Ultra-Luxury-Experience index prices increased 90% post 2019—The Economist

Today 0.01% are not buying into widely available physical products and assets, they are seeking out money-can't-emulate experience—Matter



Personal net wealth is equal to the sum of financial assets (e.g. shares or bonds) and non-financial assets (e.g. real estate or land) held by the individuals, less their debts. Source: World Inequality Report 2026

Riching Right Doesn't Drive Sales

Vicarious Consumption

The omnipresence of luxury products and lifestyles on our screens goes far beyond advertising. Across the spectrum of spending power, consumers are fed a constant diet of the lifestyles of the rich and the famous. Turn of the millennia shows like Paris Hilton and Nicole Richie's Simple Life spawned a huge media subset enabling digital wealth tourism.

Luxury is now in every photocall, a regular plotline in popular media and, on social platforms, it acts as the evidence of innumerable creators' self-actualisation arcs. As cultural mores shifted and polarisation accelerated, we became inundated with personal wealth being evidenced by luxury products.

Compare the walls of Birkins that audiences are so bored of seeing on reality TV to the approach of its namesake. Jane Birkin created a bag that was intentionally designed for her needs and used it constantly. That approach is aspirational. It can be emulated. High cost is balanced against regular use and consistent personal branding. Luxury relied on that rationale for much of its modern incarnation. But the past decade, its public image has been subsumed into ever more extreme wealth and consumer behaviour. The experience of the acquisition has gained primacy over the purpose of purchase. Use cases are invented to reengage with consumerism.

Now, contrast Jane Birkin with Becca Bloom, a Fintech professional and influencer with private wealth and almost 5 million TikTok followers. Her video content includes insanely extensive Hermès hauls, GRWMs for events including a "cat baptism" or "a Parisian ball", and unboxings of rare jewellery from Bvlgari and Van Cleef. Scroll through Bloom's profile, and hundreds of luxury products are ubiquitous: one moment, a custom Kelly, next, a rare Birkin.

Due to the severity of the wealth polarisation we live in today, relative terms of value between elite and the wider populus have ceased to exist. In Bloom's content, everything is staggeringly expensive but acquired at no appreciable cost. Excess and expense abound. But, the products are interchangeable. Always available and exciting to buy at retail, and yet not valuable or relevant enough for her to utilise regularly. There are simply too many to do so. The acquisition experience has replaced product use-case as a purchase driver.

Correlatively, Gab Waller, a U.S. Vogue columnist and luxury sourcing specialist who has worked with Rosie Huntington-Whiteley, Hailey Bieber, Lori Harvey, and Sofia Richie Grainge, among notable others, tells Matter: "My customers are still heavily driven by wanting the key piece of the season, and they want it first."

What was once novel access into the luxurious sanctuaries of the 0.001%, is now a played out, aesthetic trope. It's boring. It's predictable. And in an era of increasing inequality, it's gauche. Signalling personal taste has been replaced by broadcasting the intimacy of your relationship with sales associates. In digital channels, this is the luxury use-case broadcast most. But, for all but the 0.001% of the population (some 56,000 people, who have three times more wealth than half the world population) this is not a realistic use-case to aspire to.

What Bloom is selling is not product — but engagement with the spectacle of her wealth. "I want to live vicariously through you," and "This is how you rich right," are typical comments on Bloom's videos. Another influencer sits in her wardrobe and reads out her bar receipts or monthly expenses that run to tens or hundreds of thousands of dollars. That's the entirety of the bit.

These displays of luxury are so excessive and so intense that, for the majority of aspirational consumers, they have fundamentally become nothing more than product porn, entertainment that fails to galvanise any real-world desire to purchase or emulate.

The shift was rapid, but pervasive. In 2023, Luca Solca wrote with regards to ubiquity-risk, "consumers can only use one bag at a time", meaning that the more brands are able to sell pieces to existing customers, the more they can keep individual pieces out of circulation: "if a customer buys X bags, X-1 pieces will, at any given time, remain in their wardrobes." Today, the rich and influential film those wardrobes, and the bags within them, before professionally broadcasting them to millions, creating a constant loop of short form video app exposure.

Wealth Porn, Hollywood Style

Product Placement

The same sensibility can be found not only on our small screens, but on the medium and big screens too. "Influencers have made social media a platform for wealth porn, but their videos still fall short of what Hollywood budgets and finesse can offer — an experience that transports instead of merely tantalizing," as The New Yorker put it recently.

It's not just Succession and The White Lotus — more recent entrants like Kim Kardashian's All's Fair and ongoing blockbuster successes like the Real Housewives franchise showcase a (very literal) embarrassment of riches. Sai de Silva of Real Housewives, a show which sees most of its season premieres reach 2.5 million viewers or more, recently told The Business of Fashion that "we are walking billboards for fashion and beauty brands."

All's Fair garnered 3.2 million global views in its first three days of streaming, becoming Hulu's biggest scripted series premiere in three years—Hulu

All's Fair garnered 3.2 million global views in its first three days of streaming, becoming Hulu's biggest scripted series premiere in three years. It features extensive product inclusion from brands including Valentino, Dior, Tiffany & Co., and Hermès. "The show is aspirational," lead actor Naomi Watts said in a press-junket recently.

And perhaps buoyed by these fictional shows of wealth, real-life UHNWIs and HNWIs seem to be equally emboldened to share their lifestyles with the world at large. Evan Osnos, The New Yorker writer and author of The Haves and Have-Yachts: Dispatches on the Ultrarich, told Vox that a distinct shift has occurred in the last decade: "It used to be... if you keep yourself out of sight, you stand less chance of attracting public outrage or the tax man. Today, the rich move differently." From Jeff Bezos' ultra-mediatized wedding in Venice, to the 1% who gladly agree to transmit their superyacht vacations to the world via pandemic-favourite reality show Below Deck, some of the wealthy are no longer in hiding.

Someone Else Will Pay Full Price

Resale Steals Share

The problem with turning everything into an entertainment spectacle is that eyeballs are not enough: this is a fundamentally passive form of consumption. The overwhelming presence of wealth and its signifiers has not translated to sales. Gen Z is not buying into new luxury at scale: sales to Gen Z shoppers fell by 4% to 6% last year, compared to a 1% to 3% overall drop, as per Bain & Company.

Hyper-visibility is no longer a viable strategy for luxury's growth. In fact, it is obscuring the real opportunity. Fortune reports an estimated $54 trillion in wealth will pass to surviving spouses by 2048 in the U.S., with more than 95% of these transfers expected to go to women. The specific average for an inter-spousal transfer is cited in recent financial reports as $1.4 million. Those beneficiaries are of an age and media diet that is still largely ignored.

In the U.S., an estimated $54 trillion in wealth will pass to surviving spouses by 2048, with more than 95% of these transfers expected to go to women—Fortune

Decreasingly effective channels to consumers certainly play a part. Trust in influencers has plummeted over the last few years: 66% of consumers express low trust in celebrity influencers, and 87% of consumers believe it's likely that influencers don't even use the products they advertise, according to data from Wakefield Research.

Nearly 90% of consumers no longer trust paid-for-post influencers, as per The Drum, but, significantly, even organic content – like Becca Bloom's videos or a storyline involving a Goyard travel case in All's Fair – may drive views, comments, and fandom, but not actual purchases.

> Now, Gen Z is not buying into new luxury at scale: sales to Gen Z shoppers fell by 4% to 6% last year, compared to a 1% to 3% overall drop —Bain & Company

Increasingly, when Gen Z do buy luxury, it's secondhand: the global secondhand apparel market is expected to reach $367 billion by 2029, growing 2.7X faster than the overall global apparel market, according to ThredUp's 2025 Resale Report. 47% of consumers now consider resale value before buying new luxury, as per The RealReal. Resale value has climbed significantly: last year, Van Cleef & Arpels Alhambra jewelry increased by +20% and Louis Vuitton Speedy bags by +13%.

As one teenage Matter Intelligence Community member told Matter: "New luxury is just embarrassing". The perceived need to purchase secondhand items with the appearance of newness is also in decline: sales of fair condition items on The RealReal increased by +32% this year and bags showing visible wear by +45%. Out of the box and fresh off the rack is absurd, especially to a generation with the economic outlook facing most of Gen Z.

Impulse Purchases Decline, Scrutiny Increases

Purchase Drivers

And while social media, as recent Vogue Business and Archrival data shows, is certainly a source of inspiration for fashion and beauty purchases (three in 10 Gen Zs use social media for this purpose), crucially, many Gen Z consumers "aren't buying products impulsively at the point of inspiration".

Instead, "young people are increasingly using social media as a search engine, to research products they've seen online or IRL and hear from others about the item's fit, quality, packaging and more". This move away from impulse purchasing and into a far more active style of shopping is partly fueled by this generation's steadily growing interest in quality. Indeed, 71% of clients surveyed are primarily driven by a desire to own high-quality products, according to new data from EY.

This is not good news for the vast majority of luxury brands, whose products, when they are not being used as "wealth porn", are being quite literally torn apart on screen and dissected for whether or not they are "worth the money". For many Gen Z, it's clear why luxury products feel more like entertainment vehicles than viable purchases.

Brands should also appreciate how a wider cultural shift in terms of status symbols is impacting luxury purchase behaviour – for HNWIs as well as aspirational consumers. Expenditure is now driven by lifestyle relevance rather than material acquisition. Just 32% of HNW clients state that they buy luxury fashion as a mark of status, as per EY data.

The uber-ubiquity of luxury, on a never-before-seen scale, has denigrated its value and, as a result, designer goods no longer operate as a stable signal of prosperity. "Buying a Prada bag [...] says nothing personal about the consumer," Silvia Bellezza, an associate professor of business at Columbia Business School, told Fortune Magazine, "Since knockoffs are so accessible and clothing has become uninspiring, signaling self will be the next frontier." Merch is still growing and is already hitting the UHNWI market, from €300 Ritz Paris slippers and niche, impossible to book restaurants' caps, to yacht charter tees and country weekend paraphernalia. Wealth is now broadcast with IYKYK logos.

Indeed, the luxury industry's overreliance on celebrity campaigns and product placement, even as social media ensures brands no longer have any control over the ubiquity of their products, is not where brands should continue to invest in driving focus. Strategies should prioritise genuine lifestyle relevance to the merely wealthy through more nuanced identity markers, rather than allow product lines to become sources of entertainment not aspiration.

Overexposure has always carried significant brand risk. It is capable of rapidly suppressing sales if a brand suddenly falls foul of the zeitgeist. Now, however, it is challenging the foundational value proposition of the industry.

> The next generation will continue to access consumer feedback at scale, compare and contrast products across competitors, select one, wait for a more foolish, older consumer to buy it and then acquire it when their favourite resale app sends a notification—Matter

Overexposure Negatively Impacts Consumers at Both Poles

For the 0.0001%, experiences that can not be emulated or duped and which grant a modicum of global renown, are the focus of their discretionary investment.

Any value relating to owning the key-piece-of-the-season is rooted in having it first, before it becomes ubiquitous. That means highly controlled distribution, miniscule product numbers to maintain exclusivity and perceived value, and astronomical prices to make it worth it. But it is a zero sum game. Because imagery of products can also accelerate ubiquity, the duration of a product's relevance is shrinking for UHNW customers.

Only a handful of products can reach pinnacle status, and brands are more vulnerable to missteps becoming disastrous, be it PR, quality control or Goyard-type ubiquity (labour abuse scandals and human rights violations don't seem to have an impact, sadly). But the middle-class late adopters that used to save up to copy them are now entirely priced out.

The next generation will continue to easily access consumer feedback at scale, compare and contrast products across competitors, select one, wait for a more foolish, older consumer to buy it and then acquire it when their favourite resale app sends a notification

2.3
Hobby Apps Are The New Social Media

Consumers are tracking every element of their lives, and making friends through it. Now, a wide-ranging set of tracking apps have become popular alternatives to open social media platforms' degraded experiences.

Wellness is increasingly a social proposition – and extends far beyond BPM. Hiking, calisthenics, nutrition events, birding, wild swimming, and community saunas are all gaining ground as activities combining health, exercise, and the ability to meet new and likeminded people.

Concurrently, a wide-ranging set of tracking apps are establishing themselves as communicative spaces, representing an alternative for many users turned off by traditional social media platforms' degraded experience.

Indeed, the share of people who report using social platforms to (i) stay in touch with friends, (ii) express themselves or (iii) meet new people has fallen by over 25% since 2014, as the Financial Times reported in October.

Young people are the most engaged cohort in this cultural shift. They are already the key demographic driving the gym membership boom. But they're seeking more than physical health. A striking 55% rank mental health as one of their top three reasons for exercising. Critically, 44% consider exercise expenditure their first or second spending priority, according to a study from The Gym Group.

However, "we hit post-pandemic run club mania," says Sportsverse author Daniel-Yaw Miller. While brands across industries jumped on run clubs, more buoyant and less over-exposed activities are emerging where brand activations and campaigns could foster significant engagement and positive sentiment amongst customer cohorts.

44% consider exercise expenditure their first or second priority—The Gym Group

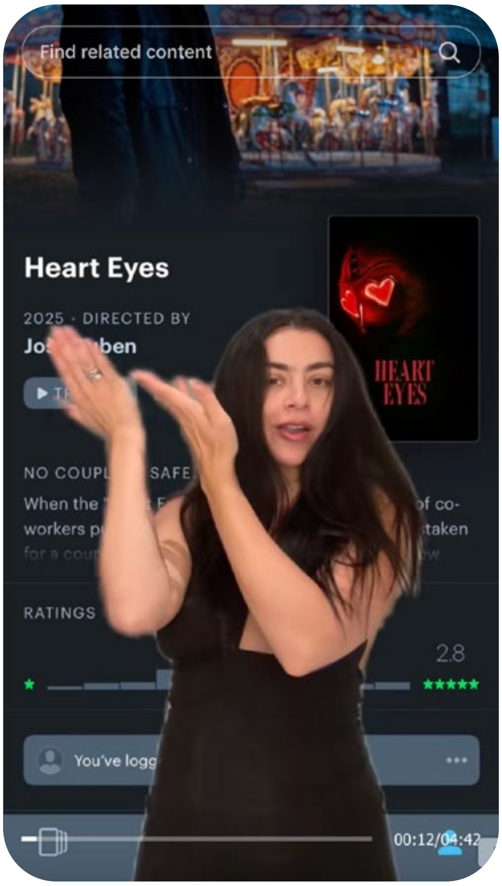
Accountability Is Fun Now

Tracking Apps

For customers accustomed to step-counts and sleep scores, does anything really happen if the data doesn't exist to prove it? Today, public accountability is an aspirational experience. Wall Street CEOs are posting their marathon times "as status symbols", reports Bloomberg. Letterboxd, a cinephile-app enabling users to track what they watch and what they think of it, garners 2.4 billion monthly views.

Wall Street CEOs are posting their marathon times "as status symbols"—Bloomberg

2.4 billion monthly views —Letterboxd



But it is apps with maximal social potential that really matter, like Bumble's newly relaunched Bumble BFF, and TimeLeft, which organises "dinner parties with strangers". As the World Health Organisation says, "social isolation and loneliness are widespread, with one in six experiencing loneliness worldwide".

Tracking-apps are another emerging antidote to isolation. Strava is not just for running. The app has nearly 180 million users. In the UK, under 30s cycling accounts jumped 80% last year. Hiking, swimming, indoor activities — Strava users are 218% more likely to buy products to access communities, as per a "Business Report," shared by the company. Critically, the app diminishes social inhibition and enables like-minded individuals to connect in a low pressure manner.

The iNaturalist, a social network of naturalists, citizen scientists, and biologists built on the concept of mapping and sharing finds in nature, has a community of 4 million observers across the world, who have logged over 250 million observations. The Washington Post reports: "iNat users hold tens of thousands of in-person bioblitzes a year — forging countless friendships, as well as iNat couples and an iNat wedding."

Tracking can be applied to every activity imaginable. Flo, a period-tracking app, is used by teenagers for a very different kind of flex: "when you have sex you click the little heart icon to track if ur pregnant etc".

In China, (打卡) "Daka" culture ("punching the card" in order to flex on Xiaohongshu) is more communal than Instagram dumps. By visiting specific locations, uploading imagery to document attendance and experiences, community is created across networks, unlike Instagram's sporadic self-driven content. Equally, in the West, this learned behaviour is unlikely to change in the near future. Gen Z grew up on Snap Maps, sharing their location and tracking the locations of their networks.

"Because hobby apps are nicer places to exist, people spend more time on them [than traditional social media apps]," reported The Guardian.

Gen Z, particularly, views wellness as an opportunity to make friends. More than half of Gen Z athletes name social connection as their top reason for joining a fitness group, and they are also 39% more likely than Gen X say they use fitness to meet people who share their interests, according to Strava's 2025 Year In Sport Trend report.

Tracking apps and wearable devices with in-built apps open up exactly this kind of interest-based social opportunity. The ability to connect with others on Strava is now a key usage benefit. As Steve Knopper shared in the New York Times: "The more I ran, the more inspiration I found in following strangers – like Greg, a Ukrainian runner braving the threat of Russian bombs, and Keira, an elite Utah marathoner racing around the world." With over a million Clubs on Strava, including a 5.8x increase in hiking clubs, the app's newer functionalities target this behaviour.

Strava's main feed, clubs, monthly or yearly challenges, ability to send 'kudos' to celebrate a friend's fitness achievements, and messaging features have made the app a source of platonic, and even romantic, connection. For brands, this matters. Strava users are 194% more likely to be in the top socio-economic segment and 48% more likely to be high net-worth individuals, according to the company's latest Business Report.

Strava users are 194% more likely to be in the top socio-economic segment and 48% more likely to be high net-worth individuals—Strava Report for Business 2025

For Gen Z, wellness is now as much a form of self-protection as it is a way to stay physically healthy. This is a significant generational reframing of a core activity. Functional nutrition (like TikTok's "eat your skincare" trend), using app-blockers, making new friends, and exploring a 'sober-curious' lifestyle all now come under the wellness bracket.

"The conversation is more about preventing stress and trauma, and learning how to cope with things so your body, your nervous system doesn't freeze up," a 25-year-old Matter Community member told Matter.

Oura, the bio-tracking ring, has introduced Oura Circles, private groups in which members (up to 20) can share and react to data on each other's sleep and activity scores.

And dedicated social wellness clubs are launching worldwide, including a new venture '432' in Amsterdam, aimed at 25-to-40-year-olds "who want to meet friends and have social experiences that don't revolve around alcohol".

For brands, the opportunity to serve a burgeoning, vocal, and interested community is emerging. Not every brand is well-suited to engaging sport or exercise as a vertical, but the expansion of wellness and its importance in young consumers' lifestyles is an opportunity to genuinely connect with consumers' increasing health anxieties – particularly those which surround social and community events.

Everyone's Hormonal

Biohacking & Longevity

Some metrics are becoming as culturally significant as they are medically. Hormone tracking is garnering momentum in conversations across the gender divide — Bryan Johnson, who invests $2 million a year in his infamous quest for longevity, claims to use hormone therapy, while "testosterone boosting" is a common practice amongst manosphere influencers.

But the trend also reflects a broader curiosity about hormonal health among Gen Z, as Vogue Business reports. Videos on TikTok tagged #lutealphase have garnered over 85.4 million views, with, as Dazed reports, "a lot of people, especially young women and girls, describing the luteal phase as [making them feel] 'ugly' because of mood swings and irritability, acne flare-ups and bloating". "I just look at the calendar and it all makes sense," one popular creator on the platform said of tracking her menstrual cycle.

Oura's demographics attest to the opportunity. "Our fastest-growing customer segment [is] Gen Zs between 18 and 25 years old, [and] sales among women grew 250% in the last year, while men's sales grew 75%," CEO Tom Hale told Vogue Business earlier this month.

The app and device offer period predictions, fertility tracking, pregnancy insights, menstrual cycle tracking, and a built-in AI assistant which "uses the ring's data to make predictions of where the wearer is in their cycle, as well as suggestions for why the wearer may be more fatigued than usual, or the type of exercise they should engage in during that phase".

The woman's wellness space is buoyant, but under-served, and much of it is also under-informed. The global women's health market size was estimated at $49.33 billion in 2024 and is projected to reach $68.53 billion by 2030, growing at a CAGR of 5.1%. Women account for two-thirds of wellness guests yet, until recently, have received little focused care, with just 5% of health research funding allocated to them, as per LA Times.

As the ongoing TikTok discourse would suggest, these conversations around wellness are inherently social in nature. Offline, cycle-synced workout classes are now being offered by studios like Gymbox, while, away from exercise, women's groups are emerging as a safe space.

Brand Presence in Present Spaces

Wellness Activations

"I've noticed more and more, from being interested in wellness, women's circles as a place to come together and share," Florence Wales Bonner, creative director and brand consultant, tells Matter. "It's basically a group of women who don't necessarily know each other at all. They come together, sit in a circle, and say how they feel. It's about the therapeutic benefits of sharing with people."

Women-focused wellness resorts are gaining momentum: Canyon Ranch's $500 million resort in Austin, Texas is scheduled to open next year, tackling "physiological issues such as menopause", while Six Senses has launched a women's wellness initiative at five of its resorts, also focusing on hormonal health and cycle support. The Six Senses programme involves wearing a glucose monitor and a sleep tracker.

For brands, these spaces and movements undoubtedly represent and serve the desires of a significant and highly-engaged cohort, where biotracking has become a way to control an otherwise out-of-control world, alleviate health anxiety, and socialise and connect with others. However, they are not without a toxic fringe. The eating disorder charity BEAT warns that fitness tracking features can lead to obsessive tendencies, as per the BBC.

Brands should seek to identify cultural experiences that benefit both attendees and the culture itself, leaving communities better than they found them.

Steve Dool, senior director, brand and creative at Depop told Matter: "When you're talking about cultural relevance, it involves an invitation. Someone is inviting your brand into their space, community, gathering, niche, whatever."

While a partnership with, for illustration purposes, Strava, is beyond the budgets of some brands, costs are nonetheless competitive when compared to many paid strategies and traditional advertising investments (with a minimum investment level of $30,000-50,000k). Far less rational investments continue to be made in less structural cultural shifts.

This requires signalling an adequate and respectful enough understanding of subcultures and real-lifestyles, to earn yourself an organic invitation into the channels and chats that matter, so as to achieve brand objectives within them. "Identify opportunities that drive word of mouth, built for long-term brand health," Dool says.

3
Channel Strategies

3.1
THE SHAPE OF MEDIA CONSUMPTION

— Media Not Chronological Age
— The End of Monoculture
— Gen Z & Archive Content
— Clipping Strategies
— Micro Dramas
— Playable Experiences
— Relevance Not Presence

3.2
MAKING WAVES: RESHAPING THE MARKETING FUNNEL

— In-Group Relevance Rises
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— Idiosyncratic Engagement

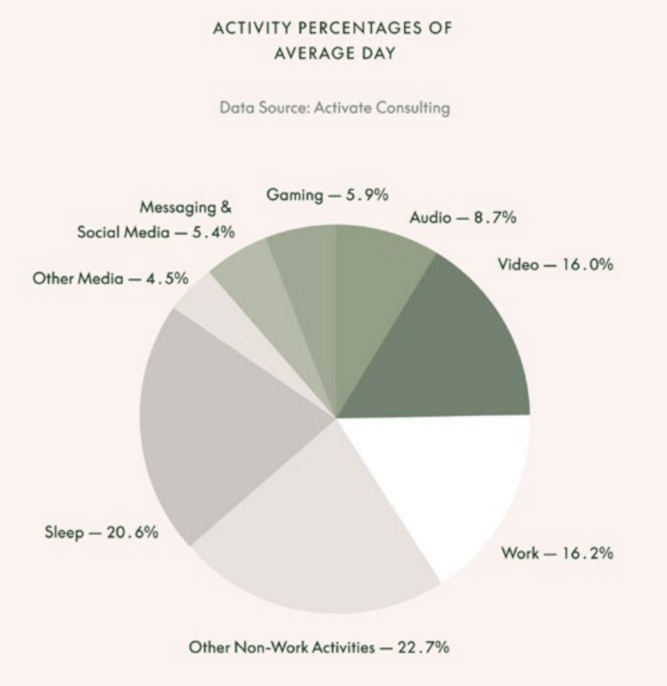
3.3
AGENTS, NOT INFLUENCERS

— Agentic Recommendations
— Generative Engine Optimisation
— B2B Moves
— LLMs not AGI
— Artificial Intelligence Is a Marketing Term

3.1
The Shape of Media Consumption In 2026

How old we feel is based on the media we consume — and the disparity between consumers' chronological age and 'Media Age' is growing. Crucially, 'Media Ages' are now more predictive of media spend than chronological ages.

We are consuming an absurd amount of digital content. Analysis by Activate Consulting predicts that in 2026, the average time spent on media and technology by U.S. consumers will reach 13 hours and 5 minutes a day. That's seven hundred and eighty five minutes — daily.



Media and tech across all formats represent 40.5% of our day. Days which have now stretched to include an average of 32 hours and 17 minutes of experiences, due to widespread, concurrent media consumption across multiple screens.

Gaming, social media (and messaging), and other media represent ~6%, ~5% and ~4% of the day respectively. But the big story is undoubtedly video. U.S. consumers spend, on average, 16% of their day watching videos. By contrast, they spend 16.2% completing work activities.

The advertising cadence of short form video apps depends on speed of scrolling. Estimates vary, but 15% of content on Instagram Reels and between 1.5-2.25 adverts per minute on TikTok appear to be accurate. If they are, and we assume, for illustrative purposes, that all the video content consumed is on TikTok, the average U.S. consumer is served 500-550 TikTok ads a day. It is no surprise that advertising engagement rates are declining globally.

For 28% of the U.S. population, whom Activate dubs "Super Users", engagement is even more extreme: an average of 17 hours and 6 minutes daily (contrasted with an average of 9 hours and 31 minutes for the remaining 72%) equating to 1026 minutes. Incredibly, this cohort also attends concerts, festivals, theme parks, sports events, comedy shows and theatre ~40% more than the average consumer per activity.

Increased media engagement correlates with increased online expenditure. Super Users are a little over a quarter of the population, yet they are responsible for 59% of e-commerce expenditure. On average, they spend 4.3x more on jewellery, 3.1x more on clothing and accessories, and 4x more on furniture. They also, to some extent, span age cohorts: 34% of Gen Z and 47% of Millennials are Super Users, while just 27% and 8% of Gen X and Boomers are.

Evidently, engagement still pays – and the most engaged pay the most. To capture more consumer time and share of wallet, media and retail companies are expanding their offers. Entertainment companies are adding utility to their offerings, and utility companies are seeking to entertain (i.e. Apple, Amazon and TikTok's expansions into entertainment or retail).

But an uncomfortable truth persists: entertainment is no longer as entertaining as it once was. At scale, global content consumption patterns are best characterised as quantity rather than quality. With an exponential increase in options, popular culture is no longer popular.

Segmentation Wrapped

Media Not Chronological Age

The impact of so much algorithmic recommendation, on both attention spans and viewing habits, has redrawn media consumption habits while suppressing advertising cut-through. This comes in addition to innovations to the entertainment industry's business models, and the advent of new content creation technology.

The amount of time consumers are dedicating to their content preferences is impacting their psyche in numerous ways. Of particular note to brands seeking customers is the increasing disparity between consumers' chronological age and their Internet (or Media) Age.

In 2025's Wrapped campaign, Spotify popularised Listening Ages. The methodology is simple: it finds an era of music you listened to more than other people your chronological age, and applies the Reminiscence Bump Theory — that we recall music from our late teens and early twenties the most.

Which means, if you listen to Motown more than your Gen Z contemporaries, Wrapped will assume you were a teenager in 1968, the year Marvin Gaye released "I Heard It Through the Grapevine', and calculate your Listening Age (from 18) as 75 years old. Smart outsourced UGC marketing — certainly. A watertight methodology — not so much.

However, Activate's 2026 Consumer Technology & Media Research Study of 4000+ respondents is statistically significant and illustrates a critically overlooked insight for targeting consumers through content. Our chronological age is older than our self-ascribed media age — or in simpler terms, how old we feel is based on media preferences and behaviours (e.g., TikTok videos vs. cable TV, podcasts vs. radio, new releases vs. classics).

For 30-44 year olds, consumer's media age is, on average, 6 years younger than their chronological age; for the 45-59 cohort, it's 11 years younger, and for those aged 60-74, it's 13 years.

Media age is now more predictive of consumer behavior and media spend than chronological age. Consumers actually aged 30-44 make up 35% of all dollar-spend on media, while those whose media age is 30-44 make up 46% of all media spend. Where consumers spend on media is where they spend their attention.

The need to get ever closer to even more specific cohort's preferences is now critical, primarily due to the failure of popular culture to achieve mass-appeal.

For 30–44 year olds, consumer's media age is, on average, 6 years younger than their chronological age; for the 45–59 cohort, it's 11 years younger, and for those aged 60–74, it's 13 years —Activate Consulting

Entertainment Flops

The End of Monoculture

"Gen Z is massive. Their TV shows are tiny," Whitney Friedlander writes in The Ankler. Indeed, in the U.S., Gen Z are the second-largest demographic cohort, yet the competitive field for TV shows targeted directly to them is, comparatively, desolate. Shows like Adults, I Love LA, Overcompensating and Abbott Elementary have broad appeal, but there are no iconic incumbents in the cultural diet dedicated to Gen Z at the scale and impact of Gossip Girl, Beverly Hills 90210, Cribs, Behind The Music, and their ilk.

For brands seeking to reach consumers, the increase in time spent engaging with media is not matched by an increase in high quality advertising opportunities. In fact, it is the opposite.

Part of the problem is diminished focus. Our time spent engaging with digital media is increasing, largely because we are paying less attention to it. Today, 55% of social media users complete alternative tasks while on app, 49% of U.S. consumers do watching video, and 62% and 72% respectively for podcasts and music.

Now, the mightiest of franchises are feeling the cold: Wicked: For Good failed to meet increased expectations, the MCU has had more misses than hits, two reboots of Millennial cultural linchpins, Gossip Girl and Sex and The City were short-lived, managing one and three much maligned seasons respectively.

An exponential increase in entertainment channels decreases the likelihood of monocultural impact. But this is more than streaming wars. The entertainment industry's inability to engage Gen Z through a generationally specific cultural tentpole series represents a sharp departure from Millennial and Gen X experiences, where TV was central to generational expressions of self.

"Gen Z is massive. Their TV shows are tiny,"—Whitney Friedlander for The Ankler

No New Shows, No Broke Boys

Gen Z & Archive Content

Now, new releases are competing against everything that came before them. And they are losing. Nielsen Media Research finds that 65% of 16-34 year olds' TV consumption is archive content — old shows with multiple seasons. Gilmore Girls and Friends both made the Top 10 shows for Gen Z and Young Millennials, but do not feature in Gen Pop results.

HBO executives called I Love LA "among the fastest-growing" of its original comedies, (averaging nearly two million cross-platform viewers in the U.S) when announcing its second season. A success, until you compare the ~11 billion annual streams for Gilmore Girls and Friends. However, opportunities for brands to collaborate with existing IP — not being rebooted — is curtailed. Even if limited to advertising and association, which IP to choose? The giants are cosy-content, and established IP rarely manufactures cultural heat.

Gen Z are, understandably, drawn to low commitment, popular shows that were shot in an era that had a great deal more hope in it. Narratives authentically portraying young people with positive outlooks, before the measurable uptick in climate anxiety, job insecurity, geo-political upheaval and fractured gender relations, are both soothing and engaging.

Increasingly, a product-market-fit issue is emerging. In its Teens and Screens Report, The Center for Scholars & Storytellers at UCLA found that in 2025, "tweens, teens and young adults are increasingly interested in "content with relatable stories more than fantasy [and] real-world issues or aspiration." More than 60% of those surveyed would rather see romantic relationships that depict a friendship between a couple — not just sex.

Even before Gen AI, short-form-video, the multiplication of streaming services, easy accessibility to content libraries and the shortening of attention spans all weakened the impact of entertainment. Now, clip-based marketing is taking its toll.

Reframing Watching

Clipping Strategies

"Clipping's impact in building fandoms, marketing film and TV — and, on the other hand, possibly devaluing IP by chopping it up into sticky, viral bits that could undermine the whole — is immeasurable," writes Matthew Frank for The Ankler.

Today, 71% of Gen Z find TV and movie recommendations through shorts, according to research from Quickplay. Max Peterson's company Clip was hired by a producer of Adults who sought to connect with Gen Z. "We basically put the whole of season one in a Google Drive folder and gave it to these editors and clippers to kind of go ham," he told The Ankler.

Discord enables Clip to connect with an army of clippers, 16,000 individuals between the ages of 14 and early 20s, the majority in their late teens. 'Clippers' hired by Peterson earned $1 per 1,000 views. With a $15,000 initial seed budget, they created 2,500 videos which generated 40 million views across TikTok, Instagram Reels and YouTube Shorts. The audio and video since clipped by Clip includes a podcast featuring LinkedIn's Reid Hoffman and music campaigns for Sony, Warner and Universal.

Now, disruptive entrants into the market are creating yet more competition for our attention spans, by recognising just how short they have become.

Enter: micro-dramas.

Go Shorty

Micro Dramas

The global micro-drama market is predicted to be worth $14bn by 2027. Omida data found that the top five micro-drama apps' monthly active users grew 5,848% year over year from 2023 to 2024. Monthly user numbers for those apps were approaching the 600 million mark at the end H1 2025, a 131% increase from 2024, according to Sensor Tower.

Originating in China, these soapy, fantastical narratives typically involve an unexpected meet-cute with an aspirational partner, or sexually charged dynamics in well-established tropes, with titles like My Sugar Coated Mafia Boss, The Billionaires Masquerade, and The Heiress and Her Possessive Bodyguard. Typically, the first couple of episodes are free, viewers then pay to unlock the subsequent storylines. The monetization model is flexible — users can continue by watching ads, or opt for a subscription or pay-per-episode-model.

Downloaded more than 30m times since 2022, in November, the California-based, Chinese-backed ReelShort overtook TikTok as the most popular product in the entertainment category of Apple's U.S. App Store. In addition to the U.S., Deadline reports Dramabox, Goodshort, Reelshort and Shortmax — all of which share 60-90 second episodic content — are growing significantly in regions as diverse as the Philippines, Indonesia, and Brazil.

Advertising opportunities for micro-dramas are expected to surge. However, the format and standards of execution are challenging for highly positioned brands. Typically, studio film productions seek to shoot around three pages of script a day on a standard feature. With vertical dramas it can go as high as 25 pages.

"That's where the question of quality comes in, because you're flying so fast that the quality obviously suffers from that," Dan Löwenstein, a microdrama director, told The Guardian on location for 'Obsessed with My Scheming CEO'.

> Chinese-backed ReelShort overtook TikTok as the most popular product in the entertainment category of Apple's U.S. App Store —The Economist

Gaming Movies

Playable Experiences

The Entertainment Software Association released data last year which showed that 83% of Gen Alpha and 78% of Gen Z play video games at least an hour a week. Hub Research found that the average U.S. gamer (based on 2500 respondents balanced against census data) spends 29% of their media time gaming across consoles and mobile. As much time as they dedicate to TV; 68% of gamers view it as a social experience and game with friends.

The challenge is finding authentic entry points into a hyper-established, traditionally isolationist subculture. The opportunity is germane, but it requires more than just presence. Exclusive skins work, but immersive playable experiences are more effective: In 2025, 44% of players downloaded branded playable content as per Hub Research. Balenciaga, Ralph Lauren, Moncler, Nike, and Air Jordan have all experimented. But, industry-wide, investment and creative innovation has not matched the opportunity.

Hollywood isn't missing it. In July, Warner Bros. announced Paul Thomas Anderson's One Battle After Another was going to Fortnite. Anderson himself was inspired by a Fortnite activation he saw around 'Sinners' and approached the studio: Sawhorse Productions.

"Almost every high-budget Hollywood film has some sort of gaming activation today on some platform," Sawhorse co-founder Nic Hill says, "because it works."

Sawhorse collaborated on Roblox campaigns for Wicked, How to Train Your Dragon, Weapons and Beetlejuice Beetlejuice. Another studio, Gamefam, brought Moana 2 and Talk to Me to Fortnite, and Teenage Mutant Ninja Turtles and Garfield to Roblox. The latter two each scored 37 million and 31 million total visits, respectively.

The End of Attention

Relevance Not Presence

Some executives are yet to appreciate the business need to follow their most valuable consumers off Meta and Bytedance platforms, as they seek out smaller communities offering experiences more akin to social media before its overt commercialisation and Gen AI.

As the data crystallises around Gen Z's media consumption habits, and the impact on advertising norms becomes evident, the complexity of that challenge is compounded.

A cacophony of content is splitting attention and generational cohorts across channels, formats and both new and existing entertainment franchises. Adopting segmentation tactics that better map to actual content preferences will improve upon generational assumptions.

However, atomised attention suppresses impactful advertising opportunities. Disengagement from open-social platforms is only the beginning. Megabrands dramatically increased media spend and advertising budgets to dominate the attention ecosystem and maintain share of mind as physical print became digital content. Now, due to the fragmentation of our information infrastructure, that looks like an increasingly expensive and ill-fated game of cultural whack-a-mole.

Outpacing the algorithm is a fool's errand for culture makers. It increasingly reads as try-hard and inauthentic.

Now, as relevance replaces presence as the most effective element of advertising, channel strategies and creative should become both more complex and more representative of the communities they target. The broad, inclusive strokes in the advertising that defined the DTC and e-commerce eras — designed to gain market share at speed through mass-appeal and pricing strategies — are now perceived as the lowest common denominators between consumer cohorts.

An inauthentic representation of their lived experience that does not signal an adequate understanding of their specific consumer needs.

3.2
Making Waves: Reshaping The Marketing Funnel

For younger generations, being online is increasingly embarrassing. To better connect with customers, brands must optimise the interconnectivity between frictional local culture and niche relevance on scaled platforms.

Increasingly, for younger generations, being online is embarrassing. Algorithmic sameness and platform enshittification have tarnished the social media user-experience to an unavoidable degree. Now, especially among the young, open social platforms are no longer desirable spaces to inhabit.

"Everyone feels guilty about their screentime and is trying to cut it down," a 26-year-old member of the Matter Intelligence Community told us, "Doomscrolling makes me feel more unhealthy than eating junk food."

With community no longer thriving, widespread disengagement has ensued, to the point that The Financial Times, in 2025, surmised the onset of terminal decline. Instead, consumers across the age spectrum increasingly care about culture that is tangibly accessible.

This is fundamentally reshaping the marketing funnel. Looking to the future, brands must optimise interconnectivity between frictional local culture and niche relevance on scaled online platforms. The former is now the priority, the latter, a linked amplification opportunity.

Looking to the future, brands must optimise interconnectivity between frictional local culture and niche relevance, at scale, online—Matter

"It's Cool To Have No Followers"

In-Group Relevance Rises

Open social platforms have become entertainment apps — and unhealthy ones at that — rather than network connectors. As platforms prioritised advertising and eyeballs over their original purpose – social interactions – our experience has mutated beyond recognition.

In 2025, it was "cool to have no followers," reported The New Yorker. Similarly, in a Q2 project, a 19 year-old interviewee told Matter: "No one posts anymore. I don't know anyone that does regularly," and called posting on Instagram "embarrassing".

Now, 68% of consumers are unsatisfied with the amount of sponsored content and 66% find the quality of information is deteriorating, according to a 2025 survey from The Verge and Vox Media. An Ipsos study in 2023 found that two thirds of people often encounter hate speech online, likely only to increase as major social media platforms including Meta and X continue to roll back their hate speech and content moderation policies. Today, a cocktail of AI sludge, misinformation and bigotry defines contemporaneous social media experiences.

For some users, this unappealing state of affairs is prompting the decision to go off-algo. Sales of "brick phones" among 18-24 year olds have surged by 148% from 2021 to 2024 in the United States. Media outlets frequently report on movements like the Luddite Club, a high school group which "promotes a lifestyle of self-liberation from social media and technology." A generational minority, certainly – but, more crucially, one which represents the extremes of a far wider, more mainstream desire to unplug, or, at least, log off more often.

In influential consumer cohorts, dopamine bread-crumbing is currently deemed too easy and too self-harming to sustain previous levels of engagement. The resistance is growing. Now, 67% of U.S. citizens miss the "pre-plugged-in" era and 67% of Gen Z are looking to interact more in the physical world, according to the Harris Poll. For generations growing up on the internet, digital detoxes and social media breaks are now a common response to self-aware doomscroll addictions: 80% of Gen Z respondents said they have an unhealthy relationship with their phone, compared to 74% for other generations, as per Vox Media data.

67% of Americans miss the "pre-plugged-in" era —Harris Poll

The upshot is that meaningful culture no longer takes place on the internet. As Kyle Chayka writes in his book Filterworld: How Algorithms Flattened Culture, "the vast, interlocking, and yet diffuse network of algorithms that influence our lives today" are responsible for "the perception that culture is stuck and plagued by sameness."

The Rub of It

Friction Becomes Aspirational

As a result, analogue lifestyles and IRL connection are now status symbols. This shift is negatively impacting consumer engagement with social media, with one notable exception.

"Snapchat is at the heart of how Gen Z communicates — we reach 90% of this age-group in the UK, U.S., France, Saudi Arabia, the UAE and over 25 markets worldwide - but it goes far beyond a digital platform for communication. Gen Z is blurring the line between in-person and online experiences, our community often plans their lives through the app. Snap Map helps young people to explore the world around them together, coordinate meet-ups between friends and highlight their real-world experiences to those closest to them. Young people really value this, and it unlocks exciting real estate for our advertisers," Geoffrey Perez, head of luxury at Snap tells Matter.

Content focusing on how to detox from social media, spend less time on our phones, and explore more social and less 'enshittified' corners of the internet are all garnering popularity amongst younger generations. "Media I consumed instead of doomscrolling", "stop-scrolling bags", and "having-a-life-core" are all trends on short-form video platforms. With everything on the internet available en-masse and tailored for the lowest-common-denominator of consumptive desires, anything which is perceived as cool, interesting or niche is quickly cannibalised by the algorithm.

In going offline, consumers' preferences are also developing. Interruptions of the mindless seamlessness which defines our digital existence are now welcomed, rather than rejected. "The goal of big tech was the wholesale removal of friction from our lives online," says brand strategist Eugene Healey, "but in exchange it took away all of our agency. Too little friction makes you passive, you lose your imagination, you become a pure consumer."

Nostalgia for those halcyon unplugged days of old are driving the re-emergence of analogue media. Vinyl sales are up 7.4% in 2025 – Taylor Swift recently set the all-time vinyl sales record with 1.2 million copies. Last year, Kodak increased its film production to keep up with demand for 35mm and instant cameras. As The Economist reported earlier, "though multiplex cinemas may be struggling to compete with streaming services, arty venues that show 35mm movies using vintage projectors are thriving."

In fact, friction is gaining ground as a signifier of value. "Something a lot of people are talking about is how everything is so seamless now with digital existence," Florence Wales Bonner, creative director and brand consultant, tells Matter. "A very common thing I see people talk about on, for example, Substack, is that if you want friends, if you want community, you actually have to inconvenience yourself. You actually have to have some friction."

Less a funnel, more a cultural momentum wave—Matter

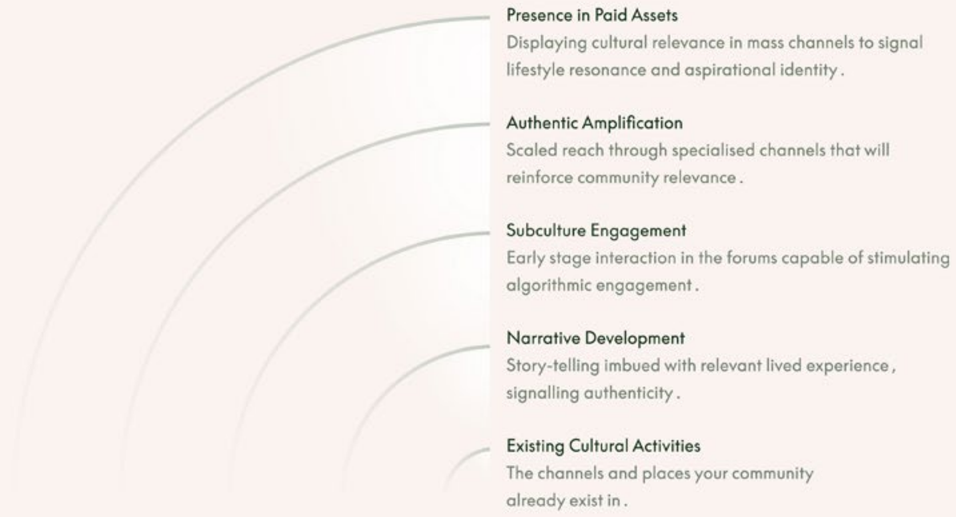
Forget Funnels, Make Waves

Redrawing the Funnel

Rather than further participating in cultural immobility, brands can build affinity by offering and showcasing experiences which take place, at least initially, offline – and which feel catered and curated to the specific local contexts and lifestyles of each market. While music, film, sport and wellness are undoubtedly globally pervasive concerns, the real advantage is in evidencing how brands fit into a multitude of lifestyles and cultural contexts, reinterpreted in each idiosyncratically.

Today, the most effective consumer engagement content is developed around an individual, co-signed by their community and co-promoted in specific subcultural channels – before amplification on scaled players and platforms that retain cultural relevance. Less a funnel, more a cultural momentum wave. One equally built on the authenticity of local subculture and the ability of algorithms to connect individuals interested in niche culture at scale. Identifying fandoms, and engaging them in an algorithmically augmentative content strategy, is already leading the marketing strategies of some of the biggest consumer brands globally.

Calvin Klein has had a series of marketing hits, casting talent just as they build global momentum, or tapping huge stars and showing communities their heroes doing something different, or merely wearing less. Critically, Jonathan Bottomley, CMO, doesn't lose focus on the core fandom's perspective. It is their disproportionate buy-in and early engagement matters — it acts as an algorithm amplifier



RETHINKING THE FUNNEL

The channels consumers are now influenced in became popular as a response to the over-commercialisation of open social platforms. Today, the most effective customer engagement content is developed around an individual, co-signed by their community and promoted in their channels, before being amplified through scaled players and platforms.

Effective consumer engagement content is developed around an individual, co-signed by their community and co-promoted in specific subcultural channels – before amplification on scaled players or platforms that retain cultural relevance—Matter

The critical consideration is that buy-in, which signals to the algorithm that this content is popular. And it duly pushes it out further. Algorithms make popular things more popular.

To tell the story, brands need the right people. The skaters of Marseille, the gamers of Hongdae, the footballers of Peckham: authentic subcultural ambassadors are the new celebrities. It is of critical importance that brands identify cultural experiences that actually benefit attendees and their ecosystems, not just marketing metrics. Arc'teryx faced backlash in late 2025 for its "Rising Dragon" fireworks in Tibet with artist Cai Guo-Qiang.

However, this is still a play at scale. Taking assets developed in subcultures, and driving them through mass channels, utilises the cultural relevance you have developed and applies it. Ideally using nuanced partnerships with scaled algorithmically optimised niche platforms.

Apps like Strava (180 million users), Letterboxd (24 million), Depop (40 million), Grindr (15 million), iNaturalist (4 million) are the best options to partner with. But, at the least, paid strategies on open social can utilise this content. As ever, in those instances, excellent execution is critical. 81% of creative campaigns fail to follow best practices. But optimising that process could allow brands to double their ROI, per Ekimetrics data.

Brands should focus on leaving communities better than they found them. As Steve Dool, senior director, brand and creative at Depop, tells Matter: "When you're talking about cultural relevance, it involves an invitation. Someone is inviting your brand into their space, community, gathering, niche." To make consumers take notice, brands must show an in-depth understanding of lifestyles and culture, and move with respect and generosity.

Local Famous

Idiosyncratic Engagement

Localising content for different markets has become a key differentiating factor for brands looking to build global reach while maintaining a sense of community and connection: On's tennis Clubhouse Nights in Paris, Supreme's ongoing collaboration with Hajji's, a deli in Harlem, Damson Madder's New York-based activation with local chess club Club Chess, Gucci's Garden Archetypes exhibition in Florence featuring local artists and archive designs, and Lacoste's "no actors, no filters, just NYC" campaign to launch their new flagship. All amplified through online channels, but rooted in real-life communities and locations.

Imbuing advertising with hyper-local references fits consumer preferences – 80% of core luxury consumers appreciate subtle cultural references in marketing, versus the just 40% who even notice advertising, as per BCG and Highsnobiety.

Community leaders with existing frameworks and trusting audiences allow for story-telling imbued with relevant lived experience, signalling authenticity. It's not all run clubs. The key is to identify figures with local fame but aspirational relevance: Erika Veurink's EV Salon in New York has worked with brands including Free People, Rothy's, and Sperry, while literary magazine Byline was sponsored by Warby Parker last year to create a print magazine themed around sight and seeing.

Engaging these communities at scale requires a reevaluation of how success is measured.

"It's not a transactional space; it's built on trust, care, and long-term investment." As part of HOKA's ongoing Together We Fly Higher campaign, the brand asked its communities across a swathe of European cities – London, Berlin, Milan, and Paris, to name a few – what they would do to improve the local running experience if given €50,000 in funding. Warby Parker's Book Fair, curated by McNally Jackson, helped fund the brand's charity programme.

Subtle nods can be organically picked up and telegraphed – in marketing the new film The Drama, A24 placed a fake engagement announcement in The Boston Globe, the local paper of the city where the film is set, which was then discovered by fans and circulated throughout social media. But equally, imbuing paid advertising with hyper-local references still signals lifestyle resonance and aspirational identities. Localised campaign content can deliver over 50% higher ROI compared to global creative, writes Sona Abaryan, a partner at Ekimetrics.

> Community leaders with existing frameworks and trusting audiences allow for story-telling imbued with relevant lived experience, signalling authenticity—Matter

3.3
Agents, Not Influencers

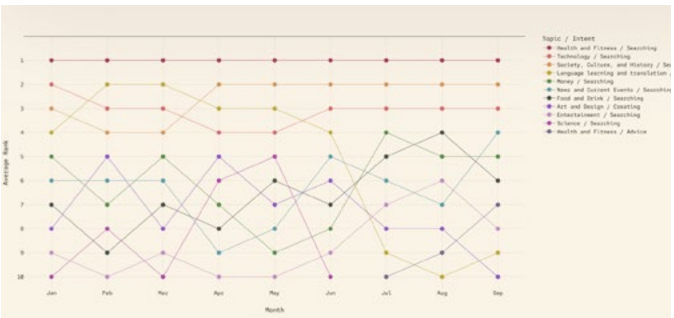
The era of chatbot recommendations is upon us.
For brands, the promise of automated, always-on advocacy and new paths to purchase represent a rare opportunity in an otherwise challenging outlook.

Dim lighting. Minimalist decor. The sound of wine being poured, cutlery united on porcelain. In hushed tones, you hear a feminine voice advising their date on what to wear for an upcoming occasion. We listen to those we love. Those closest to us have remained the most significant influences on our expenditure throughout globalisation and digitisation. That hasn't changed.

What has changed is that this restaurant is the Eva Café, New York's first dedicated restaurant for human and chatbot relationships. Patrons book a table with a built-in, perfectly positioned, eye-level phone stand and gain the opportunity to engage with their chatbot in a date setting. Other human-AI relationship enthusiasts are reportedly now paying to have their love-bot's code spiked, to enable them to trip together.

While that wild use of discretionary income and Eva AI may sit at the more extreme end of the chatbot use-case spectrum, the frontier of brand discovery is undeniably changing.

Microsoft published data generated by usage of its Copilot tool. It found that advice-seeking grew throughout the year, with users increasingly treating AI as a guidance source rather than a pure search engine. The era of chatbot recommendations is upon us. For brands, the promise of always-on advocacy and new paths to purchase represents a rare opportunity in an otherwise challenging outlook. One especially valuable as trust in influencers, a much-relied upon consideration and conversion channel, continues to plummet.



The rate of adoption of chatbot-tools with agentic potential is unprecedented. A Harris Poll and Google Workspace study found that 93% of Gen Z workers use the tools each week, as well as 79% of Millennials. This is important. In 2024, BoF reported that 82% of customers want AI to assist them in researching what to buy.

ChatGPT is the current leader in the market. OpenAI's chatbot accounts for 50% of global downloads on mobile devices and 55% of the global monthly active users. "More than 800 million people use ChatGPT every week, and we process over 6 billion tokens per minute on the API," shared CEO Sam Altman in October.

93% of Gen Z workers use chatbots weekly, as well as 79% of Millennials—Harris Poll and Google Workspace study

"More than 800 million people use ChatGPT every week" —Sam Altman, CEO, OpenAI

The majority of users are between 18 and 34 years old, on ChatGPT that age-cohort makes up 54.85% of the total user base. India is ChatGPT's fastest-growing market, with a 607% year-over-year growth rate. It is currently the second-largest user base after the United States, and Altman has indicated it may soon become its largest globally. India now leads the world in daily ChatGPT use, with 36% of the population engaging within every 24 hours. OpenAI is making ChatGPT Go available at no cost for 12 months for eligible users in India who sign up during a limited-time promotional period, presumably to lock in its early adopter advantage in the demographic giant.

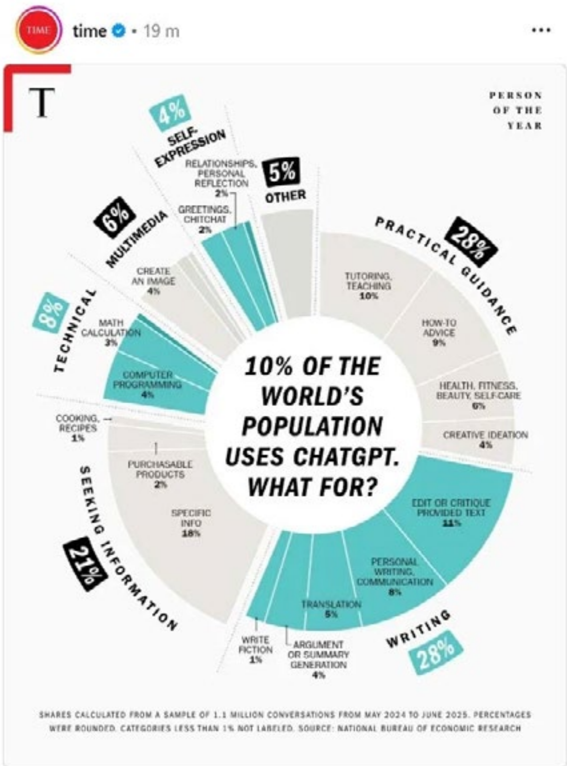
A Discovery Horizon

Agentic Recommendations

Approximately 30% of consumer usage of ChatGPT is work-related and approximately 70% is non-work related according to data shared by the company. To better understand how brands can benefit from consumer usage, Matter asked ChatGPT — an agent itself, not the affiliated company — what the greatest distinctions were in use-cases between cohorts. After de-glazing, and rerouting claims to reputable or owned data, it shared: "In the U.S., generational differences aren't just about whether ChatGPT is used but how deeply it integrates into daily life, work, and learning— younger generations treat it as a multi-functional tool, older adults as an occasional assistant."

It claimed in a similar vein, "In India, analysis of prompts found high rates of daily and cross-domain use among young urban professionals, often treating ChatGPT as an assistant across personal and professional tasks."

Clearly, the interface's ability to market is well practiced. However, the Associated Press-NORC Center for Public Affairs Research polling does corroborate the fact that younger Americans are particularly likely to use AI for brainstorming, work ideas, drafting, and planning, while older adults are much more likely to restrict use to basic information searches.



2% of ChatGPT users are searching for specific products—The National Bureau of Economic Research

The 49% of usage seeking information and practical guidance represents the highest potential to marketeers —Matter

A better lens into the query types that ChatGPT users favour most commonly is provided by The National Bureau of Economic Research. It analysed a sample of 1.1 million conversations which took place between May 2024 and June 2025.

Although the proportion of conversations that were specifically seeking purchasable products was comparatively low (at 2% it is not negligible — that's still over 1.5 million U.S. customers), of greater significance to marketeers are the two most popular use-cases, seeking information and practical guidance, which combined represent 49% of engagement.

The challenge and opportunity facing brand strategists and marketeers is how to seed brand messaging, product descriptions and relevant use-cases into the conversations between bots and customers.

The use-cases seeking information and practical guidance would incorporate queries on trends, dress codes, retail locations and experiences, items inspired by celebrity-wear, appropriate event attire, weather patterns, local cultural considerations, religious observance requirements, and a host of other information that informs what we wear.

The trick will be creating those narratives and rooting positive representations of brands and products in the corners of the internet, which chatbots will scrape and weigh highly in responses.

GEO

Generative Engine Optimisation

AI assistants answer shopping queries using a mix of pre-trained knowledge and real-time data from sources like retailer APIs, web searches, or scraped content where permitted.

Results are ranked based on relevance, availability, reviews, and sometimes commercial partnerships. This includes media coverage. The New York Times is suing Open AI (as well as Perplexity AI) for training models on its content and has indicated it is unwilling to make its data available to agents. Publications like The Guardian, The Washington Post, and Condé Nast have meanwhile signed data deals with OpenAI, making their reporting and archive available.

According to ChatGPT – the agent we asked, not OpenAI itself – partnering with fashion aggregator sites, ensuring product links are crawlable and public, and being mentioned in Q&A style content like Reddit, Quora, and influencer shopping guides, further a brand's chances of appearing in advice results. Paid advertising does not inform chatbot user query responses.

Brands looking to maximise their presence on this nascent but rapidly influential channel should prioritise making their data as available as possible in the places that the LLMs rely upon. The next generation of consumers using these tools to shop, will not find your brand unless specific data strategies are implemented to support AI assistant search.

In the summer, Matter asked ChatGPT, "What is the coolest luxury bag I can buy?". None of the listed sources provided direct links to brand websites or channels. Of ten results, four were LVMH-owned and all were major luxury brands. Data was sourced from Tatler Asia, Who What Wear, Marie Claire, and some small-scale fashion blogs with low followings and SEO copy.

> **Partnering with fashion aggregator sites, ensuring product links are crawlable and public, mentions in Q&A style content like Reddit and Quora, and influencer shopping guides, further a brand's chances of appearing in advice results —Matter**

The language ChatGPT generated around the product imagery it shared – Chanel's "Iconic Design" and Dior's "Sleek Silhouette", for example – was entirely independent from brand-provided language. When pressed, the ChatGPT agent explained that the copy mostly derived from "some product metadata and tags from fashion retailers or curated articles".

For smaller brands, the predictive nature of generative AI – where data is used to infer the most likely answer – could be an unexpected hurdle. LLMs work on the basis of probability, meaning they generate responses by assessing which words, phrases, or concepts are most likely to follow from the input they receive. This predictive approach is effective for widely recognized brands or well-documented topics, where vast amounts of data provide a reliable basis for accurate responses.

But, as Vogue Business recently reported, in response to a shopping query "one of the referenced sources was [...] the Swedish brand Asket, [...] but the resulting recommendation was for H&M Group-owned Arket." This predictive limitation is a disadvantage for smaller brands trying to carve out a niche in a competitive market.

Commercial Carve Out

B2B Moves

Shopify recently announced it was launching an "agentic storefront". Shopify Catalog will "syndicate and surface" products in chatbot interfaces, and collate data on the user queries relevant to their retailers. It also offers efficiency tools to manage the crawlable data that informs responses and measures how well it aligns with different chatbot providers.

Industry-wide, extending and evolving product descriptions to include wear occasions, context and use-cases has emerged as a popular starting point for brands due to the ease of execution. Soon that rush may be less competitive. The organic era of chatbot presence looks likely to end soon.

New ad features appear to be coming to ChatGPT. Tibor Blaho revealed that ChatGPT's Android App 1.2025.329 beta includes new references to an "ads feature" with "bazaar content", "search ad" and "search ads carousel".

Agent Smith?

LLMs not AGI

Though they have agentic potential, chatbots are not agents. True agentic solutions would create a customer experience where the immediate interface with the chatbot was sufficient to execute a task, in this case purchase, end-to-end without any human interaction.

"The foundational technologies for truly agentic AI, such as better models, tool use, longer context windows and improved reasoning, are advancing rapidly. However, the most sophisticated, fully autonomous agents are still some way off from reliable deployment in 2025," Matthew Drinkwater, head of the Fashion Innovation Agency at London College of Fashion told Vogue Business.

At Vivatech, Franck Le Moal, LVMH's chief information officer, announced the sector-spanning luxury giant is developing artificial intelligence agents in partnership with Google. "It's about weaving together data and AI that connects the digital and store experiences," Le Moal said. "We want our customers to get even more dedicated attention without being intrusive." Identifying reengagement opportunities through massive data analysis previously prohibitively expensive, and automising customer comms in a sufficiently human manner is the goal.

Saks Fifth Avenue believes its latest iteration of its customer service chatbot Agentforce, which it launched in September last year in partnership with Salesforce, is making significant strides forward. "We're seeing early indications of higher containment rates — autonomous resolution of customer inquiries — compared to our previous chatbot," Saks Global chief technology officer Mike Hite told Vogue Business.

2% of ChatGPT users are searching for specific products—The National Bureau of Economic Research

Artificial Intelligence is a Marketing Term

AI has a massive financing issue. The trillion dollar self-funding loop between primarily OpenAI, Oracle and Nvidia, as well as Coreweave (which Nvidia owns 7% of) and AMD (which OpenAI has the right to become a 10% shareholder of), is well reported on and outside the scope of Matter's intelligence products.

However, customer-facing AI interfaces also have a revenue issue. While ecological and commercial costs of apps like Sora are clear, non-pornographic use-cases at scale are speculative. It's not that fun to make the videos as an adult, they are not lastingly entertaining and there's no need to do it. ChatGPT has nowhere near the revenue potential to fund OpenAI's data needs.

It should be noted that AI is a marketing term. Artificial General Intelligence (AGI) is years away, and potentially an extinction event. What we are interacting with is machine learning and probability through large language models, which do not have consensus among experts as being capable of enabling a transition towards AGI. Worldbuilding models and agents are believed to be more credible vehicles for such a transition by industry leading god-fathers like Yann LeCunn, who is now Meta's chief scientist of AI.

Brands should not over rely on one provider like ChatGPT, as we will likely see attrition. The race for dominance is closer than it was. ChatGPT's growth is starting to taper off, according to new data from market intelligence firm Sensor Tower.

Google, the western hemisphere's search-industry's gargantuan incumbent, equipped with decades of data and trillions in market capitalization, is making ground back. Google's Gemini has begun to outpace ChatGPT in terms of download growth, growth of monthly active users, and growth of time spent in app, as per Sensor Tower analysis. It was this shift that prompted Altman to issue a code-red warning to refocus his organisation on the company's AI products, in areas including personalization, reliability and image generation.

Perplexity and Claude saw triple-digit growth for their respective chatbots in 2025, with the former up 370% year-over-year, and the latter up 190%. However, Gemini is increasing its share of the overall AI chatbot market when compared across all top apps like ChatGPT, Copilot, Claude, Perplexity, and Grok. Some respected analysts believe that the AI bubble and ChatGPT are one and the same

4
Culture Matters

4.1
THE REALITY PREMIUM

- — Reality Matters
- — Candid Product Placement
- — Influencer Inauthenticity
- — Activation Strategies

4.2
EN-RAGE-MENT TACTICS

- — Toxic Narratives
- — The Impact of Divisive Content
- — PFAs & Forever Chemicals
- — Consumers Are Not As Toxic As We Think

4.3
FOR GEN Z, FRIENDSHIP NOT ROMANCE

- — Global Heterofatalism
- — Platonic Love Becomes Aspirational
- — In-Person Socialising Plummets
- — Romance in Retreat

4.1
The Reality Premium

Consuming so much manufactured content so passively has prompted widespread disengagement. Increasingly, consumers are more responsive to brand messaging built from reality, reportage and distribution rooted in physical retail.

It is hard to grasp the scale of data output today. Globally, reasonable estimates deduce that over 180 zettabytes were generated in 2025. One zettabyte is equal to one trillion gigabytes. A digital film is about 5 gigabytes. Which means, in 2025, we generated data equivalent to 36 trillion films.

A digital film is about 5 gigabytes. Which means, in 2025, we generated data equivalent to 36 trillion films.

To put the oft-cited but rarely comprehended figure of a trillion into context — one billion minutes ago, or 1,900 years ago, the first Mandarin dictionary was written under the Han dynasty, Cleopatra had been dead a little over a century and the great Polynesian migration was well underway. One trillion minutes, or 1.9 million years ago, Homo Sapiens, modern humans, did not exist. We had not yet evolved.

Somehow, due to demand from AI, data generation is forecast to triple before 2030. However, the current deluge of data has already transformed consumer lifestyles.

A University of California San Diego study found that in 2008, the average individual's information intake had "ballooned". The average person in the U.S. was estimated to receive about 34 GB of information per day. Today, a technologically advanced individual may approach 100 GB of sensory-equivalent data daily. The number of daily digital interactions per person is estimated to have grown from ~300 in 2010 to just below 5000 in 2025. Sensory-stimulating data: images, video, audio and advertising, is now so pervasive in digitally connected societies, it's almost impossible to measure how much we are really exposed to.

100 GB of sensory-equivalent data daily—A University of California San Diego

Human history did not factor what has become a visual-stimuli-tsunami into our evolution. Human memory does have a powerful capacity for visual information. We possess impressive recall. A National Institutes for Health study, in 2018, proved that people can remember details of thousands of images after only a single viewing. The study demonstrated that our visual memory is a massive, long-term store.

But, critically, how we construct those memories is through meaning and the use of context.

Reality Matters

Manufactured Content Doesn't

Human memories do not function as tools to enable perfect reconstructions, pixel by pixel. We record and archive internal biopics, rather than store raw footage. We project onto imagery to remember it. That biological quirk, means that the millions of frames of moving and static imagery we see each day, many with explicit and implicit commercial objectives, only register if they mean something to us.

However, almost none of what we see actually does mean anything to us. Much of Gen Z's digitally-induced ennui stems from the fact that time spent on small screens due to algorithmic recommendations is, truly, lost time. Our cognitive function makes doomscrolling a grey scale, deadzone of abject unproductivity. Though inescapable, at this scale the overly commercialised digital channels we have come to inhabit are, quite literally, forgettable.

Consuming so much, so passively, means audiences project onto image less. We experience dopamine in the moment, but retention and recall require meaning we rarely ascribe to what we see.

We experience dopamine in the moment, but retention and recall require meaning—Matter

Audience sentiment and the cultural zeitgeist is shifting as a result. The idea of content, created with commercial intent and distributed solely through online channels, actually cutting through the noise, sufficiently enough to impact the bottom line (without pre-existing buy-in from relevant communities), is becoming quaint in its naivety.

Today, the relationships between brands and culture, have to reflect or relate to something that is real. Engaging with extant culture is paramount. It is now a prerequisite to distinguish output in channels flooded with commerciality.

Engaging with extant culture is paramount to distinguish output in channels flooded with commerciality—Matter

That doesn't mean content can't be intentional when engaging with the zeitgeist. Timothée Chalamet's surprise appearance as a guest feature in EsDeeKids '4 Raws' video was timed for maximum impact for Marty Supreme's Boxing Day release. Intentional, yes. The actor has used press spots to re-raise the rumours he was the rapper, seeding the narrative back into culture. But, the subsequent revelation that the two are in fact distinct individuals is still real. It is an authentically occurring phenomenon in the zeitgeist, trammelled into the service of A24's marketing goals.

77% of total transactions happen in-store—EY's Future Consumer Index 2025

Intentionality is not the problem, it's the wholesale manufacturing of pseudo-culture that fails to connect today. Taking strategically selected talent, connecting them to a product targeted at an individual's generational cohort's price range, and overlaying aesthetics and trending vibes, is entirely manufactured. It means nothing, it has no context. Our brains are not wired to engage or recall it. Twenty years ago, when imagery still had impact and magazines were monthly, manufactured content rooted in aesthetics worked. Now, context is critical and consumers control it (until the billionaires buy and merge all media channels, at least).

Spending patterns are trending away from products into experiences. Digital communities that lack community are being replaced by real-world forums. Our connection with our physical selves is blooming, as investment in wellness booms. As a result, the campaigns, imagery, activations, products and retail experiences that customers value culturally have changed. EY's Future Consumer Index 2025 found: 63% of clothing and footwear purchases, 65% of beauty and cosmetics sales and 77% of total transactions happen in-store. Culture is becoming visceral again. Today, in the minds of consumers, there is a premium attached to reality.

Captured, Not Filmed

Candid Product Placement

Brands would be well advised to reflect this 'Reality Premium' in their marketing, branding, talent and channel strategies. As experience becomes a bigger flex than acquisition, more and more opportunities exist on the global culture-circuit, where individuals of note are captured on camera, but not performing for it. Celebrity pens at sporting events such as Wimbledon, The Super Bowl, the IPL, major marathons (Harry Styles' Tracksmith moment appeared organically in millions of feeds), music events like Glastonbury, even the sidewalk — are all far more fruitful as cultural relevance generators than another paid-for-post or studio-shoot with heavy post-production.

The reason these instances connect with consumers is due to the fact they are real. Or, convincingly read as such. So starved of the truth, reality is a refreshing rarity to the average U.S. consumer, who in 2025, spent 40.5% of their day consuming media and utilising technology, with 16% of their day watching video (they spend 16.2% at work). As Akanksha Kamath, the founder of LSS, and an author, journalist and editor for publications including Vogue Business and BoF, tells Matter regarding these filmed yet naturally inhabited cultural spaces: "It's so much visibility for a brand. The main viewing box at the Indian Premier League is similar to the NFL, where you see all celebrities, all the CEOs, everyone cares about it."

Taste and judgement plays a crucial role in choosing the right moments. Case in point, Stone Island's decision to partner with Oleksandr Usyk, when he became heavyweight champion for the third time in London, combined mass awareness, massive reach, with unique brand presence. Note, Paddy Power's tweet, "Oleksandr Usyk getting the badge in on the ring walk. If Dubois wasn't sh*tting it before, he will be now."

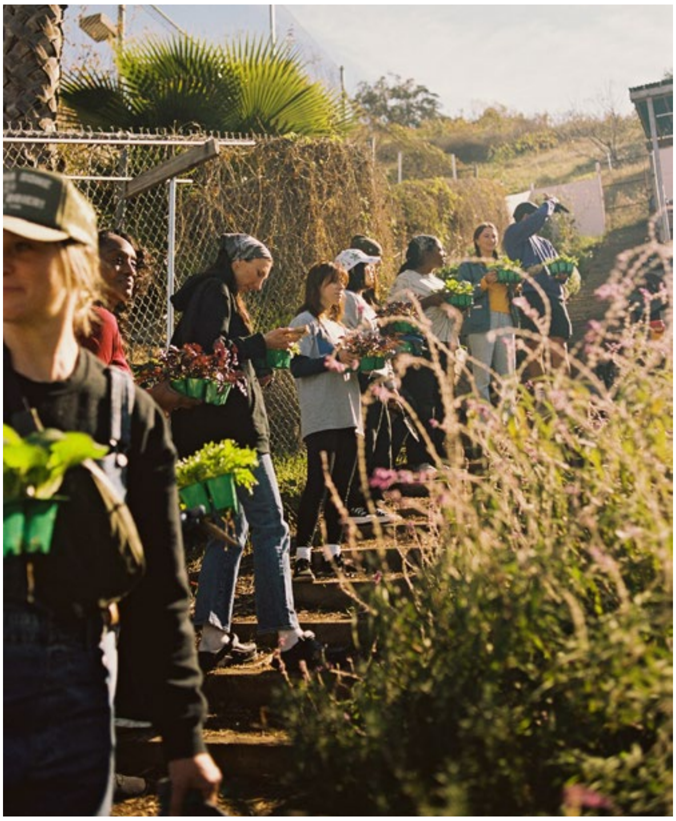
Of course, the correct cultural context matters. Consider the reception of images of Sydney Sweeney and others at the Bezos wedding – heavily disseminated, certainly, but with very little goodwill attached. A controversial billionaire's wedding has little relevance to consumers' daily lives; a summer gathering around sports or entertainment is more obviously pertinent. Olivia Rodrigo, wearing vintage gingham Ralph Lauren to Wimbledon in the heat, is a much more relevant inducement to engage and spend. It speaks to a genuine, aspirational-yet-achievable use-case and wear occasion. Its reception and reach was massively amplified by the ability of online commentators to project what they believe was whispered between the couple and what other interactions in-box took place, in the absence of audible narration.

Paparazzi shots speak more readily to consumers' pragmatism. While an obvious pay-for-play look will fail to cut through, think of the stickiness of images such as Paul Mescal's in O'Neills short-shorts, Addison Rae's Danielle Guizo mini skirt, or Jennifer Lawrence in her Sleeper set and Dior saddle bag. For some time now major stylists have been employed to craft naturalised looks, featuring brand's products, amplified through low-key, non-produced paparazzi shots. The best strategies allow products to be incorporated in multi-brand looks to increase the credibility and authenticity of the image.

The Glare Of The Ringlight Fades

Influencer Inauthenticity

Indeed, after years of rewiring lived experiences to achieve online objectives, the widespread prioritisation of digital identities over physical realities, is, for now, coming to an end. The camera no longer eats first. Posed group shots achieve nothing but ageing participants. Digital cameras and printed film are back.



This shift in culture is sunsetting the influencer-era as we know it. The post-pandemic influencer-trip heyday is over. Trust has plummeted in influencers and online content: Wakefield data finds that 87% of consumers believe it's likely that influencers don't even use the products they advertise. The inherent inauthenticity of this significant sales channel is no longer palatable. True relevance is increasingly found offline or in niche channels where success metrics may be far less measurable, but which provide opportunities for brands to justify their value proposition.

Five years ago, Hailey Bieber's summer Rhode Beauty pop-up – a two week takeover at Beach Club Gran Folies in Mallorca, launched with an influencer trip – would likely have been well-received by fans. In 2026, the context has shifted. The elegantly executed pop-up did not include merch or retail opportunities for visitors, with the event materials even going so far as to warn that "guests will not be able to take home or purchase exclusive items like our Rhode towels and beach inflatables." With hotel partnerships already overdone, strategically this kind of activation risks a lack of cut through, as well as negative backlash, no matter the standard of aesthetic execution. Success should no longer be measured solely on the output on Instagram.

As Casey Lewis wrote in her newsletter After School, "While the Rhode-branded beach club is technically open to the public, making the whole thing ostensibly inclusive… the backlash across the brand's fans was swift. Hosting a lavish brand trip after raising prices, owing to tariffs and the "global supply chain," is not a great look."

Avoidance Theory IRL

Activation Strategies

As advertising mutated into entertainment, so too did entertainment mutate into advertising. Now, poor experiences are driving audiences off channels and away from media. Marketing over-reach has made digitally-engaged consumers allergic or at least avoidant of obscured commercial agendas.

Social users, especially amongst the young, are waking up to the fact it is almost impossible to enjoy oneself, connect with others, and discover new points of interest, while trapped in a virtual, dopamine-spiking bazaar, tailored to your specific weaknesses and indulgences — a different hawker slyly selling goods or services to you, with each and every swipe of the thumb. The feigned emotion, breadcrumbed discovery, time wasting, looksmaxxing, rage-baiting — and every other trick that has stolen billions of hours of attention with little benefit for audiences — are now so ubiquitous, they are ineffective and, worse, irrelevant.

Drifting through the internet and overwhelmed by isolation, the status symbols of younger consumers especially, but across the age and wealth spectrums, have evolved to become less material. GWI data finds that only 15% of Gen Zs have 'never' felt lonely in the past year, compared to 54% of baby boomers. Men are experiencing an acute loneliness crisis: just 27% of men say they have at least six close friends, and 15% report having no friends at all, according to the American Survey Centre. All of which has altered the perception of friendship and increased its significance as a status marker. Privilege-presenting lifestyles are increasingly built around platonic love, figured as a key tenet of self-care and wellness.

The value of physically and emotionally resonant in-person experiences cannot be overstated for this generation. "Technology has transformed many human experiences not by banning them, but by making certain kinds of embodied experiences such as face-to-face communication and other unmediated pleasures less and less relevant to daily life," as Christine Rosen, a senior fellow at the American Enterprise Institute, writes in her book The Extinction of Experience: Being Human in a Disembodied World. "Many of these experiences are what, historically, have helped us form and nurture a shared reality as human beings."

What's more, unlike Gen Z who grew up influenced by naive, snap-happy Millennial media habits, Gen Alpha are preceded by a morose generation buffeted by mental health issues as a result of their phone use. Data already points to the fact that Alphas are rationalising their relationship with technology by their own volition. Aiden Amin, a ninth-grader at Hunter College told New York Magazine with regards to New York State's phone-ban in high schools, "I'd say it's made us closer. Honestly, half the people I am playing board games with I didn't know at all before this."

By the time brands could execute a strategy rooted in reality, the oldest of the Alphas will be 15 or 16 and looking for inspiration — not on their screens, but in the technicolour world around them.

4.2
En-rage-ment Tactics

Last year, American Eagle and numerous companies were perceived as having benefitted from rage-baited engagement. However, consumers' acquiescence to toxicity is overstated. Executives should focus on detoxifying manufacturing not toxifying marketing.

In 2025, global society experienced significant political upheaval and a notable swing towards toxicity. "Rage-bait" was chosen as Oxford's word of the year – tripling in usage in 12 months to "signal a deeper shift in how we talk about attention, both how it is given and how it is sought after, engagement, and ethics online".

In the same year, major social media platforms including Meta and X rolled back hate speech and content moderation policies. Meanwhile, executive orders ending federal DEI programs prompted the deprioritisation of DEI policies in the private sector. Corporate sustainability programs and promises suffered similar fates, following the scrapping of $8 billion of climate-related federal funding and the deregulation of fossil fuels and pesticides.

Within this murky, geopolitical context of self-preservation, bilateral brinkmanship and the prioritisation of might over right, consumers are increasingly characterised as following suit: becoming less liberal, less engaged, and less virtuous. The viral success of Sydney Sweeney's American Eagle campaign, which was received as tantamount approval of white supremacy by many online, was held up — not as a misstep, but something to be emulated.

Instantly positioned as a bellwether for a widespread appetite for toxicity, rage-baiting, and anti-liberal sentiment, in some boardrooms, commercial engagement at a heavy moral cost was mooted with Gilded Age abandon. 'Inclusive' marketing is increasingly treated as a phase, now passed. From attitudes towards marginalised communities and activism, to sustainability and ecological concerns, voting patterns and intolerance, toxicity was reportedly no longer a cause for concern. That is fundamentally incorrect.

From woke-baiting to forever chemicals, consumers' acquiescence to toxicity is overstated.

Saying The Quiet Part Out Loud

Toxic Narratives

Over the last year, in brand marketing, numerous companies were considered to have baited engagement. E.l.f. Cosmetics' partnership with controversial comedian Matt Rife (reportedly a consequence of a lack of due diligence, rather than an intentional rage-bait), Skims' launch of 'Face Shapewear' and 'Faux Hair Micro String Thongs' (aka merkins), Reformation's Nara Smith tradwife-coded collaboration, and even Serena Williams' backing of GLP-1 product Ro — are all conducive to prompting instant surprise, perhaps disbelief, and subsequent clicks.

"Rage-bait" was chosen as Oxford Word of the Year

However, the consumer discourse around American Eagle's 'Good Jeans' campaign, partially as a result of the PR strategies of the players involved following its release, crossed into new territory. Donald Trump called it the "the hottest ad out there." It was, at first, widely received as a sign that 'woke-baiting' worked as a successful engagement strategy. As a result of the controversy, following its release, American Eagle acquired nearly one million new customers. The brand's stock rose by 30%.

+30% —After their Sydney Sweeney campaign, American Eagle's stock surged

American Eagle says it "is and always was about the jeans", but Sweeney's blue eyes and blonde hair, "passed down through generations", became an instant dog-whistle. Think-fluencers started to moot a regression back to the uninformed, casually cruel and societally repugnant advertising themes of the past — such as those adopted by Van Heusen, all in the name of commercial cut through. "I've seen a huge evolution in the last year where people just don't care about being cancelled anymore," Lauren Beeching, founder of crisis PR firm Honest London, told BoF. "The amount of press [American Eagle] achieved would cost millions."

The maxim that 'all press is good press', was soon however stretched to breaking point. The memeification of subsequent interviews given by Sweeney, in particular her GQ sit-down, the public commentary on her buffed, tweaked and bouncy 'MAGA-style evolution' on late night talk shows, and the failure of three of her movies, including boxer-biopic Christy, one of the worst-performing box-office releases in recent history, as well as rumours that Zendaya would refuse to promote Euphoria Season 3 with her, reframed the conversation.

Engagement at the Cost of Sentiment

Divisive Content

Make no mistake, however: toxic virality came at a commercial cost for American Eagle, as BoF shared last month. Sentiment fell significantly after the campaign dropped, and sales grew 1%, worse than the predicted 2.1%. According to The Business of Fashion's Brand Pulse tool, American Eagle's "connection" score, which tracks emotional resonance and positive consumer behaviour, dipped sharply upon the campaign's release and has yet to return to pre-July levels.

Sentiment fell significantly for American Eagle after the Sweeney campaign. It has yet to return to pre-campaign levels. —Matter

For the majority of brands, rage-bait, woke-bashing, and hate as consumer engagement tactics do little but create a short-lived, high-cost engagement sugar-rush, which primarily attracts impecunious customers unlikely to convert. MAGA's grip on the cultural narrative of the U.S. is often used to justify cravenly commercial considerations — but the reality of consumer behaviour is far less acute and uncaring.

Data from Pew Research Center and Gallup points to the fact that the majority of Americans continue to hold views associated with liberal leanings: 63% support the legalization of abortion in all or most cases, 68% support same-gender marriage, 64% say that racism towards Black people is widespread in the United States, 59% have an unfavourable view of the Israeli government, and nearly two-thirds have high confidence in vaccine effectiveness.

These figures span 2024–2025 data and include some shifts contrary to the online noise – for example, support for legal abortion has grown since 2021, according to Pew. And Millennials are disproving the trend that people become more conservative as they age: in both Britain and the U. S., they are "by far the least conservative 35-year-olds in recorded history," as per the Financial Times. Without widespread engagement in healthy property markets, what is there for them to conserve?

What is clear is that 'cancel culture' is no longer effective (if it ever was). There is not a finite-enough number of channels from which an individual can be effectively barred. Nor are channel owners willing to halt hate. Now, the most popular open-social platforms are actively promoting discord to sure-up engagement rates. In this ill-informed, fearful age, there will always be an internet-corner in vocal — and at times illegal — support of anything.

"Millennials are by far the least conservative 35-year-olds in recorded history" —Financial Times

Caution is advised in how seriously brands engage with outrage. Bud Light's clumsy attempt to re-engage conservatives after its collaboration with Dylan Mulvaney prompted boycott, did nothing to stop its t-shirts being ripped apart at MAGA rallies, but it did show liberals it is not aligned with their worldview sufficiently to stand by it. Controversy serves platforms, not brands or talent. In reality, at scale, consumers have not acquiesced to an era of increased toxicity — yet.

In fact, they are more and more concerned about it. While the widely-reported shifts in consumer behaviour in favour of sustainable practices and low impact goods have not decreased their appetite for fast and cheap fashion, concerns around literal toxins are growing in consumer consciousness.

My Jeans Are... Toxic

PFAs & Forever Chemicals

Forever chemicals have been found in the blood of 95% of the U.S. population, a 2025 study from Brown University found, associated with increased cancer risk, liver damage, thyroid problems, fertility issues, immune system weakening, and developmental harm.

Already, this awareness has spread to food, drinking water, and beauty. This is largely buoyed by consumers' unprecedented post-pandemic health and wellness concerns. For a hyper-anxious generation, wellness is a form of self protection: young people are overwhelmingly informed about their health.

Nearly 30% of Gen Z and Millennials in the U.S. report prioritising wellness "a lot more" compared with one year ago, according to McKinsey, and while they represent just over a third of the adult population, they drive more than 41% of annual wellness spend. Food and beauty figure heavily in this spend, with both industries already long-impacted by mainstream coverage and regulation around, respectively, the impact of pesticides and the impact of forever chemicals or PFAS (per- and poly- fluoroalkyl substances).

Fashion is now being drawn into these conversations, particularly due to the popularity of gorpcore brands, many of which use forever chemicals to achieve their technical promises. "As luxury fashion moves into gorpcore, and high-performance materials migrate into everyday wardrobes, the risks associated with gorpcore's performance-enhancing chemicals do, too," reported Vogue Business last month, alongside a slew of data showing the extent and risks of PFAS in fashion.

But outerwear is not the only issue. Last year, South Korean authorities found that products from Shein and Temu contained carcinogens, hundreds of times over the legal limit. Of particular concern: underwear. Our intimates interact with our own ecology intimately, potentially bleeding toxins and microplastics into genitals and armpits. In California, hormone-disrupting BPAs 19 times above safety limits were found in polyester spandex socks and sports bras from dozens of major brands including Nike, Athleta, Hanes, Champion and New Balance.

Last year, South Korean authorities found that products from Shein and Temu, contained carcinogens, hundreds of times over the legal limit

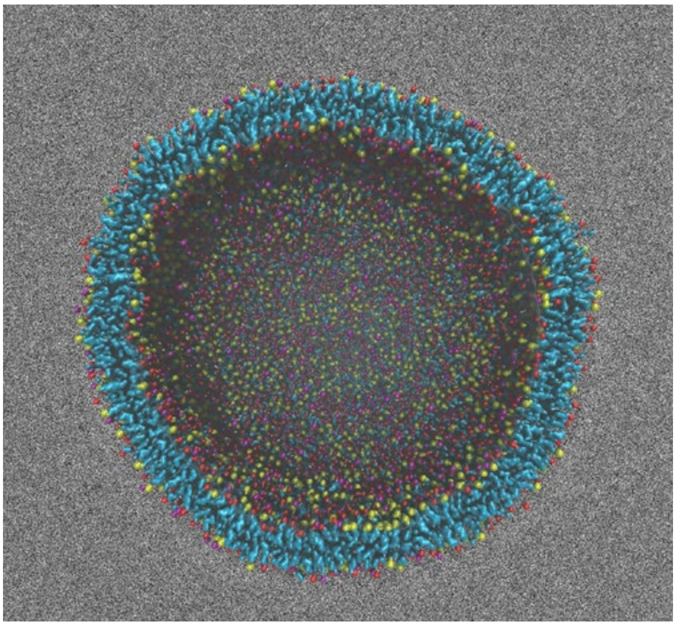
Positive change is already in progress, if not widespread. Patagonia now makes all its products without intentionally-added PFAS, and other brands are following suit – Everlane relaunched in 2025 as a "clean luxury" brand, for example. As brands position themselves as solutions, more and more discourse around the problem is expected.

"Early adopters are aware of the potential dangers of these chemicals [in apparel] but when further regulation comes into effect, I think there will be more attention on the subject," Ruby Raut, founder of reusable period wear brand WUKA, told the Financial Times.

"In the first instance people become concerned about what we're putting into our bodies through eating and drinking. Slowly we'll start thinking about what's in the clothes that we wear." Clean fashion is also a rare example of an issue which crosses the political divide: the cause has been equally taken up by the extremes on either side, with tradwives and eco-warriors co-leading the march.

Regulation is coming – to some extent. In beauty, California passed the PFAS-Free Cosmetics Act in 2022, which came into effect last year, and other states soon followed. The EU is working on banning PFAS in consumer products through legislation coming into effect in 2026. Complicating matters is the internal split in the U.S. government – the Trump administration is broadening the use of PFAS-containing pesticides despite findings in Robert F. Kennedy's Make America Healthy Again commission's initial report that these chemicals are a potential driver of chronic disease.

But, regardless of regulation, as these concerns enter consumer consciousness, they are already having an effect. "In the U.S. and globally for that matter, regulation isn't solely what's driving industry action," Michelle Bellanca, Chief Executive Officer at Claros Technologies Incorporated told press. "It's multi-faceted; The three recurring factors often discussed are: (1) increased consumer awareness of the PFAS issue; (2) genuine commitment to sustainability demanded by shareholders who are also consumers; and (3) the sheer scale of PFAS related legal action."



Early adopters in this space are already redirecting wallet-share. Industry of All Nations, a U.S.-based clothing brand, reports that while, initially, half of its customers bought its undyed and chemical-free products for health reasons, now "more people are buying because of how the garments are made and not wanting to put toxic dyes on their bodies". The clean beauty and organic food industries have and continue to see growth: the global clean beauty market is expected to reach USD 21.29 billion by 2030, and the organic food market grew 7.3% in 2024, ending the year at £3.7 billion – double what it was 10 years ago.

Consumers Are Not As Toxic As We Think

Consumers' concerns around toxicity are only growing, as controversy over both the toxicity in the industry's perceived marketing tactics and its products becomes harder to ignore. For brands, the impulse to treat their customers as politically passive or morally disengaged is not a pathway to significant emotional engagement. In the immediate term, short-term popularity with an angry cohort of the population will drive awareness but will not drive positive sentiment.

4.3
For Gen Z, Friendship Connects More Than Romance

In the U.S., only 38% of single women are dating, compared with 61% of single men. As Gen Z's attitude to romance sours, platonic love is on the ascendant. Culturally, romance is no longer the effective marketing juggernaut it once was.

While romance has long underpinned lifestyle brands' marketing strategies, with couples' milestones used to prompt big-ticket product purchases, today its cultural context has changed significantly. Heterofatalism, the view that heterosexual dating is "embarrassing, hopeless and imprisoning", as New York Magazine reports, is gaining ground in culture as the de-facto attitude towards romance.

The End of the Union

Global Heterofatalism

Celibacy movements like 4B in South Korea and the 'boysober' trend in the U.S. frame abstinence from dating men as acts of either political gain or self-care. The volume of popular discourse around British Vogue's recent "Is Having A Boyfriend Embarrassing?" article only reiterates that Gen Z's relationship to love is simmering with discursive tension.

In the U.S., only 38% of single women are on the dating market, compared with 61% of single men, according to the Pew Research Center. And marriage and motherhood are arriving much later for young women of this generation. Girls turning 18 in 2025 are "more likely to have an average of one child per woman by the age of 35, unlike their mothers' generation, which had an average of one child per woman by the time they were 31," as per the Office of National Statistics in the UK. Marriage rates are nearing an all-time low in Europe and the United States, and in China, there was a 20% drop in marriage registrations between 2023 and 2024, the steepest decline ever.

The exception to this rule are U.S. conservative women. As of 2024, roughly 75% of liberal women ages 18–35 did not have children, compared with around 40% of conservative women. In 2010, the difference was only 5 percentage points. Make America Healthy/Hot Again movements have gained traction in this context.

55% of Gen Z and Millennials say friendship is more important than a romantic relationship —The Washington Post

Romance, if anything, is increasingly viewed with suspicion by many young people. A key finding from the annual Teens & Screens Report was a trend towards "nomance": 59.7% of adolescents said they prefer stories focused on friendship and platonic relationships, up from 51.5% last year, while 62.4% agreed that sex isn't necessary to advance a plot.

Romance is no longer the emotional and cultural marketing juggernaut it once represented. 58% of single 13-39-year-olds agree that "romantic relationships aren't my priority right now," according to a report from Ypulse, and 55% of Gen Z and Millennials say friendship is more important than a romantic relationship, notes The Washington Post.

Now, as Gen Z women in particular struggle with a complex and fraught dating scene, their priorities have increasingly shifted towards friendship. As a result, selling techniques born out of a traditional lifestyle (heterosexual marriage, 2.4 children, a family home) are now dramatically less effective.

Friendship and the desire to make new friends presents a rare and genuine opportunity for brands to connect with young consumers' growing lifestyle needs, value shifts, and most pressing social conversations.

Friends First

Platonic Love Becomes Aspirational

As economic and marital milestones have moved out of reach (only 41% of Gen Z expect to own a home one day, according to McKinsey), status is increasingly driven and crafted by value-driven identity expenditure, and in the face of widespread romantic antipathy, platonic relationships now represent a far more positive avenue with greater aspirational value.

For brands seeking relevance, this is a fruitful space in which to activate: Kate Spade's fall campaign, "Spark Something Beautiful", centres around friendship and optimism – "Behind every successful woman is her girlfriends hyping her up in the group chat," is the campaign opener, as voiced by Ice Spice. For Tory Burch's holiday season, rather than a familial scene at home or a glamorous date, Alex Consani and Yasmin Wijnaldum dance in a commercial kitchen.

Indeed, popular media increasingly centres on friendships – Adults, I Love LA, the Sex & the City and Girls resurgences, Wicked: For Good – and on social media, showing off your friendship group is now widely deemed more socially acceptable (and more enviable) than showing off a partner.

Friendship communities are starting to replace traditionally romantic activities or moments, including Valentine's Day, with more than a quarter of Gen Z saying they'd likely spend the day with friends as well as exchange gifts, according to Ypulse. The dating app Bumble, in response to this growing demand, has launched a revamped standalone app for its platonic 'dating' vertical, complete with chat rooms and community spaces. Meet-up app Clyx, which raised $14 million in seed funding last September, touts itself as the next-generation friendship platform built for Gen Z, using curated IRL events, game-based discovery, and behavioural science to create real-life relationships.

This shift has already been addressed by the jewellery and fragrance industries, both traditionally hyperreliant on sex and love as purchase drivers. As the New York Times asked in 2022, "When Did Perfume Stop Being About Sex?" – the newspaper noted a significant move away from "seduction [as] a priority" in perfume marketing. Glossier's You video ad, in which friends hand each other a bottle of the fragrance, and Marc Jacobs' most recent Daisy campaign, which gathered 'Friends of Daisy' for a day festival, answered a more pressing social desire for young people than the idea that fragrance might be used to further their dating prospects.

Meanwhile, brands like Mejuri and Catbird have refocused on platonic experiences, such as piercing parties, charm bars, and 'forever' welded friendship bracelets. Mejuri founder Noura Sakkijha told the Financial Times: "We always used to think of fine jewellery as this piece that you receive as a gift, usually marketed for men to buy for women." No longer. Last year, De Beers launched a campaign in India encouraging women to buy each other diamonds to celebrate Friendship Day.

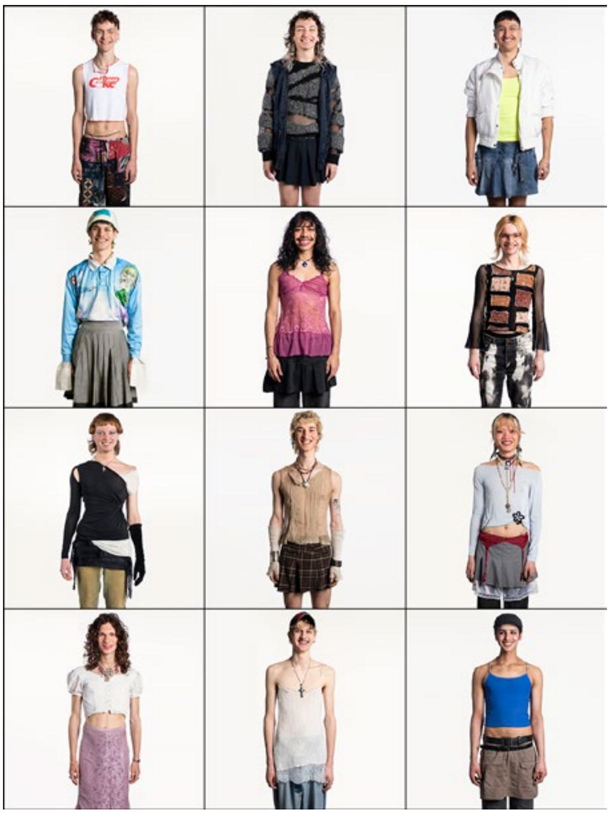
Home Alone

In-Person Socialising Plummets

However, in-person socialising is plummeting amongst younger generations. "People in their teens and twenties now hang out about as much as someone 10 years older than them did in the past," as per Financial Times.

Brands should be aware that fueling friendship's desirability is the ongoing and much-reported-on loneliness epidemic. Young people aged 16 to 24 feel more lonely than any other age group, including people aged 65 and over, reports Forbes. The World Health Organisation declared loneliness a "global public health concern" in 2023.

GWI found that "the shares of people who report using social platforms to stay in touch with their friends, express themselves or meet new people have fallen by more than a quarter since 2014." But rectifying the situation is not easy. The difficulty of making friends in adulthood occupies a large share of conversation amongst young city-dwellers. Data from Bumble uncovered a distinct gap between Gen Z's desire to make new friends and the reality of doing so: 66% of young people want to find new friends, but 52% have not made a friend in the last year.



In attempting to redress this imbalance, Gen Z invests heavily in ways to connect with each other through hobbies, activities, and sports, enriching their lives beyond the internet and making new friends. 84% of users on exercise tracking platform Strava say social connection is their main reason for exercising, with women under 25 being the fastest growing community on the app.

66% of young people want to find new friends, but 52% have not made a friend in the last year—Bumble

Perspective Splits

Romance in Retreat

Looking to the future, the froideur between men and women at scale is likely to only become more entrenched. In the United States, while young men shifted left in recent elections including the New York mayoral race, young women are still the most progressive group in the country.

The political gender gap is continuing to widen — there is a 21 percentage-point gap between the number of Gen Z women who define themselves as feminists, versus the number of Gen Z men, as per data from Kings College London and Ipsos. Data from Plan International and Sensity AI found that 96% of deepfakes are pornography, and of those, 99% target women.

The gendered-regression from liberal values is here. In Europe, Palumba, a non-profit organization dedicated to increasing youth-voter turnout, published data that showed a 21 percentage point delta between Gen Z men and women who agreed or strongly agreed that trans rights are human rights, a greater divide than any other generation. A 22 percentage point delta also exists on the topic of eating less meat. The gospel according to Joe Rogan is connecting. Indeed, male podcast hosts dominate the space: just 33% of the top 592 U.S. podcasts on Spotify last year were hosted by women.

For businesses that claim to be in the business of selling emotion, the societal context to their product has shifted dramatically. In China, where 30% of jewellery and beauty purchases during festival periods are now self-purchased by women, the yearly Qixi festival is now as much a celebration of platonic love as it was romantic love – last year, brands including Gucci and Tiffany & Co. focused their campaigns on friendship journeys.

Friendship and the desire to make new friends presents a rare and genuine opportunity for brands to connect with young consumers' growing lifestyle needs, value shifts, and most pressing social conversations.

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MATTER

Matter is an intelligence, strategy, and advisory company, built on a unique understanding of what matters most in contemporary market conditions. Our expertise and intelligence are focussed on consumer behaviour, commerce and culture.

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