

2025

UK consumer trends report

Essential insight for the year ahead



Introduction

This year's consumer trends survey comes at a pivotal time; following the Labour party's return to power and the announcement of the Budget. While Labour's plans include consumer-friendly measures like an increase in the minimum wage, critics fear extra burdens on businesses will potentially lead to job losses.

The data reveals a mixed reaction from consumers to the new government, with high earners anticipating a buoyant 2025, while Gen Z consumers are dubious about their economic prospects. With this sentiment influencing the way consumers behave, brands must adapt their approach. This report tells you what you need to know.

Survey sample

The data in this report comes from a nationally representative survey of 1,000 UK consumers aged 18-65. It was conducted on the Attest platform during November 2024.

Trend 1

AI is changing the online shopping journey

Google has dominated the search engine market for over two decades but things are changing fast.

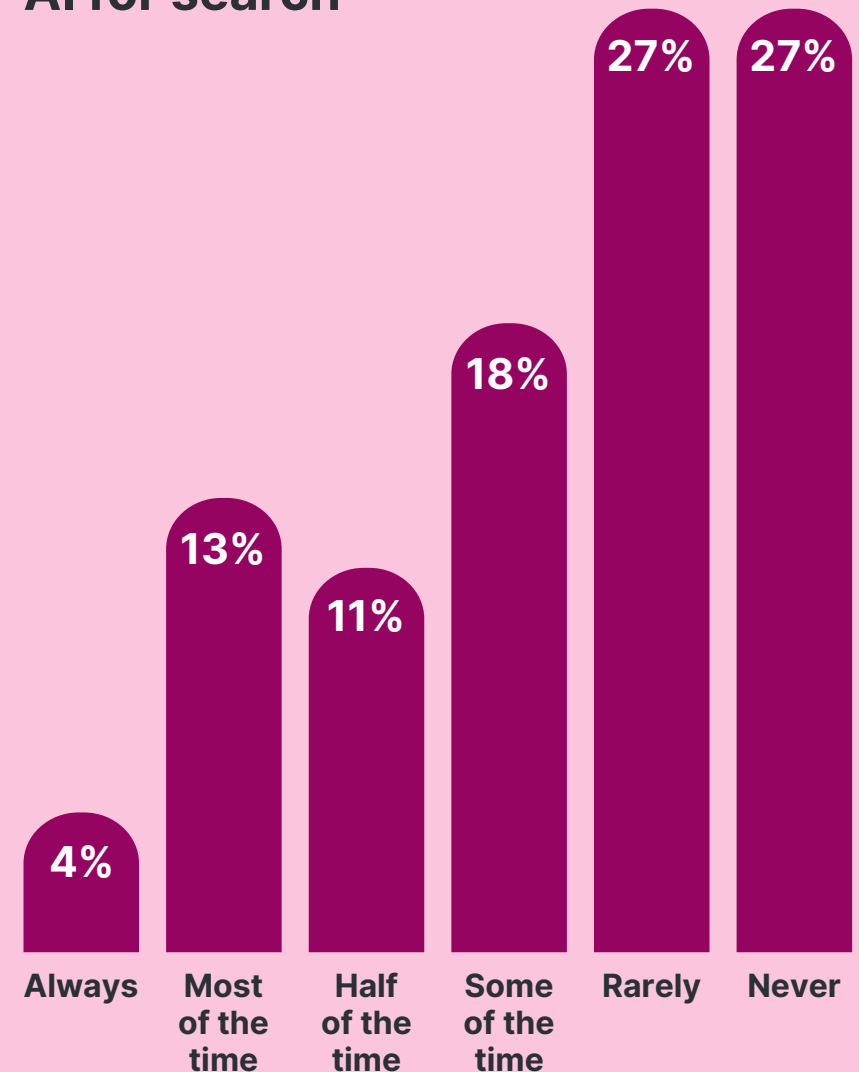


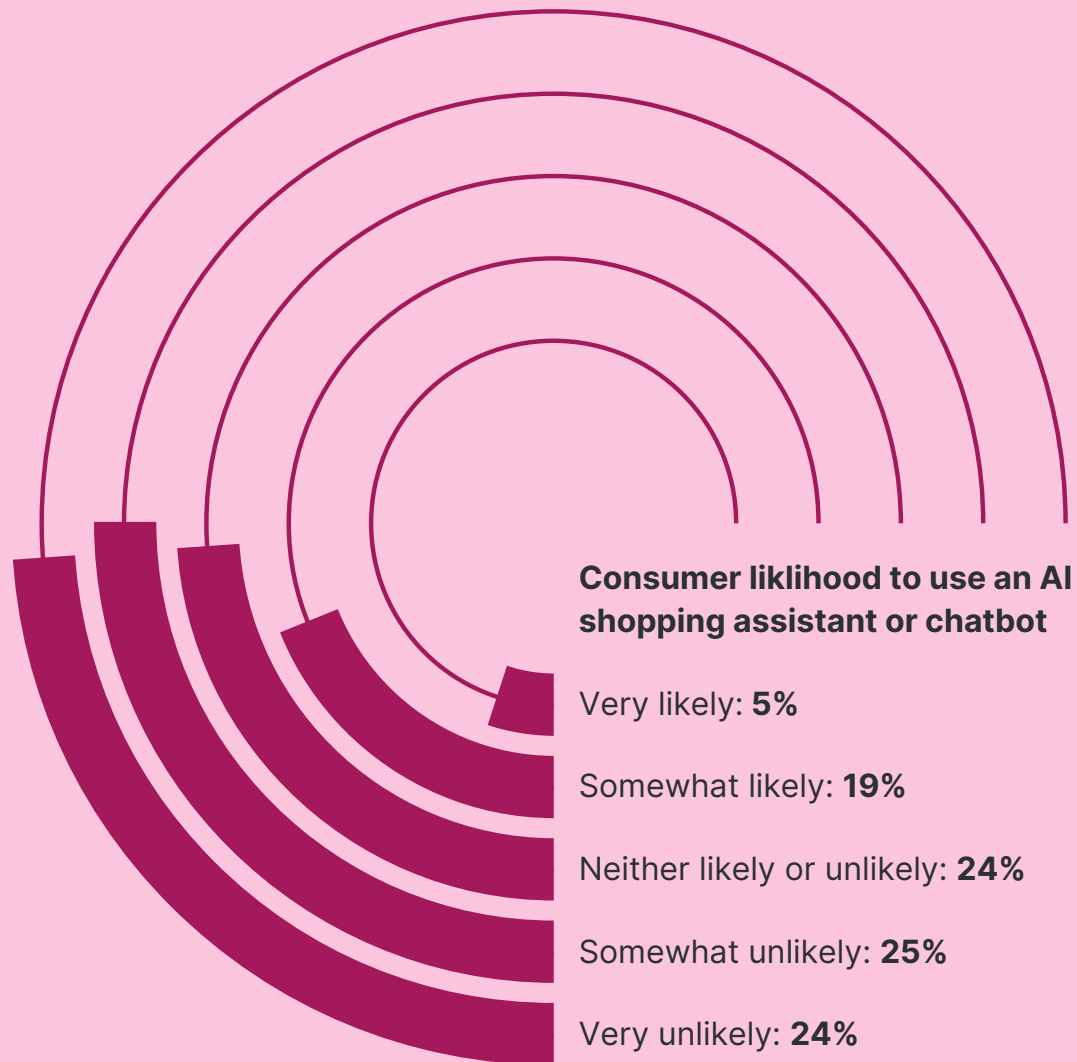
AI has hit the scene in a big way with the likes of Chat GPT Search, Copilot and Perplexity, and adoption among younger consumers is happening rapidly.

Our data shows that 37% of UK consumers under 40 years of age use AI at least half of the time they do a search - that's twice as many as the 16% of over 50s who frequently use an AI search engine. Among younger consumers, habitual use of AI for search (used "most" or "all" of the time) stands at 21%, which shows how quickly new behaviours can become engrained.

37%
of under 40s frequently
use AI for search

How frequently consumers use AI for search





Younger consumers have also embraced AI shopping assistants and chatbots; 31% say they're likely to use one on a brand's website or app. That's in contrast to 15% of over 50s.

But it's not just age that influences use of AI technology, gender does too, with men showing a slightly higher preference for it than women.

Meanwhile **consumers with a household income over £75,000 are significantly more likely to use AI** during an online shopping journey than lower earners; 40% use it for search (versus 27% of consumers with an income >£75,000) and 39% are likely to use a shopping assistant/chatbot (versus 22%).



What this means for brands

AI search engines and AI shopping assistants will play an important role in product discovery in 2025, with the latter being especially relevant for brands selling on marketplaces. Tools like Amazon's Rufus help shoppers by answering questions and making recommendations so they can be highly influential on purchasing decisions.

Search engines and marketplaces are the two most common starting points for online shopping journeys.

Only 18% of consumers typically head straight for a preferred brand's website when they want to buy something, which is a -3 percentage point decline on last year. This means brands must invest in AI-specific SEO tactics such as crafting AI-friendly content, gaining coverage on media outlets used to train AI systems, and obtaining reviews.

It's worth noting that consumers who frequently use AI for search are far more likely to shop online than those who rarely or never use it; only 13% show a preference for in-store shopping for non-food products (versus 24%). **Reaching this audience of active online shoppers will therefore help brands to achieve ecommerce success.**

Where consumers start an online shopping journey





Trend 2

Gen Z consumer confidence has been dented

Gen Z find themselves in a state of flux, unsure how or if the Labour government will make a difference.

They're the demographic most likely to say they feel neither positive or negative about the government (32%), although negative sentiment outweighs positive (43% versus 25%).

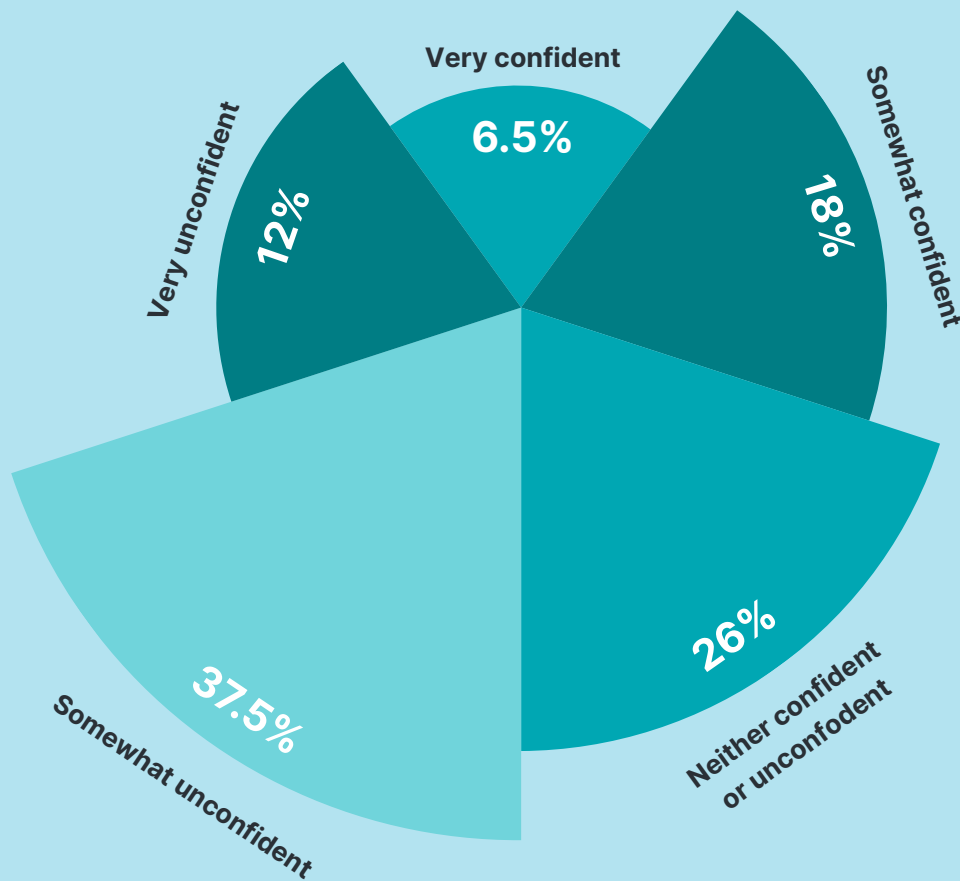
This age group (18-27) remain unconvinced by the government's economic plans, with half lacking confidence to spend.

This is already having an impact on Gen Z's spending habits; **there's been a +6 percentage point increase in cautious spending since last year** (to 39.5%) and a corresponding -6 pp decline in spending freely (to 36%).

43%
of Gen Z feel negatively
about the government



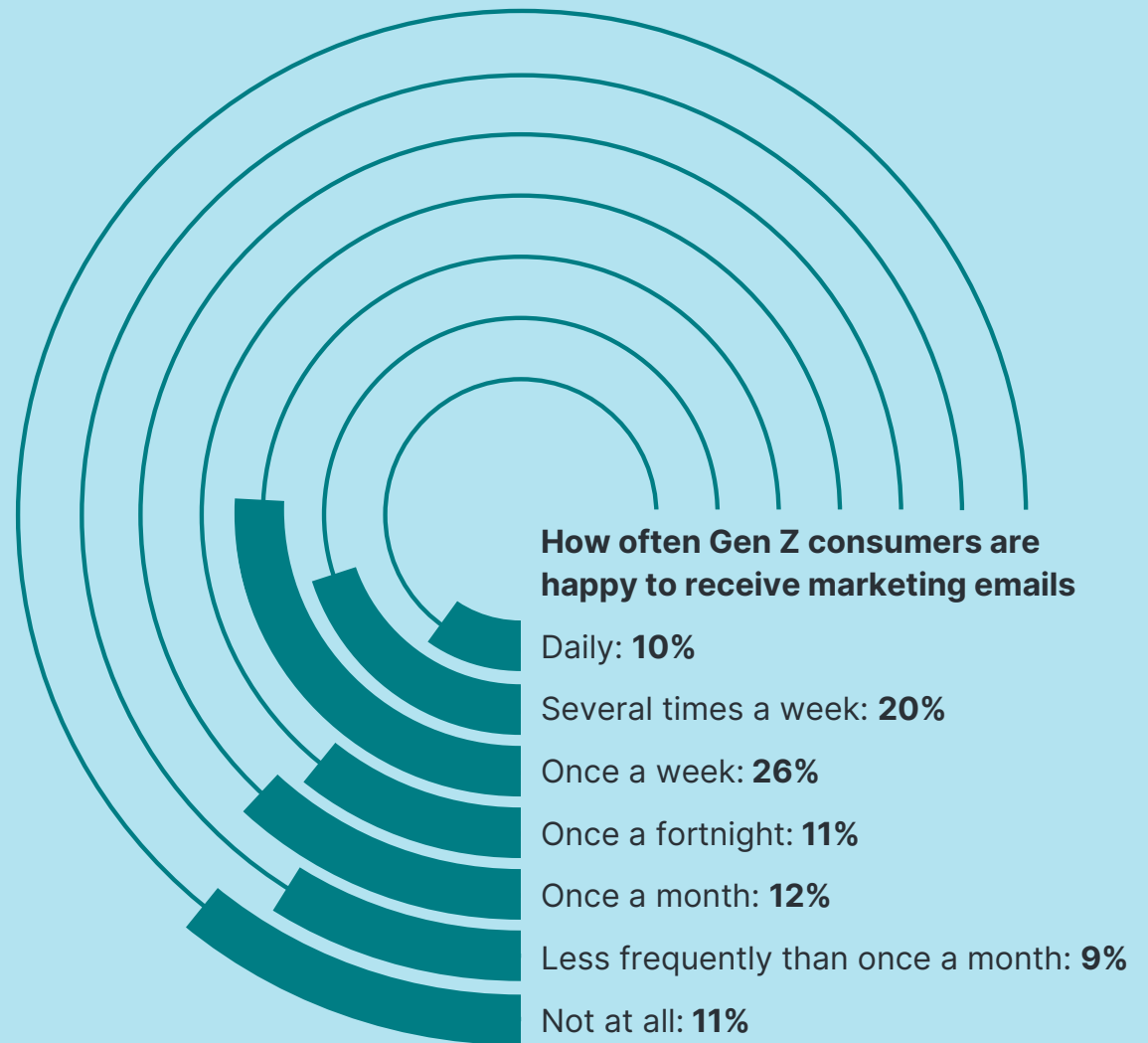
How confident Gen Z consumers feel about spending based on economic policy



Gen Z are the demographic least likely to describe themselves as financially secure (41% versus 33% who feel insecure), however, overall positivity among this age group is highest at 73%. **Year-on-year data shows the strength of feeling has eased, though, with a -4 percentage point decline in those who feel “very positive”, to 24.5%.**

With economic confidence wavering, Gen Z are looking for savings where they can, with 71% likely to select a cheaper brand over their favourite at the moment.

Meanwhile, they've become less receptive to marketing, with a -9 percentage point decline in the number who are happy to receive daily emails from brands (to 10%).



What this means for brands

As Gen Z consumers face an uncertain future there may be an opportunity for brands to step in and reassure them. This demographic shows the highest trust in brands, as well as the most desire for brands to take a political role in society.

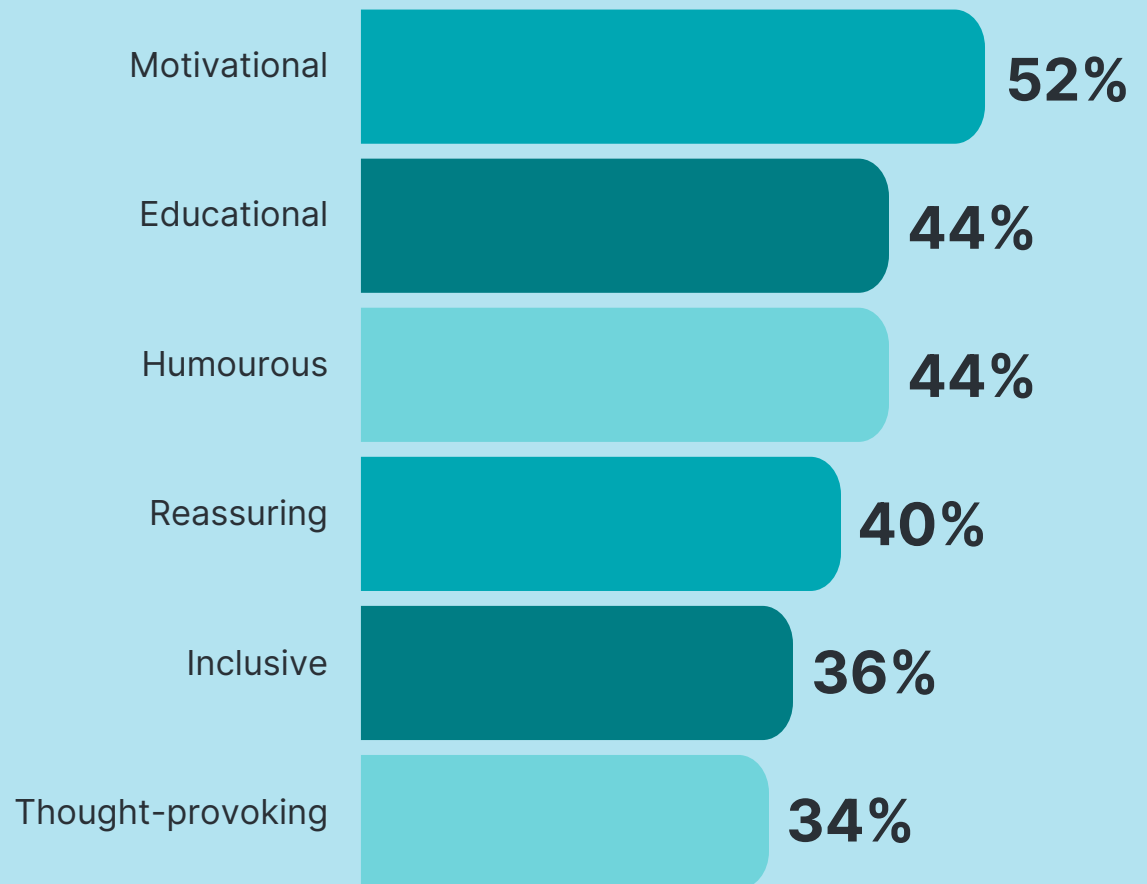
Nearly 44% of Gen Z trust big global brands to put consumers before profits (versus 30% who distrust them). But trust in purpose-driven brands is even higher: 60% trust brands with a specific agenda, while just 12% distrust them.



Only 17% of Gen Z say they don't want brands to be political, while increasing numbers would like to see brands take action on issues like climate change (+5pp to 35%), women's rights (+5pp to 31%), and poverty and inequality (+4pp to 44%), while racism remains a top issue for 42%.

Gen Z also show an +8 percentage point increase in desire for reassuring and thought-provoking brand messaging (to 40% and 44% respectively), although motivational messaging remains king for 52%.

Type of marketing messaging Gen Z consumers want from brands



Social media remains the best place to target Gen Z.

This demographic over-index for interacting with brands on all platforms, except Facebook, which is the domain of Millennials. **Instagram is the premier platform for Gen Z engagement**, used by 70% (up by +6pp), followed by TikTok (59%).

Social has also strengthened its position as a Gen Z shopping destination; following a +4pp increase, 16% typically start a shopping journey on social media.





Trend 3

Climate change will be a 2025 watchword



Achieving net-zero emissions by 2030 is one of the defining missions of the Labour government, and consumer support for action on the environment remains high.

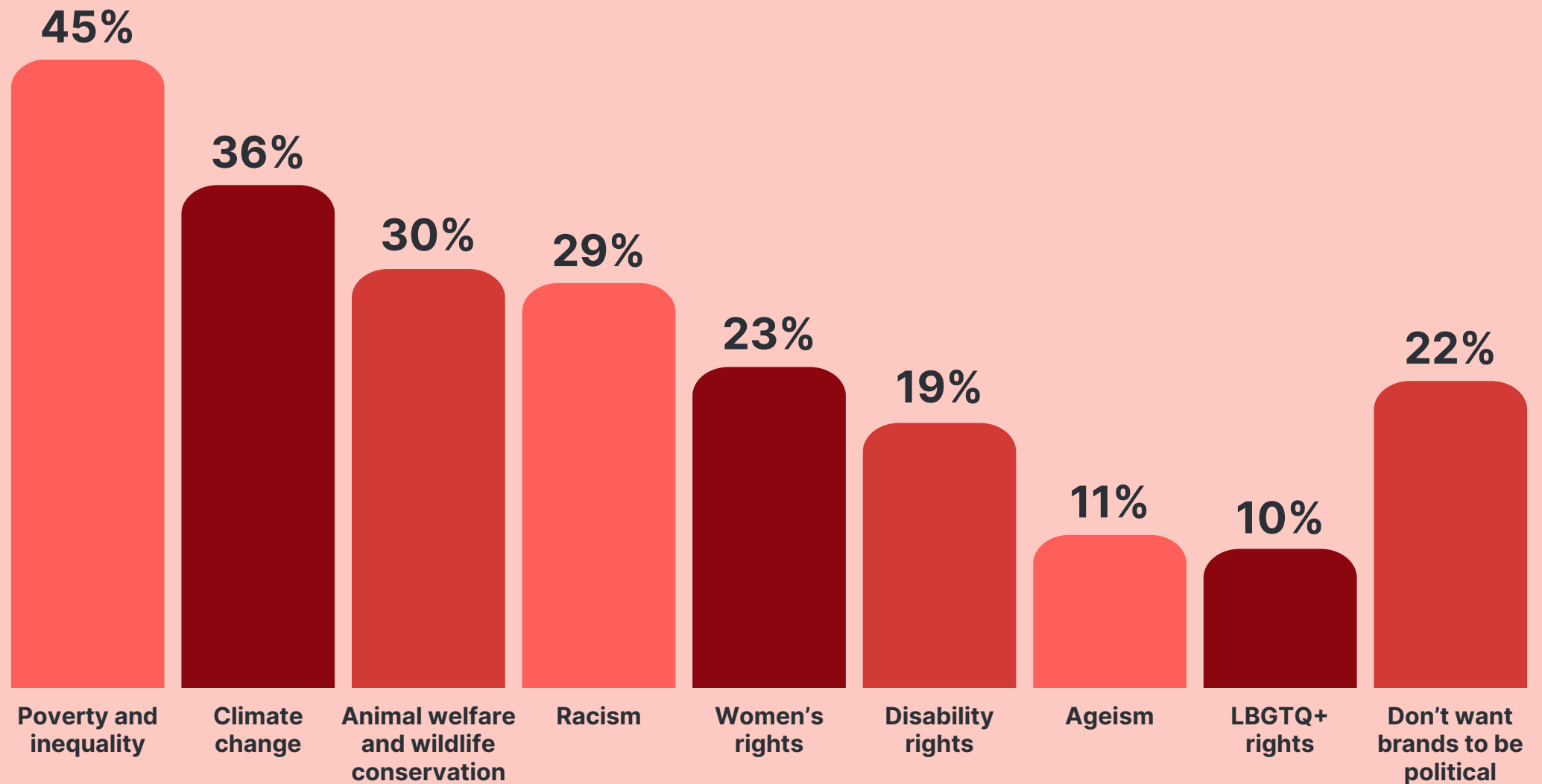
Behind 'poverty and inequality', climate change is the top issue consumers want brands to take a stand on.

36%
of consumers want brands to act on climate change

Nearly 36% of consumers say they want brands to represent environmental issues, with older consumers and higher earners especially keen on it (39% of over 50s and 42% of consumers with an income over £75,000). Concern about animal welfare and wildlife conservation is also high on the agenda (30%).



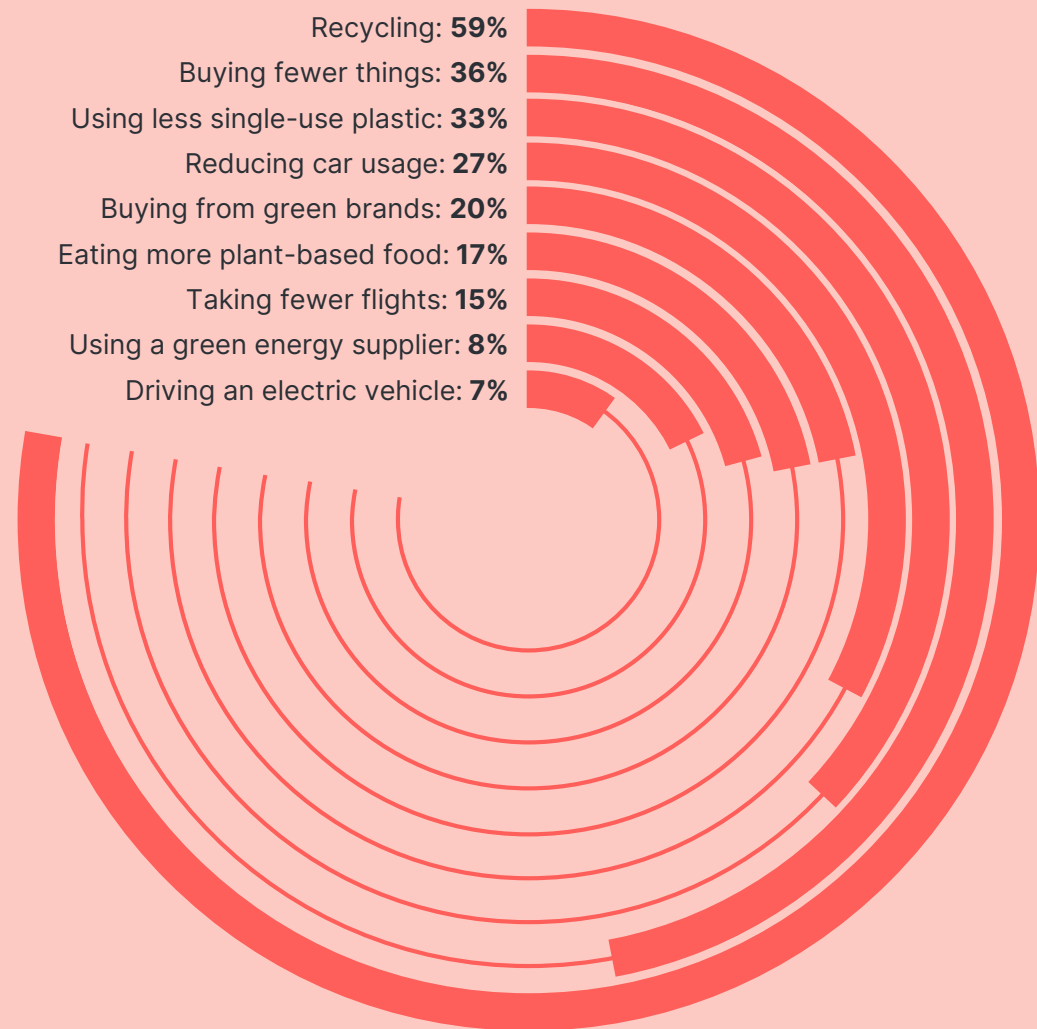
What issues consumers want brands to represent



Consumers' environmentally-friendly behaviors

And despite inflationary pressures, we also see an **increased willingness to pay for environmentally-friendly products**. Last year, 41% of consumers wouldn't pay anything extra for a green product, but that figure has decreased to 37%. Gen Z are the most willing to pay a premium (77% say they'd pay more).

Meanwhile, buying from environmentally-friendly brands has increased, with 22% of consumers claiming to actively do it (up from 19%). **Again Gen Z over-index for this, with 26% stating they buy green brands**. The top environmentally-friendly behaviours practiced by UK consumers are recycling (78%) and using less single-use plastic (47%), while 10% of consumers claim to drive an electric vehicle, up from 8% last year.



What this means for brands

Leading with environmental messaging will be topical as the government pursues its plan to decarbonise the electricity grid and reach 100% renewable energy.

Although - a word of warning - reacting to changes in the economy at large will be important.

Consumers are more sensitive to the immediate threat of rising prices than the longer term one of climate change. Nearly 60% agree that managing the cost of living is more important than worrying about climate change. Only 16% of consumers disagree with this sentiment (with 24% on the fence).

With that said, **the 22% of consumers who say they actively buy from environmentally-friendly brands over-index for currently spending freely** (36%), and a huge 89% of them are willing to pay more for green products. This makes them a valuable segment for brands to go after.



Where consumers of green products start an online shopping journey



But where to find these consumers? Shoppers who buy from environmentally-friendly brands **favour online shopping** (51%) and are **most likely to start online shopping journeys on a search engine** (40%), so digital marketing techniques will be effective.

The good news is that these consumers also over-index for engaging with brands on social media (88%). **Facebook is the top platform, with 64% interacting with their favourite brands there**, followed by Instagram (60%). **They want to receive regular email from brands too**: 34% will be happy to hear from you multiple times per week. Right now, they're most interested in hearing motivational messaging (52.5%).

Trend 4

High earners are reassured and ready to spend

Labour's proposed policies - including a tax hike for people with an income over £80,000 - significantly impact higher earners. It's perhaps surprising, then, that higher earners feel far more positive about the government than lower earners.

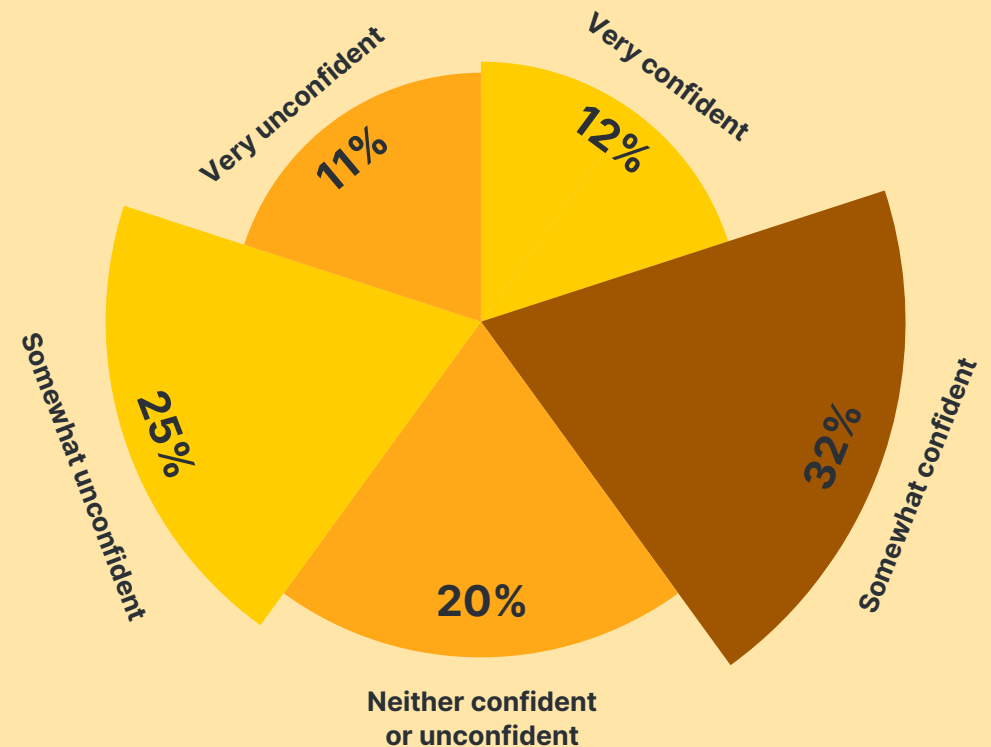


Nearly 37% of consumers with a household income over £75,000* say they feel positively about the Labour government, while 38.5% feel negatively. In comparison, only 23% of lower income consumers feel positively, and 51% feel negatively.

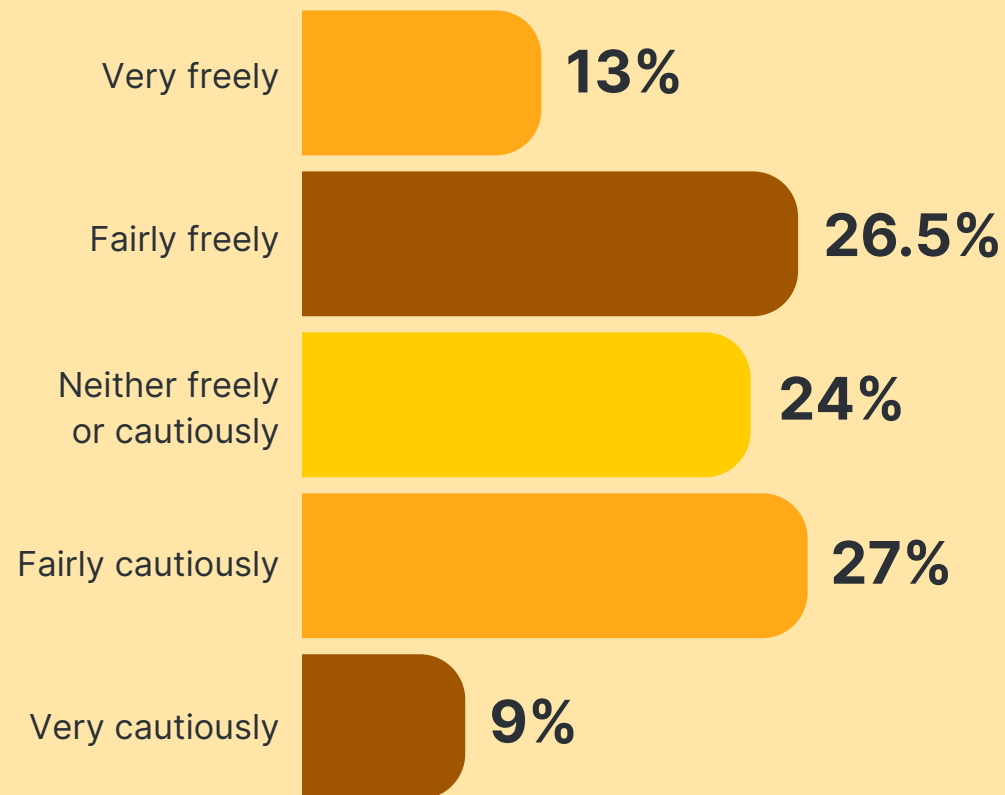
*sample size of 307 respondents

37%
of high earners feel
positively about the
government

How confident consumers with an income over £75K feel about economic policy



How consumers with an income over £75K are spending



The perception of financial security among higher earners is buoyant right now; 68% feel secure (including 20% who feel “very secure”).

In contrast, only 41% of lower earners feel financially secure.

This feeling of financial security appears to be having an impact on spending; **we see a -7 percentage point decline in cautious spending** for consumers who have a household income above £75,000 (to 37%).

Furthermore, **these consumers are significantly less likely to forego favoured brands in order to save money**; 56% are likely to select a cheaper brand at the moment versus 70% of lower earners.

What this means for brands

Demonstrating much consumer confidence, **pursuing higher earners in 2025 could pay off**. But brands preparing to craft a strategy should note that this demographic exhibit some unique behaviors.

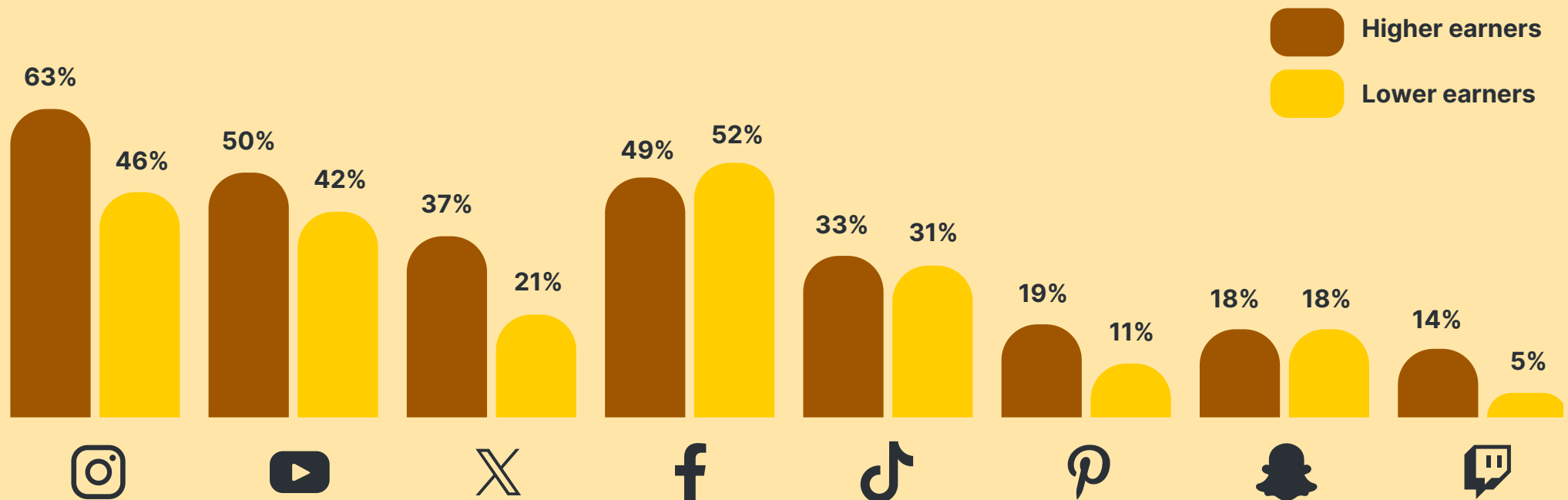
One thing to know is that higher earners are significantly more likely to shop online.

Nearly 60% of consumers with an income over £75,000 say they **habitually shop online for non-food items**. This compares to 45% of people with a lower income. And, we already know, **higher earners over-index for using AI search tools and shopping assistants**.

Focusing on your digital presence is therefore vital to capture this audience, which includes **making sure you're on the right social media platforms**. The data shows some distinct preferences for brand engagement, with higher earners significantly more likely to interact with brands on Instagram (63% versus 46% of lower earners).

Which social media platforms consumers use to interact with brands (by income level*)

*above £75K vs. below £75K



When it comes to the content you might be sharing on social (or anywhere), **higher earners have become notably more interested in educational messaging** since last year. Following a +16.5 percentage point increase, 44% want to hear this type of messaging from brands. Meanwhile, **tolerance for marketing emails has grown** among this group, with 34% of higher earners happy to receive mailshots multiple times a week (up by +11pp).



Trend 5

The silver pound is getting harder to reach

Brits aged 51 to 65 are the most disaffected consumer group, with the lowest faith in the government and the least confidence in spending based on Labour's plans for the economy.

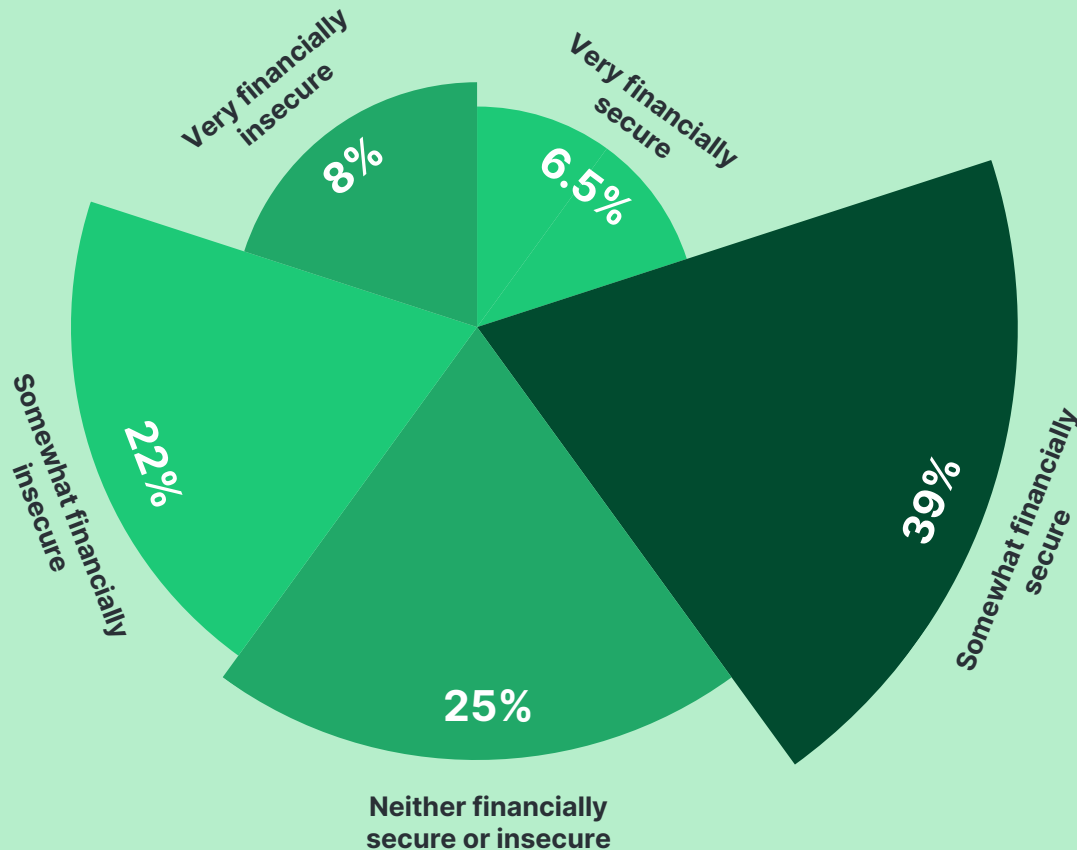
Nearly 58% state they feel negatively about the government, while only 20% feel positively.

Considering economic policy, only 19% of over 50's say they feel confident about spending, while 54% feel unconfident.

This sentiment is evident in the 59% of older consumers who say they're currently spending cautiously. Just 14% are spending freely, which is less than half of the number of younger consumers.

59%
of over 50s
are spending
cautiously

How financially secure over 50s feel



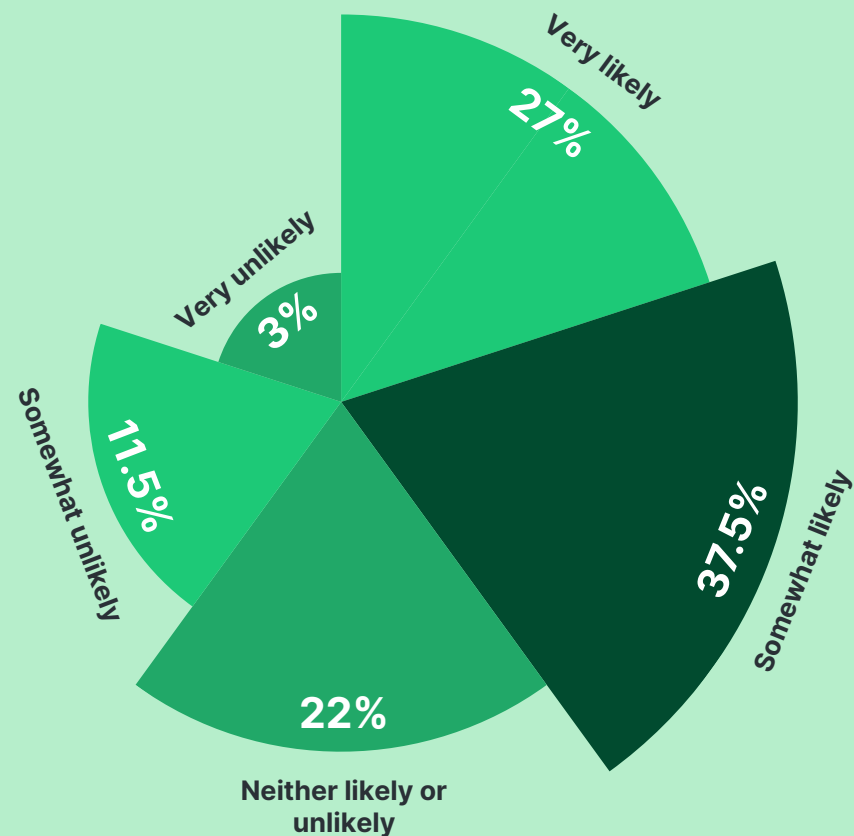
Interestingly, **over 50s aren't experiencing higher levels of financial hardship than any other demographic.** While 30% report feeling financially insecure, 45% say they feel financially secure.

The data suggests that over 50s aren't spending cautiously purely out of economic concern, they're also trying to spend mindfully; 43% say they're actively trying to consume less, up from 39% last year.

Over 50s appear to be putting quality over quantity; they're less likely than other demographics to compromise by selecting cheaper brands to save money (64%).

And while they're the least likely to want to pay a premium for environmentally friendly products, the percentage who are willing to has increased by +10 percentage points to 56%.

Over 50s likelihood to select a cheaper brand instead of their favourite



What this means for brands

With over 50s taking a tighter hold on their money and spending more discerningly, **brands must focus on putting forward a strong value proposition**. They'll also need to work hard at building consumer trust.

Over 50s have a high level of distrust in companies to put consumers before profits.

Nearly half actively distrust big global brands and 62% distrust social media companies.

Purpose-driven companies are deemed more trustworthy, with only 26.5% distrusting them. And in terms of causes that interest over 50s, there's a been a +10 percentage point increase in **desire for brands to take action on poverty and inequality**; 47% want to see this - higher than any other demographic.



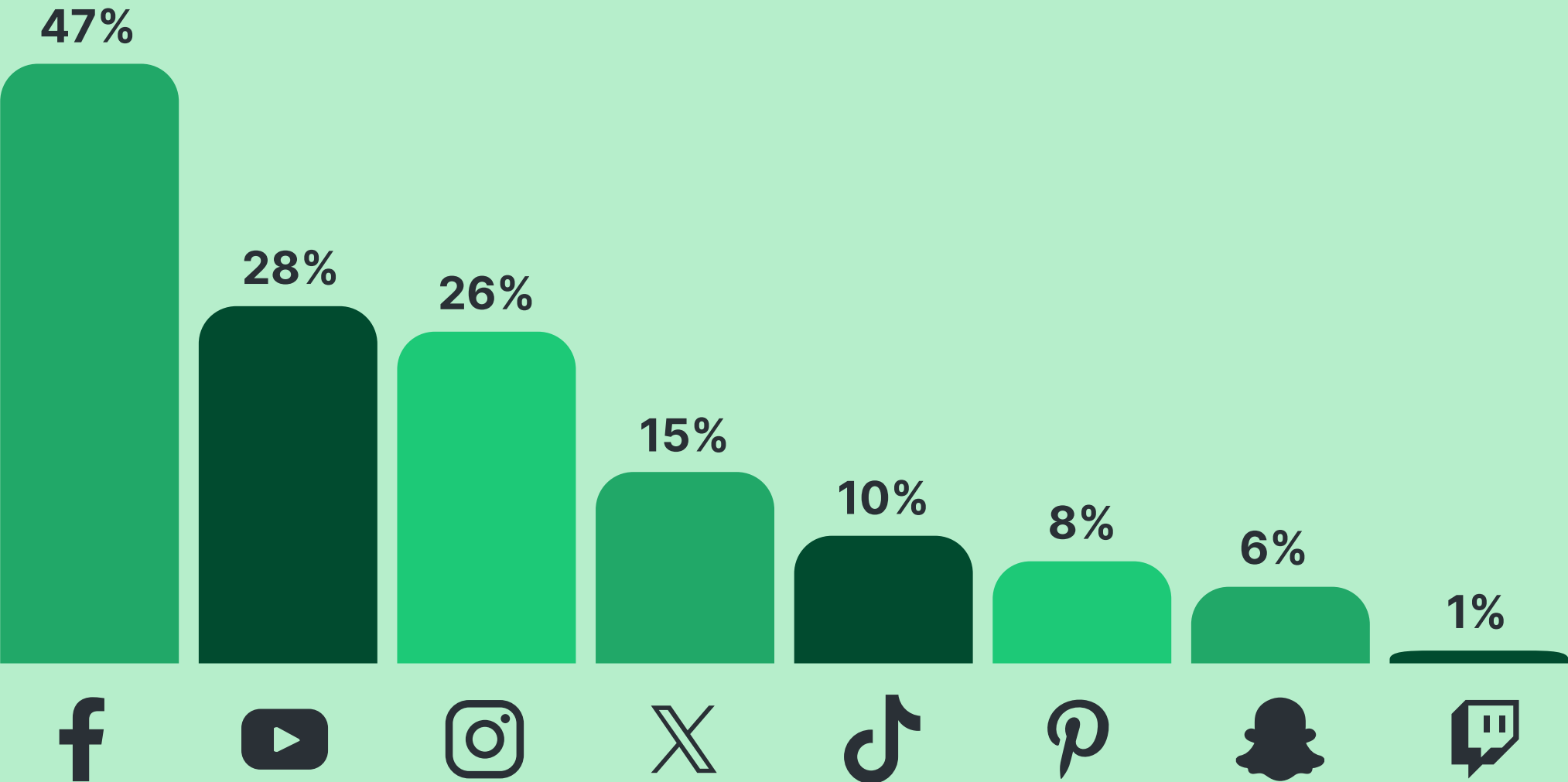
Another way brands will be able to **connect with this demographic in 2025 is with educational messaging**. There's been a +10 percentage point increase in desire for educational messages from brands (to 34%). **Humour also works for this age group**; 61% respond to humorous messaging - more than any other demographic.

However, connecting with the over 50s audience is more challenging than for other demographics since they are far less likely to interact with brands on social media.

More than a third say they **don't follow brands at all** (up by +4 percentage points). Additionally, they are the **least receptive to email marketing**; only 19% are happy to receive multiple emails per week, down -5 percentage points on last year. This means brands targeting the silver pound may have to lean more heavily on **traditional ad channels like print and TV**.



Over 50s consumers who interact with brands on social media (by platform)



Need more **insight** for 2025?

Speak to a research expert today

www.askattest.com

