

# Macro Trends 2026

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02.19.2026 NAVIGATING BIFURCATION, MARKET SHIFTS & THE PERSONALIZATION ERA



01 INTRODUCTION

02 BIFURCATION & UNCERTAINTY

03 NEW CONSUMER/BRAND REALITY

04 PERSONALIZATION

05 PANEL DISCUSSION: WHAT'S NEXT FOR MARKETERS

# Meet Your Presenters



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# Meet Your Presenters



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# Uncertainty Driving a Polarized Marketplace



## Economic bifurcation drives two consumer realities



- Widening income gap
- Polarized priorities
- Value vs. Affluent



## Economic uncertainty reshapes everyday decision-making



- Uncertainty normalized
- Careful choices
- Heightened tradeoffs



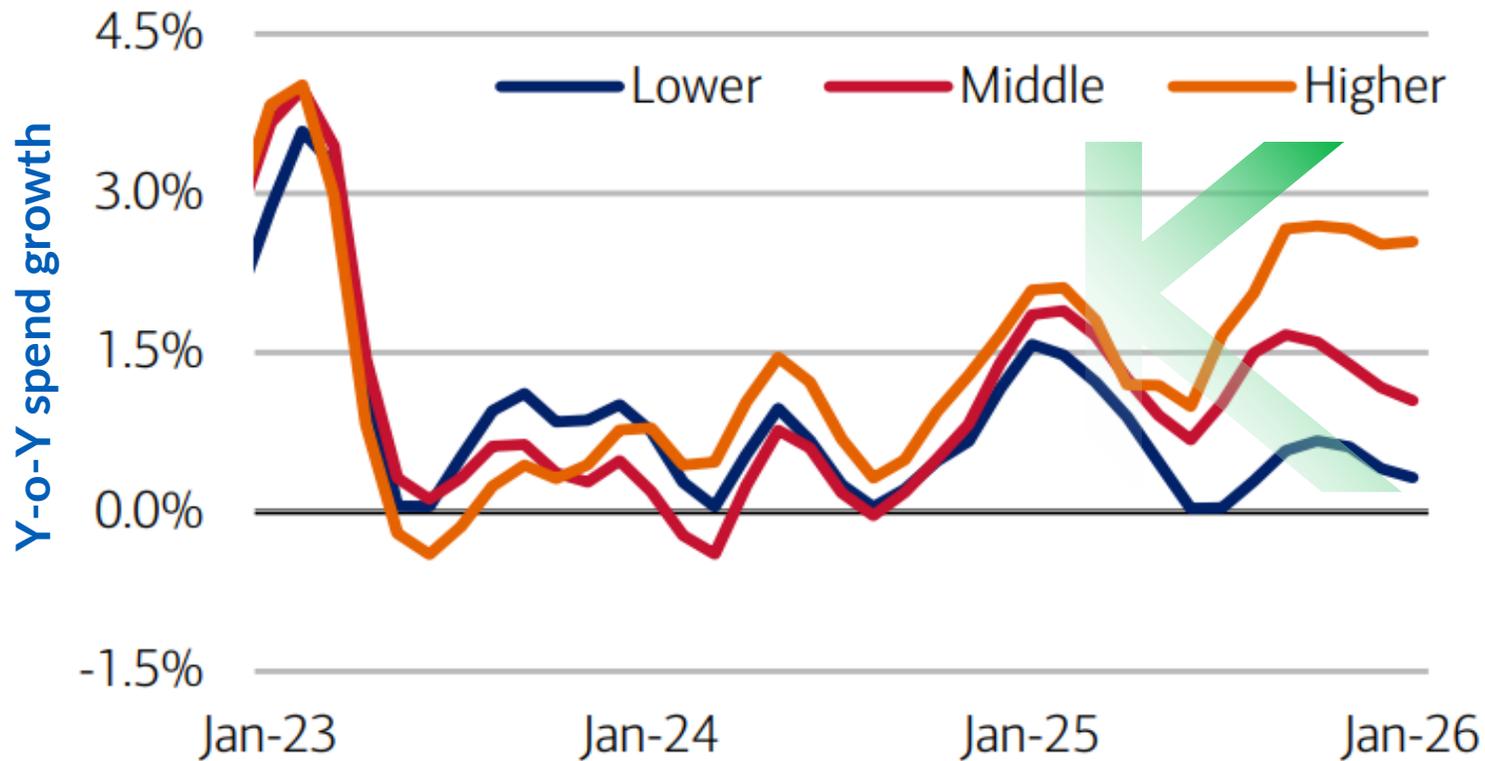
## Premium segments remain resilient, but expectations intensify



- Affluent still spending
- Elevated expectations
- Value & experience

## 'K-shaped' Consumer Recovery

Total card spend per HH, by Income Tercile

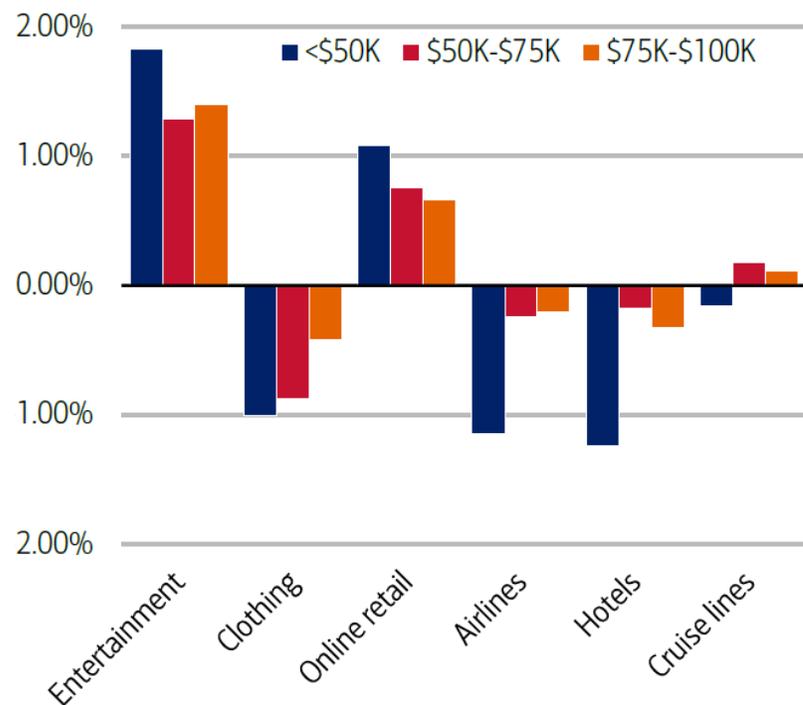


## Polarized Spending

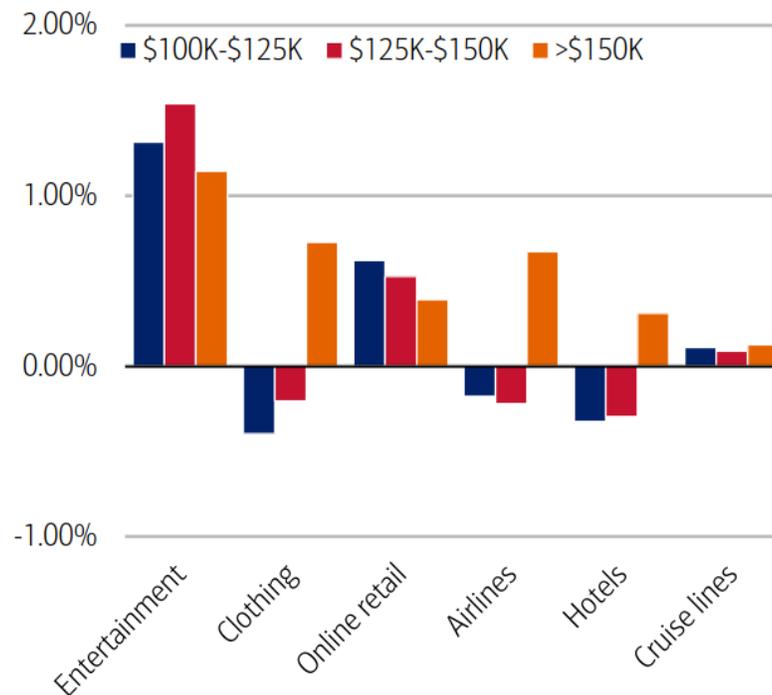
- Higher-income HHs increased spending 2.6% Y-o-Y; lower-income HHs just 0.6% more Y-o-Y
- Value-seeking shoppers prioritize budget-stretching purchases and reliability
- Higher income groups motivated by premium experiences
- Behavior variations by generation and location (urban, suburban, rural)

## Share of Expenditures for Select Categories vs 2019

### Lower income groups



### Higher income groups

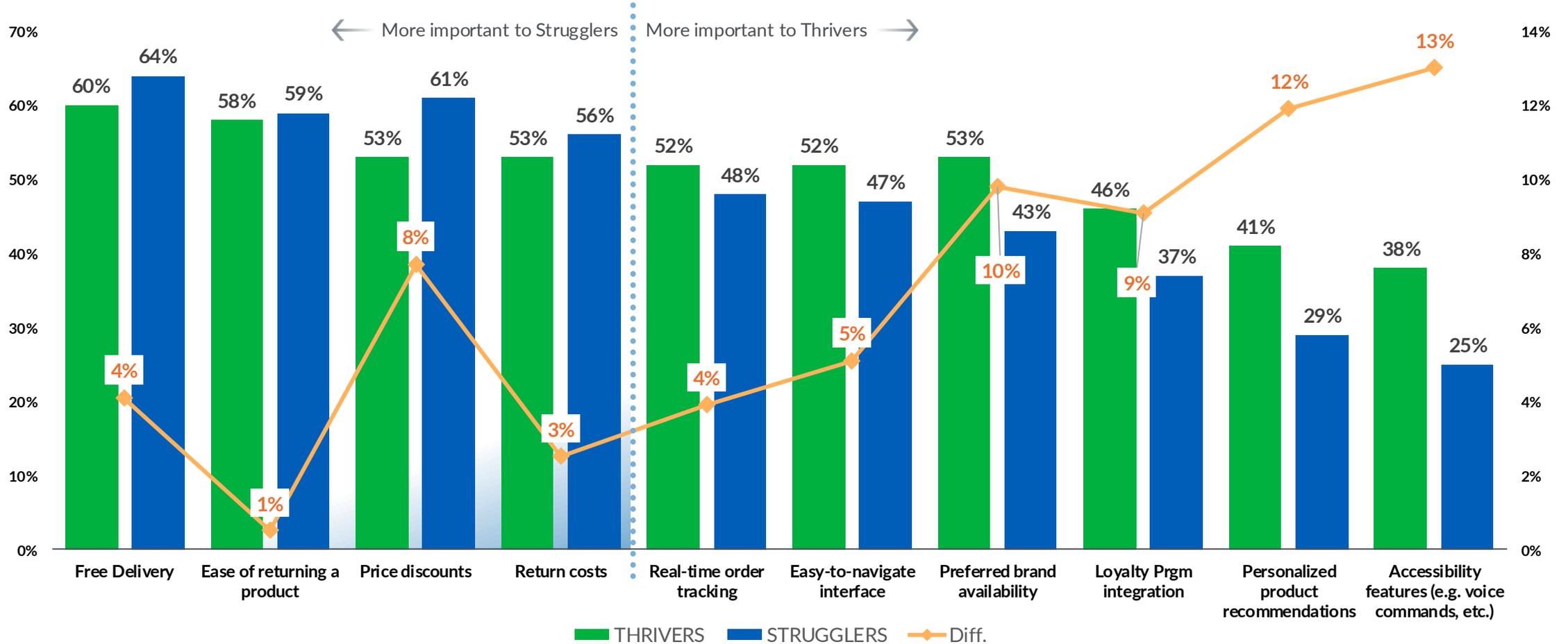


More focused spending – entertainment, groceries, utilities, home needs

Allocating more to discretionary items – travel, restaurants, experiences

# Consumer 'divergence' extends beyond Purchase Category

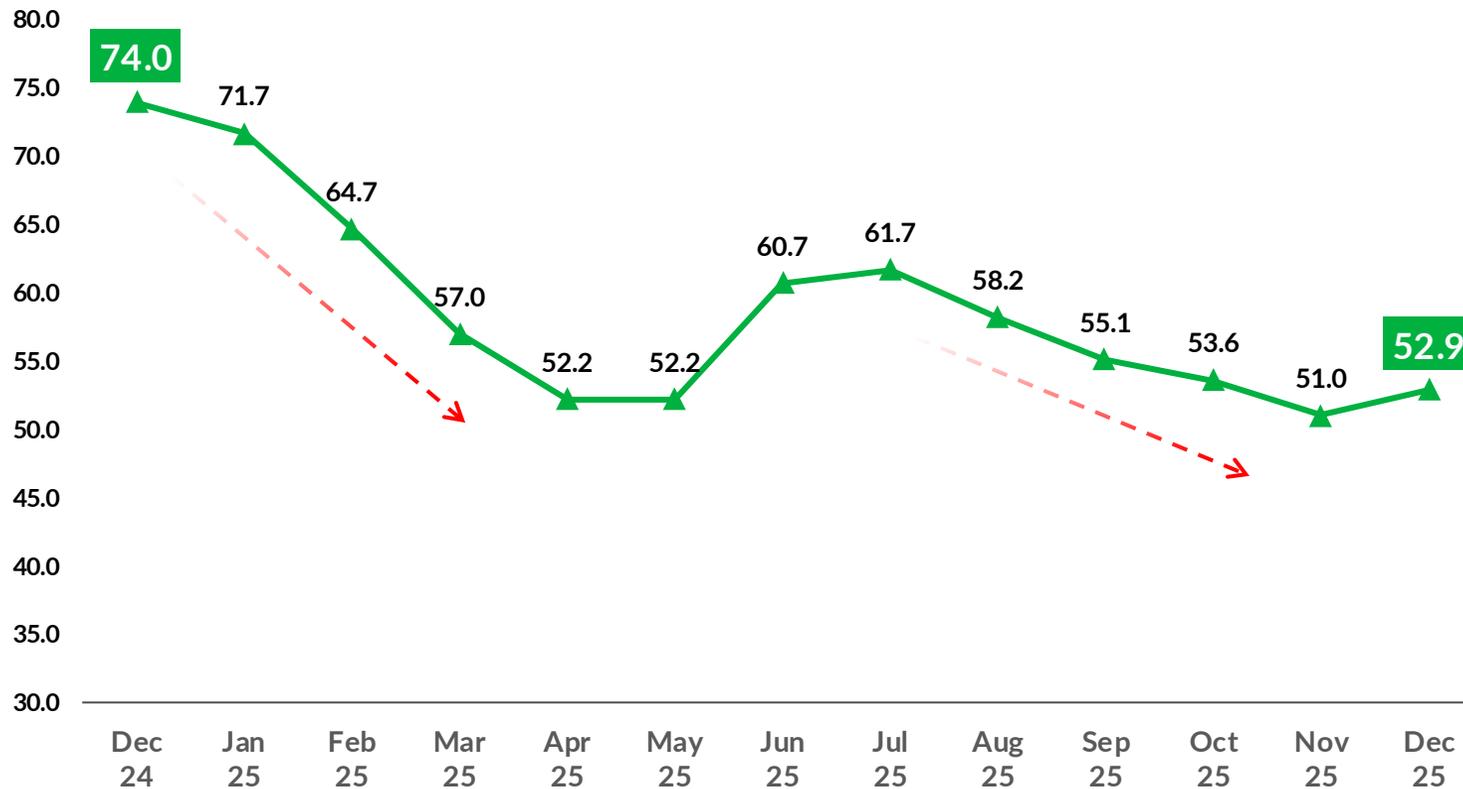
## FEATURES RATED VERY IMPORTANT WHEN USING A DIGITAL SHOPPING PLATFORM



Source: NIQ's 2025 Consumer Outlook survey (global)

## Feelings vs. Behavior

Consumer Sentiment

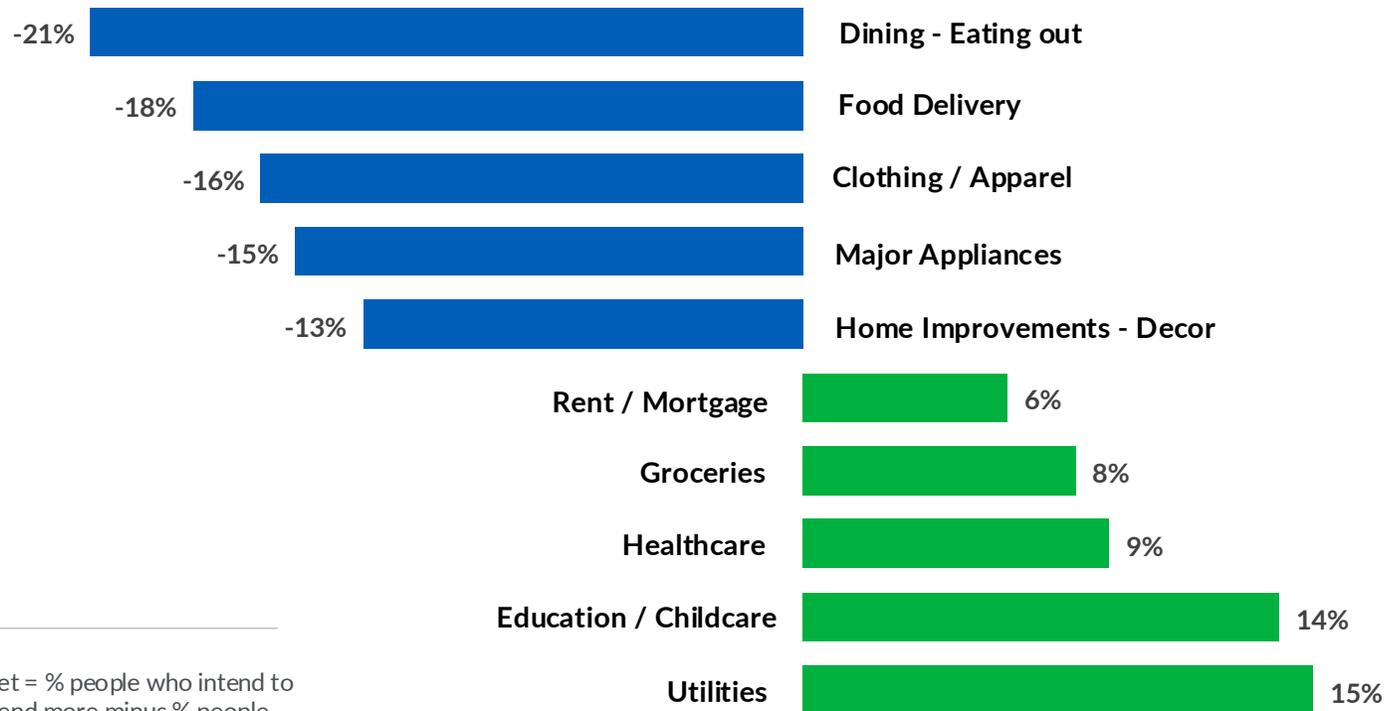


## Spend remains Resilient

- Strong total holiday retail spending which grew between 3.9%–4.2%
- A record \$257.8B was spent online this holiday season (Nov 1–Dec 31st) up 6.8% Y-o-Y
- Performance driven by deep discounts and increased use of BNPL payment options (+9.8% to \$20 Billion)
- Per Adobe, generative AI tools drove 693% increase in Y-o-Y traffic to retail sites

# Looking Ahead - Continued Adaptation

## Net\* Spending Intentions for 2026

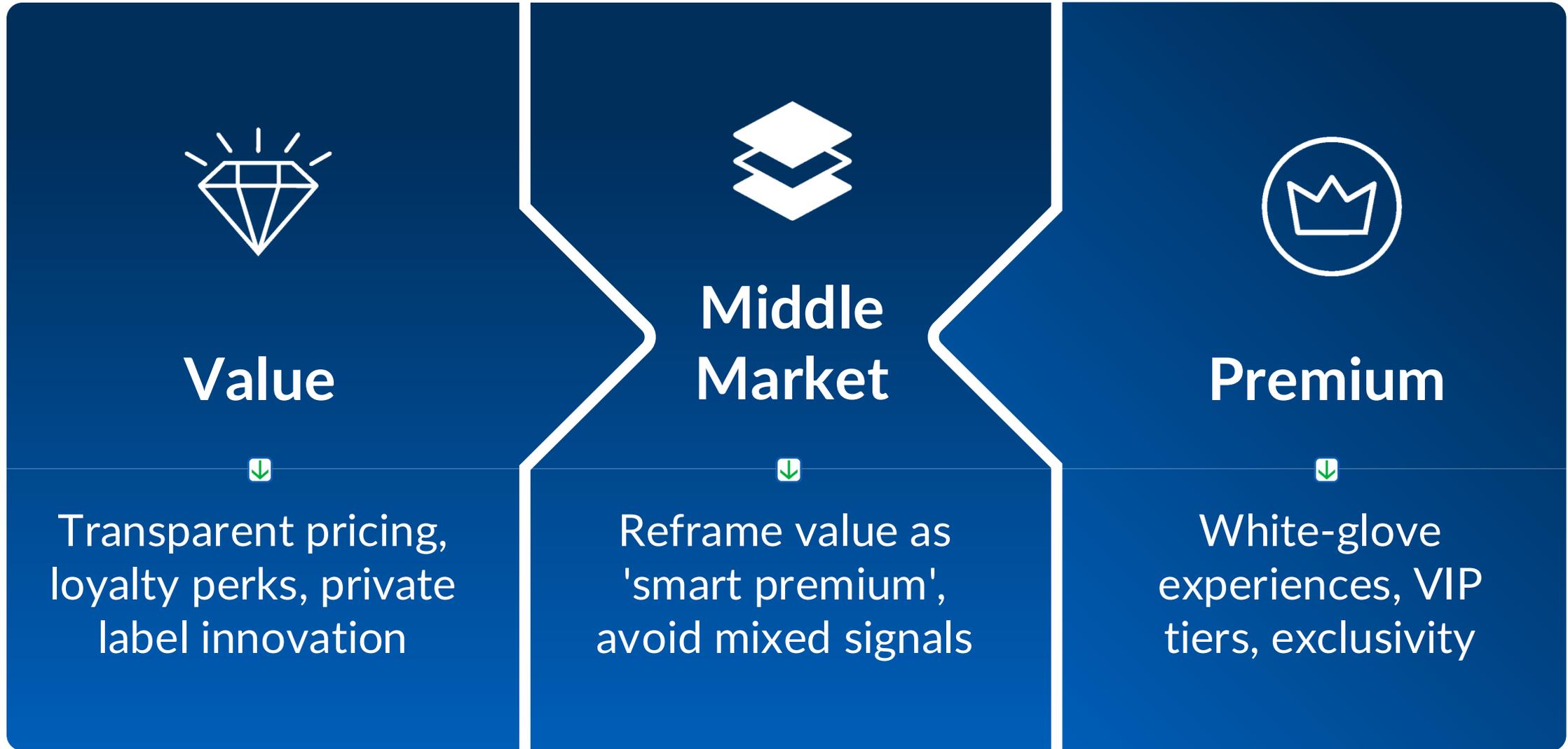


\* Net = % people who intend to spend more minus % people who intend to spend less

## Will Spending remains Resilient?

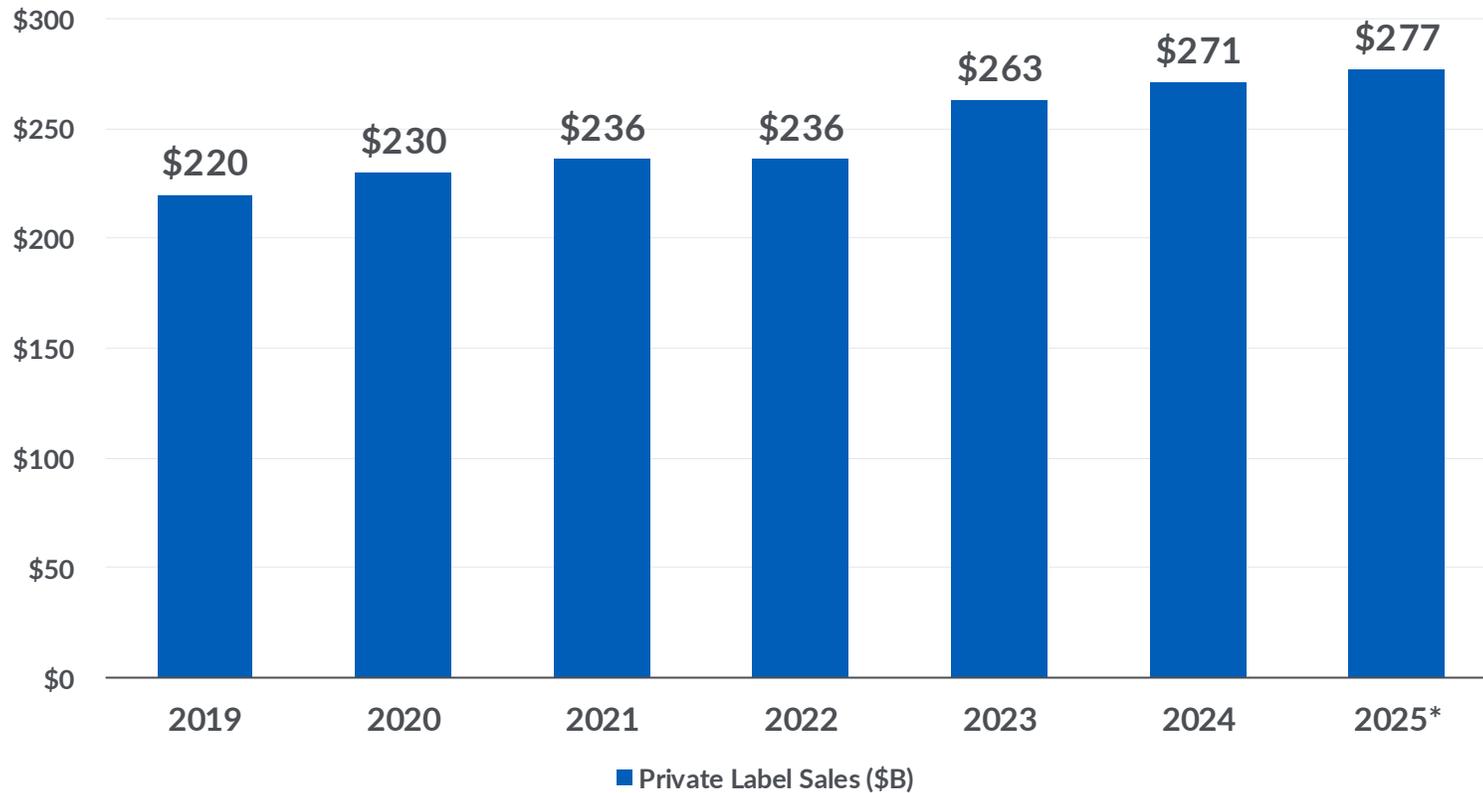
- ☑ Macroeconomic pressures and geopolitical events foster a 'cautious' mindset
- ☑ Value, relevance, and simplicity are priorities
  - Easier decision-making
  - Clear benefits
  - Saving time
- ☑ Seeking an 'emotional resonance' when making purchase decisions

## *Value, Premium, and the Squeezed Middle*



## Value Brand's Momentum has Taken Off

### Private Label Sales Growth



Source: Private Label Manufacturers Association (PLMA), (Jul 2025)

### Commonly Deployed Loyalty Program Perks

- Cash back in store
- Discounts in travel bookings/ partner sites
- Fuel discounts
- App UX upgrades
- Owned brand gifts driving trial and loyalty

## Value Needs to Build Trust



### Empower Customers With Clarity



Transparency gives customers control

Upfront pricing breakdowns



### Trust Grows With Openness



Full disclosures build confidence

Honest pricing signals fairness



### Interactive Tools Strengthen Loyalty

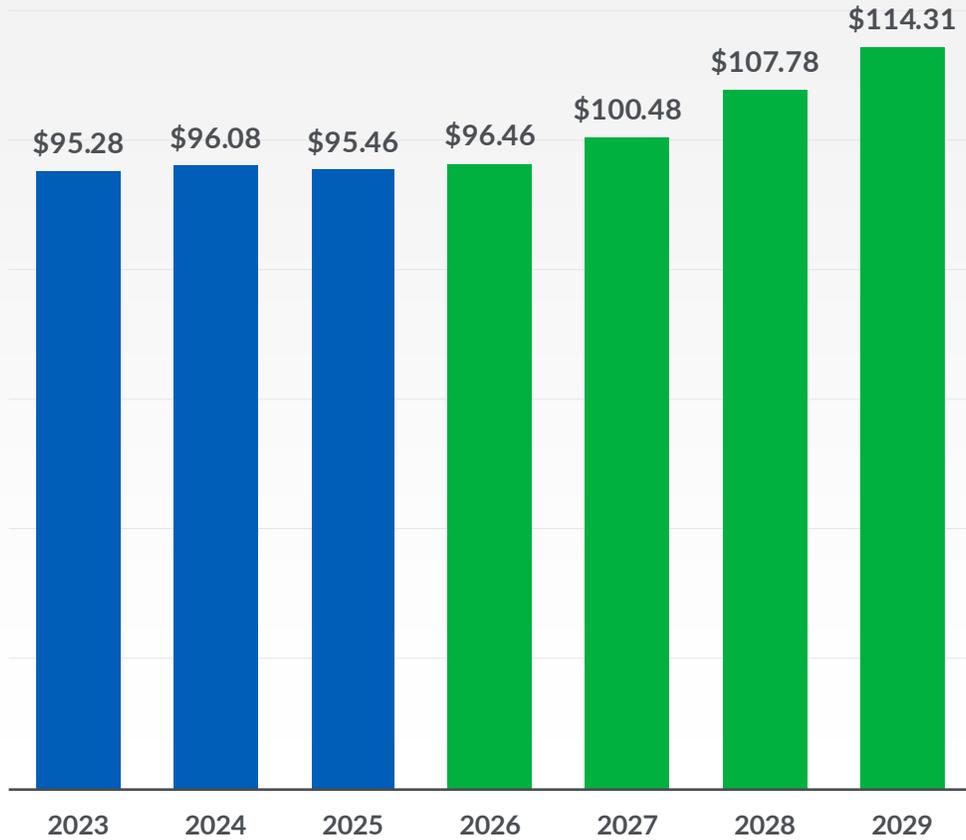


Meet users along their buyer journey

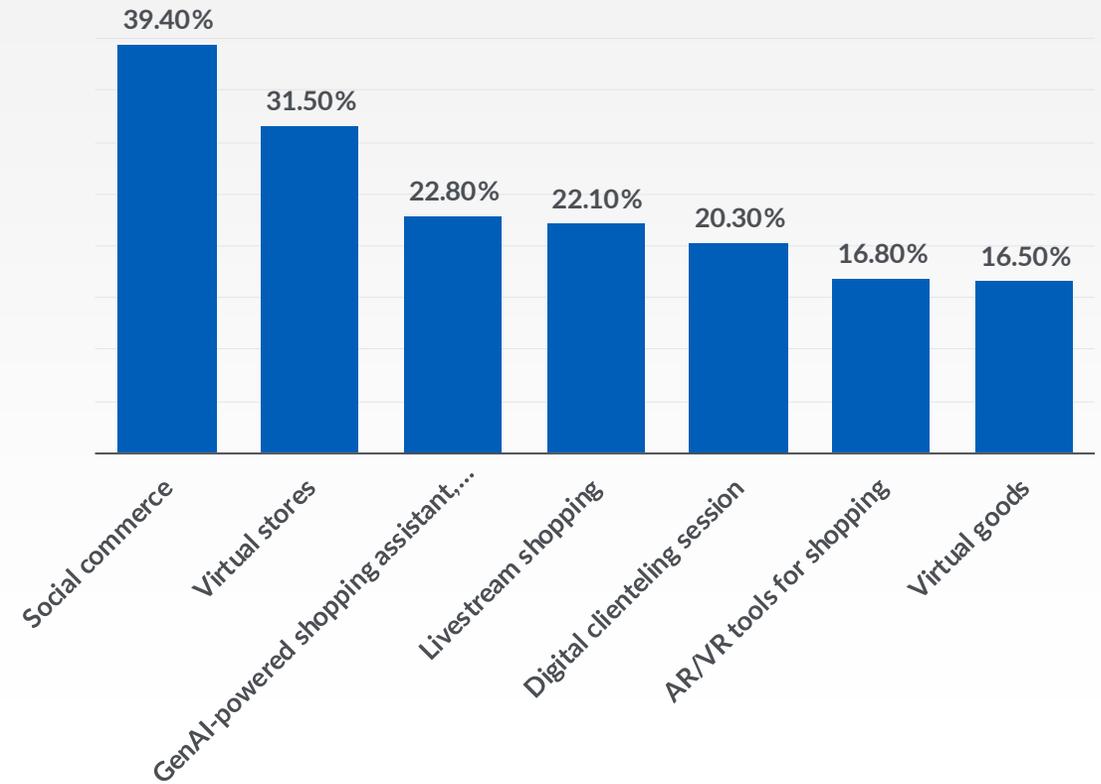
Calculators, quizzes & comparisons

# Luxury Growth is Coming

### Personal luxury retail sales (billions)



### Preference to purchase personal luxury goods



## *Luxury Needs to be Exclusive*



### Create Desire



Limited-edition releases, small-batch production, and exclusive collaborations



### Elevate Perceived Value



Consistent storytelling that reflects heritage, timelessness, and intentional scarcity



### High-Touch Personalization



VIP programs, personal stylists, and elevated concierge-style clientele-ing

## Industries Are Taking Value's Side

Increased Value Messaging (Q1-Q3 2025 vs. Q1-Q3 2024)



Source: State of the Industry: 2026 Advertising Predictions (MediaRadar), (Jan 2025)

## Key Takeaways



### Polarized Spending: Luxury vs. Value

- 
  -  Higher-income households prioritize premium and luxury experiences
  -  Lower-income households focus on value, pricing transparency, and loyalty



### Brands in the “Economic Middle” Face the Largest Risk

- 
  -  Brands that don’t authentically choose a side lose efficiency and drive-up costs
  -  Mixed value and premium signals weaken performance



### A Shift in Messaging Priority

- 
  -  Many categories are leaning harder into value-based messaging
  -  Trust is now required for messaging to resonate

## Media Implications

- 
-  Audience segmentation is key, with aligned targeting and messaging
  -  1st party, behavioral and intent signal data helps drive that segmentation



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# AI's Impact – Powerful, Polarizing and Pliable



**For Businesses,  
AI moving from  
experimentation to  
core infrastructure**



- Automated workflows
- Scalable intelligence
- Leveling the competitive playing field



**Consumer  
adoption grows,  
but trust and  
expectations vary**



- AI-assisted shopping
- Mixed consumer comfort
- Lingering skepticism on long-term value



**A balance of  
speed & flexibility  
is required to  
maximize success**

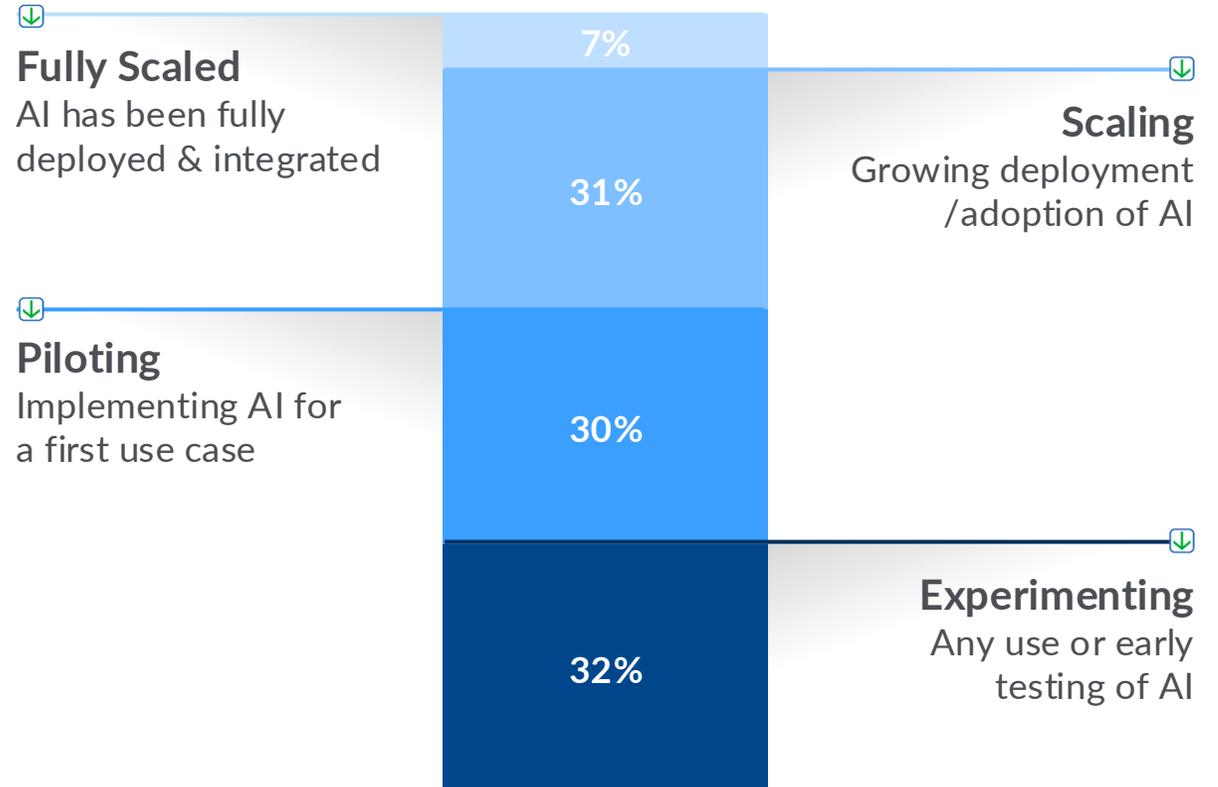


- No one-size-fits-all
- Consumer-driven options
- Flexible purchase paths and loyalty choices

# AI Moves From Experiment to Operating System

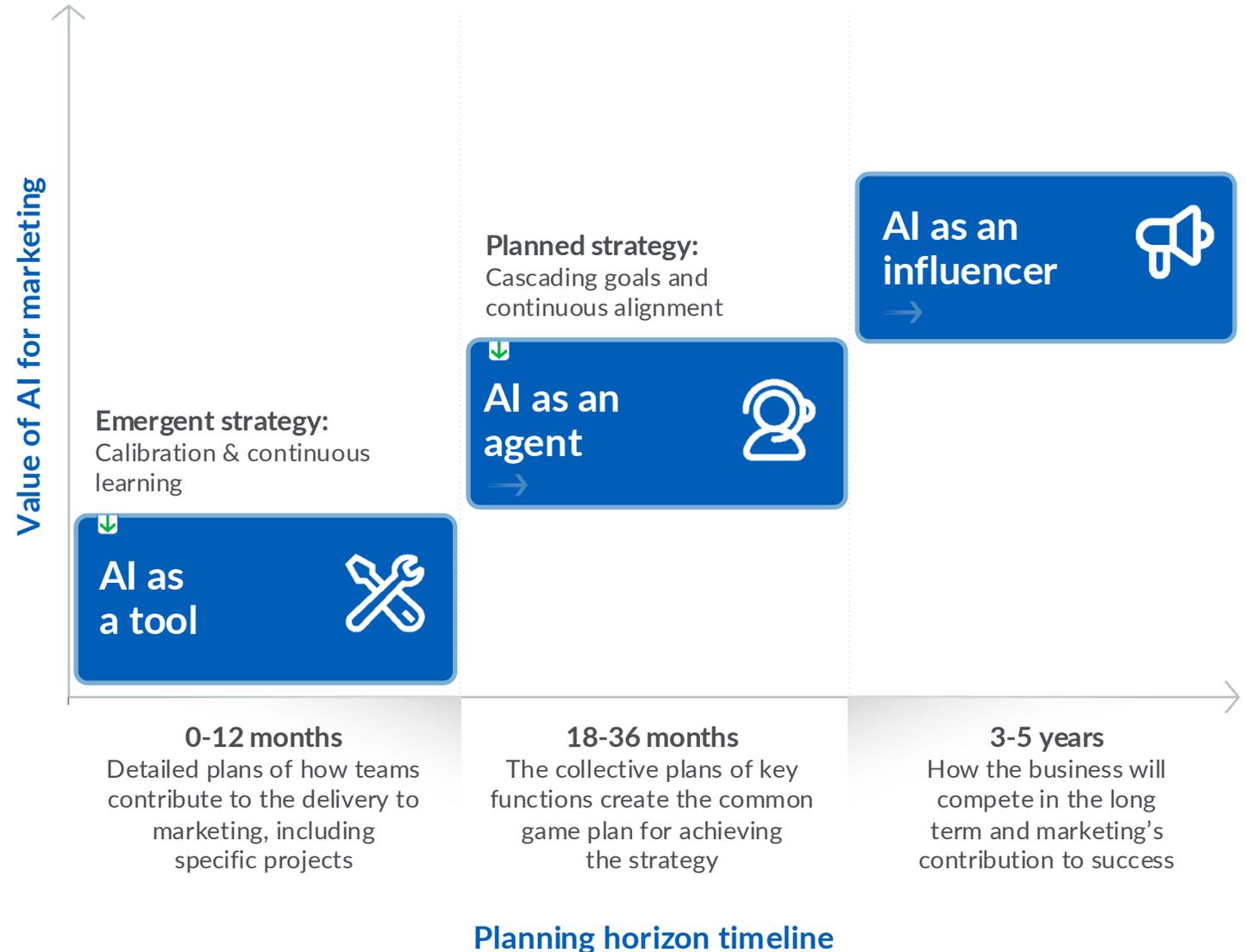
- ✓ AI is becoming core enterprise infrastructure, not isolated tools
- ✓ Competitive advantage shifts from adoption to integration at scale
- ✓ AI maturity varies by industry, with regulated sectors moving more slowly
- ✓ Most organizations remain early-stage, with limited realized ROI

Phase of AI use among organizations using AI in 2025



# AI Reshapes Marketing Operating Models

- ✓ AI automates execution, shifting teams toward strategy and orchestration
- ✓ Higher-quality signals improve product, creative and experience decisions
- ✓ Organizational advantage shifts to insight velocity and coordination
- ✓ Teams must upskill as execution becomes increasingly automated



# AI is Reshaping Operating Models Across Industries

Industry	Pricing & Product	CX & Personalization	Media & Marketing	Ops & Decisioning
Retail/CPG	\$	♥	📢	⚙️
Travel	\$	♥	📢	⚙️
Finance		♥		
Healthcare		♥		
Media/Marketing			📢	⚙️

✓  
**Retail & CPG:**  
 Pricing, promotions, merchandising and personalization

✓  
**Travel & Tourism:**  
 Dynamic pricing, AI trip planning and loyalty

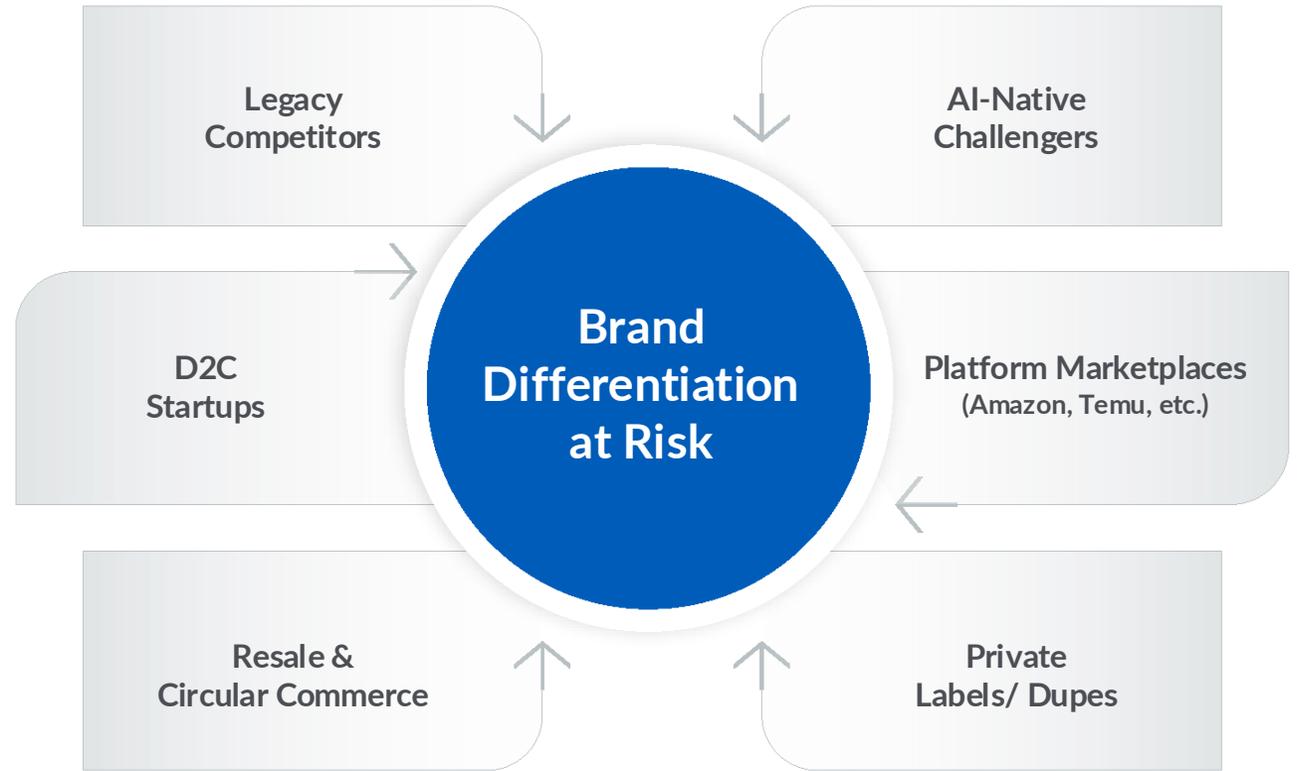
✓  
**Financial Services:**  
 Fraud detection, credit scoring and financial decisioning

✓  
**Healthcare:**  
 Predictive diagnostics and automated engagement

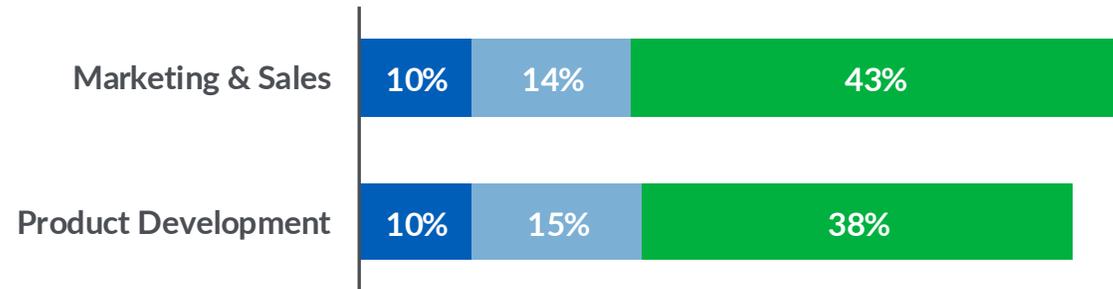
✓  
**Marketing & Media (Cross-Industry):**  
 Agentic creative, media orchestration and always-on optimization

# AI Accelerates Competitive Pressure

- ✓ AI lowers barriers to entry, accelerating challenger scale
- ✓ Advantage shifts from spend to speed, execution quality and signal clarity
- ✓ Brands should expect faster disruption from substitutes and adjacent competitors
- ✓ Differentiation must extend beyond price to brand meaning, experience and trust



## Business Revenue Increases from AI use (past 12 months) % of respondents

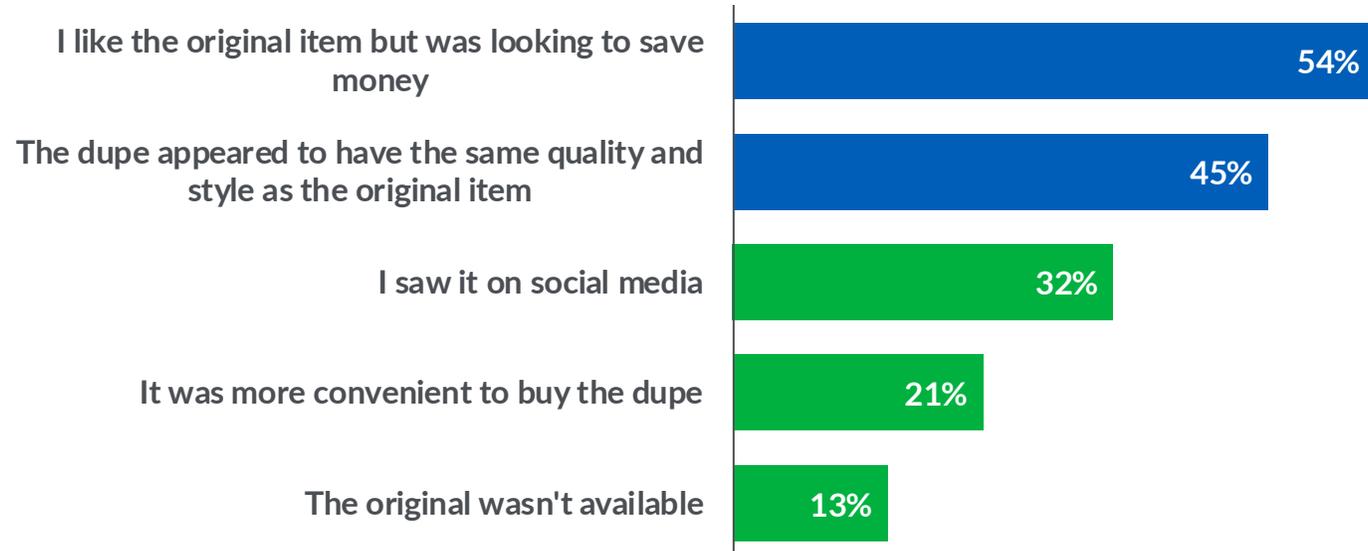


Source: AI Will Shape the Future of Marketing, Harvard DCE, Apr 2025; eMarketer, Ad Agency Trends 2026 (January 2026); Gartner AI Driven Marketing: Strategic Roadmap for CMOs 2025

## Competition from Unexpected Places

**Fashion and beauty shoppers save money while finding similar quality and style buying dupes**  
 % of US fashion and beauty buyers, March 2025

Q: Thinking about your purchase of fashion, beauty or luggage dupes over the past year, why did you make the purchase?



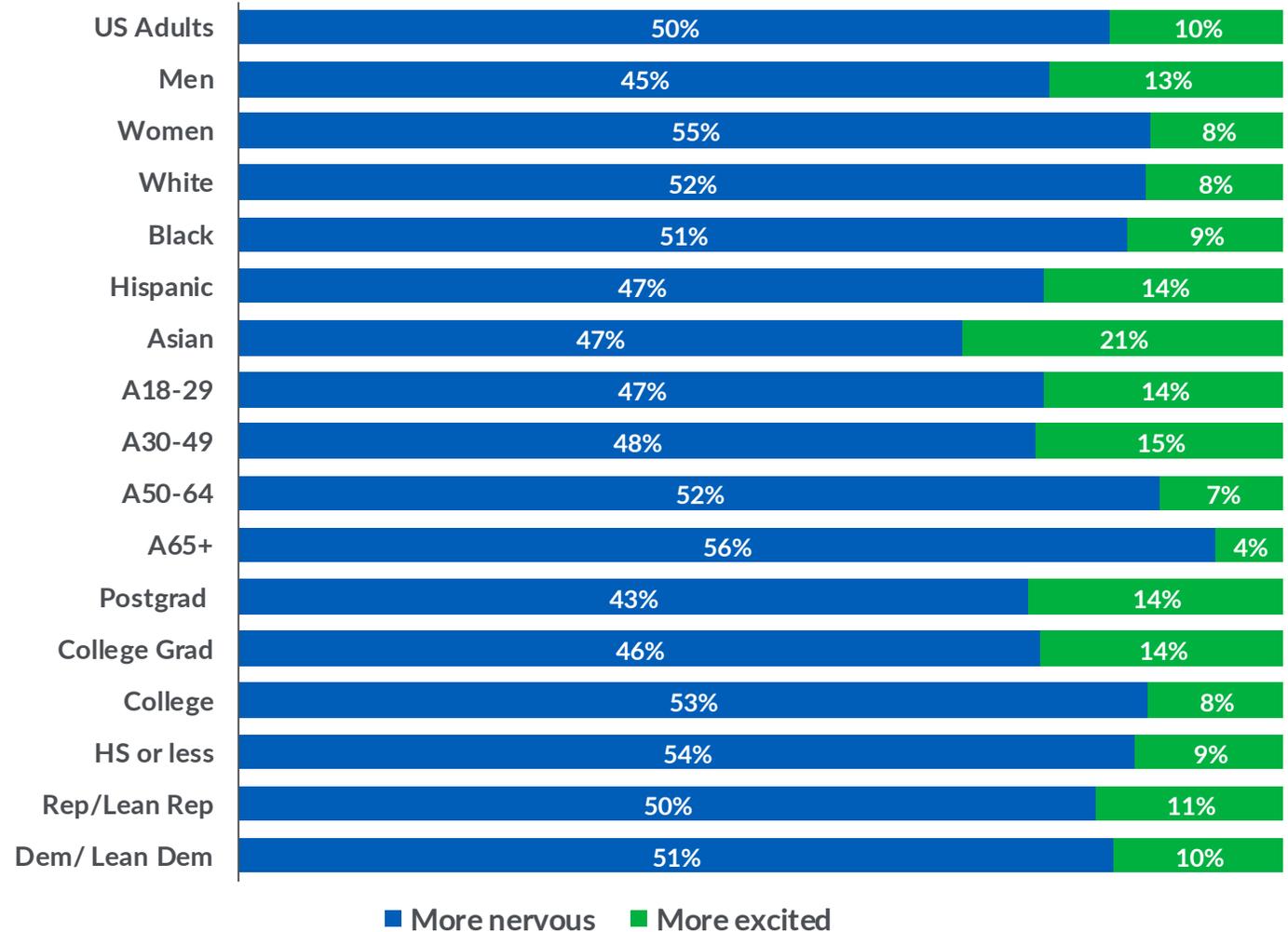
- ☑ “Good-enough” alternatives normalize substitution when differentiation is unclear
- ☑ Circular commerce expands substitution across the full product lifecycle
- ☑ Industry boundaries are collapsing as companies expand into new sectors
- ☑ Cross-sector companies show higher confidence in future growth

## Consumers Are Nervous

- ☑ 50% of Americans are more concerned than excited about the increased use of AI in daily life
  - *Women (55%) tend to be more concerned with AI than men (45%)*
  - *Older cohorts (50+) are increasingly more nervous using AI compared to younger generations (A18-49)*
- ☑ Many consumers cite an inaccurate output (33%), performance issues (24%), privacy issues (24%), lack of transparency (23%), and bias/fairness (18%) as challenges when using GenAI

Source: YouGov: Most Americans Use AI but Don't Trust It, Pew Research: How Americans View AI, McKinsey: The State of AI

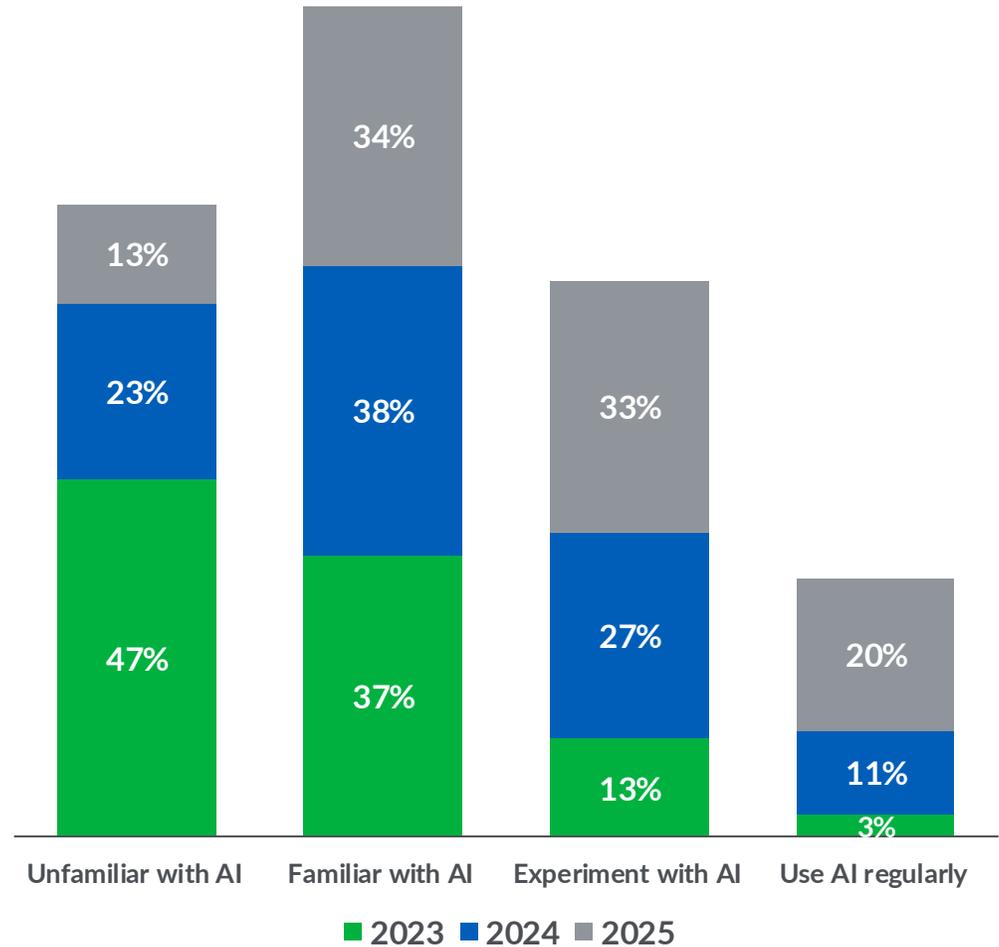
Concern vs Excitement over AI (% of consumers)



## ...But Still Willing to Use

- ☑ Still, 53% of consumers are now either actively experimenting with gen AI or using it regularly, up from 38% in 2024
  - *Specific to mobile, 90% of Americans use AI on their phones, but only 38% realize they're using it*
- ☑ Of those who are actively using gen AI, 51% of say they use it every day, and 38% say they use it at least once a week, showing that gen AI is becoming part of their routine digital activities.
- ☑ 43% of consumers who are actively trust the information AI tools provide, up from 40% in 2024.
  - *Only 14% say they trust AI tools 'completely'*

Relationship to Gen AI (% of consumers)



Source: Deloitte: The Connected Consumer, Attest: Consumer Adoption of AI, eMarketer: How Consumers Perceive AI, YouGov: Most Americans Use AI but Don't Trust it

## How Are They Using AI?

- ✓ AI is already embedded in everyday behavior, especially for productivity and decision support
  - *Americans primarily use GenAI for information, work tasks, and shopping research, signaling functional adoption*
- ✓ Nearly half (46%) of users rely on AI for work, signaling growing demand for AI-enabled productivity, automation, and decision support
- ✓ As reliance grows, consumers increasingly view AI as a baseline capability, expecting it to be fast, useful, personalized, and reliable

### GenAI Use for Information, Work, and Shopping Led Consumer Activities in 2025



Source: YouGov: Most Americans Use AI but Don't Trust It, Pew Research: How Americans View AI, Boston Consulting Group (BCG): Consumers Trust AI to Buy Better. Brands Need to Move Quickly"

## *History shows that consumers want/need 'options'*



### → Purchase Channels

Immersive Social & Livestream commerce, RMNs, Circular & Resale outlets



### → Delivery / Returns

Same-day, scheduled, or BOPIS; No-label, no-box free returns



### → Payment Options

Digital wallets, contactless payments, and BNPL services



### → Subscription / Loyalty Programs

Flexible terms, easy cancellation, bundles or tiers; instant & flexible rewards

## Key Takeaways



### Consumers Skeptical but Willing Users



- ✓ AI adoption continues to grow despite ongoing consumer skepticism
- ✓ Usage centers on research, recommendations, and everyday tasks



### AI Reshapes Consumer Expectations



- ✓ Consumers now expect AI-powered experiences to be fast, helpful, and personalized
- ✓ Low tolerance for any level of friction



### Competitive Disruption Increases



- ✓ AI lowers barriers to entry, accelerating disruption from challengers and “dupe” brands

## Media Implications



- ✓ Signal quality, speed, and flexibility now outweigh scale
- ✓ Execution agility is critical as competition increases



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# Unlocking Growth Through Smarter Personalization



**Real-time, predictive personalization is critical**



- Instant responsiveness
- Adaptive experiences
- Effortless engagement



**Value drives loyalty, loyalty drives value**



- Meaningful savings
- Exclusive benefits
- “Useful” personalization



**Transparency and control deepen consumer trust**

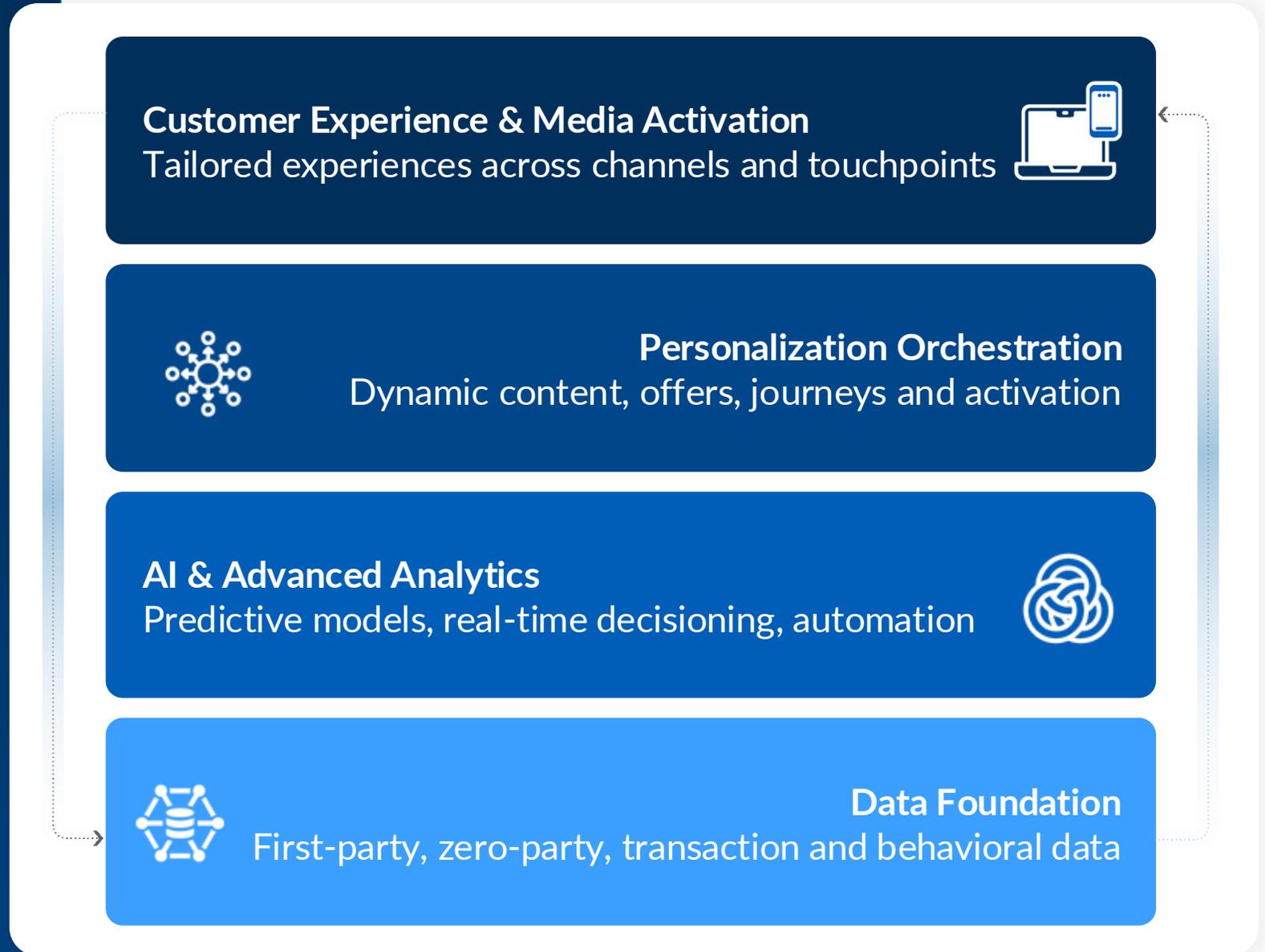


- Visibility & choice
- Consumer control
- Lasting trust

# AI Enables Enterprise Personalization at Scale

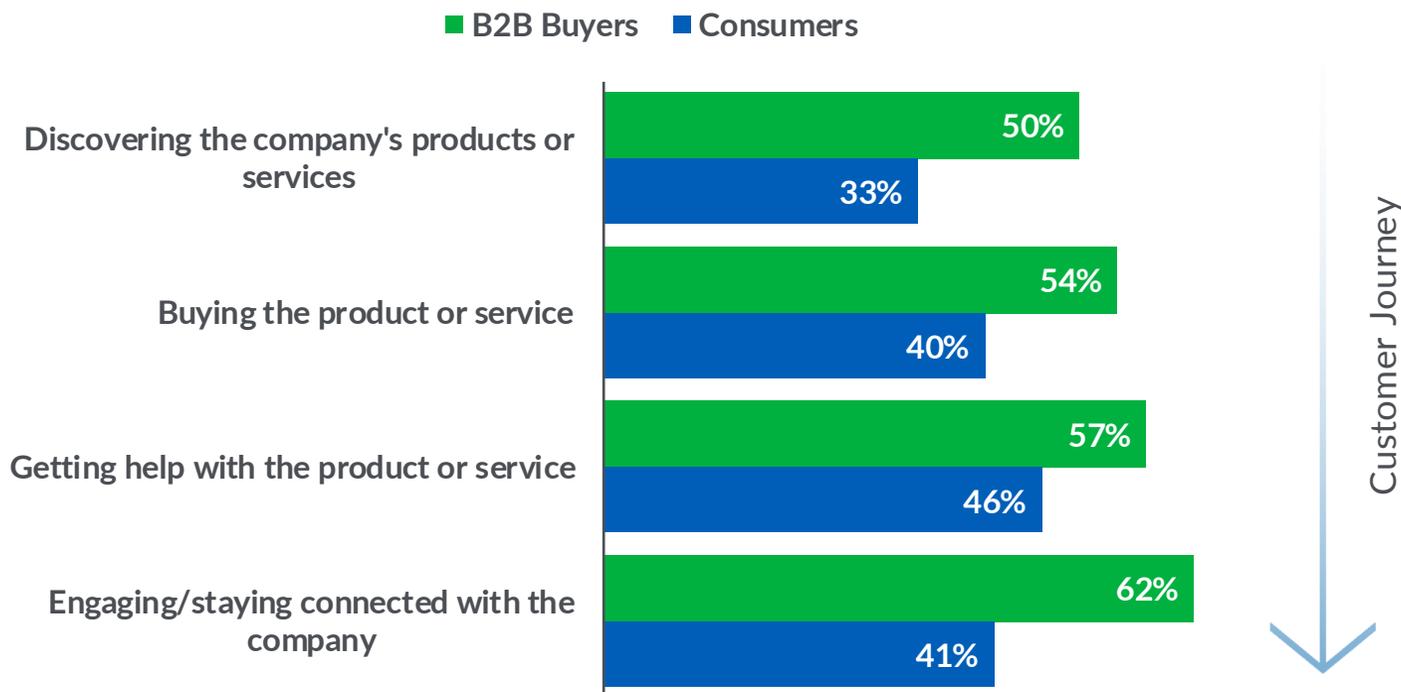
- ✓ AI enables real-time, predictive personalization across channels and touchpoints
- ✓ Personalization shifts from campaign tactic to always-on enterprise capability
- ✓ Differentiation depends on how personalization is operationalized, not whether it exists

Source: McKinsey, The State of AI 2025, November 2025; PwC CEO Survey 2026: AI ROI Findings



## B2B Buyer Expectations Now Exceed B2C

### Level of personalization expected by buyers at each stage of their customer journey

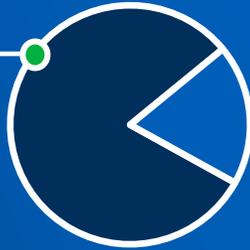


- ✓ B2B buyers increasingly demand consumer-grade experiences, and often higher levels of relevance, guidance and self-direction due to complex, high-stakes purchases
- ✓ Role- and context-specific relevance builds confidence across long consideration cycles
- ✓ Personalization must span the full B2B journey, not just conversion

## Personalization Drives Marketing Performance



81%



Of consumers ignore irrelevant messages

1 in 4



Consumers are *less likely* to purchase when receiving generic messages

✓ Advanced personalization correlates with stronger revenue and ROI outcomes

✓ Performance gains come from orchestration across touchpoints, not isolated tactics

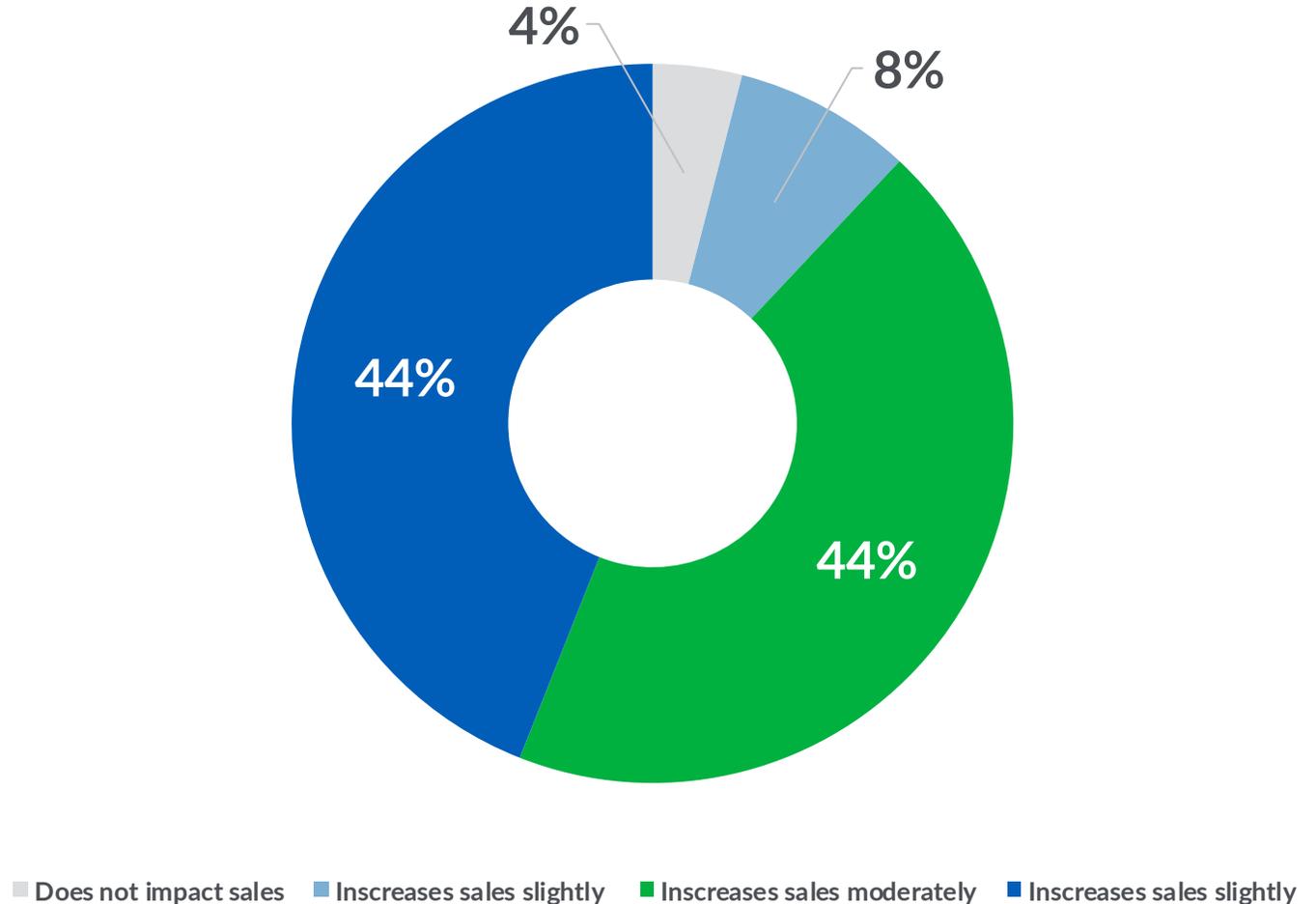
✓ Aligning audience, message and moment improves conversion, retention and lifetime value

## *Precision Outperforms Scale Under Budget Pressure*

- ✓ Budget pressure elevates efficiency over scale as the primary growth lever
- ✓ Personalization reduces waste through precision, timing and prioritization
- ✓ Smarter activation increasingly outperforms higher spend alone

Source: McKinsey, Personalization & Growth Effectiveness 2025; Salesforce, What is Hyper-Personalization in Marketing?, 2025, HubSpot, The State of Marketing, 2025

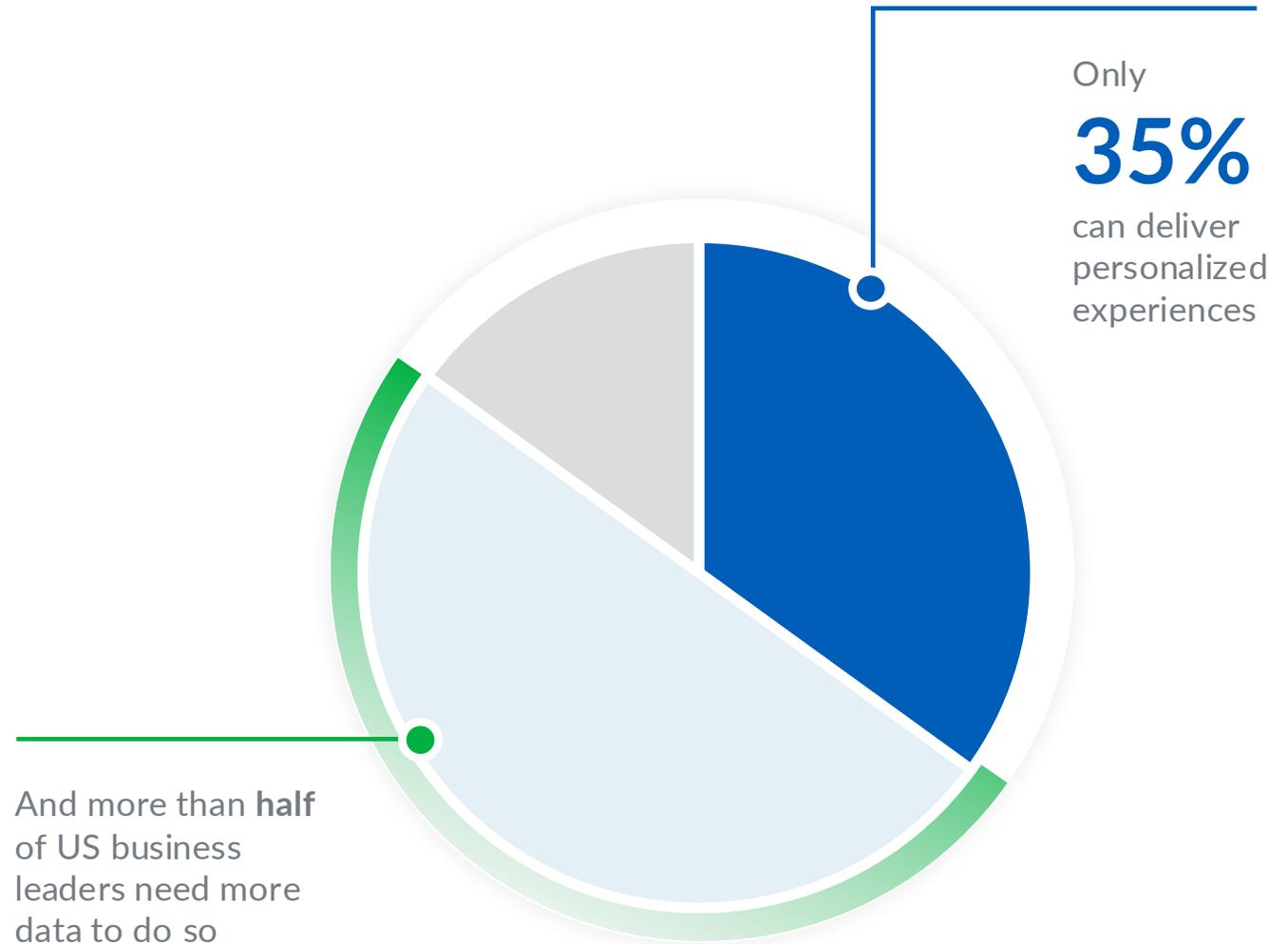
### How does offering customers a personalized experience impact your company's sales



# Execution Lags Strategy in Personalization Maturity

- ✓ Strategy and aspiration outpace execution readiness
- ✓ The gap between personalization leaders and laggards continues to widen
- ✓ Scaling requires investment in data, technology and operating models

Source: Deloitte, Marketing Transformation Research 2025; LiveRamp, The Personalization Playbook, 2025



## Control Becomes the New Loyalty Driver

### Passive Personalization



- ✓ Algorithm-driven recos
- ✓ Generic targeting and messaging
- ✓ Limited consumer agency
- ✓ Brand-driven experience

### Active Personalization



- ✓ Configurators and preference centers
- ✓ Interactive discovery tools
- ✓ Custom bundles, tiers, subscriptions
- ✓ Consumer co-creates the experience

Control → Trust → Conversion → Loyalty

✓ Active personalization drives higher confidence and ROI than passive recommendations

✓ AI enables consumers to customize and engage on their terms

✓ Perceived control increases trust, satisfaction and loyalty

## Personalization Works (When Value is Clear)

- ✓ Consumers want personalization, not noise
  - *Relevance and value to the consumer drive this success*
- ✓ Less than 10% of consumers understand how their data is used, fueling skepticism towards personalization
  - *45% report negative reactions to personalization due to uneasiness*
- ✓ When done correctly, consumers respond best to personalization that delivers clear and practical value

Source: eMarketer: AI Personalization Drives Adoption Among Young Workplace, eMarketer: Consumers Want Relevance, Deloitte: The Connected Consumer

## Rewards and Loyalty Programs Capture the Most Attention When it Comes to Preferred Personalized Offers

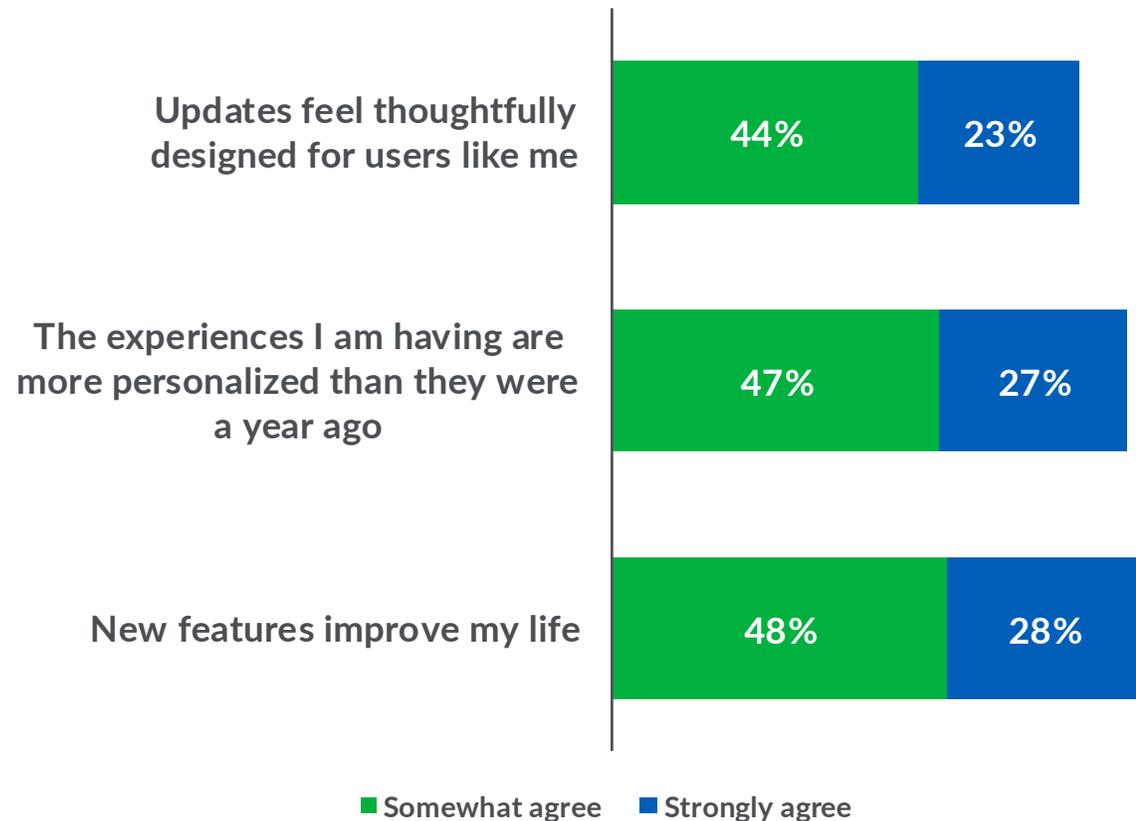


# Value-led Personalization Key for Consumers

- ✔ Because consumers are wary of (distrust) data use, personalization must feel value and privacy-led, instead of intrusive or surveillant
- ✔ While consumers believe their digital experiences are becoming more personalized, fewer than 30% “strongly agree”, showing a huge relevance gap
  - *When personalization misses the mark, consumers prioritize price over precision*
- ✔ While 83% do cite they are open to personalized offers, only 44% say the offers they receive are truly relevant
- ✔ AI helps close the relevance gap by optimizing timing, context, and clarity by delivering personalization that provides the value consumers are craving

Source: Deloitte: The Connected Consumer, Pymnts: AI Pushes Personalization from Guesswork to Growth

## Most Respondents See Benefits From New Features and Personalization, but Strong Satisfaction Lags (% of respondents)



## Key Takeaways

### Personalization Shifts From Advantage to Expectation



- 
  -  Personalization now signals basic competence, not differentiation
  -  Impact depends on alignment across data, media, creative, and CX

### Value Exchange Determines Trust



- 
  -  Consumers weigh perceived value against data and privacy tradeoffs
  -  Unclear value turns personalization from helpful to invasive

### Perceived Control Drives Consumer Satisfaction



- 
  -  Passive personalization improves efficiency but limits trust and loyalty
  -  Visibility and choice turn personalization into a relationship

## Media Implications

- 
  -  Personalization must feel intentional across channels, not siloed
  -  Success should be measured by incrementality and lifetime value, not engagement



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## *Topic #1*

*With continued economic uncertainty, a growing purchase divide, and consumers seeking both value and premium products & experiences, what brands do you see effectively navigating these challenges, and how?*

## *Topic #2*

*Knowing personalization & control are critical for consumers, what are some non-negotiables that brands & marketers need to deliver upon in today's environment?*

## *Topic #3*

*With speed & flexibility such critical currencies, how are marketers and media agencies enhancing their go-to-market and optimization speed, while maintaining the custom, quality outputs clients expect? What can clients do to help support speed and flexibility?*

*Thank you*

*Join us April 16<sup>th</sup> for our next webinar:*  
Influencer Marketing in the Age of AI

# About us



Harmelin Media specializes in strategic media solutions and has more than 40 years of experience helping clients navigate a rapidly changing media landscape across digital, traditional and lifestyle forms. The firm has grown with a diverse client roster including many Fortune 500 companies across an array of industries and is now one of the largest independent media service firms in the United States.

Harmelin's expertise is in managing the massive data sets that our clients and campaigns generate to develop strategic, channel-agnostic recommendations that generate business results and positive return on investment. We accomplish this while maintaining a long-term business focus, providing superior customer service and operating with 100% transparency in our operations. Our approach has resulted in unprecedented retention rates with both employees and clients.

Harmelin's current media billings exceed \$800 million across all digital and traditional channels on a local, national and international basis. We are a Google Premier Partner, Meta Business Partner and proud member of the ANA.

For more information, please contact [info@harmelin.com](mailto:info@harmelin.com) or visit [www.harmelin.com](http://www.harmelin.com).