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Emerging retail and consumer trends

Table of contents

Introduction

The retail playbook is being rewritten. The old rules no longer apply.

Not long ago, the headlines were well-worn: malls were dead, legacy brands ruled the shelves, and digital advertising belonged to a handful of tech giants. Today, that narrative has flipped. Shoppers are streaming back through mall doors, scrappy upstarts are stealing share from category titans, and retail media has exploded into a $100 billion arms race playing out everywhere from grocery aisles to large language models.

In this piece, we unpack three trends defining the next chapter of retail: the surprising resurgence of the shopping mall, the rise of disrupter brands rewriting the rules of consumer goods, and the meteoric expansion of retail media into every corner of the customer journey.

Trend 1

Ghost malls to gold mines, The resurgence of shopping malls

From decline to revival: Malls are so back

Shopping malls, once a hallmark of retail and a cultural centerpiece of suburban life, faced a steep and prolonged period of decline. From 2016 to 2024, 18,730[1] mall stores closed, and from 2017 to 2022, an average of 40 shopping malls[2] closed every year. Consumer preferences for online shopping skyrocketed from 20% in 2018 to 70% in 2025,[3] reducing mall foot traffic and fueling bankruptcies among longtime mall staples, including Claire's[4].

More recently, however, malls have begun to make a comeback. In 2025, malls saw a year-over-year increase in foot traffic, which is a trend that has continued into 2026. In January and February of 2026, indoor malls saw a 4.5% increase in foot traffic, while open-air malls saw a 6.4% increase. Mall visits rose by 1.8%,[5] while visit duration rose by 3.3%[6] in the first half of 2025 compared to the first half of 2024. Further, data from the National Council of Real Estate Investment Fiduciaries[7] shows that malls saw a net income rise in the first three quarters of 2025, compared to the same period in 2024. This turnaround is mirrored in the financial markets, where major mall operator Simon Property Group has seen its stock climb 34% over the past year[8] and a remarkable 84% over the last three,[9]due to acquisitions of open-air retail centers and experiential additions to its existing malls, signaling a renewed investor confidence in the future of the mall.

Reinventing the mall experience and layout

The mall's resurgence goes beyond a simple return to traditional brick-and-mortar shopping. Rather, it is the result of the reinvention of the mall itself, from a transactional space into a dynamic lifestyle hub.

A key driver of this transformation is the strategic replacement of failing traditional anchors with tenants that prioritize immersive experiences.

01. A groundbreaking example is the recently opened Netflix House[10] at the King of Prussia Mall in Philadelphia, a first-of-its-kind venue dedicated to bringing the streaming giant's shows and movies to life. The 2025 attraction has already landed on TIME's "Greatest Places" list[11] and was a major driver of King of Prussia Mall's[12] record year in terms of sales and traffic in 2025.
02. Similarly, the iconic brand Ralph Lauren[13] leveraged physical space with several immersive pop-up activations in 2025, serving customers a coffee experience in addition to shopping. The brand reported 2025 revenue of $7.08 billion,[14] up 8% from the previous year, a strong performance that coincided with the brand's push into more experiential retail, with coffee pop-ups as a notable part of that push.
03. The success of a build-your-own-stuffed-animal mall classic, which has always sold an experience rather than just a product, is a testament to this shift. Its stock has soared more than 2,000% in the last five years.[15]

Beyond experiential retail, mall operators are radically reimagining their spaces, repurposing vacant storefronts into a diverse array of businesses including churches, hotels, apartments, and entertainment centers.[16] This diversification can create a mixed-use environment that draws in a wider demographic of visitors throughout the day and week. This drives higher dwelling time and creates significant cross-shopping[17] opportunities for the remaining retailers, leading to higher overall spend across the mall.

The success of this strategy is evident at the Coronado Center mall in Albuquerque, New Mexico,[18] where a Barnes & Noble, which functions as much as a community gathering space as it does a bookstore, accounted for 7.9% of all mall visits in 2024.[19] This storefront outperformed traditional department-store anchors and proves that a diversified, experience-oriented tenant mix is the new formula for success in the shopping mall space.

Malls of the future

The successful revival of the shopping mall is not a return to the past, but a leap into a more experience-driven future. For this momentum to continue, both retailers and mall operators must actively embrace strategic shifts.

For mall operators, this includes rebalancing their tenant mix to curate a more diverse mall ecosystem that may include entertainment venues, wellness centers, residential units, hotels, or innovative food halls. They also must invest in transforming common areas into engaging spaces with comfortable seating, events, and green spaces to maximize dwell time and cross-shopping.

For retailers, this means building a physical store that goes beyond point-of-sale. Investing in "retail-tainment" such as in-store workshops, product personalization stations, augmented reality features, and exclusive events creates a tangible experience and strengthens brand community. Retailers can also lean into the mall's mixed-use environment, tailoring promotions to onsite hotel guests or partnering with attractions in the mall or partnering with attractions in the mall to best tap to best tap into these new streams of customers.

Trend 2

Underdogs turned champions: How disrupter brands are rewriting the rules

Grocery store shelves look a little different these days. Newcomer brands are earning their place, challenging legacy players that have long relied on scale, brand recognition, and mass distribution. Rather than competing on incumbents' terms, disrupter brands are reimagining categories, meeting customer needs through differentiated products, distinctive branding, and agile go-to-market models.

These brands are also driving disproportionate category growth relative to their size. For example, emerging brands like Goodles and Graza gained 1.5 percentage points of market share from 2022–2025, while large and midsize brands collectively lost share over the same period.[20] The question is no longer whether disrupters can compete, but what is structurally enabling them to win.

Shifts in consumer decision-making are redefining who wins

According to NielsenIQ's 2025 Global Outlook on Private Label and Branded Products, 58% of respondents report that brand is becoming irrelevant in purchase decisions.[21] This reflects a broader shift toward value-driven consumption where performance, transparency, and personal alignment increasingly shape purchase decisions. Overall, this shift is fertile ground for disrupter brands to grow, given they often build their products based on customers' specific, personal values.

One clear example where some disrupter brands are aligning products to customers' values is the rise of "clean" food products (i.e., foods that are organic, made from healthy ingredients, or offer significant nutritional benefits). Many start-up and disrupter brands are differentiating through health-focused positioning and ingredient transparency. Consumer demand for these products continues to accelerate. In 2024, U.S. organic sales reached a record $71.6 billion,[22] growing more than twice as fast as the overall market. Similarly, functional products emphasizing added protein or fiber are also gaining traction, with 70% of consumers in 2025 actively trying to increase their protein intake, up from 59% in 2022.[23]

MUSH is one example of a disrupter brand successfully capitalizing on the health and wellness trend. Positioned as a "better-for-you" alternative within traditional breakfast categories, MUSH has built strong customer traction with its popular ready-to-eat offerings, selling more than 200 million cups of overnight oats since its launch and exceeding $100 million in retail sales in 2025.[24] A similar dynamic is playing out in beverages, where OLIPOP has scaled its prebiotic, lower-sugar soda to $400 million in sales and a $1.85 billion valuation[25], challenging legacy soda brands on relevance and functionality.

The success of brands like MUSH and OLIPOP highlight a broader shift in the market: customers are increasingly aligning with brands that can quickly respond to evolving preferences and values – be it clean food, protein, fiber, or whatever comes next. As a result, brands can no longer rely on brand equity alone and must compete on speed, relevance, and adaptability to win. Incumbents rooted in traditional models may struggle to keep pace.

How disrupter brands are winning

Disrupter brands operate with agility and a higher tolerance for risk, particularly in product innovation, pricing, and consumer engagement. There are three strategies that consistently drive their success.

Digital-first customer acquisition

Disrupter brands leverage social media platforms, not only for advertising, but for community-building.[26] Rather than relying on traditional paid media, they activate consumers as participants, using trends, creator partnerships, and "always-on" engagement to drive awareness and growth. This lowers customer acquisition costs and creates peer-driven growth loops.

Rhode Skin is an example of this model. Through founder-led storytelling, behind-the-scenes content, and viral moments, the brand has translated cultural relevance into measurable impact, generating roughly $248 million in earned media value in 2024.[27] This highlights a broader shift: Digitally native challengers are capturing market share, while traditional brands rely on less agile marketing models that may not generate comparable demand.

Agile operating models

Disrupter brands often operate with "asset-light" models, relying on external partners for manufacturing and logistics. This enables faster speed-to-market and rapid test-and-learn cycles.
In contrast, more established incumbents are built for scale and supported by mature networks. While these capabilities provide consistency and reach, they can also introduce complexity that slows decision-making and limits innovation.[28]

Identity-led brand building

While brand recognition alone is declining in influence, disrupters are building identities rooted in alignment, self-expression, and belonging. Rather than relying on mass appeal, disrupters anchor their image in specific lifestyles and communities, creating emotional connections that feel personal and authentic.

Siete Foods illustrates this approach, building its brand around Mexican-American heritage and a strong family narrative. This positioning fostered deep consumer affinity and cultural relevance, contributing to the $1.2 billion acquisition[29] of the brand in 2025.

What the rise of disrupters means for the future

The momentum of disrupter brands is impossible to ignore. Retailers, incumbents, and disrupters alike must evolve to stay relevant.

Retailers such as Target and Whole Foods have built pipelines to identify and scale emerging brands. For example, Whole Foods' LEAP program[30] offers mentorship, buyer access, and prioritized shelf placement. As new brands continue to emerge, retailers must refresh assortments more frequently and create faster pathways to bring them to market.

Incumbents are responding to disrupters in two ways: acquisition and internal innovation. Recent examples include Hershey's acquisition of LesserEvil[31] and new product launches such as protein coffee[32] and Smartfood FiberPop.[33] In both cases, success depends on the ability to move faster and align with evolving consumer preferences.

For **disrupter**, the challenge is sustaining momentum at scale. Growth introduces pressures that can dilute the identity that fueled early success. The brands positioned to succeed will preserve their founding principles, maintaining creativity, agility, and authenticity while scaling both the business and the brand.

Trend 3

The evolution of retail media and its meteoric rise

Retail media, a practice where companies advertise content within retailers' stores, websites, applications, or streaming platforms, has evolved from a niche advertising channel to a dominant force. For retailers, this is a win. Their retail media networks are booming. Retail media advertising spend is expected to reach nearly $100 billion in the US by 2028,[34] an 88% increase from $51 billion in 2024. With retail media comprising 20% or more of total media budgets,[35] it's evident that its power is now recognized.

Rapid expansion of retail media networks continuing

For years, retail media was dominated by Amazon. Amazon pioneered the model in 2012[36] by leveraging first-party purchase data to effectively identify whether an advertisement led to a sale. Since then, Amazon has grown to become a retail media giant: In 2025, Amazon's advertising revenue surpassed $68 billion.[37] However, in recent years, there has been a considerable increase in the number of retail media networks. Today, there are more than 200 retail media networks[38] in the market, a sign of strong expansion.

While these networks are at different stages of maturity, various types of retailers are competing for ad dollars. For marketplace purchases, Walmart started its retail media network in 2021 and has recently emerged as Amazon's strongest competitor, (based on scale), fueled by combining its digital infrastructure with its physical store presence, generating $6.4 billion in advertising revenue in 2025.[39] Within the grocery channel, Instacart has evolved into a retail media leader, partnering with platforms like TikTok and Pinterest to help the 7,500+ brands in its portfolio[40] better reach their target customers. Other notable retailers that have launched their own networks in recent years are Ace Hardware[41] (hardware tools), Casey's (convenience stores), and Pacers Sports & Entertainment (sports).[43]

Why are retail media networks continuing to grow? Retailers have recognized, much as Amazon did, that owned advertising inventory and first-party customer data offers something few others can replicate – an environment that directly links advertising spend to measurable sales outcomes (i.e., closed-loop reporting). Brands want to leverage the customer purchase data within this space to drive better advertising engagement and performance, while retailers stand to increase their revenues significantly from selling these spaces to brands. This combination makes retail media poised to grow even more as new ways pop up to promote products via retailers.

Investments in in-store retail media specifically surging

While retailers have invested in establishing and growing their retail media networks, in-person shopping continues to play a large role. In 2025, 80+% of sales came from in-store or omnichannel shopping[44]. Recognizing this phenomenon, retailers are increasingly turning to in-store infrastructure (digital displays, audio recordings, interactive kiosks, etc.). With in-store advertising, retailers can influence customers at the "point-of-purchase" [45], providing them with an opportunity to reinforce their digital advertising and the in-store and offline shopping experience for customers.

Given the benefits, retailers are making active investments to expand their in-store advertising capabilities. Most notably, CVS has invested in digital end caps,[46] displays often at the end of an aisle or above a particular set of products, to grab customers' attention in real time. With more than 600 digital end caps in high-traffic aisles, CVS has reported that 70% of customers have found these displays to be useful. In the grocery space specifically, many retailers have launched similar digital displays in 2026,[47] and the most recent innovation has been smart carts, which are carts that provide a variety of benefits for the customers. Features include a digital screen that allows customers to search for items from their online cart, a map to locations of products in-store, and the ability to scan items as customers place them into the cart to bypass the checkout line. Amazon initially piloted its version of smart carts called Dash Carts[48] in 2024 and is now expanding them at multiple Whole Foods locations this year. For Amazon, they can use the carts to display advertisements and personalized deals,[49] further influencing shoppers during their in-store experience.

As retail media networks grow and expand, so, too, does the list of channels that a retailer can leverage to place ads. For instance, Walmart acquired Vizio[50] to further strengthen its retail advertising arm. In this era, investment dollars follow these new channels, such as in-store end caps or smart carts, to drive a greater return for companies' advertising.

AI's influence on retail media

Artificial intelligence continues to shape a variety of global industries, and unsurprisingly, retail media is one of them. A Harris poll found that 40% of users in December 2025[51] used AI to assist and gather information while shopping, indicating that consumers are comfortable using these tools as they shop. As such, major AI vendors are starting to experiment with their own form of retail media, incorporating advertising into their large language models (LLMs). Prominent AI platforms have begun testing advertisements directly within their platforms[52], partnering with established retailers, like Williams-Sonoma[53], to measure the impact reaching customers at decision-making moments.

AI large language models' emergence as a new layer within retail media means brands can now influence consumers even earlier in the shopping journey.[54] This shift to an intent-driven model opens even more doors for brands to promote products to consumers and is yet another signal that retail media has room to continue growing.

Focusing the future on retail media

It's evident that retail media has evolved well beyond its nascent stage with Amazon in 2012 into a broader ecosystem of networks. The increased competition within the space means that simply having advertising inventory available for brands is not enough. Retailers who unify the infrastructure, connecting digital and in-store advertising, are poised to capture the most growth in an environment where in-store shopping remains critical. Likewise, retailers that continue to explore partnerships and investments, even via retail media on AI platforms, will be ahead of the curve of their competitors. Ultimately, success in retail media will require retailers to execute across all three dimensions simultaneously (i.e., network positioning, omnichannel integration, and AI readiness) rather than excelling in one while neglecting the others.

Conclusion

The common thread? Retail's center of gravity is shifting from transaction to engagement. Whether it's a mall reinventing itself as a community hub, a disrupter brand building identity-led loyalty, or a retail media network meeting shoppers at the moment of decision, the move the fastest, listen most closely, and build experiences showing up for will generate significant advantages in the future, creating value beyond the sale.

Whether it's a mall reinventing itself as a community hub, a disruptor brand building identity-led loyalty, or a retail media network meeting shoppers at the moment of decision, the companies that move the fastest, listen closest, and build experiences showing up for will generate significant advantages in the future, creating value beyond the sale.

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