



IA

Designing for a Disconnected World

The New Role of Physical Space in Retail

APRIL 2025

HumanX by IA Retail

Consumer needs and mindsets are evolving in turbulent times—what if, instead of clinging to old rules, brands used retail space to help shape the future?

The Great Disconnect

Overwhelmed, Isolated, and Drained

The societal upheaval of recent years—driven by the relentless pace of generative AI, the erosion of traditional community structures, and an ever-intensifying information overload—has left many feeling untethered, with troubling consequences.

According to OnSide Youth Charity (2024), 76% of young people now spend the majority of their free time on screens. 52% express a desire to cut back on smartphone use. Alarming, 51% report experiencing high levels of anxiety, and 44% feel lonely, highlighting a concerning correlation between increased screen time and declining mental well-being.



U.S. consumer confidence hit a four-year low in March 2025 (US CB). Brands now face the challenge of rebuilding trust and engaging consumers in a world of information fatigue and rising disillusionment.

Where to Go in the Future

Today's widespread sense of disconnection and languishing is unfolding amid ongoing economic uncertainty—leaving brands and retailers grappling with how to earn the attention and loyalty of consumers who are struggling to connect.

Where are consumer futures headed? How should brands respond? And what role will retail spaces play in bridging these gaps?

To explore these questions, we surveyed over 300 U.S. consumers.

Return to Reality

Reclaiming Connection in a Digitally Fatigued World

Frustrated by systems that no longer meet their needs—and that often deepen feelings of isolation—people across generations are forming new habits, rituals, and mindsets, starting with how they connect with others.

As part of the latest evolution of the “running-club effect,” there’s a clear shift toward in-person interaction, a notable departure from the long-dominant digital-first engagement. For many, having the time and ability to connect face-to-face is becoming a new kind of status symbol—an intentional counterbalance to digital fatigue and the erosion of traditional community.

Purposefully de-digitized networks like New York’s Green Tile Social Club and Miu Miu’s Literary Club reflect this growing desire to unplug and connect through real-life experiences. These spaces tap into a rising romanticization of the analogue—a longing for the (perceived) joy, authenticity, and slower pace of decades past.

Consumers are seeking authentic, in-person experiences as a reaction to digital fatigue and isolation.

The focus is shifting to imperfection, emotional authenticity, and celebrating complexity.

42% of global consumers said their most enjoyable experience in the previous week was a physical one, while only 15.3% said it was digital (Accenture, 2024).





55%

of consumers believe that the strongest connection to a brand comes from the opportunity to engage with **like-minded individuals and feel part of a larger community.**



68%

crave more immersive, sensorial in-store experiences and the feeling of **being connected to like-minded shoppers in real life.**

Shift to Intention

Intentional Consumption to Curated Intentionality

Economic instability and the realities of climate change are no longer prompting consumers to ask if they should spend—but how. Increasingly, people are choosing to buy with intention, favoring curated, meaningful purchases over impulse and excess.

Trends like #Deinfluencing (233M TikTok views) and #Underconsumptioncore (46M views) capture this cultural shift toward mindful minimalism.

In response, forward-thinking brands are not only embracing this move toward intentionality—they're elevating it. Take Kiki Beauty, for example: their blockchain-backed campaign empowers loyal fans to co-create and customize skincare products, transforming consumers into collaborators.



In the future, consumers may no longer be passive buyers—they'll be co-authors of brand narratives, actively shaping stories and culture through shared passions and authentic connections. We're already seeing early signs of this shift, with brands inviting their most loyal followers on trips once reserved exclusively for Instagram influencers, blurring the lines between audience and advocate.

By moving away from a mass-market mindset toward more intimate, personalized experiences, brands have a powerful opportunity to offer consumers greater autonomy—inviting them to take part in product creation, marketing, and the broader brand journey.

Forward-thinking brands are handing over the reins to their most loyal fans, inviting them to co-curate experiences and shape the future as a collective.



69%

of consumers are **interested in contributing ideas for brand development** with varying degrees of involvement.



51%

combined percentage of respondents who support strategies like personalized AI recommendations, in-store consulting, and predictive tools to **individualize their retail experience.**

Blurring Boundaries of Brand Space

Experience Pivot #1

To meet people where they naturally gather and strengthen community ties, brands are beginning to extend their physical presence into 'third spaces'—from tennis courts and youth centers to libraries and beyond—transforming them into vibrant, interactive brand playgrounds.

Imagine fashion labels revitalizing local courts, beauty pop-ups nestled within youth hubs, or retail experiences thoughtfully woven into public libraries. These aren't just short-term marketing stunts or pop-ups—they represent a strategic, long-term approach to embedding brands into culture and generating real, lasting value.



Thought Sparker

Curiosity fuels connection. Today's consumers don't want to be sold to or told what to do—they want to **discover for themselves**.

How can your physical portfolio shift from direct selling to **crafting unforgettable experiences**—spaces that empower consumers to explore, connect, and engage on their own terms?

IRL

IA partners with Tecovas (above) to transform its stores into social hubs—complete with whiskey bars, live music stages, boot lounges, and locally inspired design.



Retail as a Catalyst for Self-Discovery

Experience Pivot #2

Retail spaces have long been evolving to deliver new experiences, using pop-ups and events to engage consumers. But now is the time to take physical environments even further—not just to excite, but to ground, inspire, and offer lasting value beyond the transaction.

This can be achieved through spatial layouts that foster productive friction—inviting consumers to slow down, linger, and reflect.

By designing intentional pauses and micro-moments of awe, brands can enrich the journey and leave a more lasting impression (TrendWatching, 2025).

Creating dedicated zones that encourage connection around shared interests and hobbies aligned with your brand can cultivate a sense of reciprocity—offering added value that gives people a reason to return in real life.

Thought Sparker

In today's evolving zeitgeist of reciprocity, **brands must earn the right to connect**—shifting from selling to grounding, inspiring, and offering meaningful value.

Which areas of your retail space could be reimaged to **enrich the consumer journey**? What moments of connection can you create? And what shared passions, values, or interests can your consumers gather around?

IRL

IA collaborated with REI's internal design team to reimagine retail as a hyper-local hub (above), where moments of discovery are carefully curated to inspire and provide value to communities that prioritize time outdoors as part of daily life.

The Takeaways

01

Disconnect is growing.
Brands can fill the void.

02

Return to real life and give
away a piece of the parcel.

03

Redefine retail boundaries
—engage where consumers
already are.

04

Focus on long-term impact,
not just short-term
excitement.



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