



# Brand Dimensions 2026 Predictions Report



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# Contents

1. 2026 F&B and Leisure Predictions
2. 2026 Retail and Grocery Predictions
3. Winner Brands of 2025
4. Expansion deep dive - **Søstrene Grene**
5. Evolution deep dive - **PureSeoul**
6. Expansion deep dive - **Gail's**
7. Evolution deep dive - **David Lloyd**



# 2026 Predictions

# 2026 Retail and Grocery Predictions

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## Consumer Trends



### Rise of social commerce

Social commerce will continue to grow in 2026, with Tik Tok Shop, Facebook Marketplace and Instagram Shopping now firmly established as commerce brands. Key drivers include in-feed product discovery, live shopping and creator-led trust. More brands will join these platforms, with influencer led marketing continuing to shape purchase decisions.



### Shopper baskets skew to functional protein-led and sports nutrition

Consumers will increasingly prioritise health and performance, leading to grocery baskets dominated by protein-rich products and sports nutrition items. Retailers like Holland & Barrett are expected to see strong growth as shoppers turn to vitamins, minerals and supplements.



### Health & Beauty continues its upward trajectory in 2026

Momentum in the health and beauty sector continues to grow, with wellness habits and beauty tech, like LED masks, now embedded in consumer routines. Men's skincare is also becoming a key growth driver as more men invest in targeted products. This shift broadens the category and strengthens the beauty landscape heading into 2026.

## Industry Trends



### Tech-powered experiences

Retail will continue to embrace technologies such as smart mirrors, virtual try-ons and automated checkouts to enhance convenience and personalisation in-store. Zara is already pushing the boundary here with its new AI-powered app feature, allowing customers to virtually try on clothes from a selfie or full-body photo, setting an early benchmark for customer-first AI adoption.



### Responsible returns

Retailers will prioritise eco-friendly practices with more sustainable product lines, zero-waste packaging and increased investment in circular fashion initiatives. To curb waste and costs, return fees will become more common including the likes of Next and H&M, as well as ASOS charging depending on a customer's return rate.



### Grocers own-labels allow for affordability

Grocery own-label products will continue to gain traction as consumers look for affordable options without compromising on quality, with curated and personalised ranges becoming key. Tesco recently brought back its iconic striped Value brand as part of its "Everyday Low Prices" initiative, signalling value to reassure increasingly price-conscious shoppers.

# 2026 F&B and Leisure Predictions

## Consumer Trends



### Responsible drinking becomes mainstream

Conscious drinking habits and lifestyle trends like JOMO (Joy of Missing Out) and wellness will continue to grow in 2026. This shift will drive rising demand for low and zero-alcohol options. Operators are expected to diversify the offering, creating all-day, multi-use venues. Spaces will become more family friendly and inclusive to a broader range of consumers.



### Functional foods and adaptogens

Pre-packaged, nutrient-balanced dishes designed for quick preparation will gain traction as consumers prioritise health and more results-led nutrition. This trend is amplified by diet pills and supplement culture, which reflects a desire for functional, results-driven nutrition. Supermarkets are expected to continue capitalising on this demand with bespoke ranges.



### Feast-style family dining

Shared dining experiences will surge as consumers seek communal, family style meals and multi-dish formats designed for sharing. Restaurants will adapt by offering feast-style menus that encourage group interaction such as Nando's *Family Platter*.

## Industry Trends

### AI & Tech integration



More mass-market brands will use AI to analyse consumer data and deliver customised menus. Hyper-personalisation will extend beyond basic customisation, creating real-time individualised experiences, especially in QSR. Loyalty programmes will enable this, with customers logging in to unlock rewards, helping retailers instantly recognise preferences and anticipate orders. Expect AI-driven automation across kitchens and front-of-house to deliver faster, more efficient service

### Sensory and immersive entertainment



Hospitality will lean heavily into immersive experience with live theatre-inspired concepts such as The Ellen Stardust Diner and Mamma-Mia style performances to draw people out. However, the FIFA World Cup is unlikely to have the same impact on pubs as previous tournaments due to time zone differences.

### Menu tiering and food transparency



Consumer spending will polarise between budget and premium groups, driving businesses to adopt "good-better-best" pricing models with clear tiered options such as McDonalds and Starbucks. Transparency and quality claims will be key for value clarity, while mid-market family dining brands like TGI Fridays and Frankie & Benny's face likely decline.




# The trends of 2025

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# Winner Brands of 2025: Retail and Grocery

How leading Retail and Grocery brands won growth in 2025

## Expansion

<p>Household</p> <p>COTSWOLD COMPANY</p>  <p>MINISO</p> <p>OKA</p>	<p>Fashion</p> <p>MANGO</p> <p>UNIQLO</p> <p>next</p>	
<p>Health &amp; Beauty</p> <p>SPACENK</p> 	<p>Grocery</p> <p>Morrisons Daily</p> <p>Sainsbury's</p> <p>CHOP CHOP</p> 	<p>Sportswear</p> <p>TALA</p> <p>alo</p> <p>ADANOLA</p>

## Evolution

<p>Household</p> <p>ProCook</p> <p>Whittard CHELSEA 1886</p> <p>LE CREUSET</p>  <p>The Range Home · Leisure · Garden</p>	<p>Fashion</p> <p>SHEIN</p> <p>Bershka</p> <p>PULL&amp;BEAR</p> <p>Abercrombie &amp; Fitch</p>	
<p>Health &amp; Beauty</p> <p>KIKO MILANO</p> <p>pureseoul</p> <p>DIPTYQUE PARIS</p>	<p>Grocery</p> 	<p>Sportswear</p> <p>asics</p>  

# Winner Brands of 2025: F&B and Leisure

How leading F&B and Leisure brands won growth in 2025

## Expansion

This graphic illustrates brands that achieved growth through store estate expansion. It is divided into several categories:

- Coffee Shops:** BLANK STREET, GAIL's, BLACK SHEEP COFFEE, and a silhouette of a person at a coffee table.
- QSR:** atis, WING STOP, POPEYES, and FARMER.J
- Leisure:** Hollywood Bowl
- Gyms:** THIRD SPACE
- Grocery:** M&S SIMPLY FOOD
- Restaurants:** ROSA'S THAI

## Evolution

This graphic illustrates brands that achieved growth through a strategic shift in proposition and behaviour. It is divided into several categories:

- Coffee Shops:** Starbucks
- QSR:** Uber Eats, deliveroo, GREGGS
- Leisure:** airbnb, BUZZ Bingo, EVERY MAN
- Gyms:** David Lloyd — CLUBS —, PUREGYM

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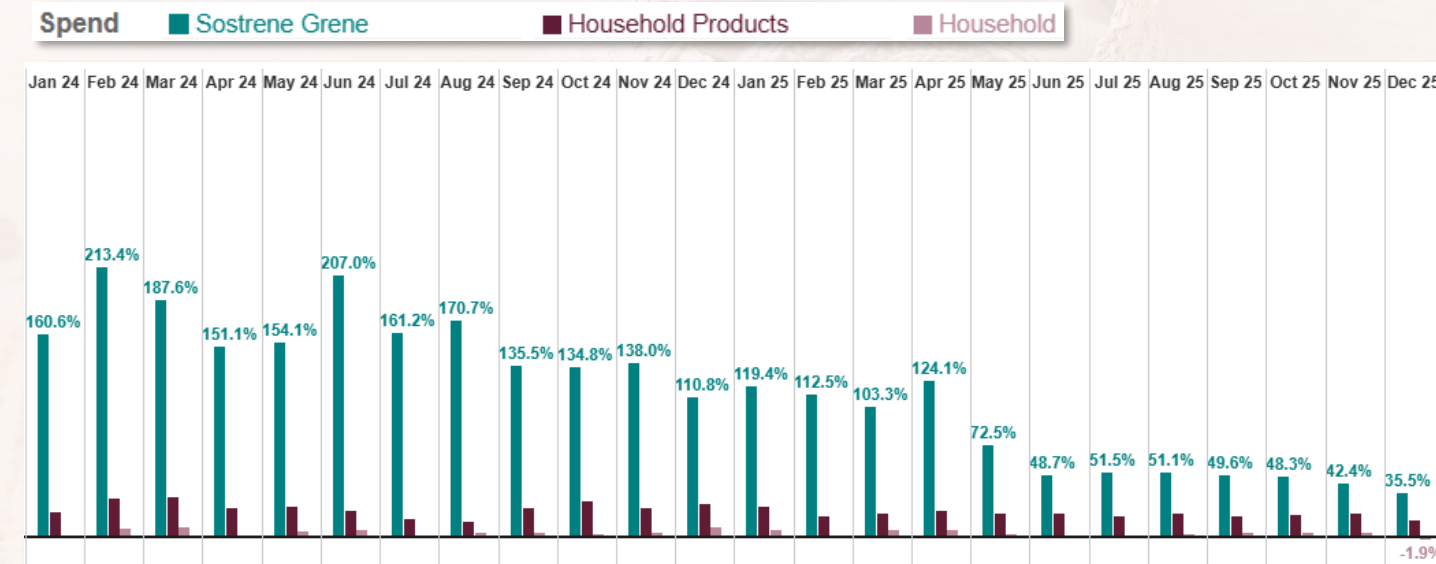
**Expansion  
winner deep  
dive: Søstrene  
Grene**



# Scandi simplicity is reshaping the homewares market

Søstrene Grene emerged as one of 2025's most distinctive performers, combining Scandinavian design, emotional brand positioning and an intensely curated in-store journey. The retailer's expanding footprint, with 67 new stores across Europe in 2025, helped it outperform its category by driving loyalty through discovery, creativity and experiential retail.

Year-on-year spend vs. the Household & Household Products categories



Where many homeware retailers prioritise speed and convenience, Søstrene Grene intentionally encourages dwell time. Maze-like layouts, subdued lighting and classical music create a calming flow that exposes shoppers to more of the range, strengthening impulse purchasing and boosting basket size.

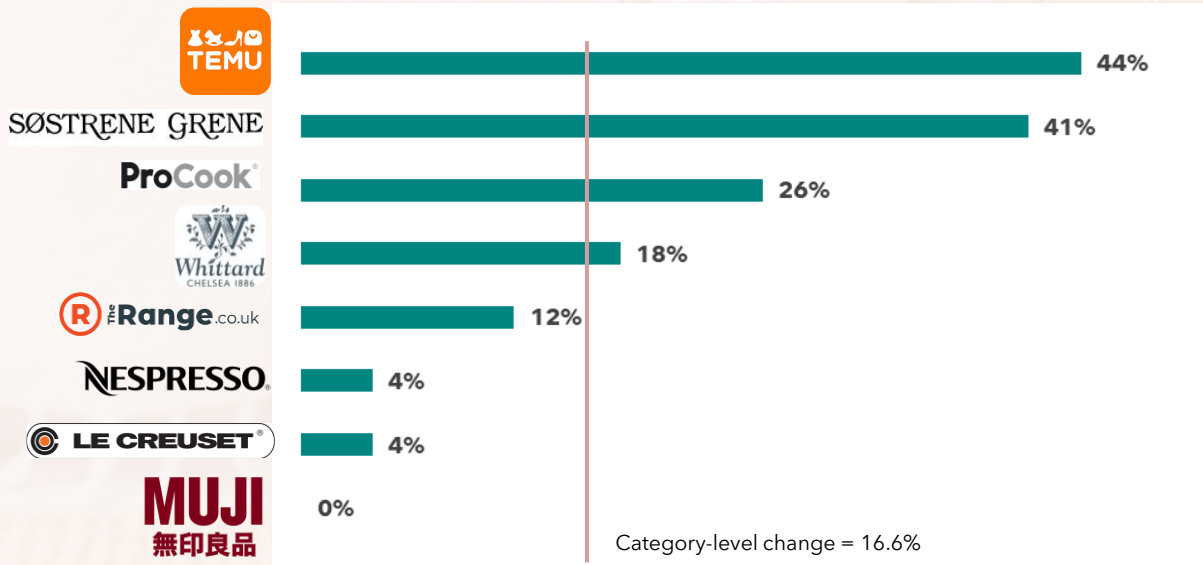
This experiential approach contributed to strong performance in 2025, with December spend up **35.5%** year-on-year, reflecting the continued appeal of its Hygge-inspired philosophy.

By positioning stores as places of inspiration rather than transactional spaces, the brand builds unusually high emotional loyalty in a category typically driven by price and practicality.

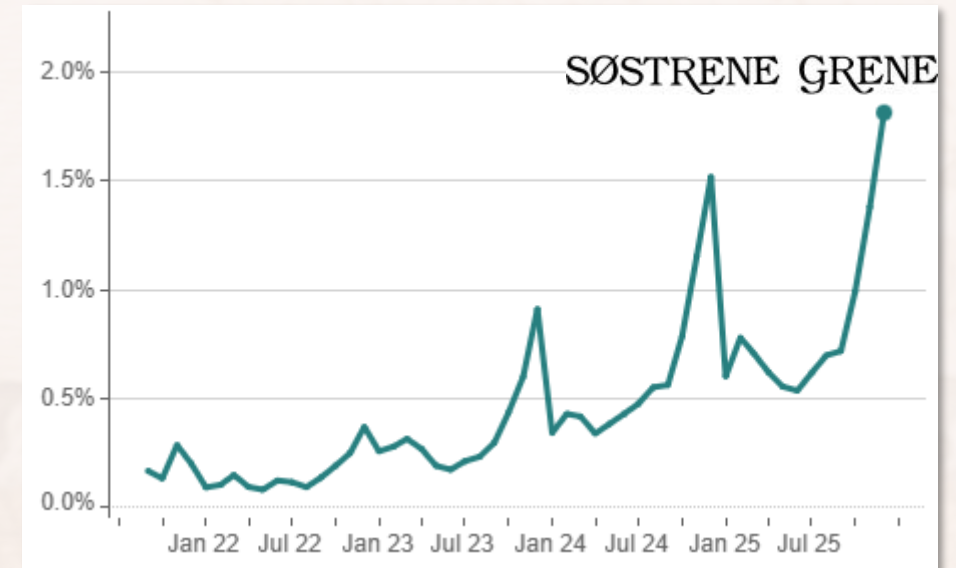
# Turning expansion into momentum

The scale of Søstrene Grene's 2025 expansion across Europe (including six openings in a single day) highlights the strength of its offering and its belief in sustained footfall-led growth. The compact store format, high product turnover, and weekly stock updates ensure a fresh and engaging offer that keeps customers returning, driving the brand's ongoing success without diluting the experience.

Category change in spend (Oct - Dec 2024 to Oct-Dec 2025)



Market share



Compared to the same period the previous year, spend in the last quarter of 2025 was up **41%**, placing the brand just behind Temu and well ahead of most other household retailers. This surge indicated growing awareness in new catchments and strengthened the brand's competitive position. By year-end, Søstrene Grene closed 2025 with a **1.8%** share of the household products market, demonstrating how its distinctive store experience translates into meaningful market penetration.

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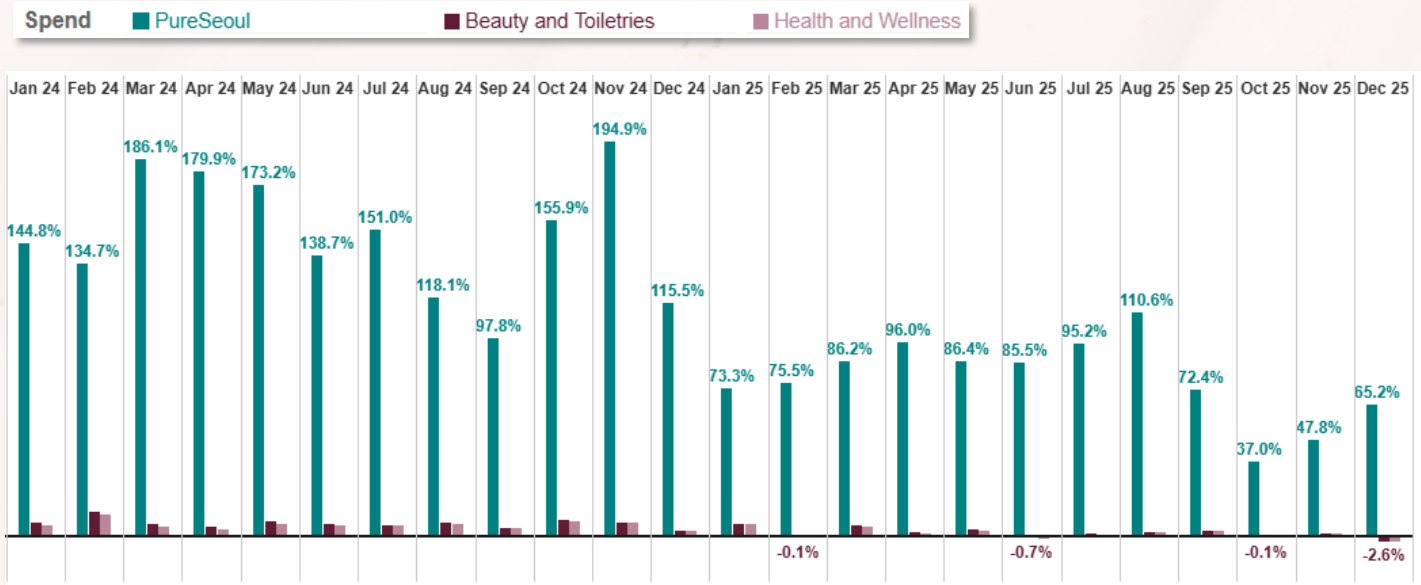
**Evolution winner  
deep dive:  
PureSeoul**



# Will Korean skincare move from trend to staple?

**PureSeoul** has emerged as a strong performer within the Beauty and Toiletries category, driven by growing consumer interest in Korean skincare and curated, trend-led brand positioning. In December, spend rose by **65%** year-on-year, outperforming the category overall and indicating resilient demand despite broader moderation across the market.

Year-on-year spend vs. Beauty and Toiletries and Health and Wellness categories



Social media platforms and trends have helped to introduce consumers to specialist retailers like PureSeoul, translating online engagement into in-store and online spend.

While growth has softened recently, the brand remains ahead of the Beauty and Toiletries category. Five stores opened in the five weeks leading up to Christmas, bringing the total UK footprint to 14, showcasing the strength of its specialist appeal among young, cosmopolitan customers who are helping to sustain spend.

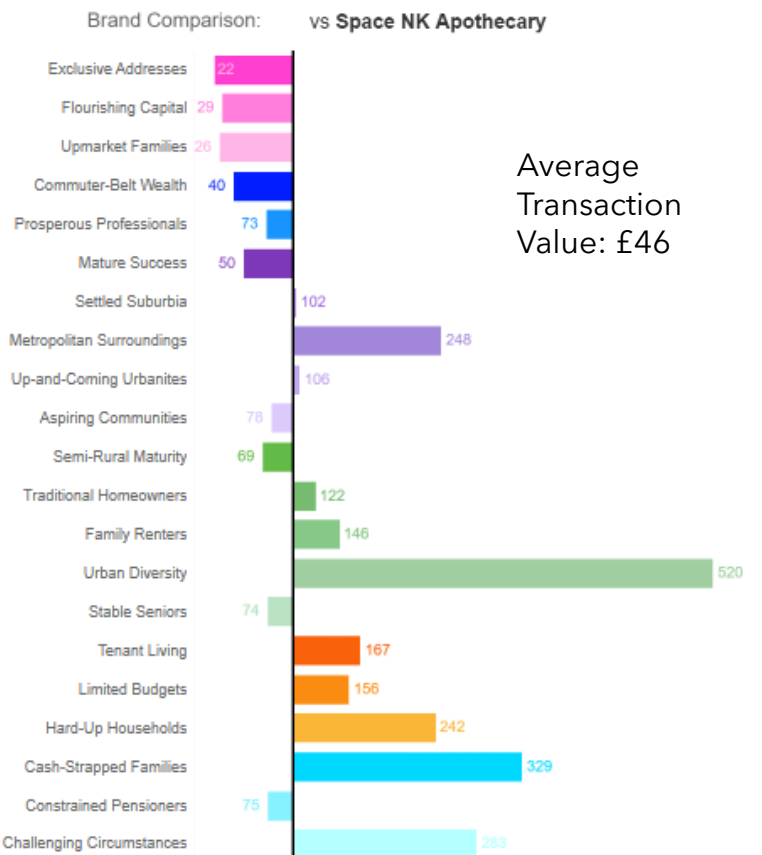
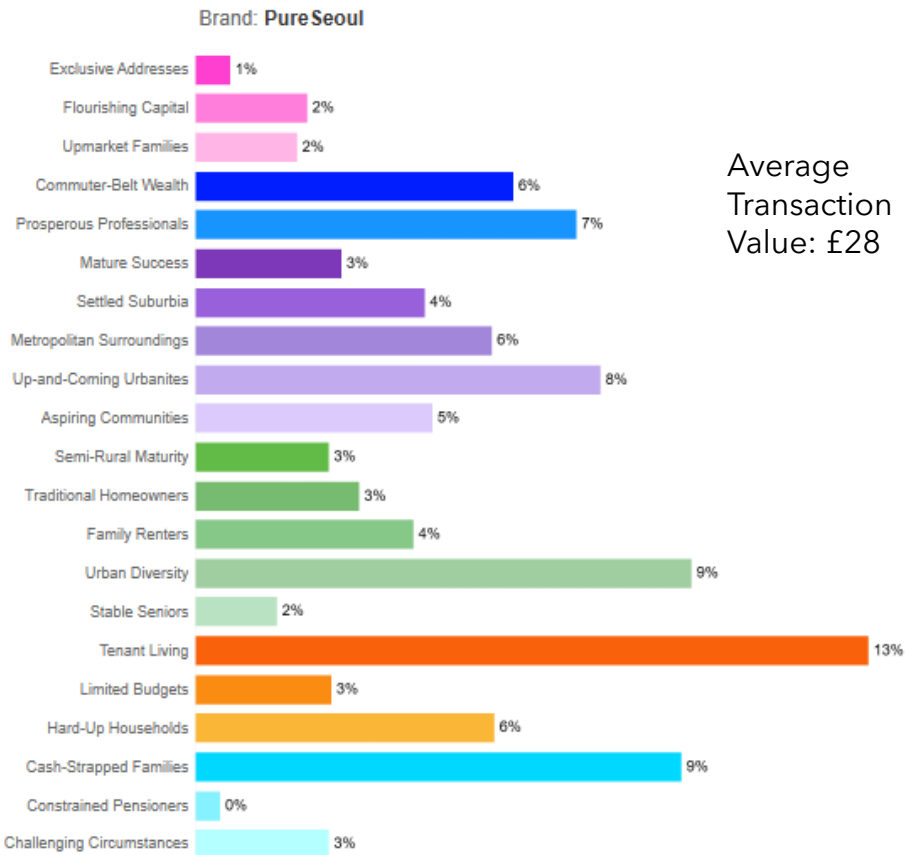
This performance contrasts with the wider Beauty category, which saw year-on-year spend decline **2.6%** in December 2025, highlighting PureSeoul's ability to capture consumer spend.

# Pureseoul wins the urban, young, trend-led consumer

PureSeoul is gaining traction among mid-affluent groups, signalling a broadening of its appeal. As consumers continue to balance value with quality, PureSeoul is well placed to benefit from demand for accessible premium skincare.

pureseoul

SPACE NK



index

**PureSeoul** is a multi-brand beauty retailer, offering a wide range of Korean skincare under one roof. Its accessible pricing and trend-led positioning attract younger, urban and diverse consumers, reflected in ACORN groups such as **Tenant Living**, which make up **13%** the brands customer base.

As another small-format, multi-brand beauty retailer, **Space NK** provides a useful comparison point. It serves a more affluent, suburban and professional audience such as **Mature Success**, in line with its premium brand mix and higher transaction values.

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**Expansion  
winner deep  
dive: Gail's**



# Gails sees premium growth in a competitive market

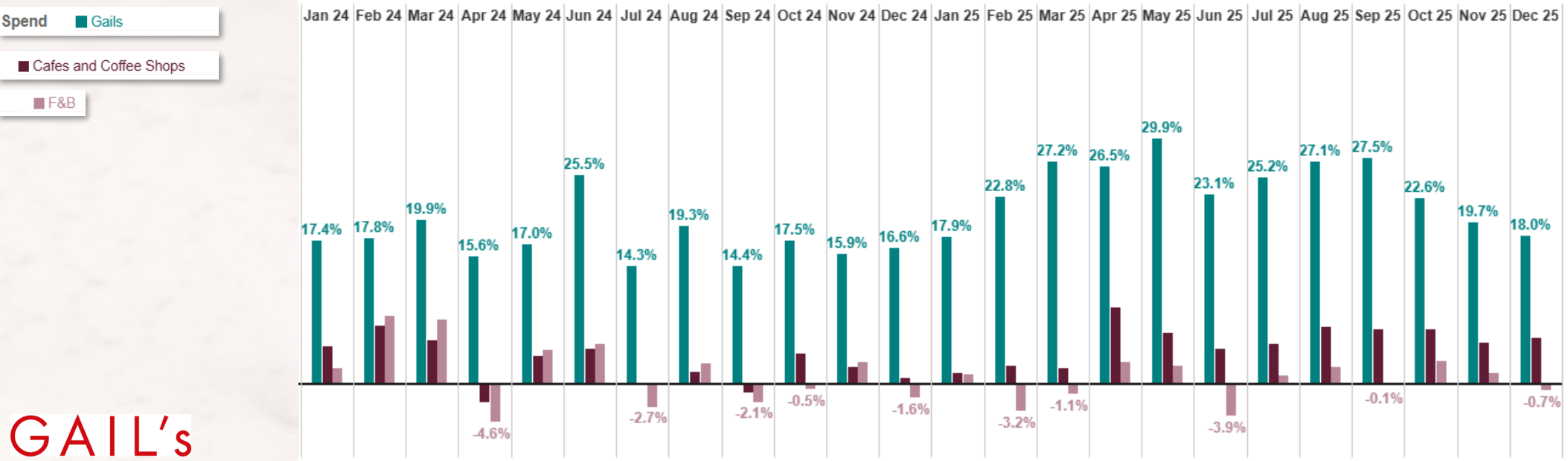
Gails' has had a strong 2025, consistently outperforming other café and coffee shops. Sales consistently grew year-on-year throughout 2025, finishing strong with sales up **18%** in December compared to the previous year. This significantly out-performed the café and coffee shop category overall, which despite also having a strong performing 2025 (compared to the previous year) didn't reach the same heights as Gails. December 2025 saw a year-on-year sales growth of **5.6%** for the overall café.

## Why is Gail's outperforming other coffee brands?

Aligning with their customers and offering an elevated café experience will have helped continual sales growth across 2025, however it is the brands focus on expansion which will have been of notable support.

The brand has expanded into new UK locations, broadening their customer base beyond its core London markets, strengthening regional brand presence while maintaining consistent performance. New stores continue to attract high engagement, suggesting the artisan bakery concept translates well across varied catchments. With 40 new sites set to open this year, the combination of sustained investment, increased footfall and strong customer uptake suggests that expansion is fuelled by both genuine demand and a deliberate, well-funded growth plan.

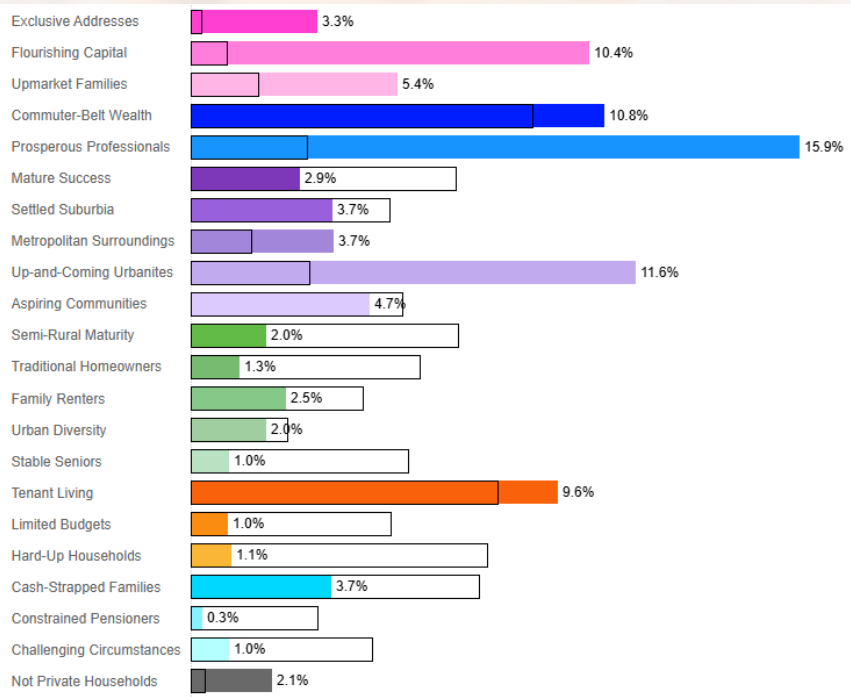
Year-on-year spend vs. the Household & Household Products categories



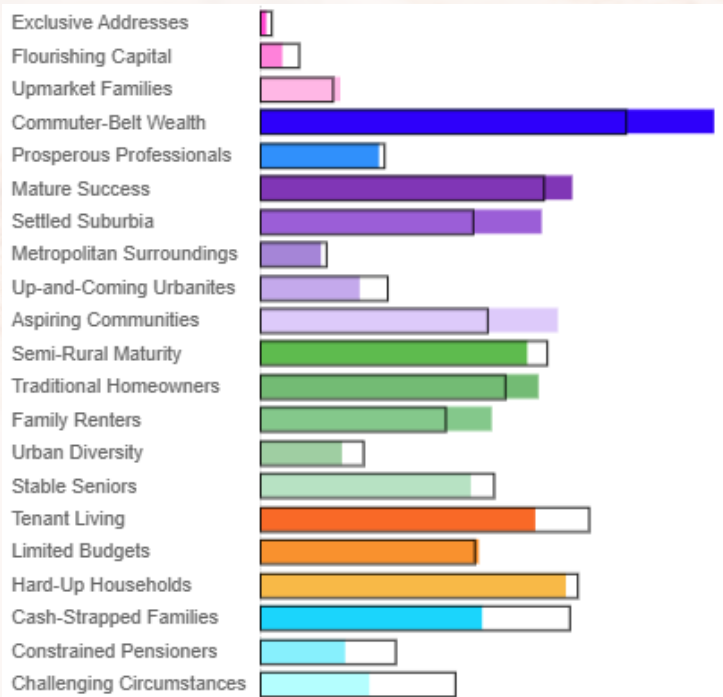
# Gails leads the market as expansion accelerates

Expansion into new UK locations has broadened Gail’s customer base beyond its core London markets, strengthening regional brand presence while maintaining consistent performance. New stores continue to attract high engagement, suggesting the artisan bakery concept translates well across varied catchments.

**Gails customer profile, compared to the GB average**



**Costa’s customer profile, compared to the GB average**



2025 saw strong year-on-year spend growth for Gail’s, outperforming Costa and other established coffee shop brands.

This performance has been supported not only by continued site expansion, including the opening at Gatwick’s South Terminal and plans for further 40 new locations this year, but also by growing brand awareness which is increasing the likelihood of customers actively choosing Gail’s. The brand has further strengthened its lifestyle positioning through a collaboration with Earl of East, launching a candle range that captures the sensory atmosphere of Gail’s and reinforces small, everyday rituals beyond the store.

Gail’s customer base skews more affluent, with strong appeal among professional and younger urban audiences such as Commuter-Belt Wealth, Prosperous Professionals, Up-and-Coming Urbanites and Tenant Living. Compared with Starbucks and Costa, the brand under-indexes among traditional family and lower-income groups, with its success driven by a more premium positioning.

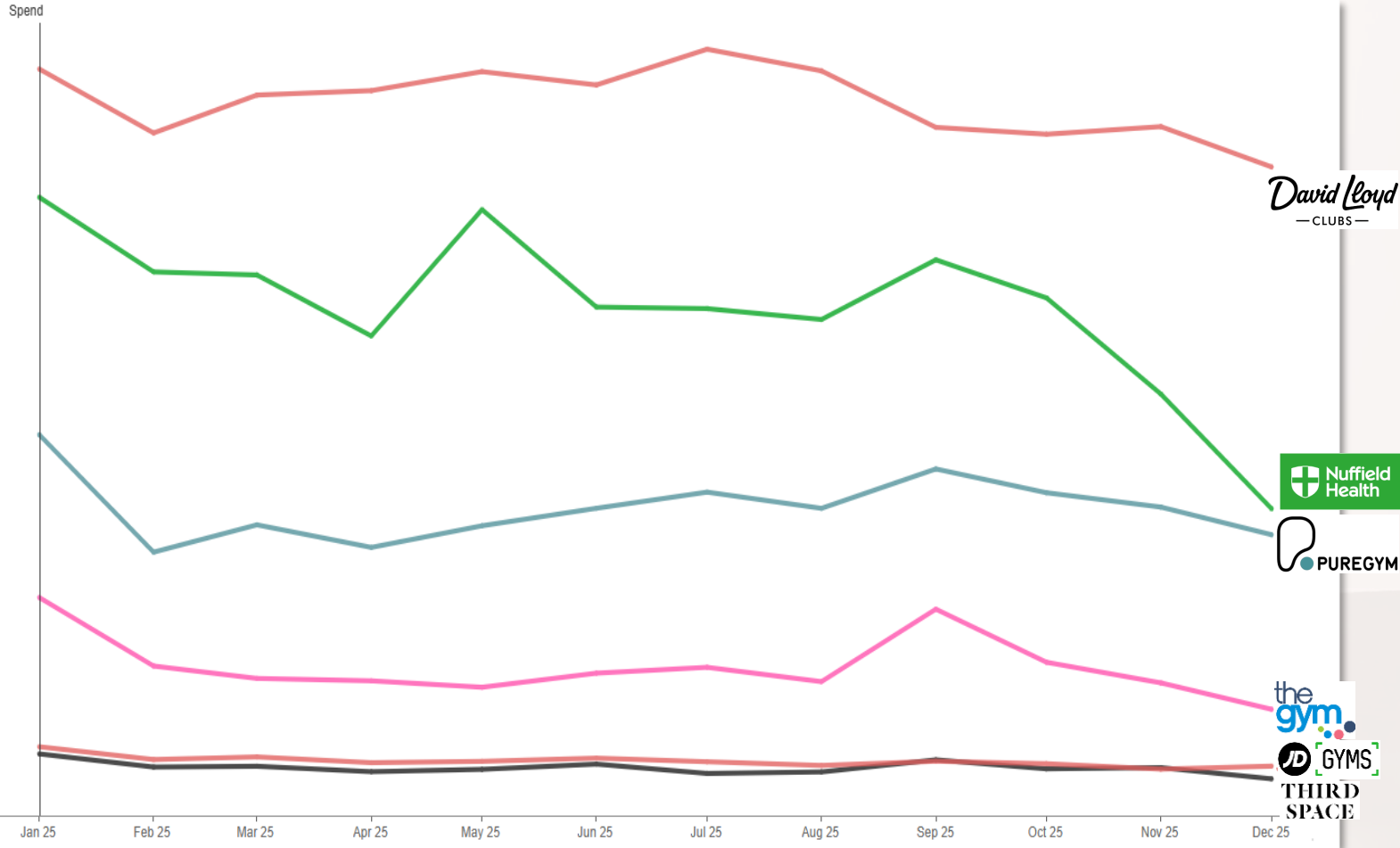
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# Evolution winner deep dive: David Lloyd



# David Lloyd's family-led model sustains brand growth

David Lloyd is a leading performer within the Health & Fitness category, differentiating from other operators through an inclusive, family-oriented lifestyle brand. By extending beyond traditional gym usage to include social spaces, classes and family-friendly amenities, David Lloyd positions itself as a destination rather than a single-purpose fitness venue.



David Lloyd's performance reflects the strength of this lifestyle model, holding the highest market share in the category at **8.4%** in December 2025. The size of their estate reinforces brand visibility and supports continued dominance across a wide range of catchments.

Despite its scale, David Lloyd continues to see steady growth, with spend up **6.2%** year-on-year in December 2025. Whilst David Lloyd isn't the forerunner in this category, it is definitely a brand to watch in 2026 to see if spend growth continues.

# Family-wide engagement drives long-term retention

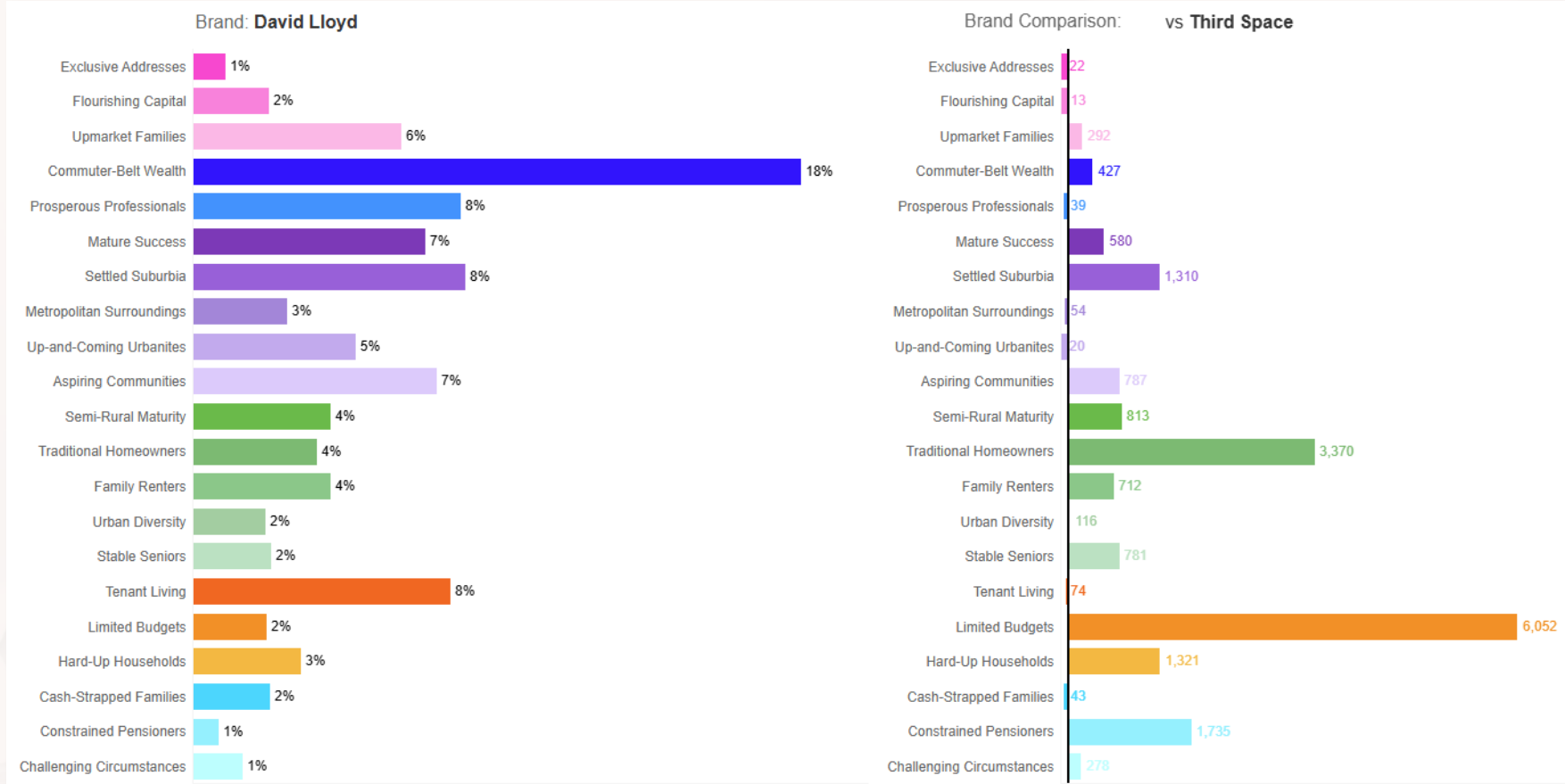


**THIRD SPACE**  
vs.

Compared to Third Space, David Lloyd over-indexes among demographics that typically value family-friendly amenities, routines and community-oriented environments, such as **Settled Suburbia** and **Aspiring Communities** - who make up **8%** and **7%** of their customers (respectively).

This demographic fit broadens the brand's appeal while still aligning with a premium lifestyle offer supported by strong facilities, services and brand heritage.

David Lloyd's family-focused model, offering activities, classes and social spaces tailored to all household members, allows the brand to embed itself into weekly family routines. This multi-user engagement increases visit frequency, strengthens long-term retention and supports the sustainability of its premium pricing.



index



# Meet the Brand Dimensions Team



**Rachael  
Bedford**



**Mark  
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**Martha  
Dobbs**



**Kate  
McGoldrick**