

A low-angle, upward-looking photograph of several modern skyscrapers with glass facades. The buildings are arranged in a way that creates a sense of height and scale, with the sky visible in the center. The overall color palette is dominated by blues and greys, with a teal accent color used for the text boxes.

Megatrends

Study

Insights on our ability to
achieve a sustainable future



+

**Bloomberg
Media Studios**

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Introduction



Measuring Megatrends

Megatrends are trends that have an effect on a global scale. Decades in the making, they are not easily undone or changed in the short term. Megatrends, therefore, have a profound and ongoing influence on business and society. Bloomberg Media's Megatrends Study, sponsored by Mubadala, examines how five megatrends identified by the United Nations—Digital Technologies, Climate Change, Inequalities, Demographic Shifts, and Urbanization—influence our ability to achieve a sustainable future, from the perspective of investors, millennials, and Gen Z.

Overview

This study centers on the contrast between three audiences: the global investor community and the next generation defined as engaged and informed millennial and Gen Z consumers. We will reveal the commonalities and differences between the priorities of each audience in their responses to these five megatrends, providing critical data about what the future holds.

Digital Technologies

The widespread use of technologies involving the representation, storage, and processing of information in bits.

Climate Change

The human-induced warming of the atmosphere resulting in environmental degradation.

Inequalities

The differences between the levels of health, wealth, and opportunity across groups of people.

Demographic Shifts

The overall slowing of population growth resulting in population aging, e.g., declining fertility and increasing life expectancy.

Urbanization

The increasing concentration of the world's population in cities.

Summary of Findings

Megatrends are important today, and will remain so moving forward

Respondents view megatrends as important to achieving a sustainable future, both today and in 2030.

The sentiment around megatrends is optimistic today, and that optimism increases toward 2030

Respondents are largely optimistic or neutral about the current state of megatrends, especially when it comes to Digital Technologies. Looking ahead to 2030, that optimism continues to grow.

Digital Technologies and Climate Change will play the biggest roles in defining our future


Of the five megatrends, Digital Technologies and Climate Change are seen as the greatest opportunities and the greatest risks to achieving a sustainable future.

Companies' success depends on their response to megatrends

There's consensus that companies that actively respond to megatrends will perform better overall, while those that don't will be left behind.

An aerial photograph of a city skyline with a teal color cast. The buildings have green roofs, and several white wind turbines are visible on the rooftops. A central teal banner contains the title text.

Importance of Megatrends

An aerial photograph of a city with numerous buildings, many of which have green roofs. Several wind turbines are visible, some on the roofs of buildings and others in the distance. The image is overlaid with a semi-transparent teal rectangle containing text.

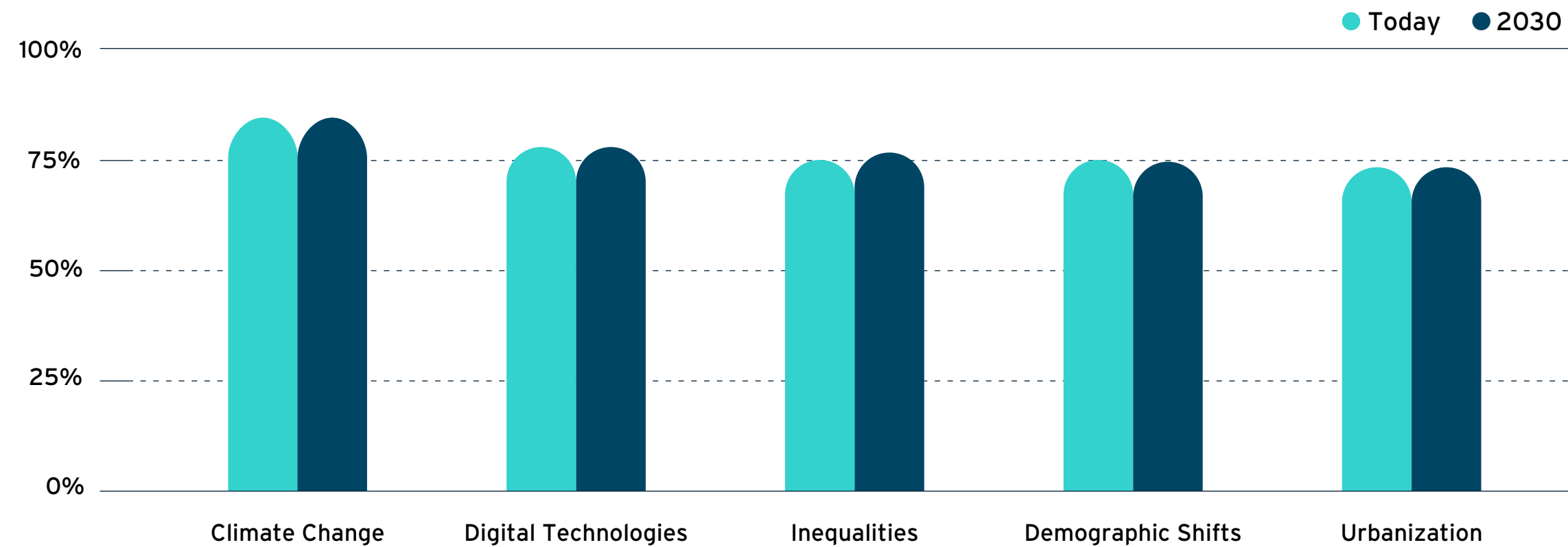
Here we looked at the importance of megatrends for our respondents, their businesses, and achieving a sustainable future.

All five megatrends are seen as important to achieving a sustainable future.

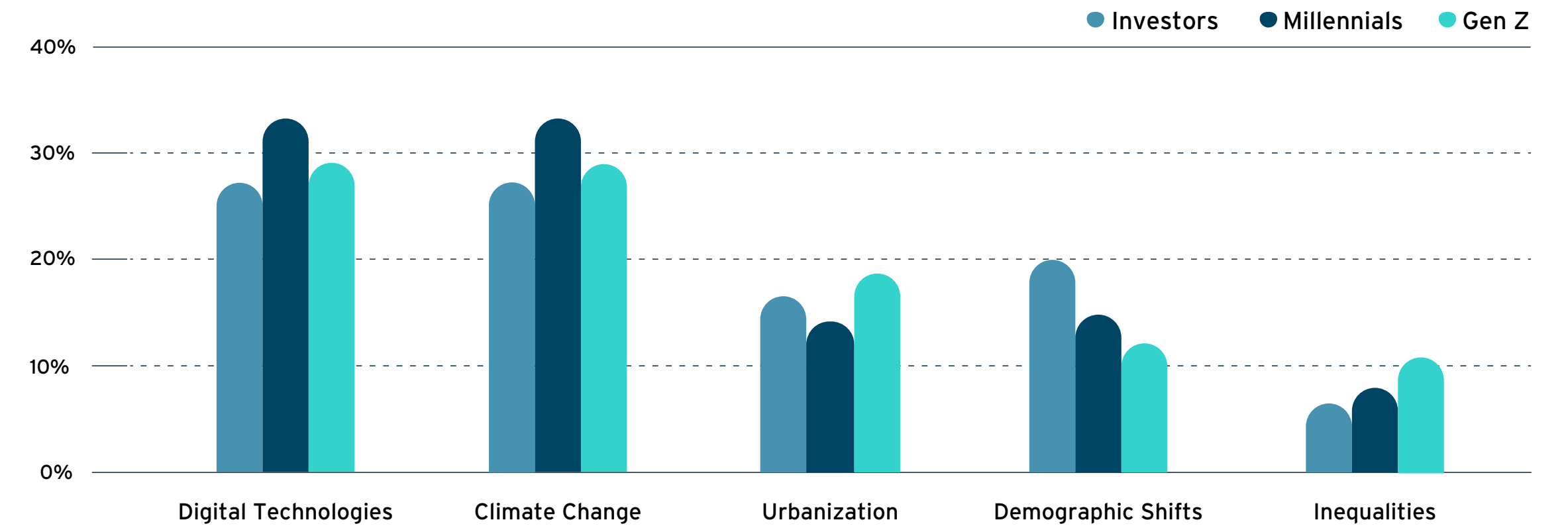
There is a high degree of alignment across respondents: 73% to 81% of all respondents view megatrends as important to achieving a sustainable future, not only today but in 2030 as well.

When it comes to investing in that sustainable future, Digital Technologies and Climate Change are seen by investors, millennials, and Gen Z audiences as the greatest opportunities, especially by millennials.

■ Importance of megatrends to achieving a sustainable future



■ Megatrend that represents the greatest opportunity to invest in a more sustainable future



Q3 + Q4

Today, how important is each megatrend to you, your business, your country, achieving a sustainable future?
Now imagine it's 2030. How important is each megatrend to you, your business, your country achieving a sustainable future?

Q20

Which megatrend represents the greatest opportunity to invest in a more sustainable future?

Investors see megatrends as more important to them today and in 2030 than the younger generation.

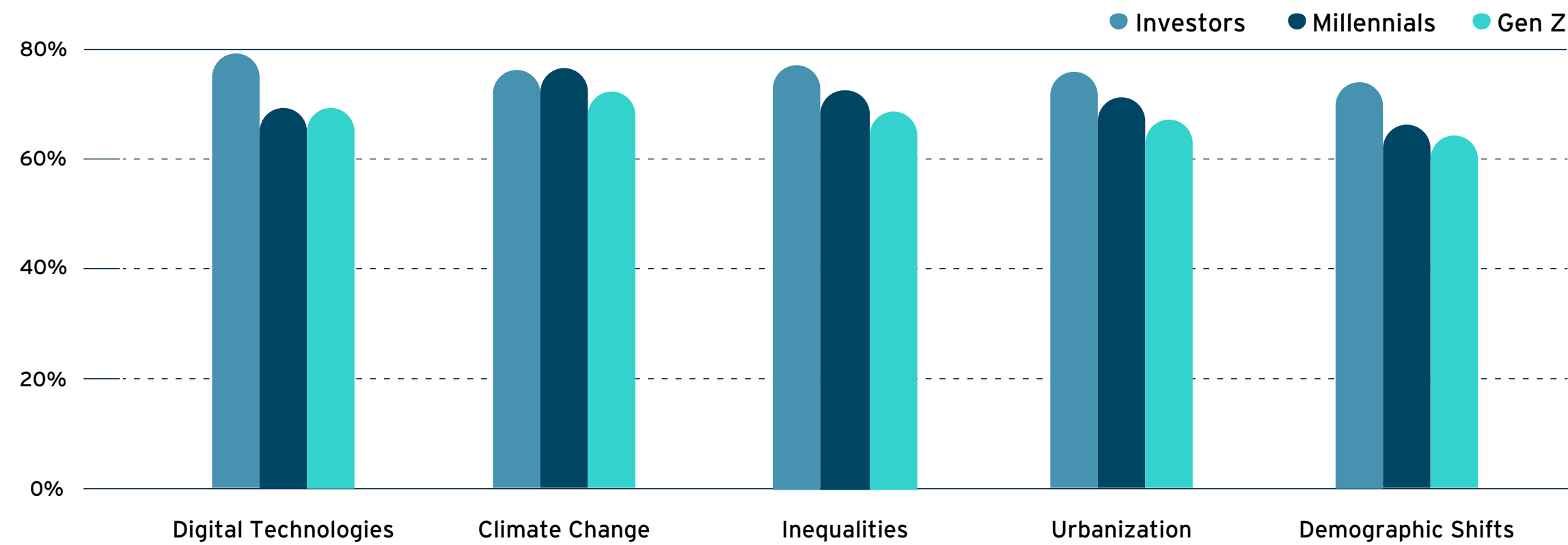
Overall, investors see megatrends as more important to them personally than either millennials or Gen Z, both today and in 2030.

Of all five megatrends, investors see Digital Technologies as most important today, at 79%, but see both Digital Technologies and Climate Change as most important in 2030, at 77%.

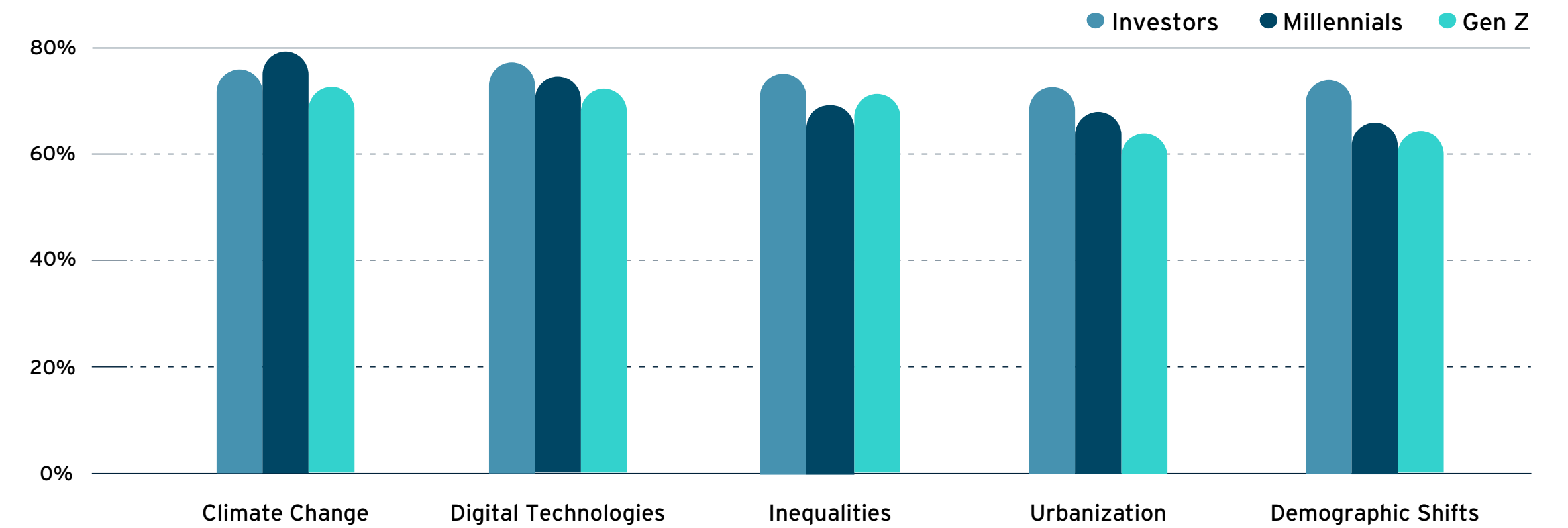
For millennials and Gen Z, Climate Change is most important both today and in the future, with millennials at 76% today increasing to 79% in 2030, and Gen Z at 72% today increasing to 75% in 2030.

Millennials and Gen Z also see both Urbanization and Demographic Shifts as less important both today and in 2030 than investors.

■ Importance of megatrends to you today



■ Importance of megatrends to you in 2030



Q3

Today, how important is each megatrend to you, your business, your country, achieving a sustainable future?

Q4

Now imagine it's 2030. How important is each megatrend to you, your business, your country, achieving a sustainable future?

Investors and the younger generation are also split on the megatrends most important to their businesses.

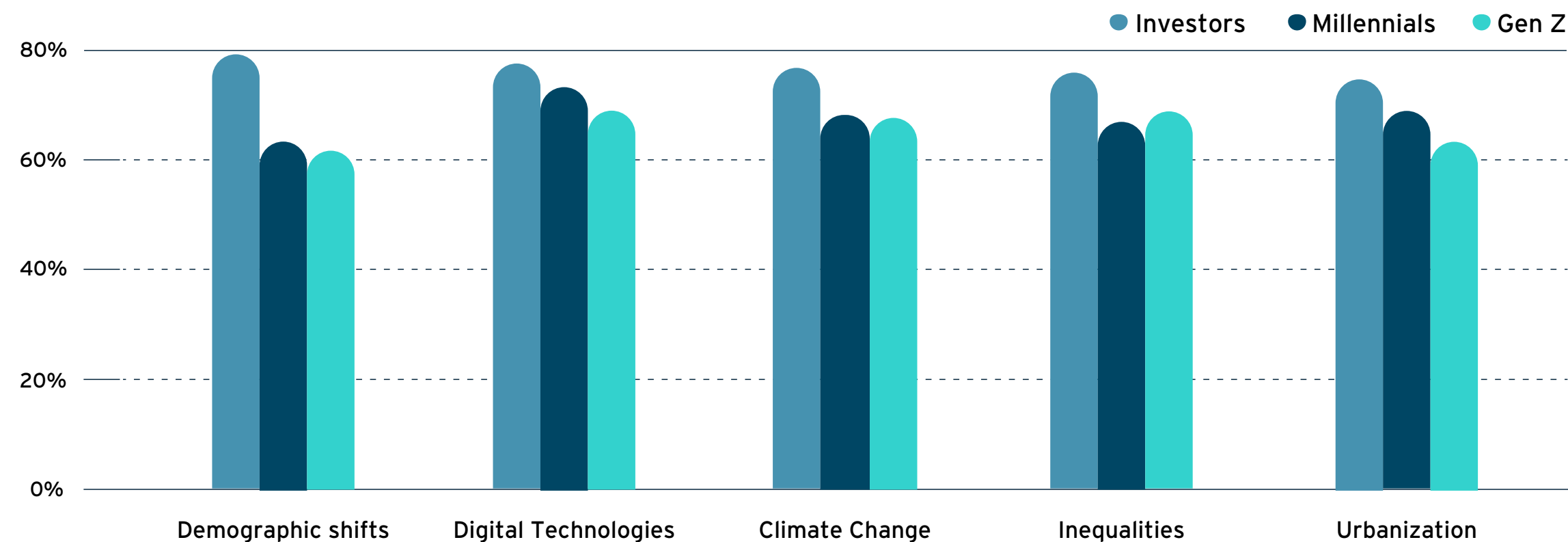
Investors see megatrends as more important to their businesses today and in 2030 than millennials and Gen Z.

Today, investors see Demographic Shifts as most important to their businesses, at 78%, and Urbanization as least important, at 74%.

Millennials and Gen Z, however, see Digital Technologies as most important to their businesses at 74% and 71%, and Demographic Shifts as least important at 62% and 61% respectively.

Looking to 2030, Digital Technologies is still most important to millennials and Gen Z, at 76% and 75%, while Climate Change is most important to investors' businesses, at 77%.

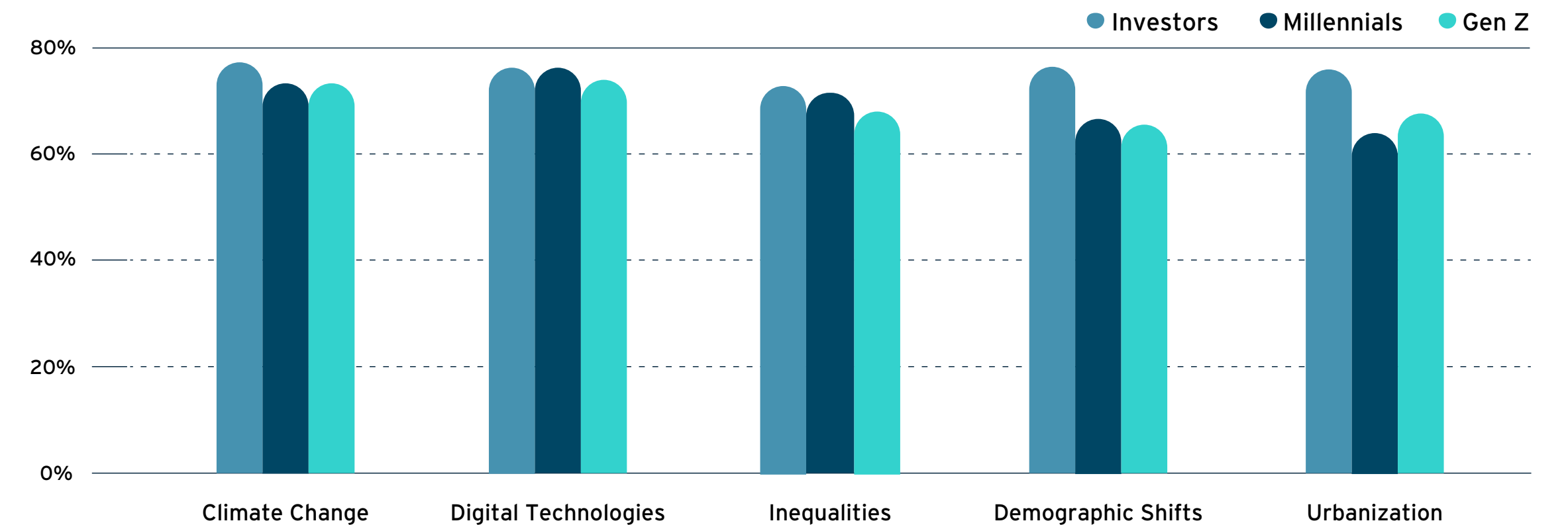
■ Importance of megatrends to your business today



Q3

Today, how important is each megatrend to you, your business, your country, achieving a sustainable future?

■ Importance of megatrends to your business in 2030

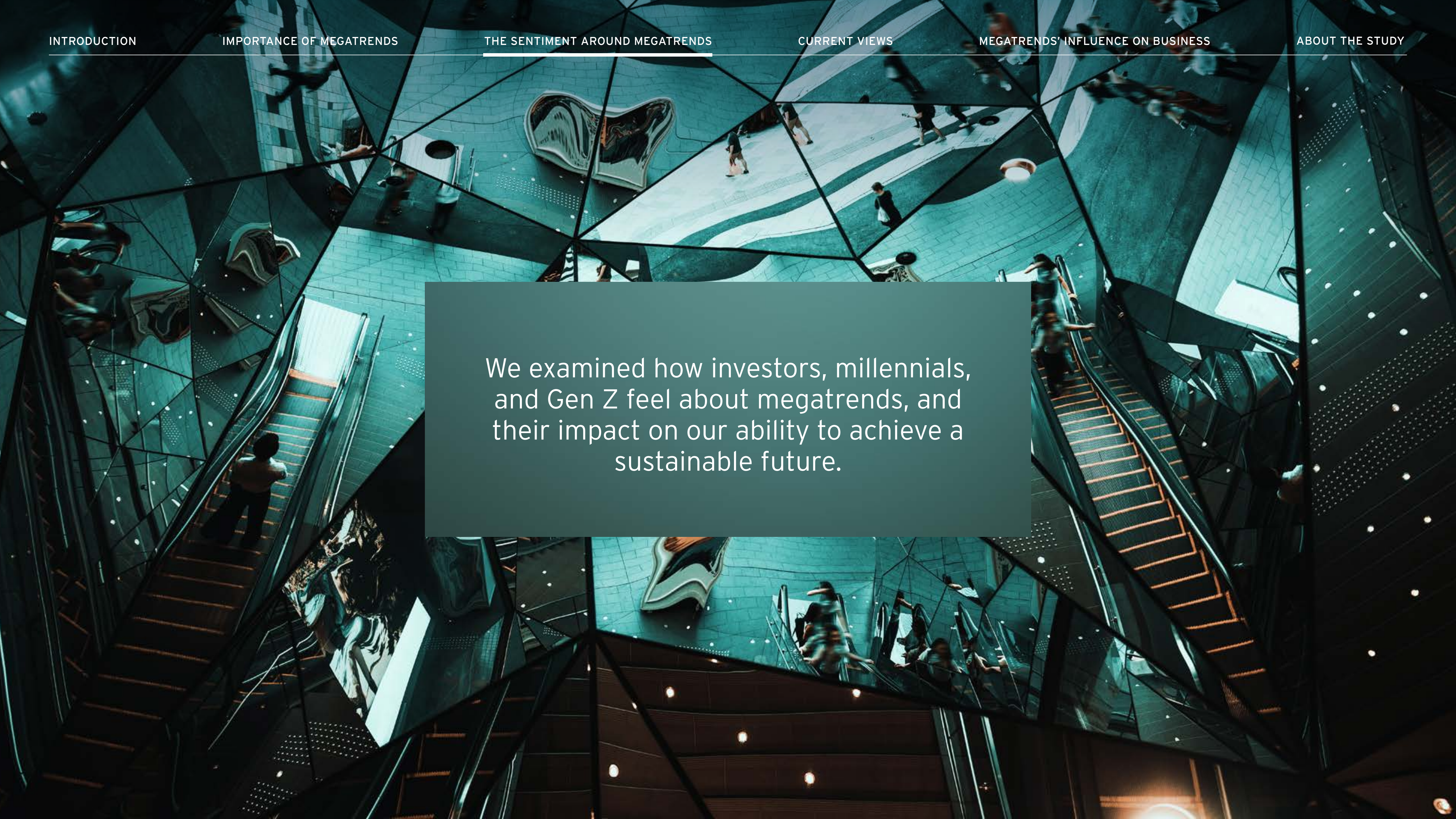


Q4

Now imagine it's 2030. How important is each megatrend to you, your business, your country, achieving a sustainable future?

The Sentiment Around Megatrends





We examined how investors, millennials, and Gen Z feel about megatrends, and their impact on our ability to achieve a sustainable future.

Today, investors are more optimistic about the impact of megatrends on our ability to achieve a sustainable future.

Across all five megatrends, investors are slightly more optimistic than either millennials or Gen Z about the impact megatrends have on our ability to achieve a sustainable future.

When it comes to Climate Change, Demographic Shifts, and Urbanization, investors are both more optimistic and

less pessimistic than millennials and Gen Z. In addition, millennials and Gen Z feel nearly twice as pessimistic about Inequalities as investors.

Of all the megatrends, Digital Technologies scores the highest on optimism across audiences.

	Investors	Millennials	Gen Z
Climate Change	Optimistic: 53% Neutral: 30% Pessimistic: 17%	Optimistic: 43% Neutral: 27% Pessimistic: 30%	Optimistic: 42% Neutral: 30% Pessimistic: 28%
Digital Technologies	Optimistic: 68% Neutral: 27% Pessimistic: 4%	Optimistic: 66% Neutral: 28% Pessimistic: 6%	Optimistic: 60% Neutral: 34% Pessimistic: 7%
Inequalities	Optimistic: 48% Neutral: 39% Pessimistic: 12%	Optimistic: 43% Neutral: 33% Pessimistic: 24%	Optimistic: 43% Neutral: 35% Pessimistic: 21%
Demographic Shifts	Optimistic: 48% Neutral: 39% Pessimistic: 12%	Optimistic: 42% Neutral: 44% Pessimistic: 14%	Optimistic: 43% Neutral: 41% Pessimistic: 17%
Urbanization	Optimistic: 55% Neutral: 38% Pessimistic: 7%	Optimistic: 46% Neutral: 42% Pessimistic: 12%	Optimistic: 47% Neutral: 42% Pessimistic: 11%

Q5

For each megatrend, please indicate whether you feel pessimistic, neutral, or optimistic about its current state and its impact on our ability to achieve a sustainable future.

2030 shows little change in scores, suggesting that audiences are confident about our ability to respond to megatrends.

Investors are still more optimistic than either millennials or Gen Z about the impact of megatrends on our ability to achieve a sustainable future in 2030.

With the exception of Digital Technologies, which still scores the highest on optimism across audiences, millennials and Gen Z are two to three times more likely than investors to be pessimistic about every other megatrend.

	Investors	Millennials	Gen Z
Climate Change	Optimistic: 52% Neutral: 33% Pessimistic: 15%	Optimistic: 44% Neutral: 29% Pessimistic: 28%	Optimistic: 42% Neutral: 32% Pessimistic: 26%
Digital Technologies	Optimistic: 67% Neutral: 30% Pessimistic: 3%	Optimistic: 66% Neutral: 27% Pessimistic: 7%	Optimistic: 57% Neutral: 34% Pessimistic: 9%
Inequalities	Optimistic: 53% Neutral: 39% Pessimistic: 8%	Optimistic: 44% Neutral: 33% Pessimistic: 23%	Optimistic: 42% Neutral: 37% Pessimistic: 21%
Demographic Shifts	Optimistic: 54% Neutral: 39% Pessimistic: 7%	Optimistic: 46% Neutral: 39% Pessimistic: 15%	Optimistic: 45% Neutral: 37% Pessimistic: 18%
Urbanization	Optimistic: 58% Neutral: 36% Pessimistic: 7%	Optimistic: 51% Neutral: 37% Pessimistic: 12%	Optimistic: 46% Neutral: 39% Pessimistic: 14%

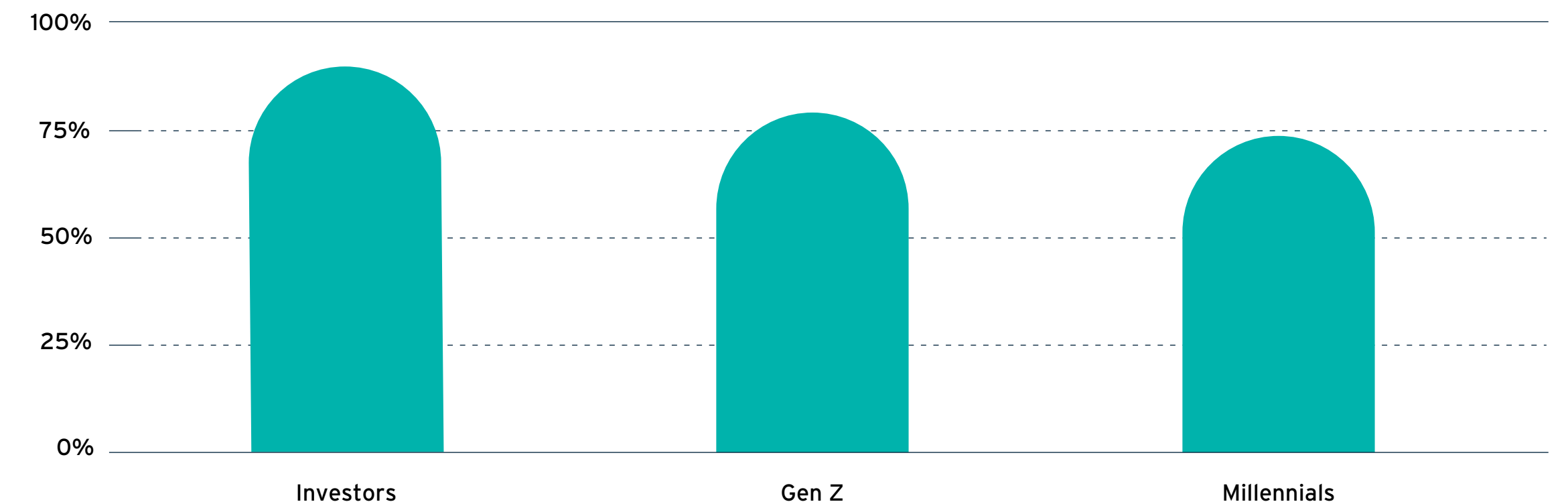
Q6

Now imagine it's 2030. For each megatrend, please indicate whether you feel pessimistic, neutral, or optimistic about its state and its impact on our ability to achieve a sustainable future.

Results suggest that the more financially focused a respondent is, the more empowered they feel about responding to megatrends.

At 91%, investors feel more empowered to respond to megatrends through their choices than either Gen Z (77%) or millennials (73%), implying that the ability to put capital behind their decisions contributes to their sense of empowerment.

■ How empowered people feel about responding to megatrends through choices they make

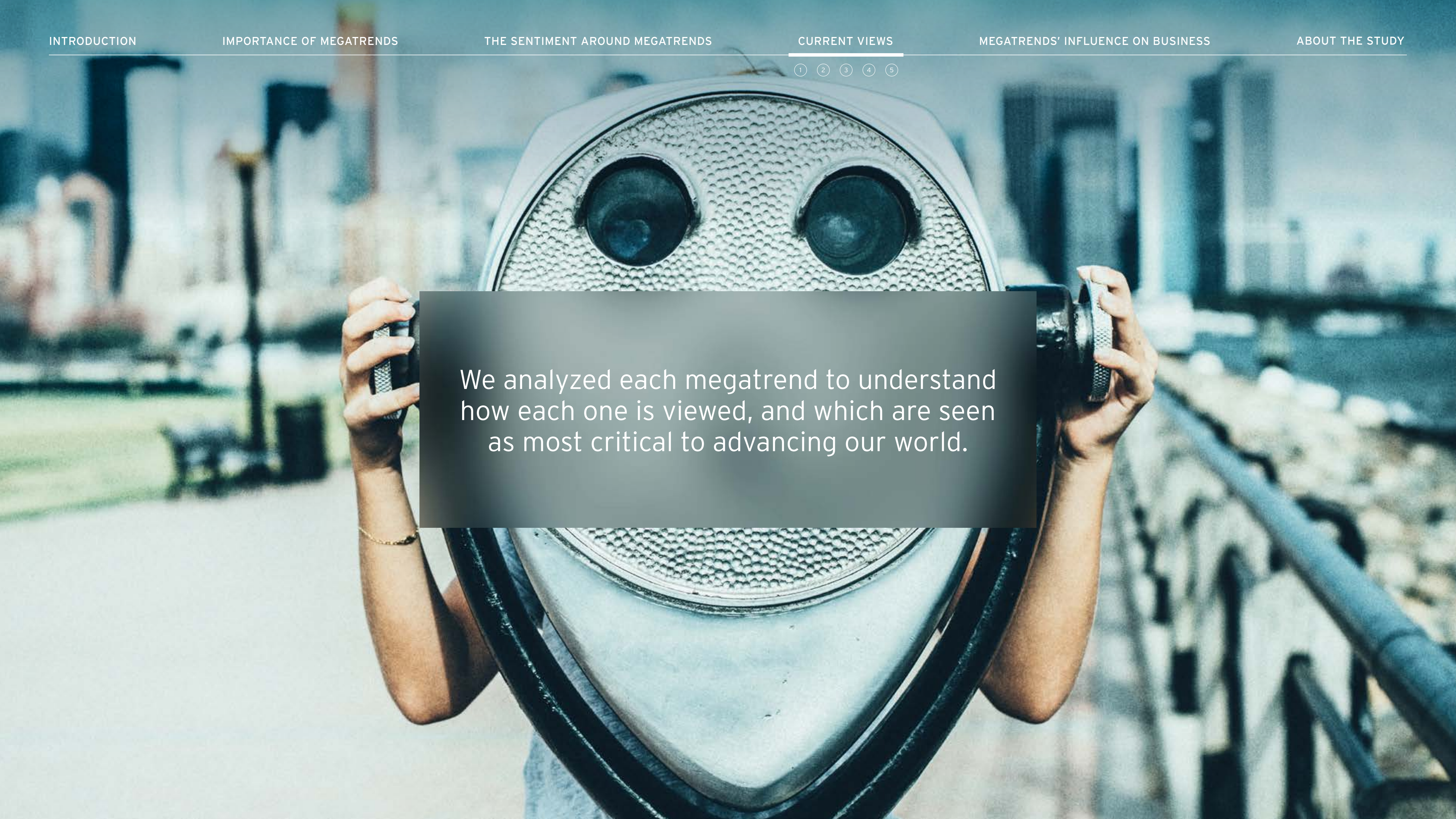


Q21

How empowered do you feel about responding to these megatrends through the choices you make?

A person is looking through a coin-operated binocular viewer. The viewer's lens is in the center, and the person's hands are holding the sides. The background is a blurred city skyline with tall buildings and a body of water. A teal banner with the text "Current Views" is overlaid on the viewer's lens.

Current Views

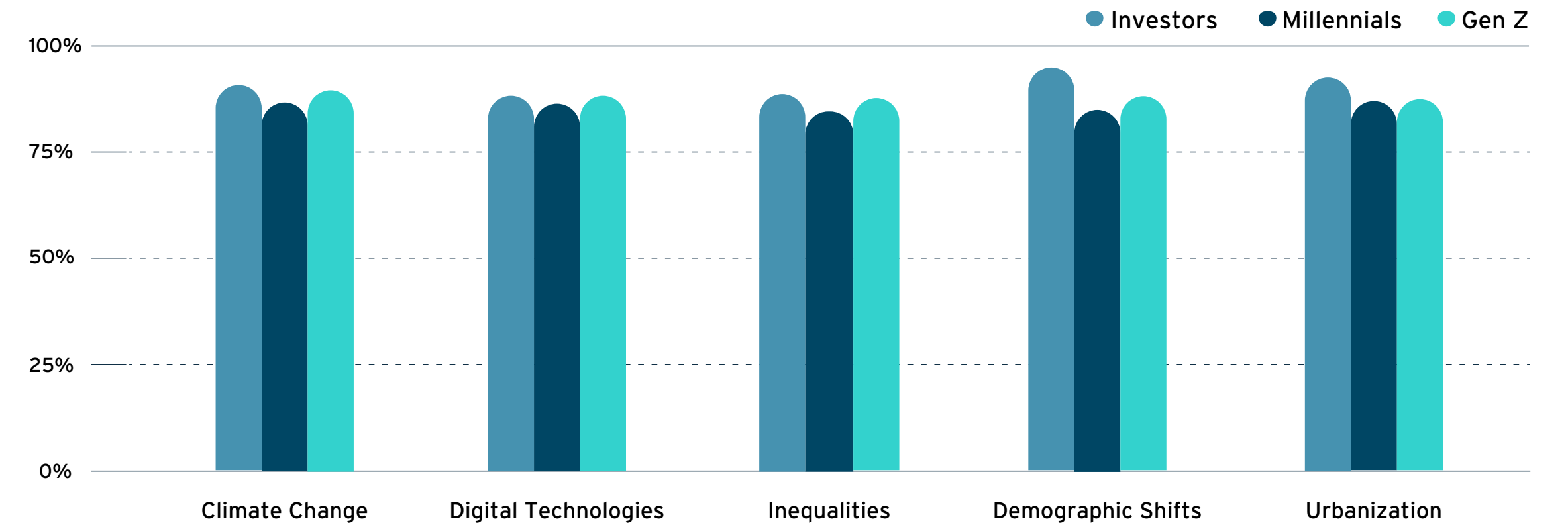


We analyzed each megatrend to understand how each one is viewed, and which are seen as most critical to advancing our world.

All five megatrends impact economic growth.

While audiences are aligned that every megatrend impacts economic growth, investors are even more likely to agree that Demographic Shifts (92%), Climate Change (91%), and Urbanization (91%) impact economic growth than either millennials or Gen Z.

Agreement that megatrends impact economic growth



Q7

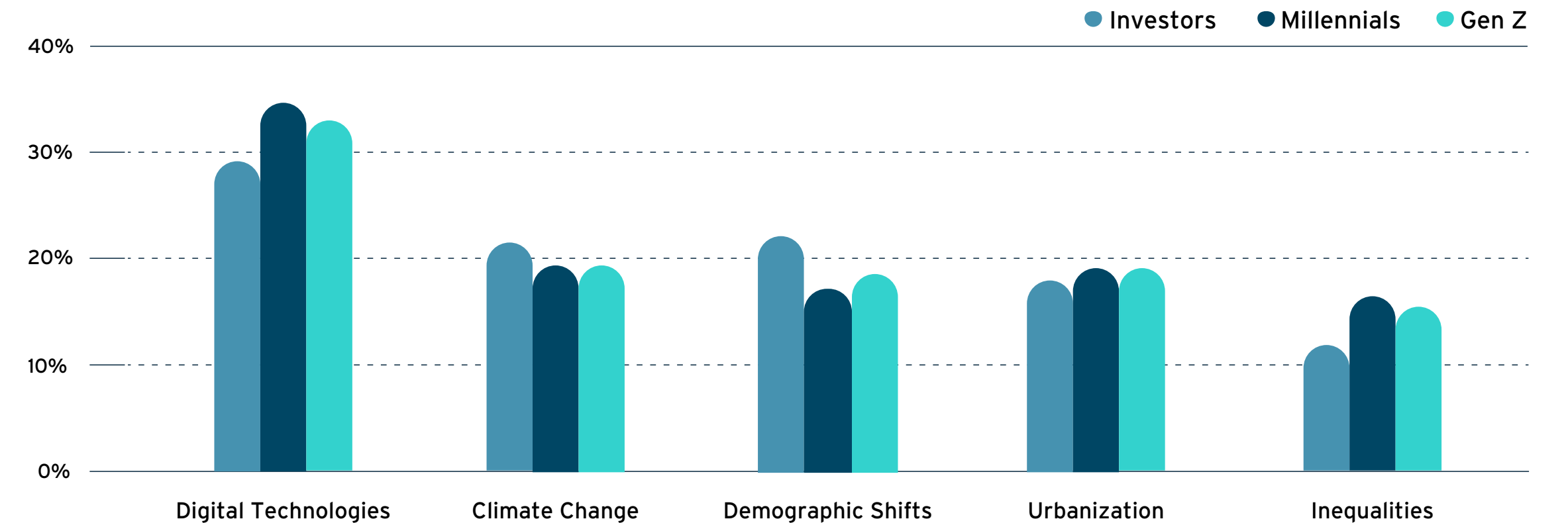
For each megatrend, please indicate how much you agree or disagree with the following statements: Climate Change impacts economic growth; Digital Technologies impact economic growth, Inequalities impact economic growth; Demographic Shifts impact economic growth; Urbanization impacts economic growth.

The greatest opportunity to advance the well being of the general population is through Digital Technologies.

Audiences agree that Digital Technologies is the megatrend most likely to advance the world's well being, with millennials (33%) in the lead, followed by Gen Z (32%) and investors (29%).

While investors do spike on Demographic Shifts, at 21%, all three audiences see Climate Change, Demographic Shifts, and Urbanization as being greater opportunities to advance well being than Inequalities.

■ Megatrend that represents the greatest opportunity to advance the well being of the general population



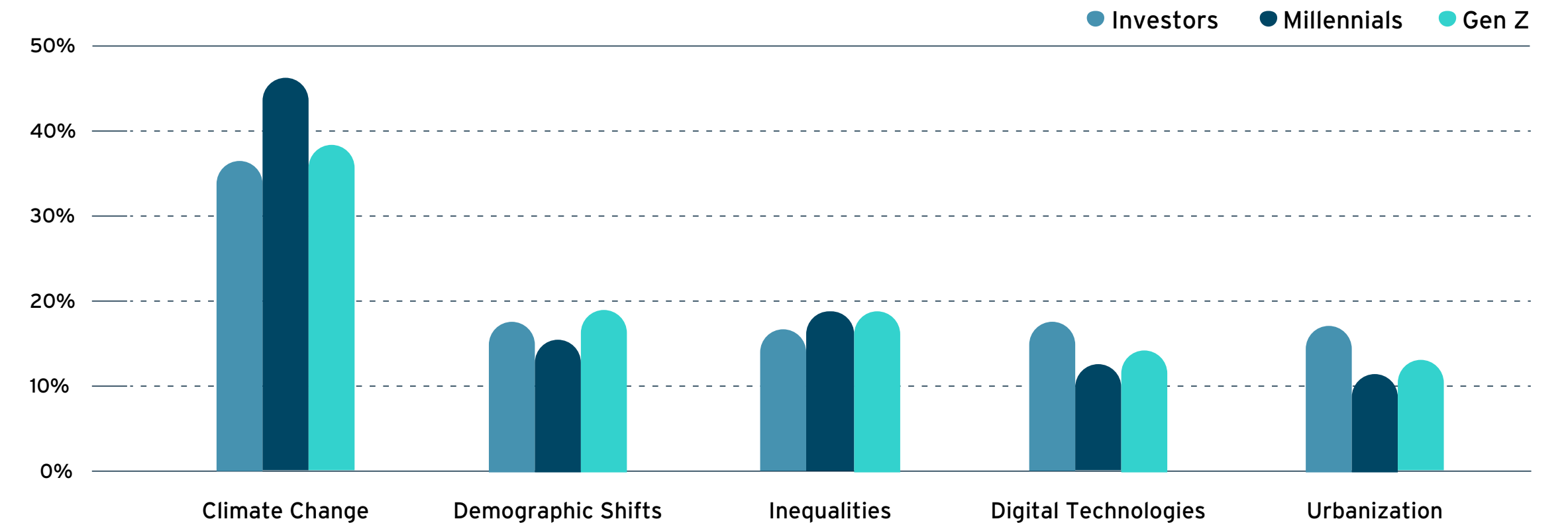
Q16

Which megatrend represents the greatest opportunity to advance the well being of the general population?

And, unsurprisingly, the greatest risk to the world's well being is Climate Change.

When it comes to what puts the well being of the world at risk, audiences strongly agree that Climate Change far outstrips the other four megatrends. Interestingly, millennials (45%) see Climate Change as an even greater risk than either investors (36%) or Gen Z (38%).

■ Megatrend that represents the greatest risk to the well being of the general population

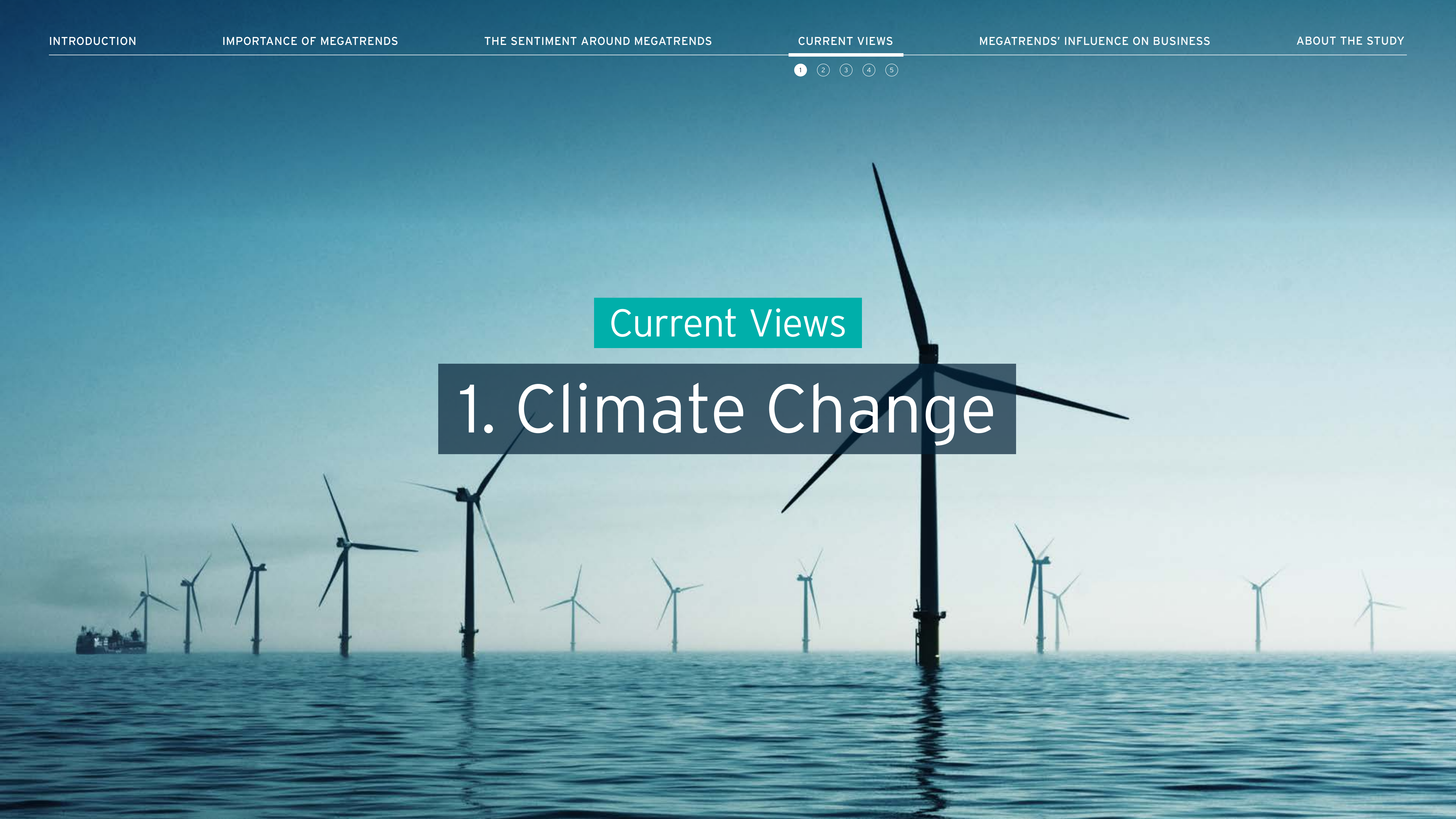


Q15

Which megatrend represents the greatest risk to the wellbeing of the general population?

Current Views

1. Climate Change



Climate Change impacts health, the environment, and business, requiring a transition to a low-carbon economy.

	Investors	Millennials	Gen Z
Climate Change impacts health.	93%	91%	92%
Climate Change results in environmental degradation.	91%	91%	92%
Climate Change increases risks for businesses.	90%	82%	87%
Climate Change requires a transition to a low-carbon economy.	90%	89%	90%

Q7

For each megatrend, please indicate how much you agree or disagree with the following statements.

Millennials and Gen Z are slightly less likely to agree, however, that Climate Change increases risks for businesses.

	Investors	Millennials	Gen Z
Climate Change impacts health.	93%	91%	92%
Climate Change results in environmental degradation.	91%	91%	92%
Climate Change increases risks for businesses.	90%	82%	87%
Climate Change requires a transition to a low-carbon economy.	90%	89%	90%

Q7

For each megatrend, please indicate how much you agree or disagree with the following statements.

Current Views

2. Digital Technologies

Digital Technologies enable access, but also impact society and create a divide between innovator and follower countries.

	Investors	Millennials	Gen Z
Digital Technologies enable widespread access to data and information.	92%	91%	92%
Digital Technologies impact social norms and values.	88%	84%	85%
Digital Technologies create a divide between innovator countries and follower countries.	88%	84%	88%

Q7

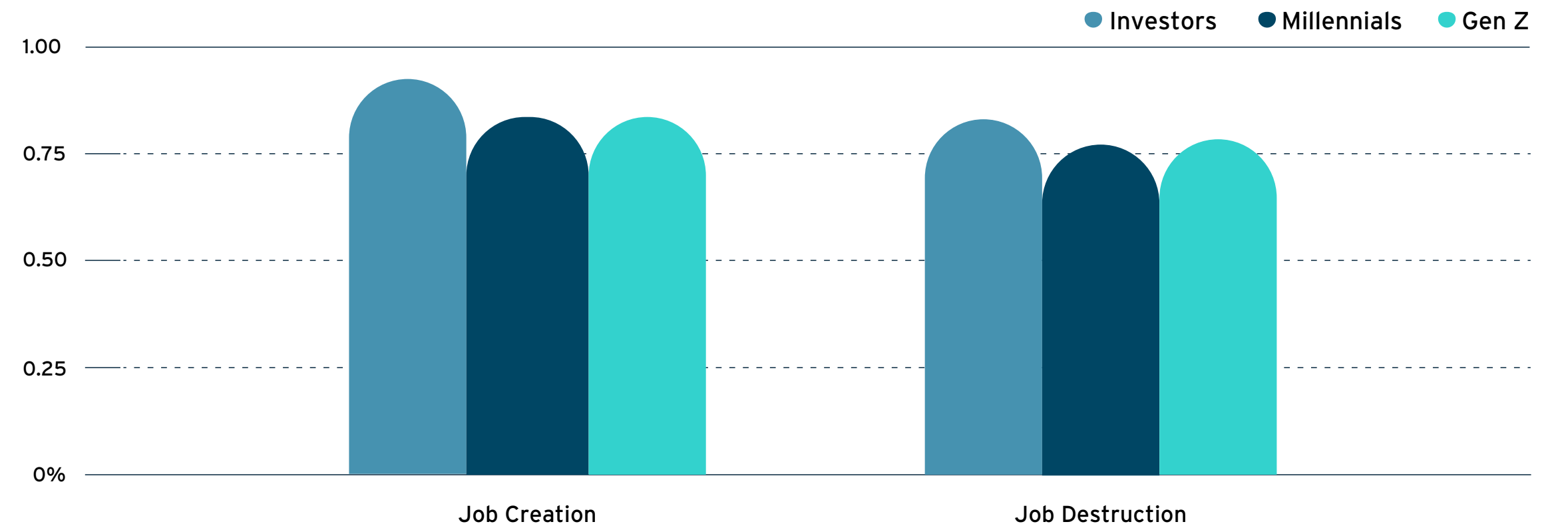
For each megatrend, please indicate how much you agree or disagree with the following statements.

When it comes to employment, more respondents agree that Digital Technologies contribute to job creation than to job destruction.

Audiences see the Digital Technologies megatrend as a double-edged sword; as all three see it as a source of both job creation and job destruction.

That said, investors, millennials, and Gen Z all agree that Digital Technologies contribute slightly more to job creation than job destruction.

Agreement that Digital Technologies contribute to job creation and job destruction



Q7

For each megatrend, please indicate how much you agree or disagree with the following statements: Digital Technologies contribute to job creation; Digital Technologies contribute to job destruction.

Current Views

3. Inequalities

Inequalities impact the economy, society, and the political environment.

	Investors	Millennials	Gen Z
Inequalities impact social mobility.	89%	85%	90%
Inequalities impact wages and working conditions.	91%	88%	91%
Inequalities slow poverty reduction.	89%	82%	82%
Inequalities contribute to political unrest.	89%	86%	88%

Q7

For each megatrend, please indicate how much you agree or disagree with the following statements.

Audiences are especially aligned around the impact Inequalities have on wages and working conditions.

	Investors	Millennials	Gen Z
Inequalities impact social mobility.	89%	85%	90%
Inequalities impact wages and working conditions.	91%	88%	91%
Inequalities slow poverty reduction.	89%	82%	82%
Inequalities contribute to political unrest.	89%	86%	88%

Q7

For each megatrend, please indicate how much you agree or disagree with the following statements.

Current Views

4. Demographic Shifts

Across audiences, Demographic Shifts impact both the public and private sectors.

	Investors	Millennials	Gen Z
Demographic Shifts impact quality of life.	89%	83%	85%
Demographic Shifts affect the talent pool.	90%	78%	80%
Demographic Shifts impact poverty levels.	90%	83%	87%
Demographic Shifts impact public-sector spending.	90%	86%	85%

Q7

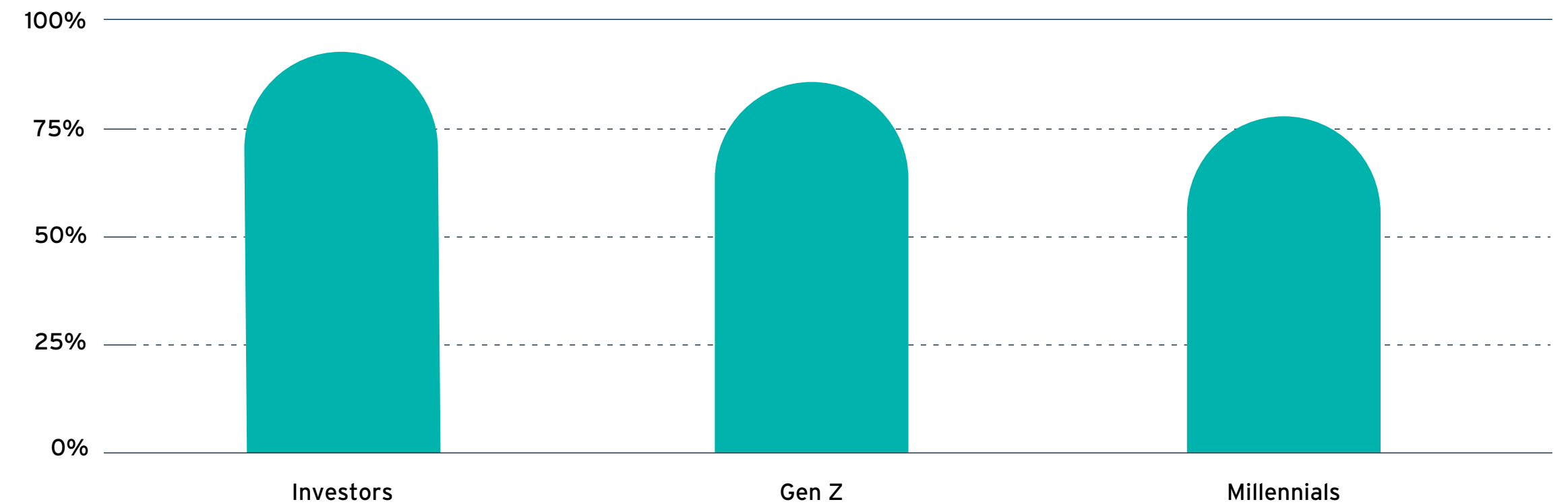
For each megatrend, please indicate how much you agree or disagree with the following statements.

Regarding the private sector, however, audiences are mixed on how much Demographic Shifts affect the talent pool.

The war for talent affects everyone, though its connection to the Demographic Shifts megatrend is more pronounced with some audiences than with others.

Surprisingly, investors (90%) and Gen Z (85%), the newest members of the workforce, are both more likely to agree than millennials (78%), who have more years of work experience.

Agreement that Demographic Shifts affect the talent pool



Q7

For each megatrend, please indicate how much you agree or disagree with the following statements.

Current Views

5. Urbanization



Audiences see Urbanization as bringing significant economic and social advantages and disadvantages.

	Investors	Millennials	Gen Z
Urbanization concentrates economic activity in cities, resulting in more employment opportunities.	91%	83%	86%
Urbanization provides access to infrastructure and services, improving social inclusion.	89%	83%	86%
Urbanization concentrates population growth in cities, resulting in urban sprawl and housing shortages.	90%	87%	91%
Urbanization results in cities consuming more food, water, and energy.	89%	89%	89%

Q7

For each megatrend, please indicate how much you agree or disagree with the following statements.

Digging deeper, millennials and Gen Z agree more strongly on the disadvantages Urbanization brings versus the advantages.

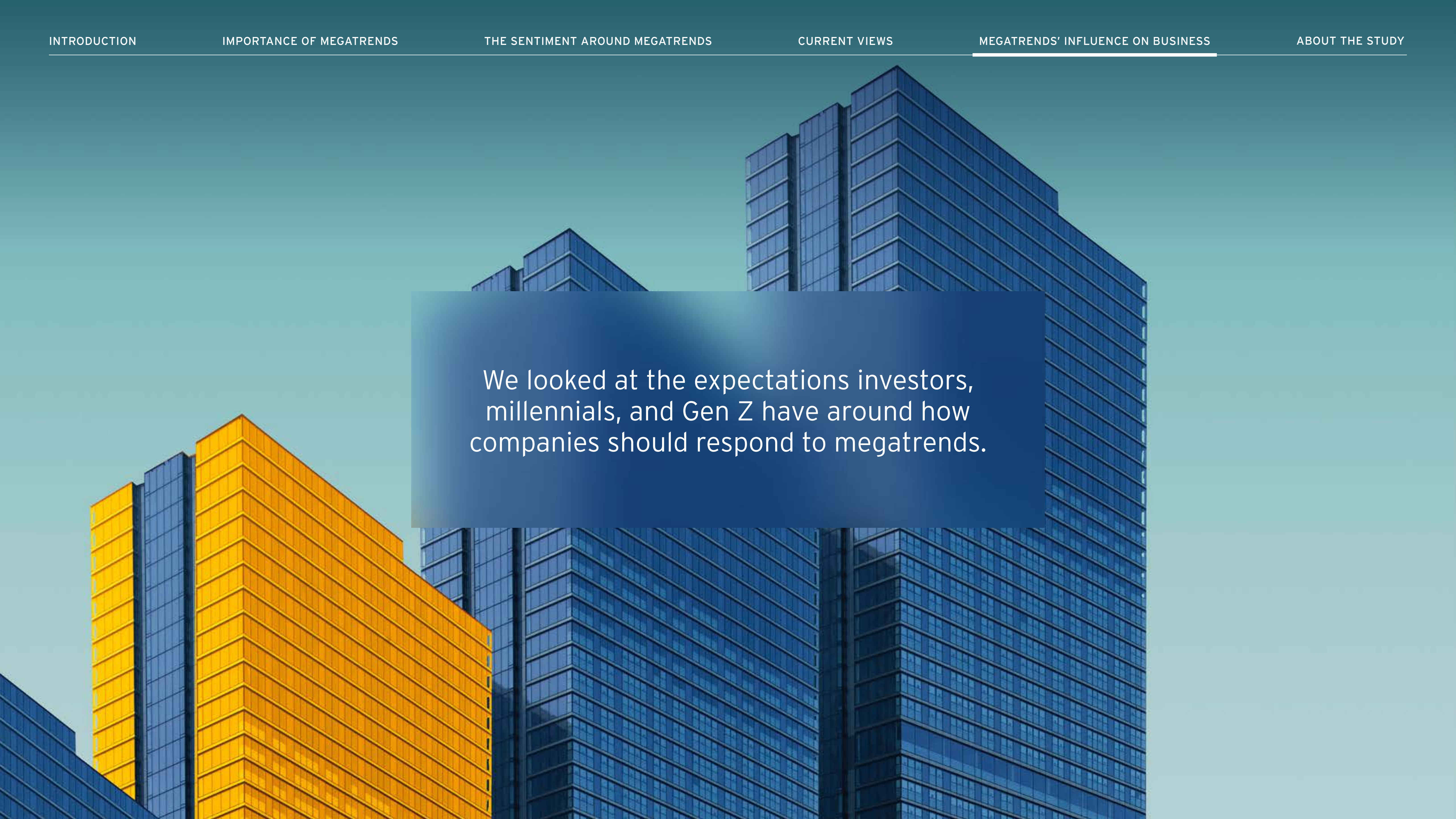
	Investors	Millennials	Gen Z
Urbanization concentrates economic activity in cities, resulting in more employment opportunities.	91%	83%	86%
Urbanization provides access to infrastructure and services, improving social inclusion.	89%	83%	86%
Urbanization concentrates population growth in cities, resulting in urban sprawl and housing shortages.	90%	87%	91%
Urbanization results in cities consuming more food, water, and energy.	89%	89%	89%

Q7

For each megatrend, please indicate how much you agree or disagree with the following statements.



Megatrends Influence on Business



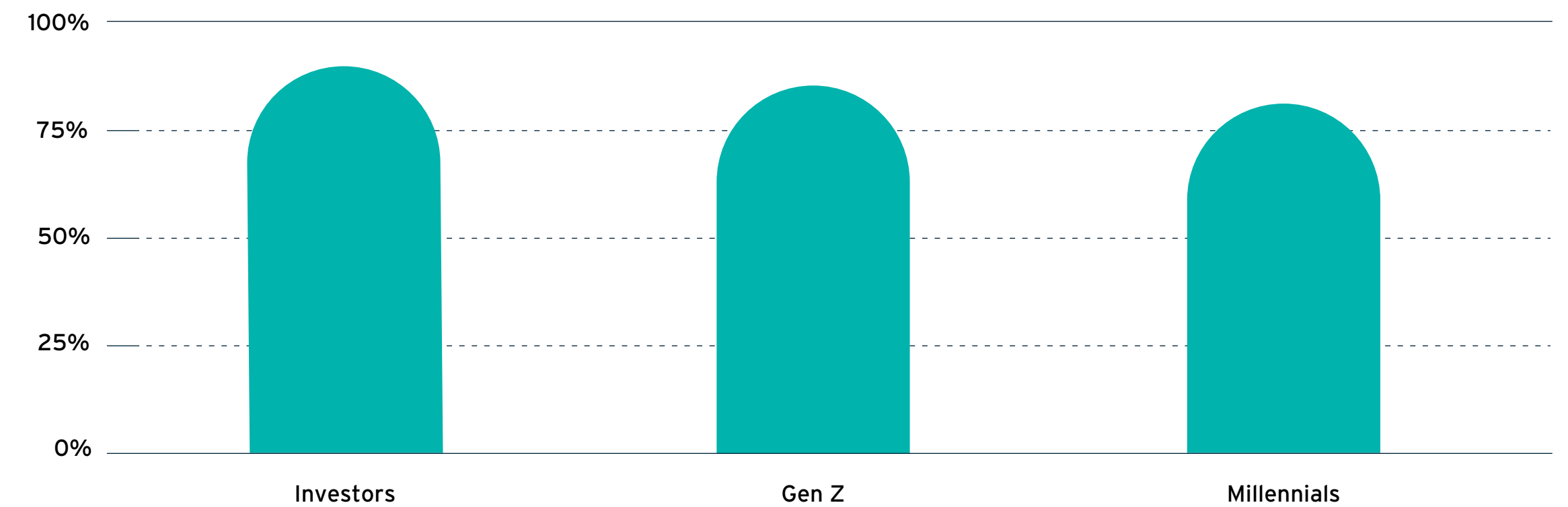
We looked at the expectations investors, millennials, and Gen Z have around how companies should respond to megatrends.

The world's companies are expected to play a big role in responding to megatrends.

While organizations like the UN and the world's leaders are laser-focused on megatrends, companies also need to keep them in their sights.

Respondents agree that companies have a big role to play in responding to megatrends. Investors lead, at 89%. Gen Z and millennials also agree strongly, at 86% and 85%, respectively.

■ How big of a role should companies play in responding to megatrends



Q10

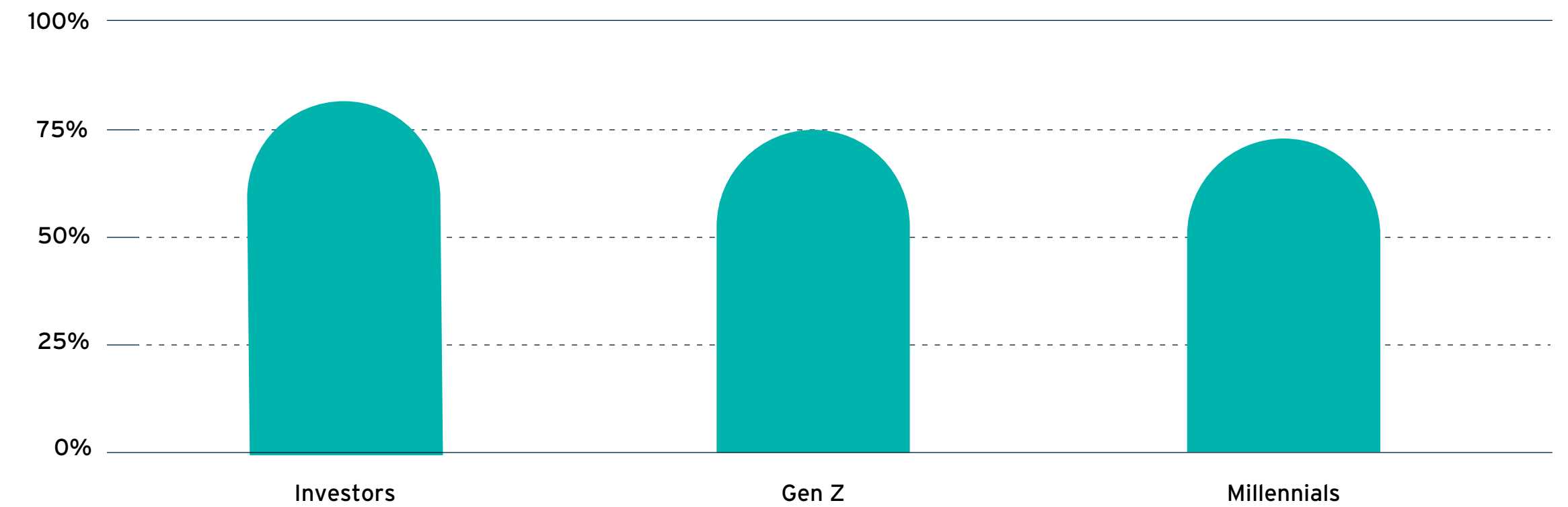
How big of a role should companies play in responding to these megatrends?

Respondents are mixed on how much more likely they are to engage with a company actively responding to megatrends.

Even though all respondents agree that companies have a big role to play in responding to megatrends, audiences are split on whether it would increase their likelihood to engage with companies that are doing so.

While investors strongly agree that they would be more likely to engage with a company that is actively responding to megatrends, at 82%, Gen Z and millennials come in lower, at 75% and 73%, respectively.

■ Likelihood of engaging with a company that is actively responding to megatrends



Q11

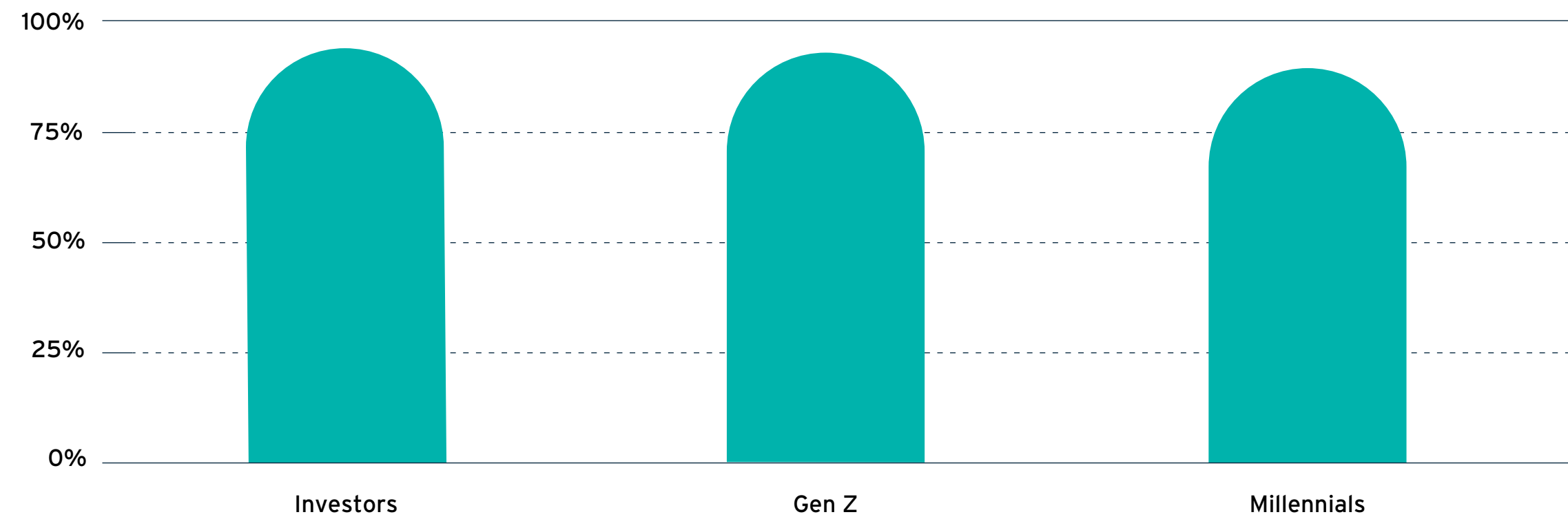
How much more or less likely are you to engage with a company that is actively responding to these megatrends?

Companies that build megatrends into their business strategies are perceived as more current and better performers.

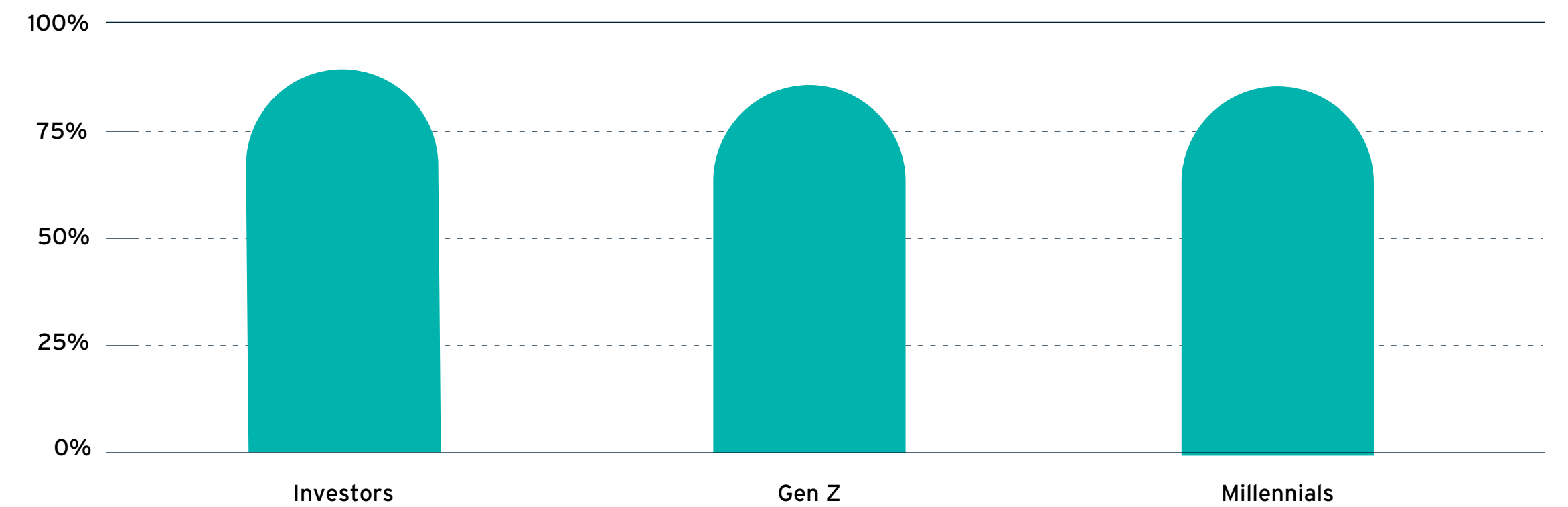
Investors, millennials, and Gen Z strongly agree that companies need to integrate megatrends into their business strategies to improve overall performance. While investors lead, at 92%, Gen Z and millennials are close behind, at 91% and 89%, respectively.

What's more, companies that don't integrate megatrends into their business strategies will be left behind, with investors agreeing at 88%, Gen Z at 85%, and millennials at 82%. Though agreement across all three audiences is slightly lower on this front, it still sends the message that companies need to think forward to stay ahead.

■ Agreement that companies that integrate megatrends into their business strategy will improve overall performance



■ Agreement that companies that don't integrate megatrends into their business strategy will be left behind



Q14A

How much do you agree or disagree with the following statements?

A company's response to megatrends is key in evaluating leadership, but respondents are more mixed about performance.

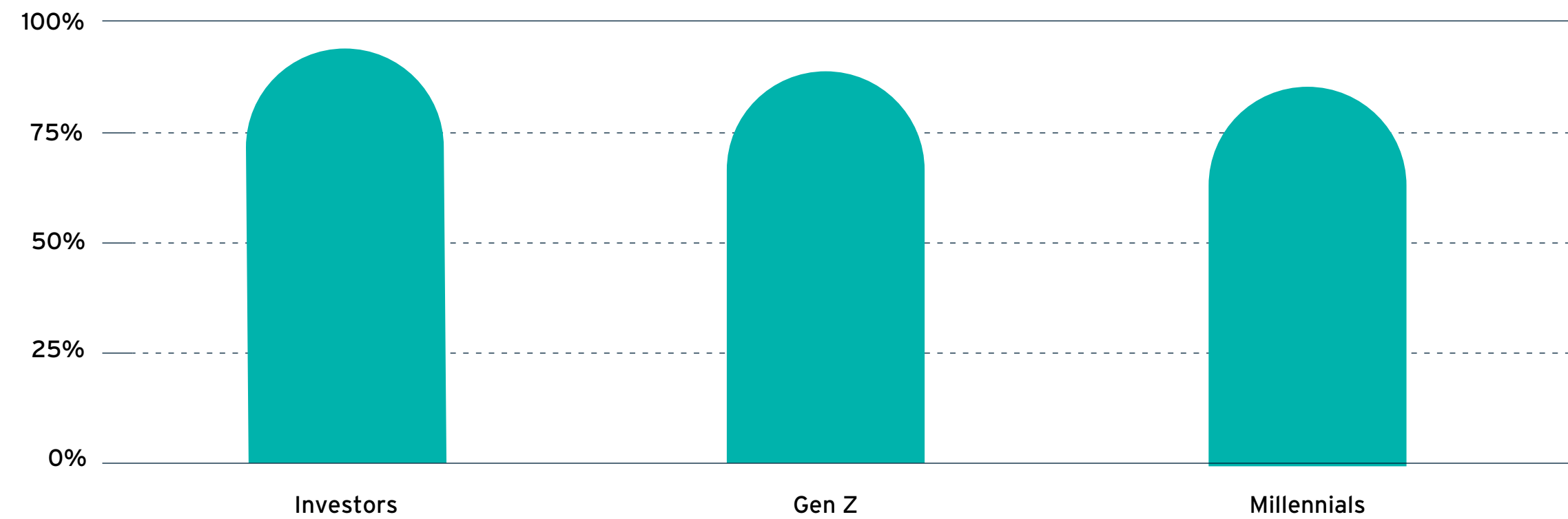
When it comes to evaluating a company's leadership, investors and Gen Z are most aligned, at 91% and 90%, respectively, with millennials following closely, at 86%.

in evaluating performance higher than investors, 96% versus 91%, Gen Z stands apart.

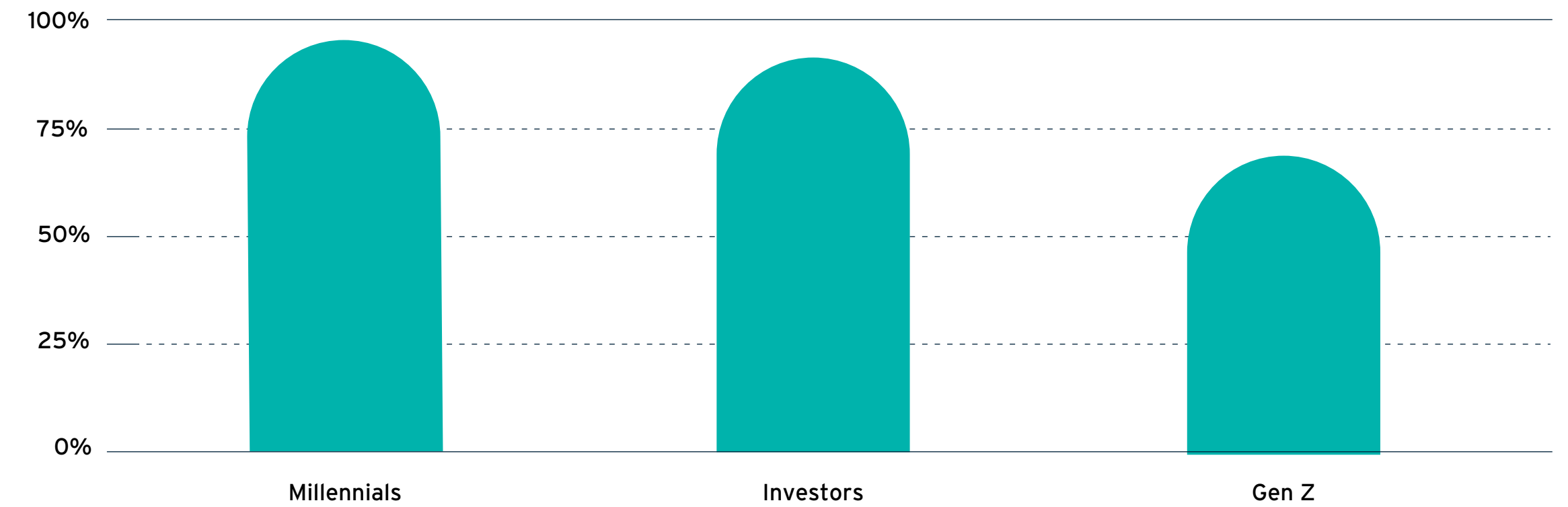
Audiences are split, however, when it comes to evaluating a company's performance. While millennials score the importance of a company's response to megatrends

Gen Z sees a company's response to megatrends as important to evaluating leadership, but, at 67%, they are much less likely to feel that way about its importance to evaluating a company's performance.

■ Importance of a company's response to megatrends in evaluating leadership



■ Importance of a company's response to megatrends in evaluating performance



Q12

In evaluating a company's leadership, how important is it to consider that company's response to these megatrends?

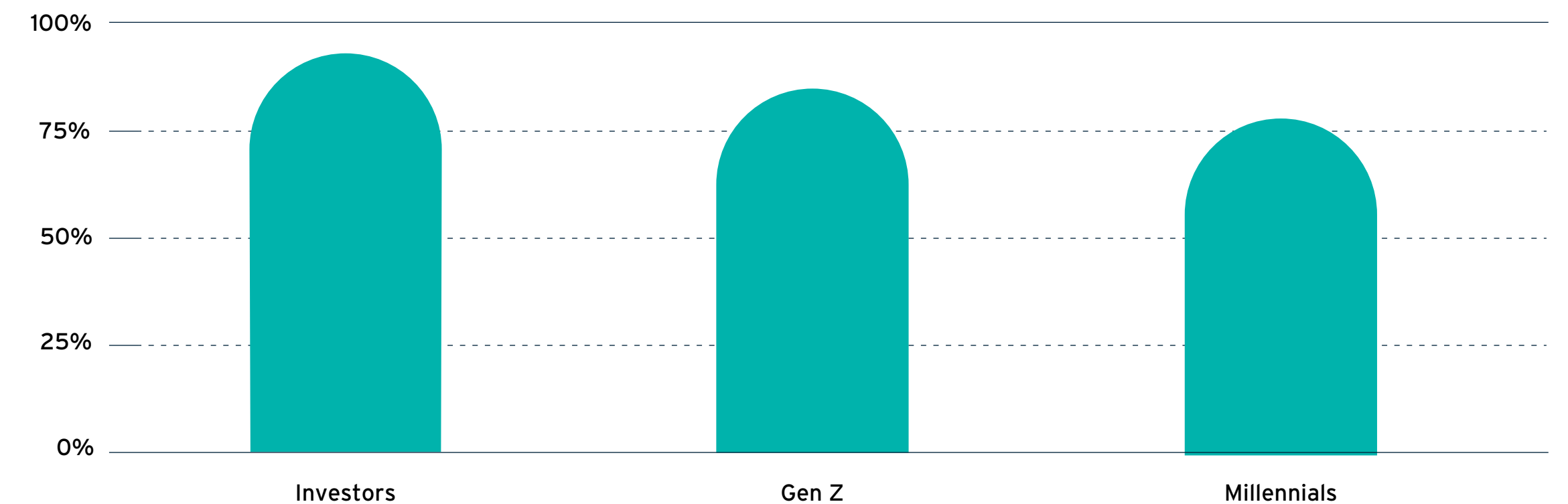
Q13

In evaluating a company's performance, how important is it to consider that company's response to these megatrends?

Investors are more confident that the companies they invest in are prepared for the impact of megatrends.

Taking a different view of performance, Investors (92%) are bullish that the companies they invest in are prepared for the impact of megatrends. Millennials (78%) and Gen Z (80%) are less confident that this is the case.

■ Agreement that the companies you invest in are prepared for impact of these megatrends



Q14B

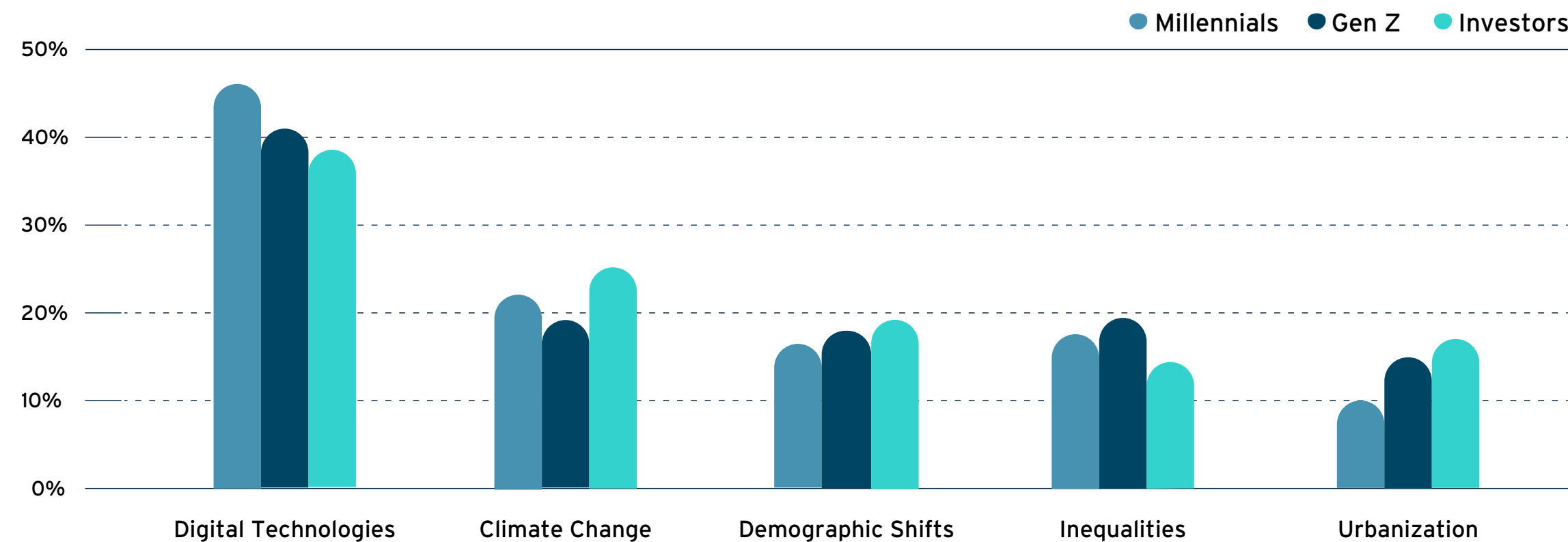
How much do you agree or disagree with the following statements?

Digital Technologies represents the greatest risk to both a company's performance and lower returns for investors.

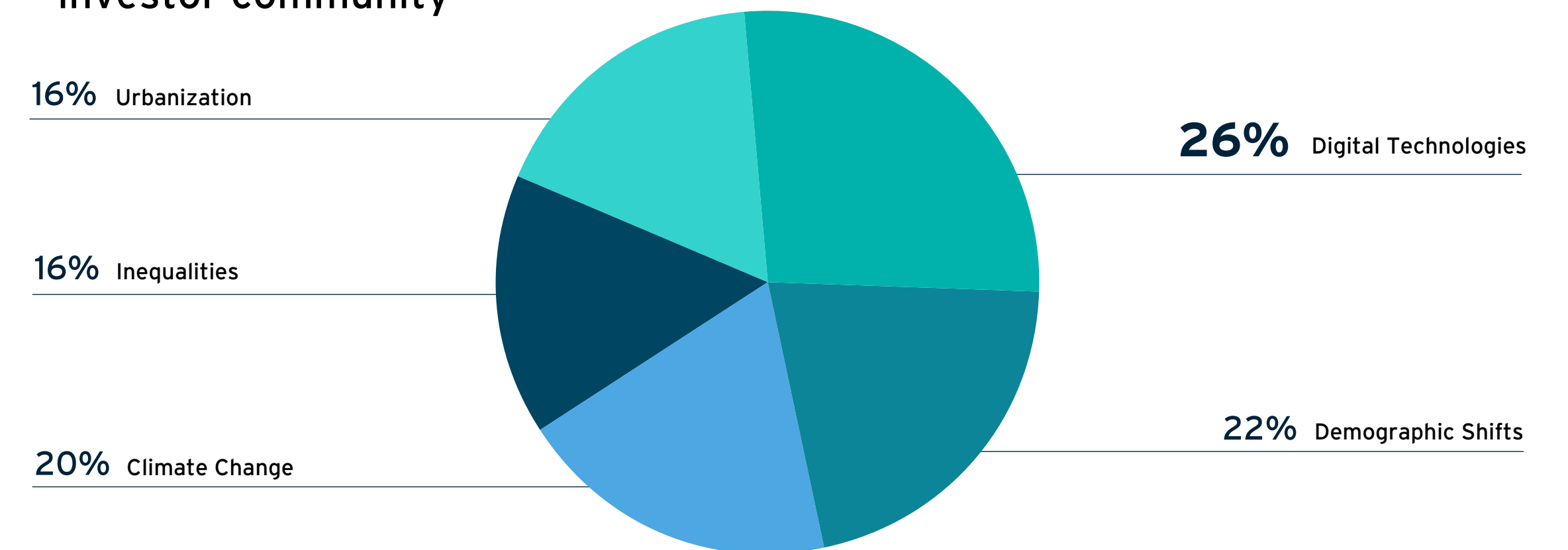
All respondents agree that Digital Technologies is the megatrend that poses the greatest risk to a company's performance, followed by Climate Change. At 35%, millennials see Digital Technologies as a slightly greater risk than either Gen Z, at 31%, or investors, at 29%.

Investors also point to Digital Technologies (26%) as the megatrend that represents the greatest risk of lower returns for the investor community. Demographic Shifts (22%), not Climate Change (20%), however, is called out by investors as the next greatest risk.

■ Megatrend that represents the greatest risk to companies' performance



■ Megatrend that represents the greatest risk of lower returns for the investor community



Q17

Which megatrend represents the greatest risk to companies' performance?

Q19

Which megatrend represents the greatest risk of lower returns for the investor community?

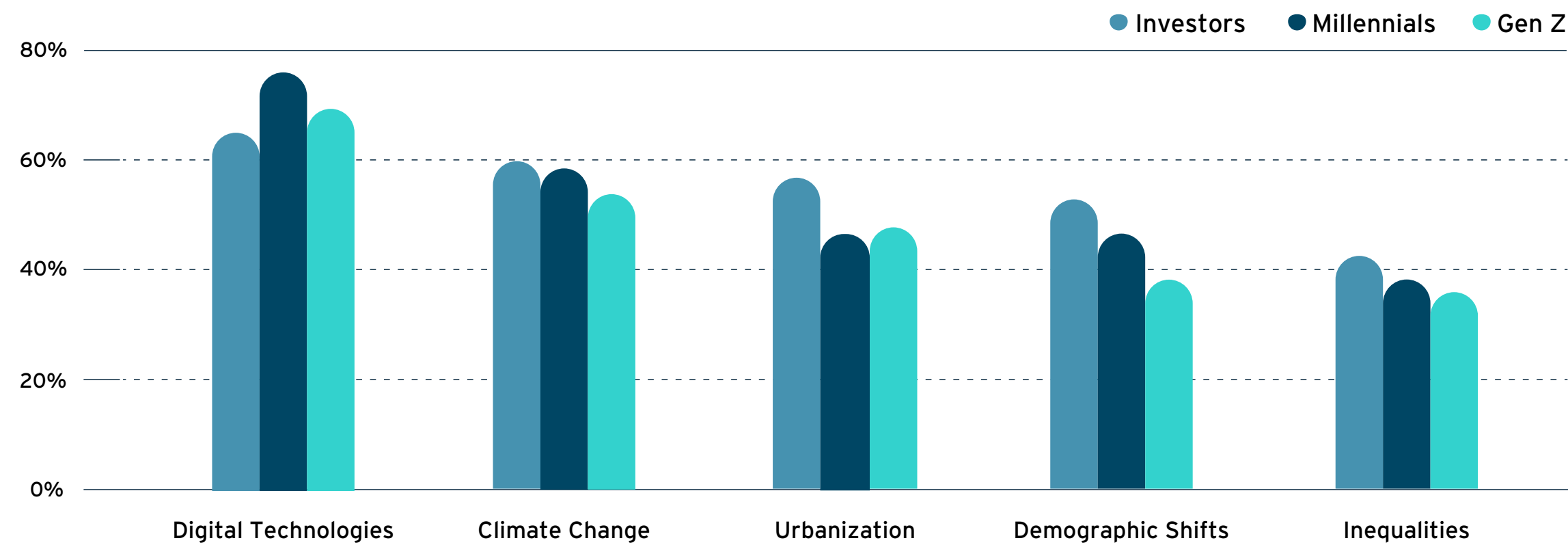
Digital Technologies and Climate Change are the megatrends most likely to inspire companies to innovate.

When it comes to the megatrends that inspire companies to innovate, Digital Technologies is the clear winner, although Climate Change is not far behind.

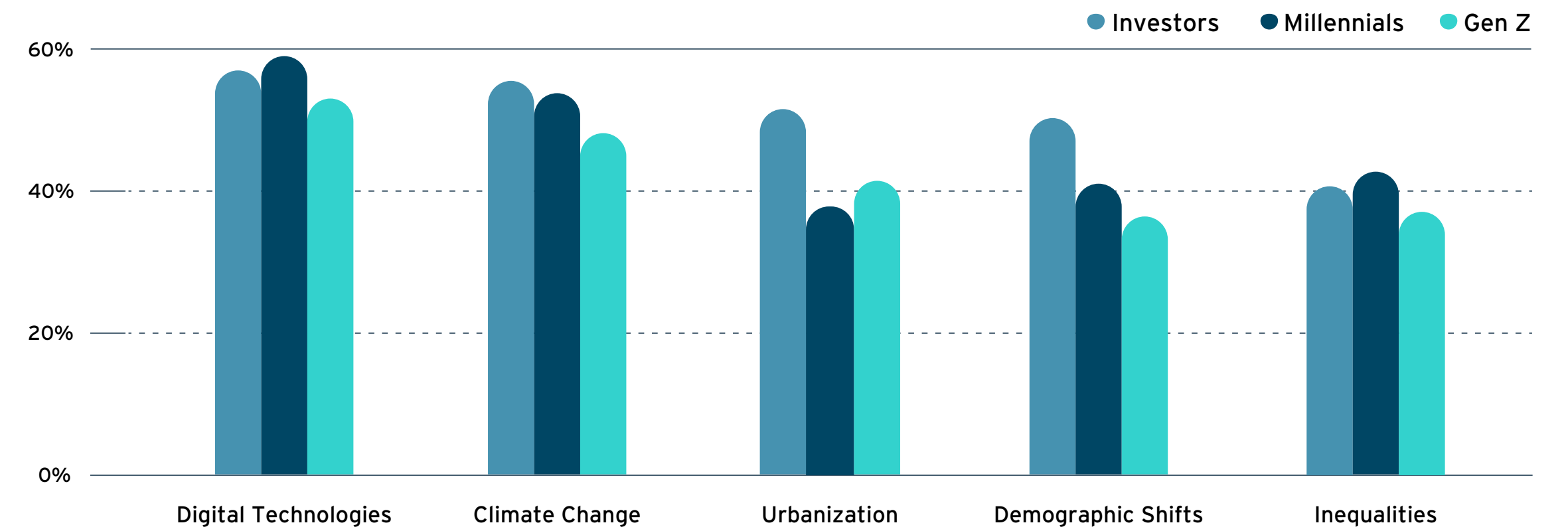
In looking at which megatrends inspire companies to innovate or risk failure, however, audiences are more mixed.

While all audiences see Digital Technologies and Climate Change as most requiring companies to innovate or risk failure, investors (51%) and Gen Z (41%) are more likely to see Urbanization as next in line versus millennials (37%).

■ Megatrends that most inspire companies to innovate



■ Megatrends that most require companies to innovate or risk failure



Q8

Which megatrends most inspire companies to innovate?

Q9

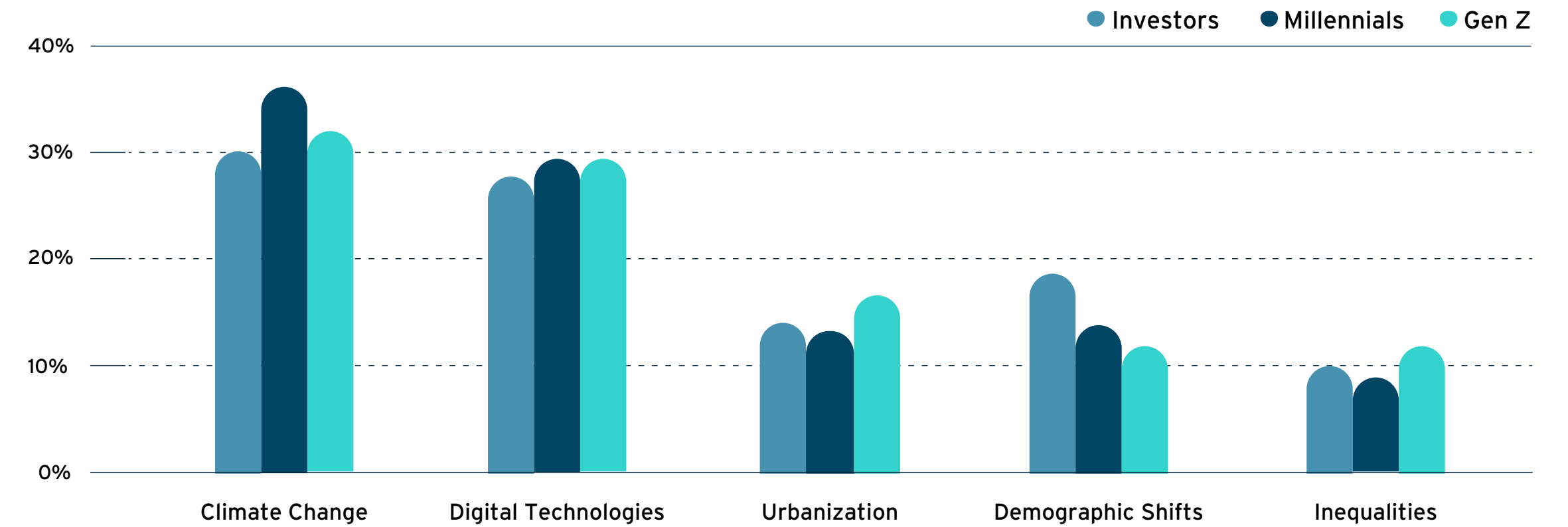
Which megatrends most require companies to innovate or risk failure?

Climate Change and Digital Technologies represent companies' greatest opportunity to contribute to a more sustainable future.

Climate Change and Digital Technologies are companies' greatest opportunities to contribute to a more sustainable future for everyone.

While investors, millennials, and Gen Z all score Climate Change and Digital Technologies more highly than the other megatrends, Climate Change is seen as the greatest opportunity for companies to change our world for the better.

■ Megatrend that represents companies' greatest opportunity to contribute to a more sustainable future



Q18

Which megatrend represents the greatest opportunity for companies to contribute to a more sustainable future?



About the Study

Methodology

What

A 15-minute survey designed by Bloomberg Media and Mubadala and fielded by Market Probe International Inc.

Who

- Global investors with 10+ years of experience
- Millennials, 26-41 years old
- Gen Z, 16-25 years old

When

The study was fielded September 26 to October 20, 2022.



Respondent role breakout

N=1,813

- N=601 Investor community
- N=609 Millennials
- N=603 Gen Z

Respondent market breakout

Expected 250-300 per region

- N=302 China including Hong Kong
- N=301 France
- N=302 India
- N=306 U.A.E.
- N=300 U.K.
- N=302 U.S.

Megatrend Descriptions

Digital Technologies

The widespread use of technologies involving the representation, storage, and processing of information in bits.

Climate Change

The human-induced warming of the atmosphere resulting in environmental degradation.

Inequalities

The differences between the levels of health, wealth, and opportunity across groups of people.

Demographic Shifts

The overall slowing of population growth resulting in population aging, e.g., declining fertility and increasing life expectancy.

Urbanization

The increasing concentration of the world's population in cities.

Respondent Demographics: Audiences

	Investors	Millennials	Gen Z
Male	86%	63%	59%
Female	14%	37%	40%
Other	0%	0%	1%
Age (average)	40%	34%	23
Tenure (average, years)	16	11	2
College graduate or higher	91%	100%	100%

Respondent Demographics: Markets

	China	France	India	UAE	UK	US
Male	72%	53%	58%	83%	67%	82%
Female	28%	47%	40%	17%	33%	18%
Other	0%	0%	2%	0%	0%	0%
Age (average)	34	33	31	32	32	33
Tenure (average, years)	11	15	13	15	13	15
College graduate or higher	90%	98%	99%	100%	96%	98%



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