

Feeling the pressure: consumer spending in permacrisis

GW.



Laura Connell

Consumer Trends Manager

Who is GWI?



The world's largest study into the digital consumer



Unique
questions



Better
responses



Faster
insights



52

countries



1M⁺

interviews
per year



9

datasets

We cover every corner of America



50

US states

210+

designated
market areas

240m

connected
consumers

What consumers are thinking

People are as confused
as the economy



INSIDER

[HOME](#) > [ECONOMY](#)

The labor market is still really strong, but that means a recession next year could hurt even more

THE WALL STREET JOURNAL.

[ECONOMY](#)

Inflation Is Falling, and Where It Lands Depends on These Three Things

Goods, shelter and other services could tug consumer prices in different directions this year

MONEY|MANAGEMENT

Is a US recession on the cards after all?



By [Rhea Nath](#)



This number shows that high inflation is sticking around



By [Julia Horowitz](#), CNN

Gaslighting

Goblin mode

Permacrisis



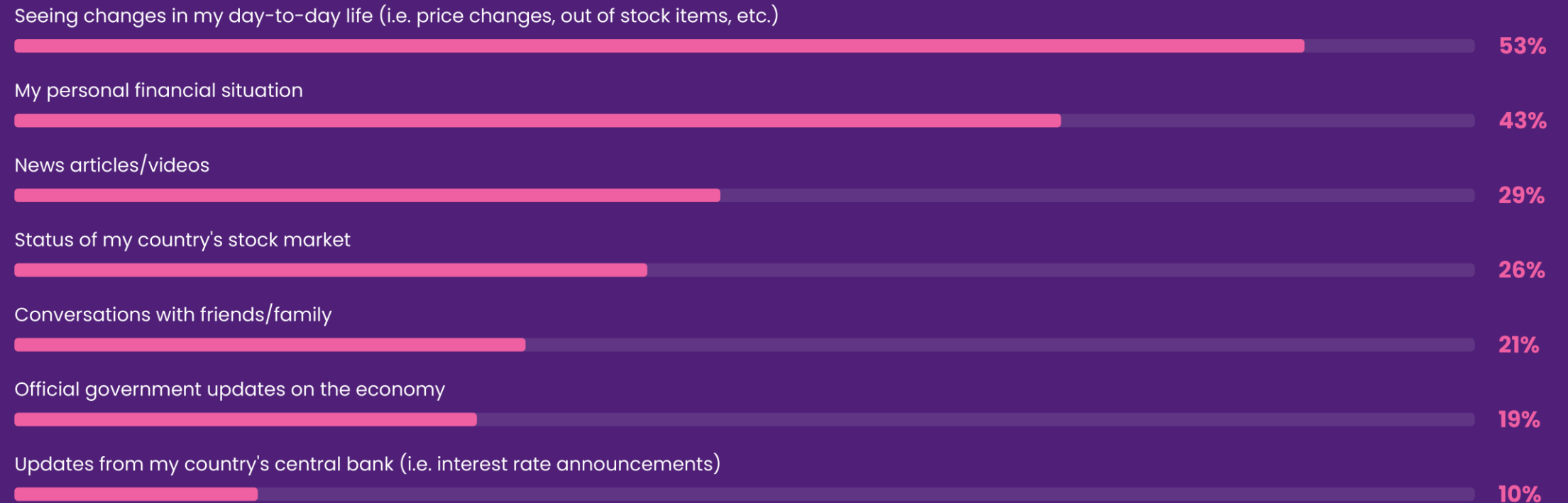
Permacrisis:
**an extended period of
instability and insecurity**

**What does
a recession
look **feel** like?**



Day-to-day price changes are most influential

% of Americans who say the following influences their views on their country's economy the most



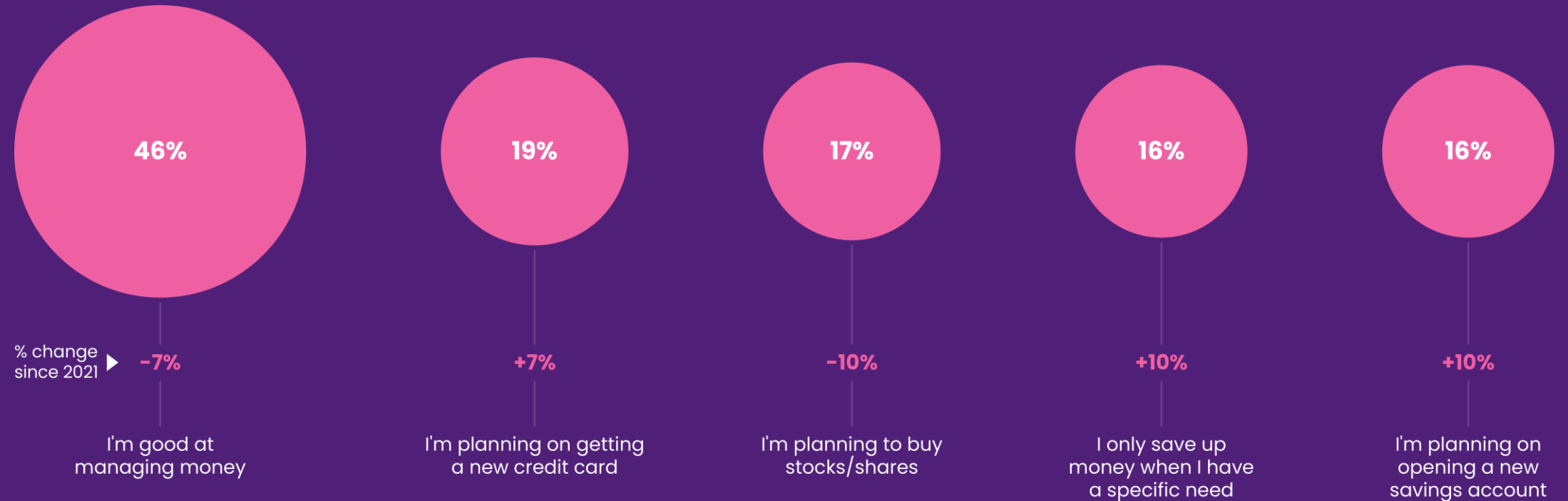
45%

**of Americans say they
are spending the same
compared to 2022**



Saving attitudes and plans send mixed messages

% of Americans who agree with/plan on doing the following in the next 6 months



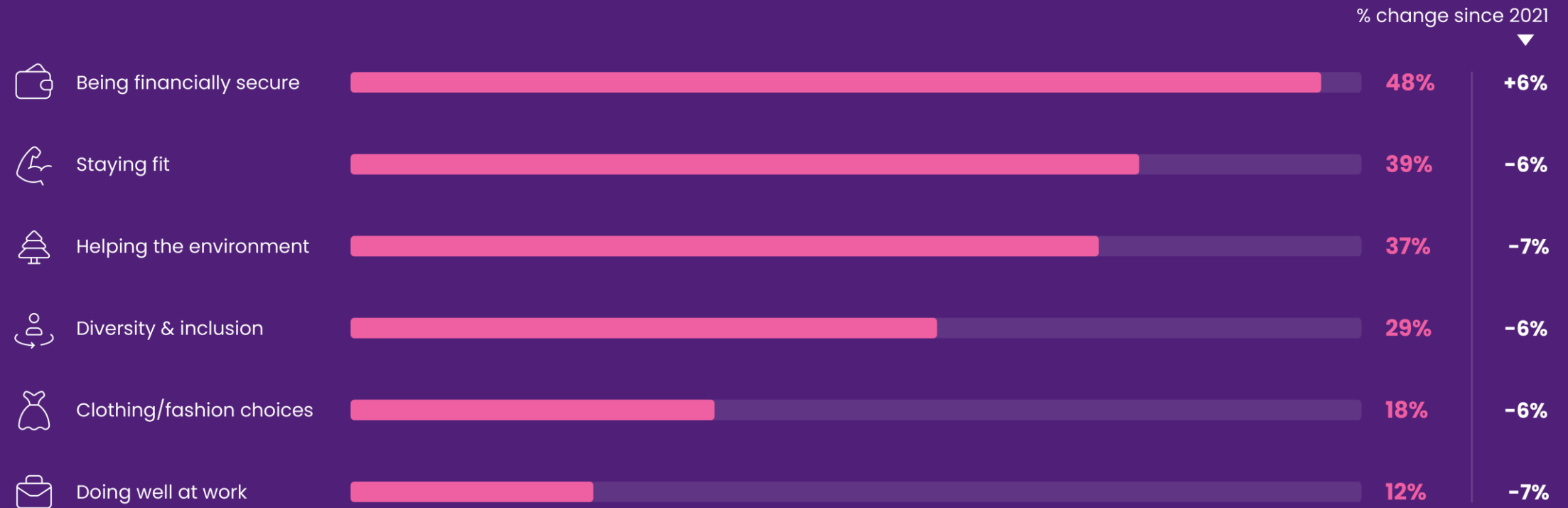
Source: GWI USA Q4 2021 & Q4 2022

Minimalism
is making
a comeback



Personal goals are looking more modest

% of Americans who say the following are important to them/are their top aspirations right now



Source: GWI USA Q1 2021-Q4 2021 & Q4 2022

What consumers are buying

**Small luxuries and
the feel-good effect**



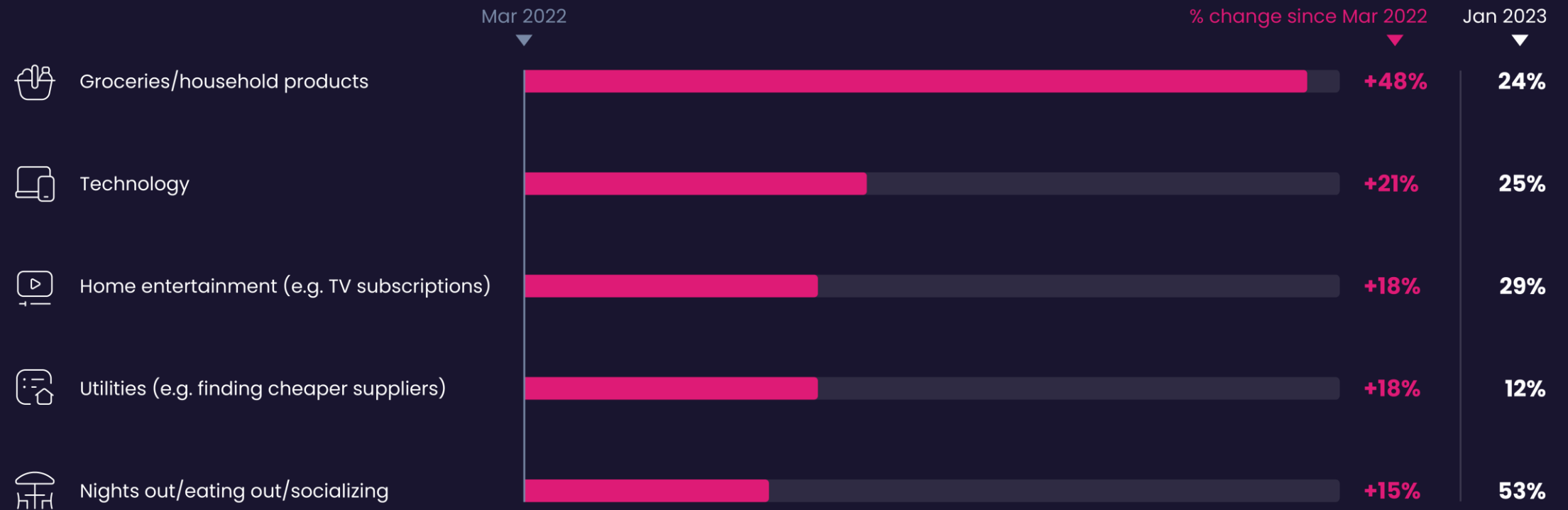
54%

**of US consumers'
new year's resolutions
is to save more money**



Groceries are a big price concern for Americans

% of Americans who say that, thinking ahead, they'd spend less on the following, ordered by % increase since March 2022



Frugal thinking across product categories

% of American consumers who say they would do the following if an item increased in price

Personal care

Buy a cheaper alternative



Buy the same elsewhere for a lower price



Still buy the item, despite the price increase



Electronics

Do more research before making a decision



Delay buying item until price decreases



Buy the same elsewhere for a lower price



Clothing

Buy the same elsewhere for a lower price



Don't buy the item



Buy a cheaper alternative



Household

Buy a cheaper alternative



Buy the same elsewhere for a lower price

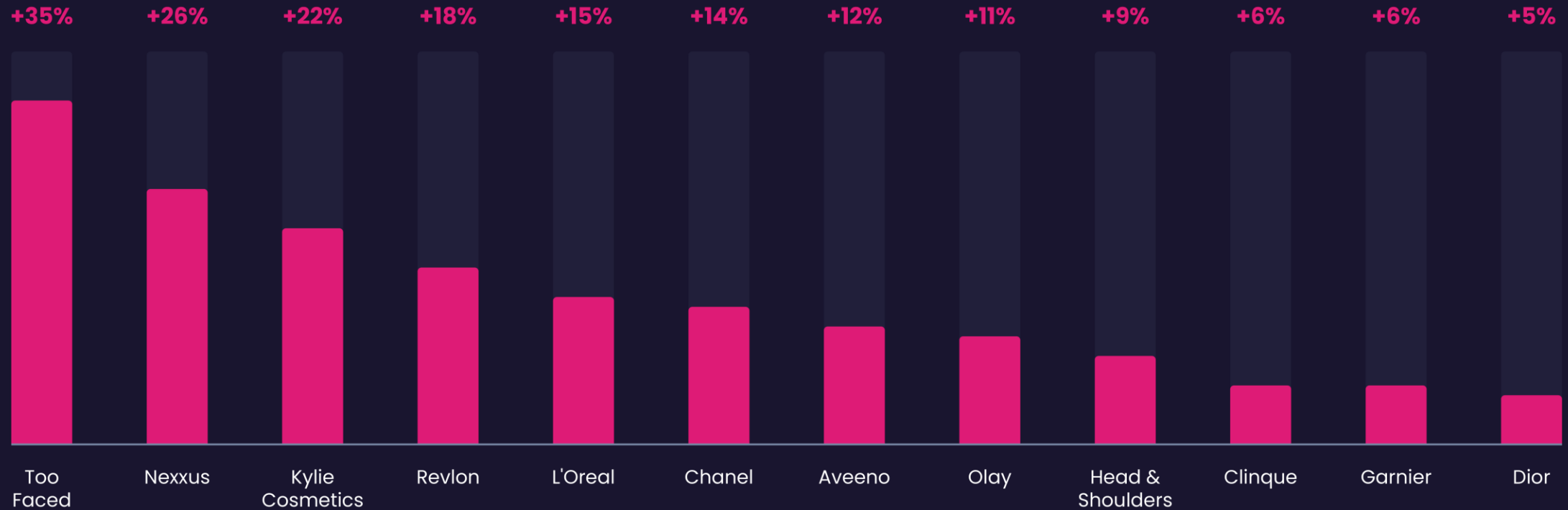


Still buy the item, despite the price increase



Cosmetic brands are thriving

% change since Q4 2021 in the number of US consumers who say they buy from the following brands weekly



Source: GWI Core Q4 2021 & Q4 2022

What do consumers want

How brands can add value



55%

**of Americans want
brands to be honest
and trustworthy**

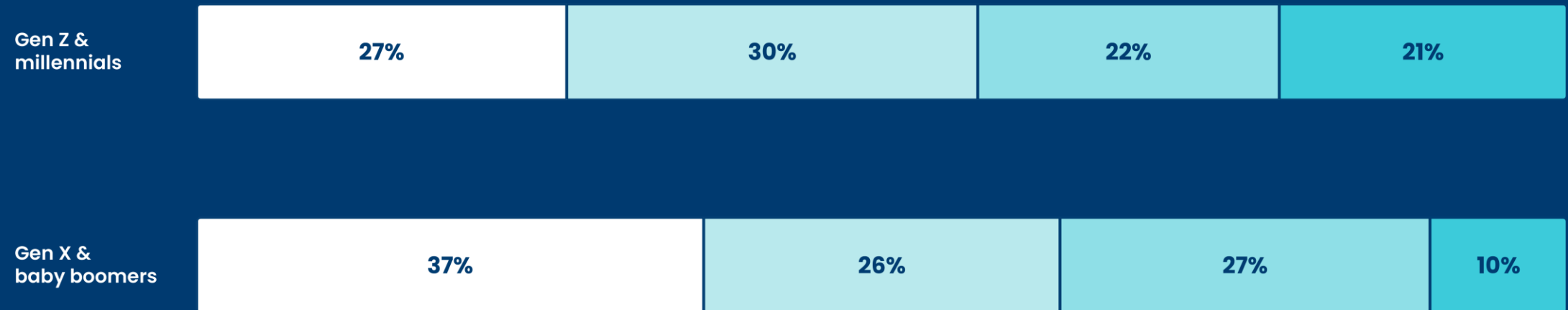


Give your customers time to process price increases

% of Americans who say they'd like communications to notify them about price increases with the following information

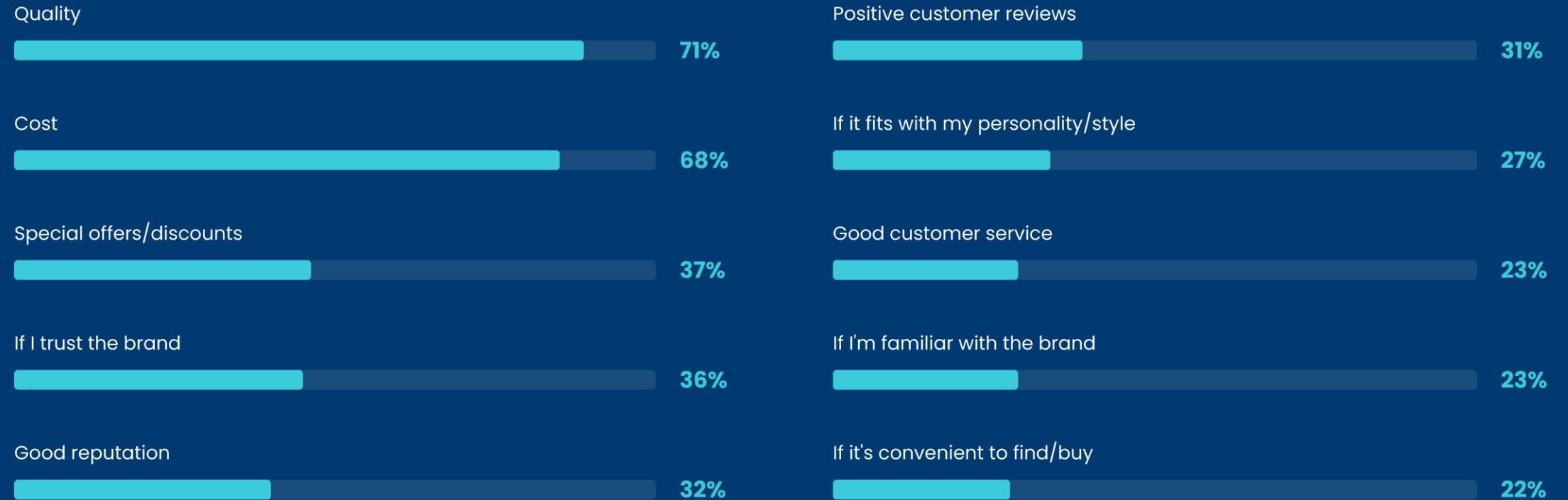
A message focusing on....

- When the price increase will happen
- Why it is happening
- How much customers will be paying
- How it will affect consumers



High quality over cheap prices

% of Americans who, when deciding which brands to buy, consider the following as most important



Rewards are a valuable currency

48%

of US consumers say when shopping online, **coupons and discounts** would most increase their likelihood of buying a product

45%

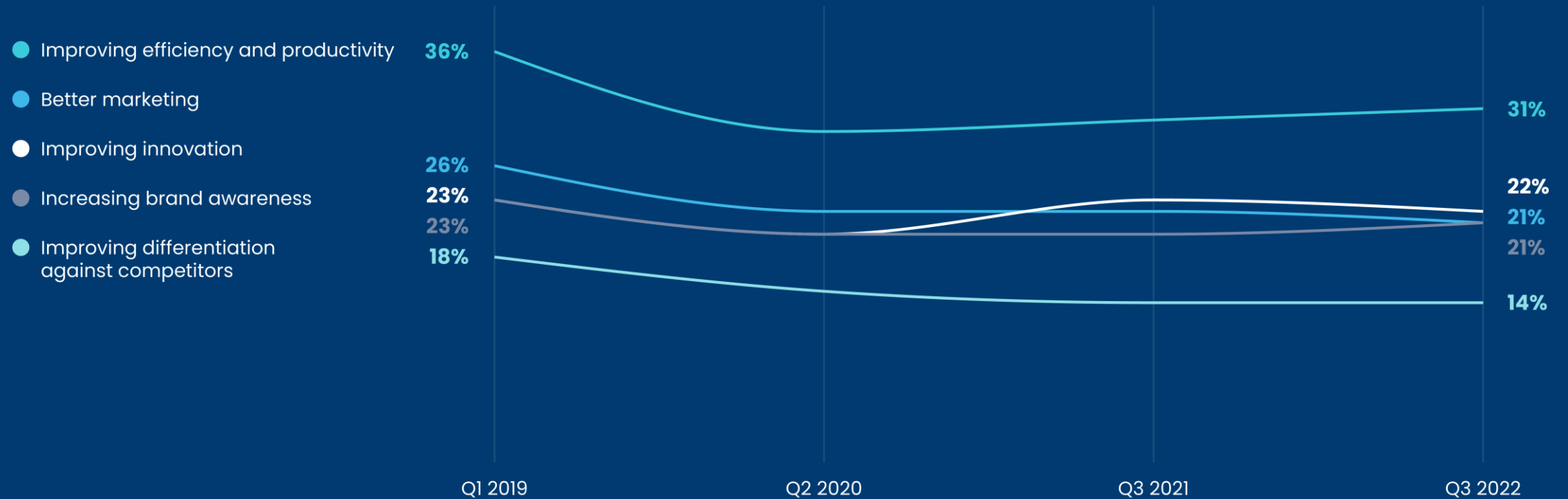
of US consumers say **rewards** would most motivate them to promote their favorite brand online

33%

of US consumers say when shopping online, **loyalty points** would most increase their likelihood of buying a product

A case against going dark

% of US decision makers who say the following are important initiatives for their company or team to help drive growth



Key takeaways

People are not predictable

In times of insecurity day-to-day price changes are the most influential. Shoppers are more risk-averse and price-conscious but they're still spending

Frugal thinking isn't straightforward

Many consumers will look to make substitutions and cuts to what they can control, leaving room for those nice-to-haves where possible

Consumers want the full story

Price isn't the only consideration. Aim to create value-added messaging, and meaningful marketing to win over shoppers

Want to know more?



Laura Connell

Find us at booth 810

lconnell@gwi.com

GWI.

GW.