



## **Consumer Trends 2012 and Beyond**

August 2012

## 6 key consumer trends for 2012 and beyond



# 1. Frugality

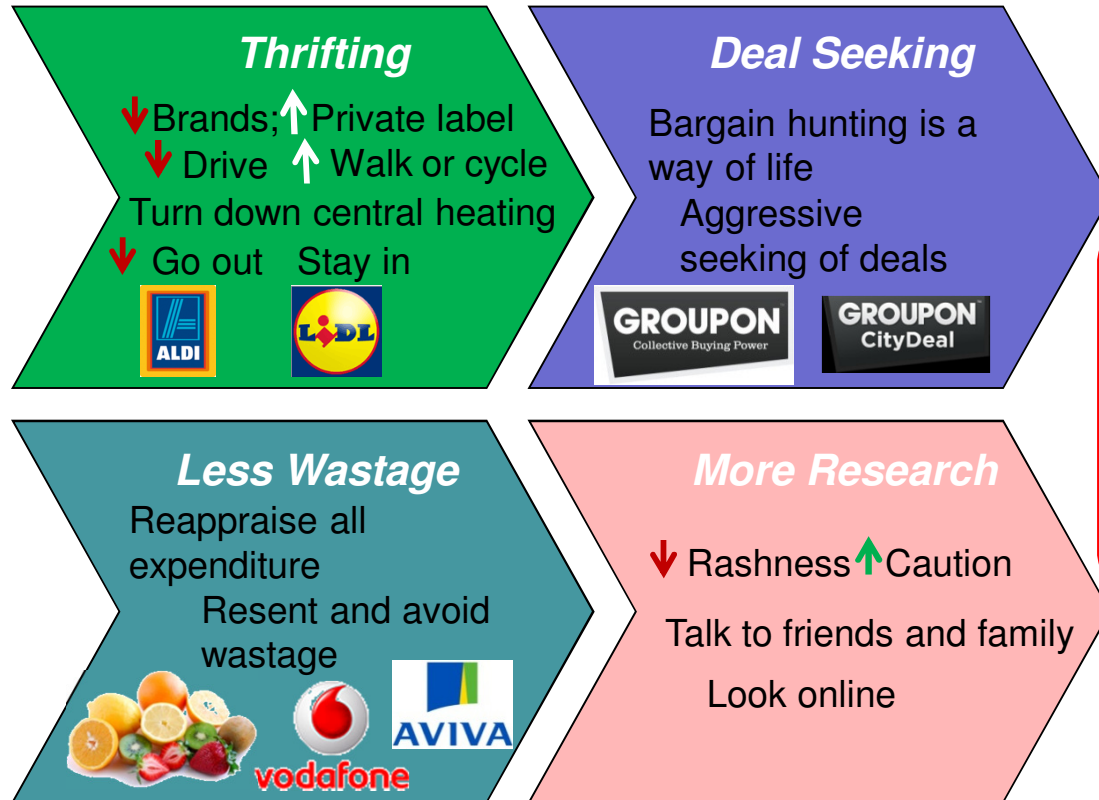
Frugality has many different faces...



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*"It makes me feel more efficient, more in control, less wasteful."*



*"I sometimes get a kick out of cutting back and thrive under pressure, but sometimes I'm sick of always being so financially restricted."*

**Frugality is becoming more deeply ingrained and is likely to sustain post-recession. How can you add value for customers?**

## 2. Simplicity



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*“Downturns are stressful and typically increase people’s desire for simplicity. Even prior to this recession, many consumers were feeling overwhelmed by the profusion of choices and 24/7 connectivity and were starting to simplify”*  
- Harvard Business Review ‘Understanding The Past Recession Consumer -



The ultimate expression of simplicity. Apple CEO Tim Cook said *“Every single product Apples makes could fit onto a single conference table... we say no to good ideas every day”*



One price, one bill, all-in-one TV, broadband and landline.



Growing demand for advisors that can simplify choice-making.



Meal deals – meal planning done for you, at a good price.

**Consumers will continue to seek uncomplicated, user friendly products and services that simplify their lives**

### 3. Transparency



Half price

20% fat free

Buy one get one free

Low calorie

- The more savvy consumer ‘interrogates’ offers and promises:
  - is it really half price?
  - lower calories than what?
- Resent being duped, don’t want anyone to “pull the wool over their eyes”

Guaranteed Irish

- There is a strong desire to ‘buy Irish’ in recessionary times.
- But consumers will check labelling to verify any Irish claims (remember Killtefeelballybridgewater sausages!)



- Consumers re-appraise all bills to understand exactly what they are getting:
  - Am I on the right plan?
  - Am I using it to the max?
  - Am I paying for anything I’m not using?
- ‘Hidden charges’ really annoy

**The growing need for openness and transparency from providers of products and services is set to continue**

## 4. Community Focus



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*“It’s more ‘real’ now.  
People ask the price of  
things, recycle, aren’t as  
wasteful and are generally  
more thoughtful”*

- Consumers try to be more ‘real’ at a community level.
  - Where they **can** make a difference.
  - And they can **see** the consequences.
- Growing desire to shop local.
- Recent advertising taps into this trend by focussing on the benefits to ‘local’ people.
- Sponsorship focussed on a community level.
- Growing importance of locally sourced products.
- Being seen to support the local economy and community.



**SuperValu**  
Real Food, Real People



**Greater focus on the local community is likely to continue post recession**

## 5. Service With A Smile

- In troubled, recessionary times, consumers welcome good customer service.
- It's the simple things that impress:
  - A smile
  - Acknowledging your presence.
  - A friendly face.
  - Thanking you for your custom.
- How can you add 'a personal touch' to your business offering?



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- ⇒ Really important for telephone service.
- ⇒ Growing frustration with IVR – ready access to humans is vital.
- ⇒ Cultural issues important – preference is for Irish voices.

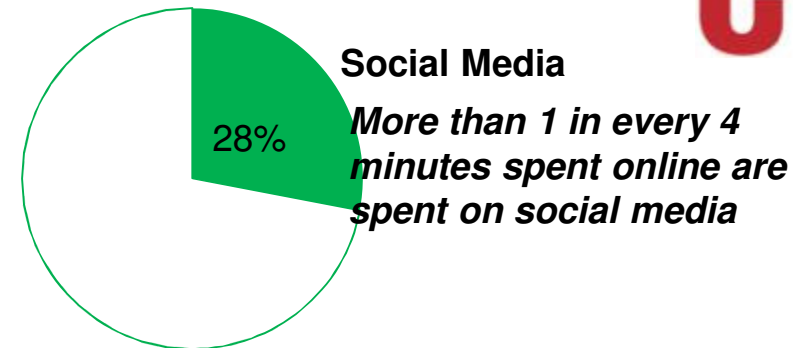
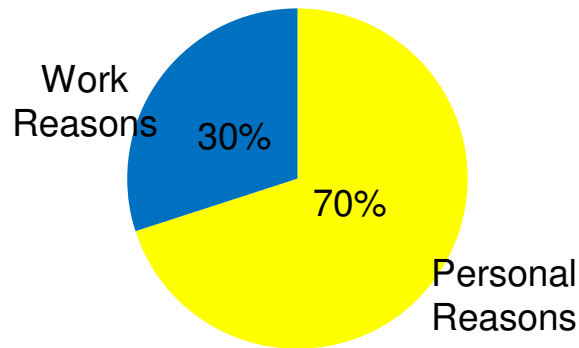


**Consumers have developed a growing appreciation for good customer service and this is set to be a key differentiator between providers in future**

## 6. Digital Dependence



**Average No of hours spent online = 20 hours per week**



- Irish consumers are spending more time online and more time on social media
  - Businesses must devote resources to have up-to-date websites that are easy to navigate (eg DAA 4 clicks and you're done!)
  - And consider how to maximise (positive) exposure via Facebook and Twitter.



- Half of all Irish consumers have a smartphone – and rising.
- Data usage (internet access) on smartphones is increasing rapidly.
- New apps are appearing daily (Apple currently have 50,000!)
- Widespread interest in mobile banking, mobile wallet, mobile coupons, geo-based promotions.
- **Is your business getting smart?**

**Usage of the internet for commerce – particularly smartphones – shows a sharp upward growth curve**



## Key take-outs for small businesses



- 1 Embrace the mentality of the frugal consumer
- 2 Keep it simple
- 3 Be open and transparent
- 4 Focus on the community
- 5 Provide service with a smile
- 6 Get smart!



**Thank You!**