

# Emerging Consumer Trends



Consumers of today and tomorrow are value driven, interactive, cautious, socially responsible and always connected. Research conducted by Gusto has identified some key consumer trends which will shape demand and impact marketing strategies – particularly for our Financial Services clients...

## Bargain Hunting

95%

66% strongly agree

*...agree 'I have become more interested in getting good value for money'*

Consumers want and expect more bang for their buck

### Implications

- Loss of loyalty if not re-enforced
- Increasing levels of researching
- Role of online aggregators and comparisons
- Discounters benefit from no frills approach

## Cautious Borrowing

81%

53% strongly agree

*...agree 'I have become more cautious about borrowing money (i.e. taking out Loans, Credit Cards etc.)'*

Whilst the market has improved and credit is becoming more available again, consumers are making a cautious return to borrowing

### Implications

- Slow recovery to credit
- New types of lending likely to emerge
- Peer-to-peer

## Social Responsibility

61%

*...agree 'I have become more interested in using or buying from brands that I view as ethical, responsible and do the right thing'*

The rise in social responsibility where consumers are often demonstrating more compassion in the purchases they make and the brands they choose. This is supported by other industry reports highlighting the growing interest in ethical issues and for some, the willingness to pay the price for it

### Implications

- Consumers will seek brands that demonstrate their CSR credentials
- Revitalise the FS brands that leverage their ethical credentials
- Smaller Financial Services brands focusing on locality and the changing role of the branch

## Power to the People

57%

*...agree 'I am more likely to read online reviews or take notice of what people say about brands on Social Media'*

Increasing impact of online reviews, 'word of mouse' and the role of social media in brand choice

### Implications

- Making the most of social media
- Mitigating against false reviews or negative customer sentiment online
- Increase in 'celebrity' endorsement
- Crowdsourcing

## Digitalisation

64%

*...'I can see myself using a Smartphone or Tablet more in the future for my banking/ financial products'*

Increasing reliance on digital devices, particularly the Smartphone

### Implications

- Smartphones becoming accessible to all
- Increasing sales of tablets
- SoLoMo revolution
- Mobile banking now expected
- Digital branches