

Consumer Purchase Behavior & Coping Strategies Study

in the context of rising prices

September 2022



WHERE HAVE WE BEEN?

Economic growth

**Post-2008
financial crisis**



**REFORMED
CONSUMER**



**SELF-INDULGENT
CONSUMER**

**Post Covid-19
pandemic**



**CAUTIOUS
CONSUMER**

CHANGES

CONTEXTUAL

lockdown regulations impact
post-pandemic changes
increasing prices
Ukraine-Russia war

PSHYCOLOGICAL

the long term effects of recession,
constant state of panic, stress, alert

leading to



**Coping
strategies**

WHEN QUANT & QUAL MEET, COOL THINGS HAPPEN!

QUANTITATIVE



1734 respondents ●

Hybrid methodology: ●

50% CAWI & 50% F2F ●

Timing: September 2022 ●



QUALITATIVE

● **18 consumers**

● **self-applied ethnography**

● **Timing: September 2022**



THE MOOD

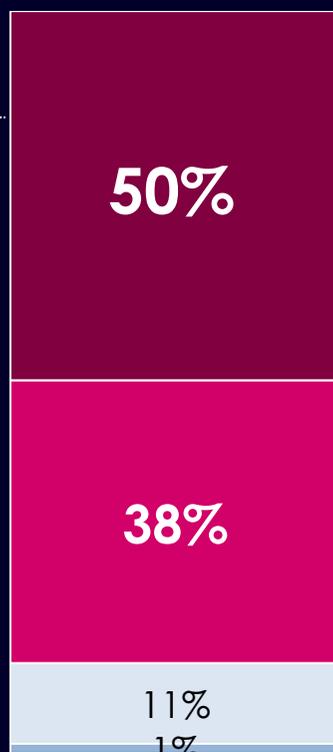


THE NUMBERS SAY IT BEST

Romanians are highly affected by increases of prices

53% 58% 62%

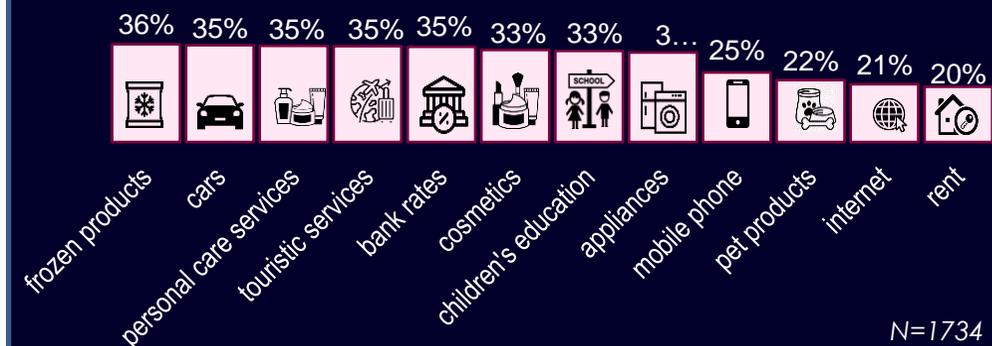
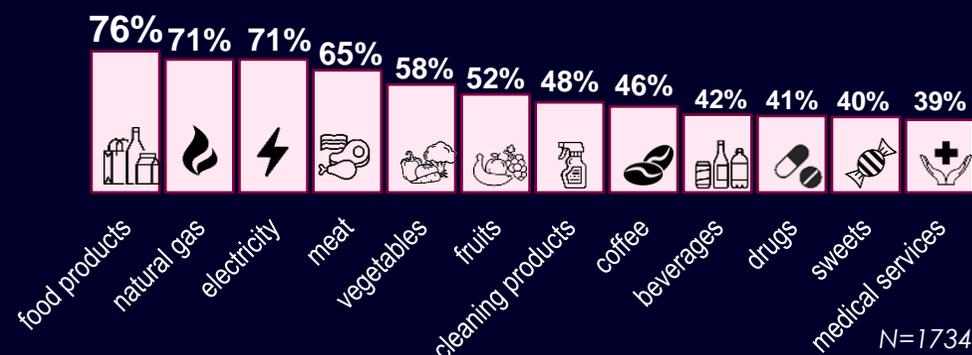
- to a high extent
- to some extent
- to a small extent
- not at all



N=1734

B1. To what extent do you feel affected by the recent price increase?

Food & utilities price rises have the strongest impact



B2. For which products/services did you feel the strongest impact of the price increase?

STRESSED, ANXIOUS

WINTER IS COMING!

worried, burdened, troubled

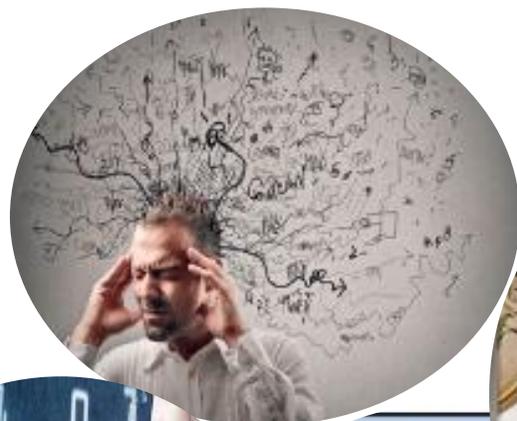
MOODY

frustrated, deprived of small joys of life

**thinking about
SAVINGS**

uncertain, insecure





Socio-economic status is the definitive factor for how people are dealing with the situation.

**Lower income
Elder age**



ANXIETY

"I feel frustrated, overwhelmed by the prices, like everything is meant to keep us inside our houses and depressed."

**WATCH &
WAIT**



"Neither pessimism, nor optimism. Rather a "state of alert", when you need to keep your eyes open, to be cautious because you don't know what tomorrow brings."

**Mid & higher income & education
Younger age**



**MODERATE
OPTIMISM**

"I feel limitation and stagnation like everybody else, but I also have hope for better times ahead."

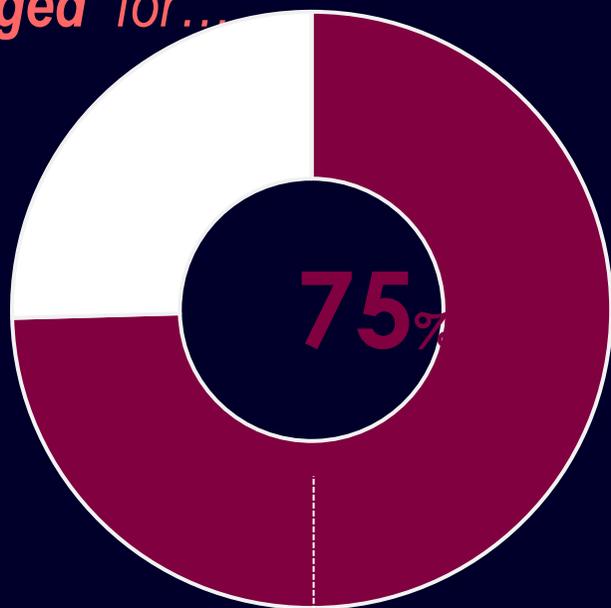


SHOPPING



THE NUMBERS SAY IT BEST

buying behavior
changed for...



N=1293

78%



82%



80%



N=1734

...but how it changed?



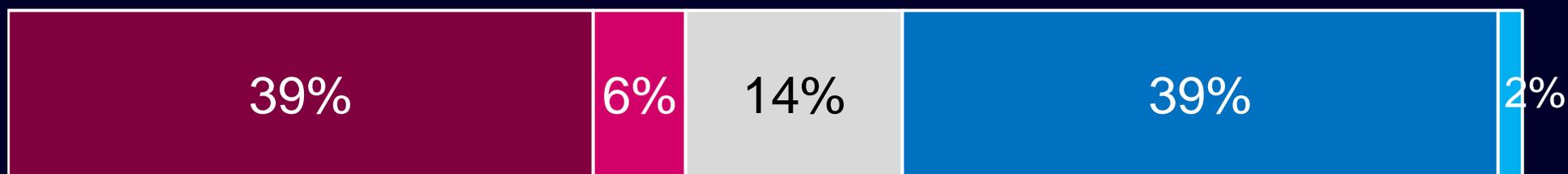
Quantitative Results, N=1734

B3. Has your buying behavior changed in any way as a result of the prices increase?

B4. How has your buying behavior changed as a result of the price increase?

THE NUMBERS SAY IT BEST

**45% have been buying cheaper brands, other 14% intend to.
The less educated, the higher the need to switch to cheaper brands.**



■ yes, I buy cheaper brands

■ no, but I intend to change them

■ yes, I buy more expensive brands

■ yes, I tried cheaper brands, but I changed back

■ no, I buy the same brands as before

N=1734

SHOPPING strategies (1)



"My current shopping mantra is <If it's on the list I need it, otherwise don't buy it.>"



"Mindful" shopping

Planned shopping trips to supermarkets/ hypermarkets, avoiding proximity stores (*"I go to Mega one night to buy bread and I end up spending 100 RON"*)

Shopping list true, only essentials, no impulse shopping

Lower shopping frequency

Smaller quantities bought at once

Cutting out indulgence/ non-necessary products (e.g. sweets, juice, butter, certain cosmetics: hair mask)

Walking to the store or combining shopping trips with other activities (e.g. going to gym) **to minimize gas consumption**

Careful planning of more expensive acquisitions (e.g. gadgets): monitoring and comparing prices

Buying higher quality products even if more expensive for a longer life duration

SHOPPING strategies (2)



"I try to find cheaper brands, cheaper stores in general but with decent quality."



Price hunting

Buying from discounters, higher interest towards private labels (esp. >40 y.o.)

Choosing wholesalers for non-food products because of higher quantities at more beneficial price (e.g. detergents, house cleaning products)

Looking for promotions

Checking the price more carefully at the shelf

Brand switch

Strategy employed mainly by consumers with lower income and lower education level

Some would not compromise in terms of brands, except for the situation when the price would increase 2-3 times.

Others chose cheaper brands in foods, hygiene products, clothes but would not compromise when it comes to perfume, clothes, alcoholic beverages or cigarettes.



CONSUMPTION



CONSUMPTION strategies



"I cook more and I pay higher attention to the products in my fridge, I try to use them up before expiration or I cook with less fresh vegetables."

Alimentation

More cooking, less food orders (mainly when having guests or in need for a treat)

Packed lunch for work instead of eating out
Replacing expensive foods with more affordable ones (salmon → trout, sea bream; beef → chicken)

No more bottled water, using tap water filter instead

Replacing coffee capsules with R&G coffee (for health reasons as well as price)

Paying higher attention to food expiration date

Personal care

Stock up when favourite brands are on promotion

Buying larger quantity packages

Choosing cheaper brands (mainly shower gels)

Using all the product before buying another one



LIFESTYLE



LIFESTYLE strategies



“For me vacation means Greece and I stucked to it, but I drove there, I looked for a villa with kitchen and stocked up with beer and water from Romania.”

Going out

Less frequent going out sessions (1/ week – 2/ year), mainly with friends or at special occasions → replaced with friends visits

Reduced consumption in HoReCa: one main course (something that can't be prepared at home), **1-2 drinks** (beer instead of long drinks in case of men and wine/ mineral water/ lemonade instead of cocktails for women)

More affordable places: cinema, malls, cafes

Vacations

Few changes, little compromise

Keeping the preferred destination, but within a more carefully planned budget

Replacing hotels with apartments/ villas for self-catering

Cost-benefits analysis for choosing the destination

Car travel instead of plane & sharing costs with friends

Tent accommodation



KEY TAKE OUTS



- **9 out of 10 people are affected by the increasing prices. The highest impact is felt in terms of food products and utilities cost.**
- **Main coping strategy: limiting/ cutting out unnecessary expenses in order to save up for major expenses (e.g. rent, utilities, bills)**
- **How they do it: less frequent shopping sessions & lower quantities, no more non-essential products, “mindful” shopping, promotions hunt, home cooking, less going out and “rationalization” of HoReCa consumption.**
- **Brand loyalty seems threatened, as 45% of consumers have already tried cheaper brands, while 14% are tempted to do it. The lower the income and the education, the higher the pressure to switch to cheaper brands.**



**We would love to hear from you
in case of any questions!**

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Thank You!
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