

## The Budget Shopper - US - December 2014

Report Price: £2466.89 | \$3995.00 | €3133.71

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“Consumers today are more financially secure than they were during the recession and the years immediately following it. They remain tepid about the state of the US economy and continue to adhere to budget-friendly approaches. Even so, they don’t want to sacrifice quality and want to ensure they are getting the items they want and need while still staying within their means.”  
– Diana Smith, Senior Retail & Apparel Analyst

### This report looks at the following areas:

- What is the latest consumer sentiment regarding personal finances and the economy at large?
- Who are budget shoppers?
- Where do budget shoppers get their information?

For the first time since the recession, several positive macroeconomic factors are beginning to emerge such as higher consumer confidence, decreasing unemployment and poverty rates, and consumer spending on the rise. The US population is growing and greying, with Baby Boomers getting older and comprising more of the population as well as Hispanics who will comprise nearly 20% over the next few years. This is notable given that all minorities, and especially Hispanics, exhibit multiple budget shopping actions and are more likely to be extreme in their saving and shopping behaviors.

These positive indicators are not - and will not - translate into exponentially different or frivolous spending patterns, as consumers remain cautious and conservative, ready to prepare for the worst, should the worst reappear or manifest itself in a different way. Coupons are still used by more than half of shoppers, consumers are still deferring mid- to high-ticket purchases for a “little while longer,” and saving the exceptions for little splurges that involve things like an escape, relaxation, an indulgence, or family bonding time. Budget shoppers will actively research, seek out bargains, invest a lot of time in the process, and even go out of their way to ensure they stay within their means. For this reason, they should be relatively easy to find and reach; the challenge for retailers will be managing how to meet their customers’ demands for low price while still being mindful of the bottom line and their own financial state.

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### DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

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## Issues and Insights

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National Association of Chain Drug Stores (NACDS)

National Retail Federation (NRF)

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