

How the recession affects brand loyalty and 'buy down' behaviour

RESTON, US: comScore, Inc has released the report *The Effects of the Recession on Brand Loyalty and 'Buy Down' Behaviour: 2011 Update*. The report analyses how the most recent US recession has impacted consumer purchasing behaviour within various product categories, leading to increased 'buy down' behaviour among consumers, or purchasing less expensive brands in order to save money.



The report also examines the different ways consumers seek out lower prices and outlines strategies for premium brands to combat these conditions in the current aftermath of the recession.

"In the aftermath of the recession, and with unemployment remaining stubbornly high, US consumers have been feeling the pressure to spend less and save more, resulting in increased buy down behaviour for CPG and other product categories," said comScore director Doug Crang. "Our research shows that over the last four years, not only are more consumers switching from their preferred brand when others are on sale, but they are regularly buying less expensive brands in an effort to save money. These economic conditions pose a real threat to premium brand market share, as consumers view cheaper brands, often private label, as a more affordable and necessary option during these hard times."

The report highlights the results from annual comScore studies conducted between 2008 and 2011 surveying the shopping habits and preferences of female shoppers in the household. The following 12 product categories were examined within six broader market segments:

Buy Down Study Product Category Groupings 2008 - 2011 (Source: comScore, Inc)	
Market Segment	Product Category
Health & Beauty Aids	Toothpaste
	Mouth Rinse
	Shampoo
OTC	Cough/Cold/Allergy
Apparel	Jeans
Food	Soup
	Pasta Sauce
	Fruit Juice
Household Products	Laundry Detergent
	Facial Tissue
	Paper Towels
Housewares	Small Appliances

Participants were asked to indicate how they shop for each of the above product categories using one of four closed-ended responses: 1) "I buy the brand I want most," 2) "I sometimes buy a different brand if it is on sale," 3) "I buy less expensive brands to save money," and 4) "I do not buy products in this category". Below is a summary of the trended results for those choosing "I buy the brand I want most." The survey shows that as the economic downturn has continued, the percentage of shoppers who typically buy the brands they "want most" steadily declined across the categories examined. The 2011 survey results reveal 43% of shoppers claiming to buy the brand they want most, down 11 points since 2008.

% of Respondents Choosing "I buy the brand I want most" 2008 - 2011 Survey Results US Female Shoppers (n=1000) (Source: comScore, Inc)	
Year of Survey	% of Respondents

2008	54%
2009	50%
2010	45%
2011	43%

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