DYNAMICS OF THE CASH STRAPPED CONSUMER

40% of U.S. Households are Cash Strapped

$1.6T U.S. Cash Strapped Consumer GDP (2017)
Ranking 12th largest in the world

Who are they?
- Multicultural
- Millennials
- Small (1 person) and large HH
- Highly engaged in TV

Where do they shop?
(index to Total U.S.)
- Mass (114)
- Dollar (157)
- Gas / Conv (136)
- Fast Food (124)

Average spending per trip
(index to Total U.S.)
$29.42

Highly savvy with clear perspective on economic happenings.

“Prices have gone up faster than income. I do food delivery on the side to make extra money. I have these repeat customers and again and again they order sushi and I’m like “wow”, the amount of money these people have to spend on food compared to me.”

Highly price sensitive because they have to be.

“There is a [grocery store] I avoid because it is next to an apartment complex where a lot of people are on Food Stamps and the prices are way higher as a result.”

Extremely engaged in the purchases they make.

“I find all my coupons online, wherever I am going I look first online to see what they have on sale. You have to work at it to get what you want when you don’t have very much money.”

Committed to (giving their kids) a better life.

“You try and be optimistic. I picture a happy family doing stuff that I usually can’t afford to do. I dream of a vacation. I just want to be normal.”

Source: Unilever Cash Strapped Exploratory, July 2018

Source: Country GDP per IMF. US Cash Strapped Consumer GDP estimated based on Census Bureau and Bureau of Labor Statistics Consumer Expenditure Survey 2016; Cash Strapped defined here as HH income < $40K.
Struggle with affording medication and “quality” food

Feeling full over eating healthy

Will I have to resort to a Food Pantry to get by?

What will I have to sacrifice? Food vs. Bills?

Instant gratification of high sugar / salt vs. a healthier choice

Can I afford the branded personal care item I like or will I have to buy a cheaper alternative?

“I have one check for rent and bills and one for meals and childcare. If I have something left over from the bills it goes towards groceries or sometimes I pay a bill late just to have enough food.”

“I understand why we are putting on weight. I love fruit, but I can’t afford $7.99 on a bag of oranges when I can get dinner for us all for $8 out of pancake mix and eggs.”

“You can’t skimp on personal care things, it is going to be a generic brand for food so I can get a good deodorant, lotion and bodywash. I won’t change those things.”

Trip is highly planned, specific budget and only what I really need

Find the best deals for what I need and save as much as possible

Use technology to plan in advance to save in store

They know the price of EVERYTHING

Balancing act of low price points and buying in bulk when possible

Trial sizes and clearance bins help stretch dollars

1.) The starting point is “what I have, what I need and what can I afford”

2.) Ground Beef and Chicken are staple

3.) There is the intention to eat healthily...or make sure kids do

4.) The reality is that it’s difficult to resist impulse “treats”

5.) Often brand loyal... however a good deal will always surpass

1.) The Dollar Store is a key outlet for personal care

2.) Brand is MORE important in personal care... guarantee of quality and efficacy

3.) Shop around to find best deal on brand names they prefer

4.) Buy in bulk if it’s a good deal

5.) One area they occasionally treat themselves to feel better

• Helping them feed their family in an economical and healthier way

• Meat alternatives with good nutritional value

• Availability of lower priced “free from” food items and dairy alternatives

• Being properly rewarded for their loyalty to a retailer or brand

• The best quality personal care products for a consistent price they can afford

Contact your Unilever representative to learn more about this groundbreaking research and how we can work together to unlock growth!

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