



DYNAMICS OF THE CASH STRAPPED CONSUMER

LARGER THAN EXPECTED

40%
of U.S. Households are Cash Strapped

SIGNIFICANT SPENDING POWER

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

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.

WHO ARE THEY?

Multicultural



Millennials
and Seniors



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)

\$29.42
average spending per trip
(86 index to Total U.S.)

Source: InfoScout Shopper Insights Shopper Profile; N = 35,054 Cash Strapped Shoppers indexed to Total US Shoppers; Cash Strapped defined here as HH income < \$40K.

WHO ARE THEY?



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

TRADE-OFFS MADE IN DAILY LIFE

1
Struggle with affording medication and “quality” food

2
What will I have to sacrifice? Food v.s. Bills?

3
Feeling full over eating healthy

4
Instant gratification of high sugar / salt vs. a healthier choice

5
Will I have to resort to a Food Pantry to get by?

6
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.”

SHOPPING STRATEGIES & INFLUENCES

1
Trip is **highly planned**, specific budget and only what I really need

2
Find the **best deals** for what I need and save as much as possible

3
Use **technology to plan** in advance to save in store

4
They know the **price** of EVERYTHING

5
Balancing act of low price points and buying in bulk when possible

6
Trial sizes and clearance bins help **stretch dollars**

FOOD



- 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

PERSONAL CARE



- 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

HOW TO GENUINELY SUPPORT THIS SHOPPER IN MEETING EVERYDAY NEEDS AND RELIEVING STRESS?

- 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