

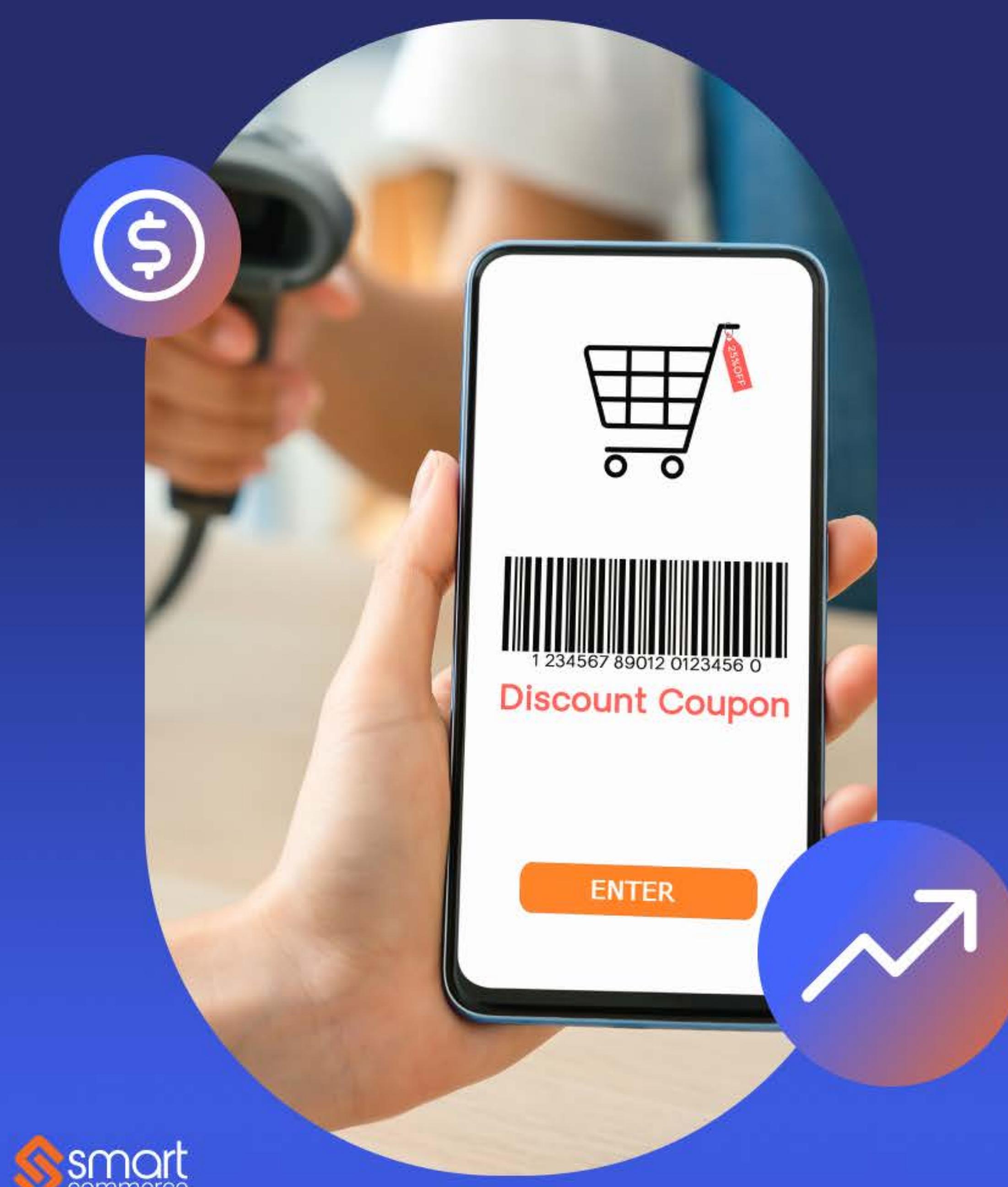


Winning the Price-sensitive Consumer



Consumer behavior moves fast. SmartPulse moves faster.
In today's volatile market, waiting for quarterly reports means falling behind.

SmartPulse delivers fresh, focused consumer insights — fast.
This edition compares May 2025 shopper data with November 2024 to show how value-seeking, price sensitivity, and digital deal-hunting are changing the game for CPG brands.



Our data shows inflation concerns are growing, but product availability is improving for now. The catch? Consumers don't expect this to last – they predict products will become harder to find soon.

Consumers are becoming increasingly price-conscious, while developing more sophisticated strategies to manage their household budgets in this challenging environment.

For brands, this evolution in consumer behavior creates both challenges and opportunities. Let's dive into what's changed and how smart marketers can turn this economic pressure into their strategic advantage.

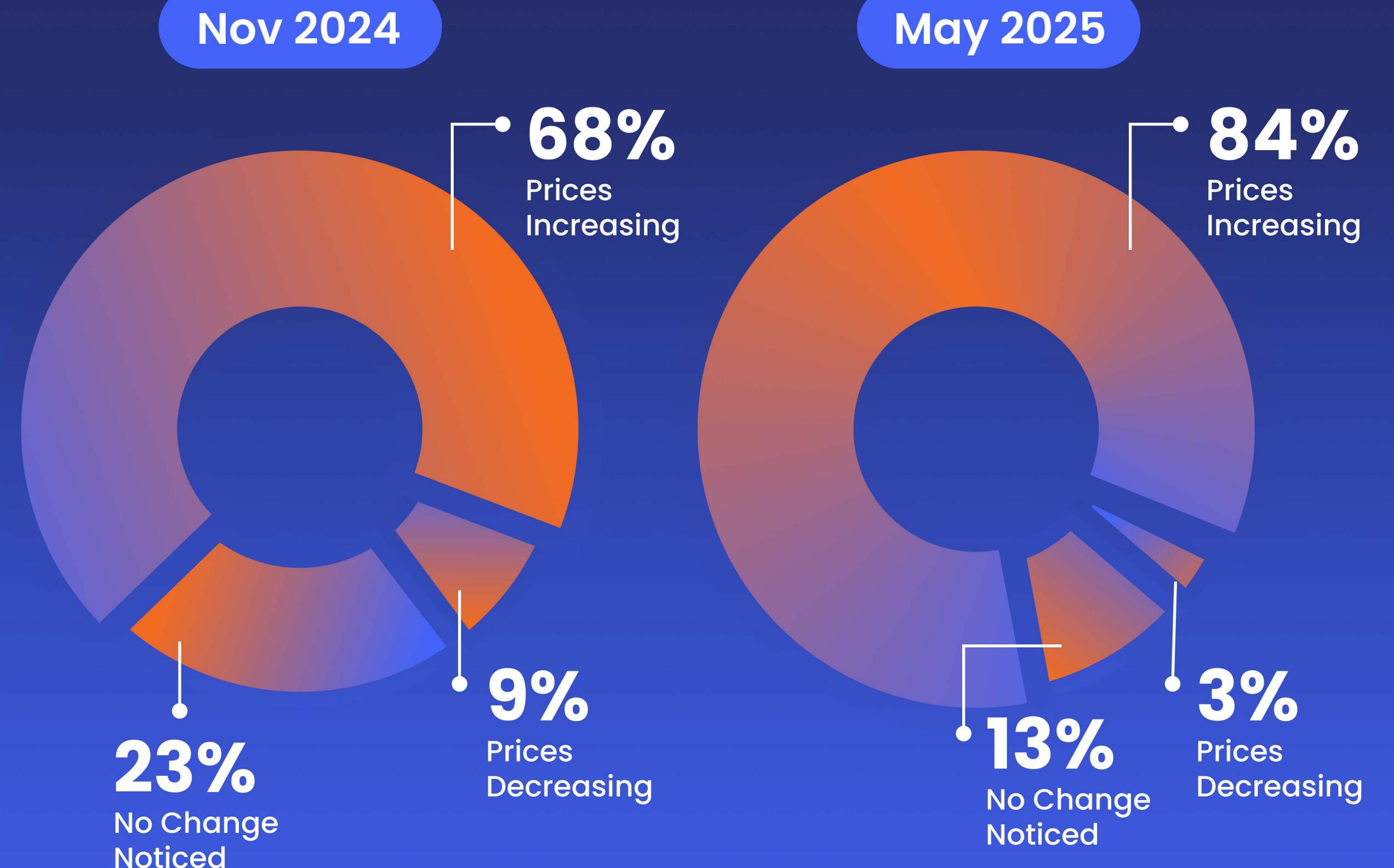
Key Finding #1:

Inflation Concerns Are Growing

Current Price Perceptions

16% more consumers are reporting price increases compared to six months ago — a clear sign that inflation concerns are growing, not fading.

The percentage of consumers reporting price increases for grocery, personal, and home care items has grown significantly since our November 2024 survey:

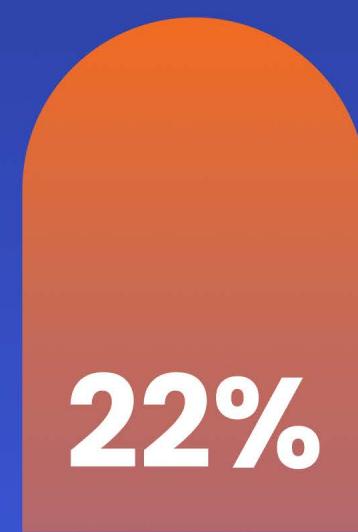




Consumer outlook about future prices has also become more pessimistic:



Nov 2024



May 2025



Nov 2024



May 2025



Nov 2024



May 2025

Expect Prices to Stay the Same

Expect Prices to Decrease

Expect Prices to Increase

Future Price Expectations

Compared to six months ago, **19% more shoppers** now anticipate rising prices, with fewer expecting any decreases — a sign of mounting concern over household purchasing power and future spending.



Key Finding #2:

Consumer Expectations Signal Growing Availability Concerns Ahead

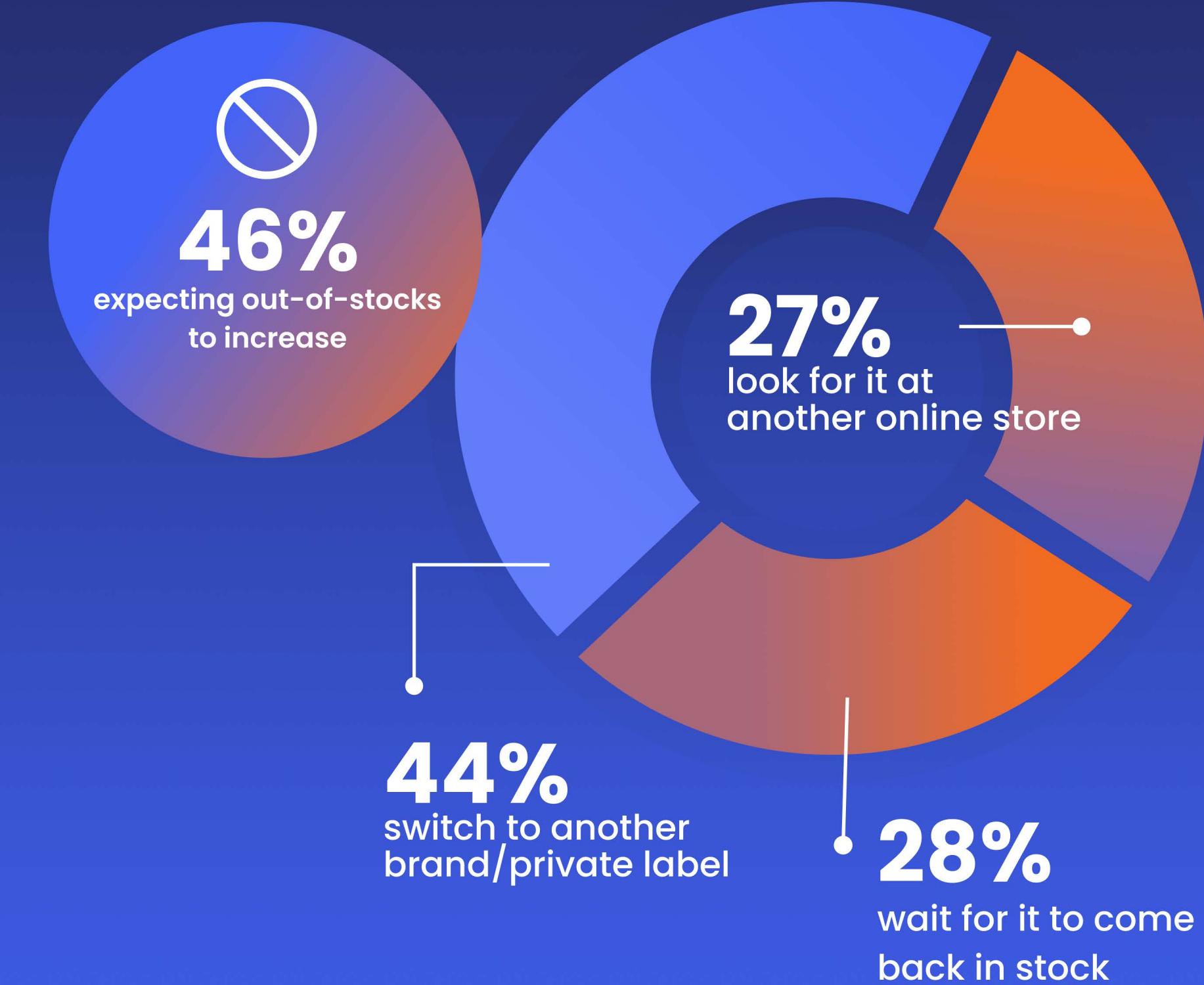
The Challenge:

Consumer anxiety about future availability is intensifying. Nearly half of consumers (46%) now expect availability issues to continue or worsen in the coming months. This growing pessimism reflects mounting uncertainty about potential tariff impacts and trade policy changes that could disrupt supply chains.

When availability fails, brand loyalty crumbles immediately. Our research reveals that 52% of consumers will switch to a competing brand or private label rather than wait for a restock – creating an immediate threat to customer retention and market share.

The window for proactive solutions is narrowing. With consumer expectations deteriorating and switching behavior accelerating, brands must implement substitution strategies before out-of-stocks occur. Reactive inventory management is no longer sufficient in this climate of heightened availability anxiety.

**The Loyalty Risk:
Consumer Response to Out-of-Stock**

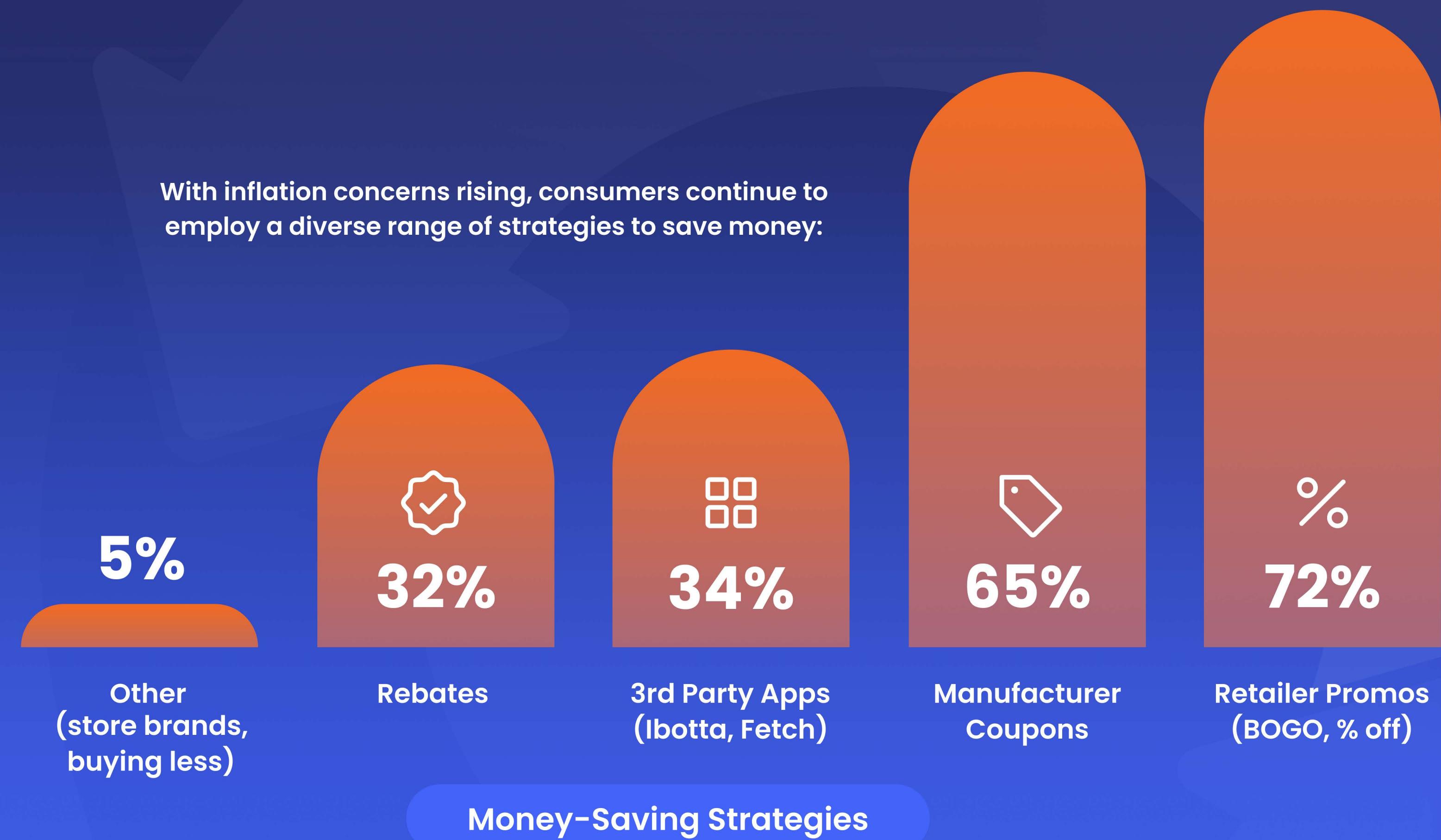


Key Finding #3:

Value-Seeking Behaviors Remain Strong



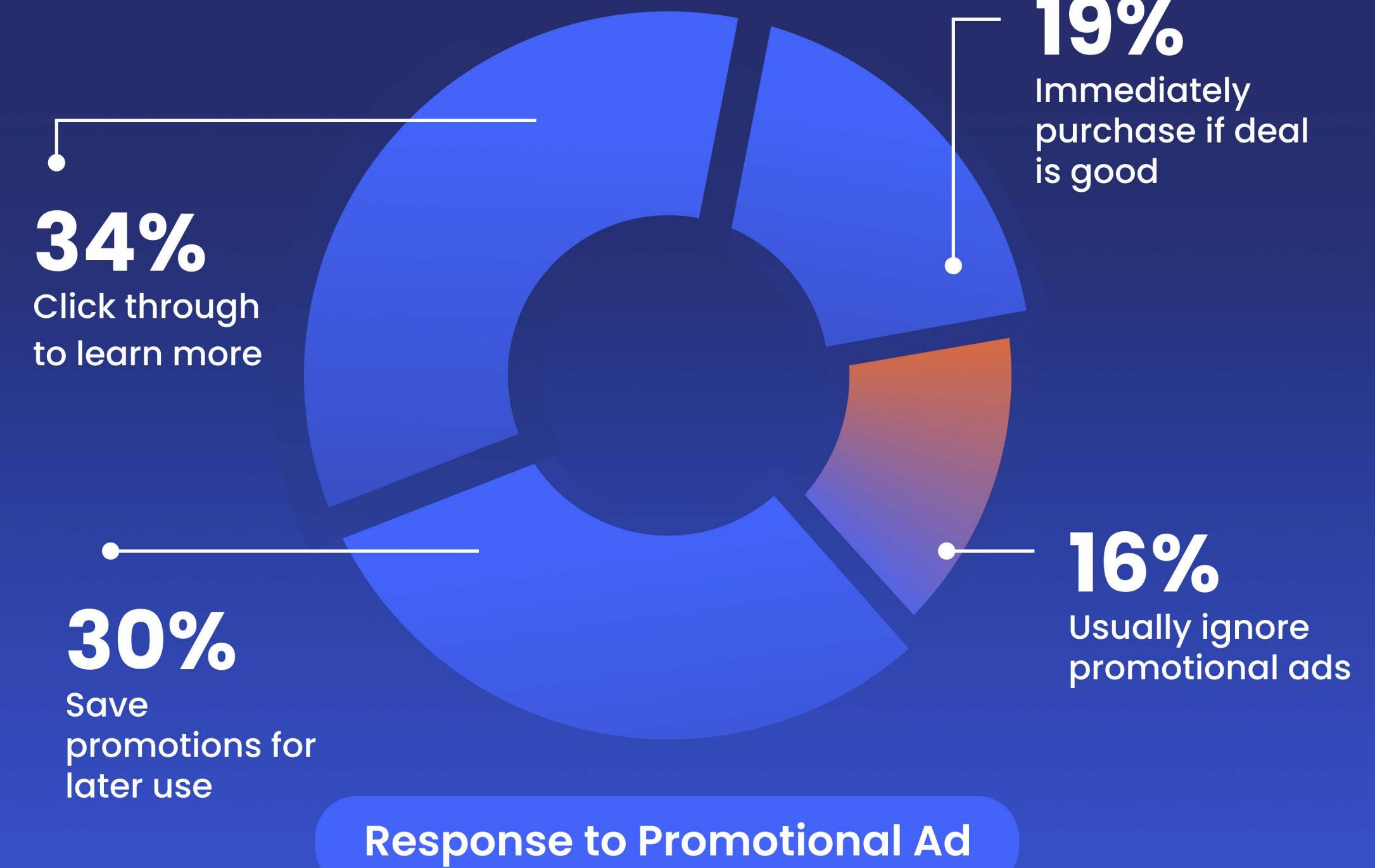
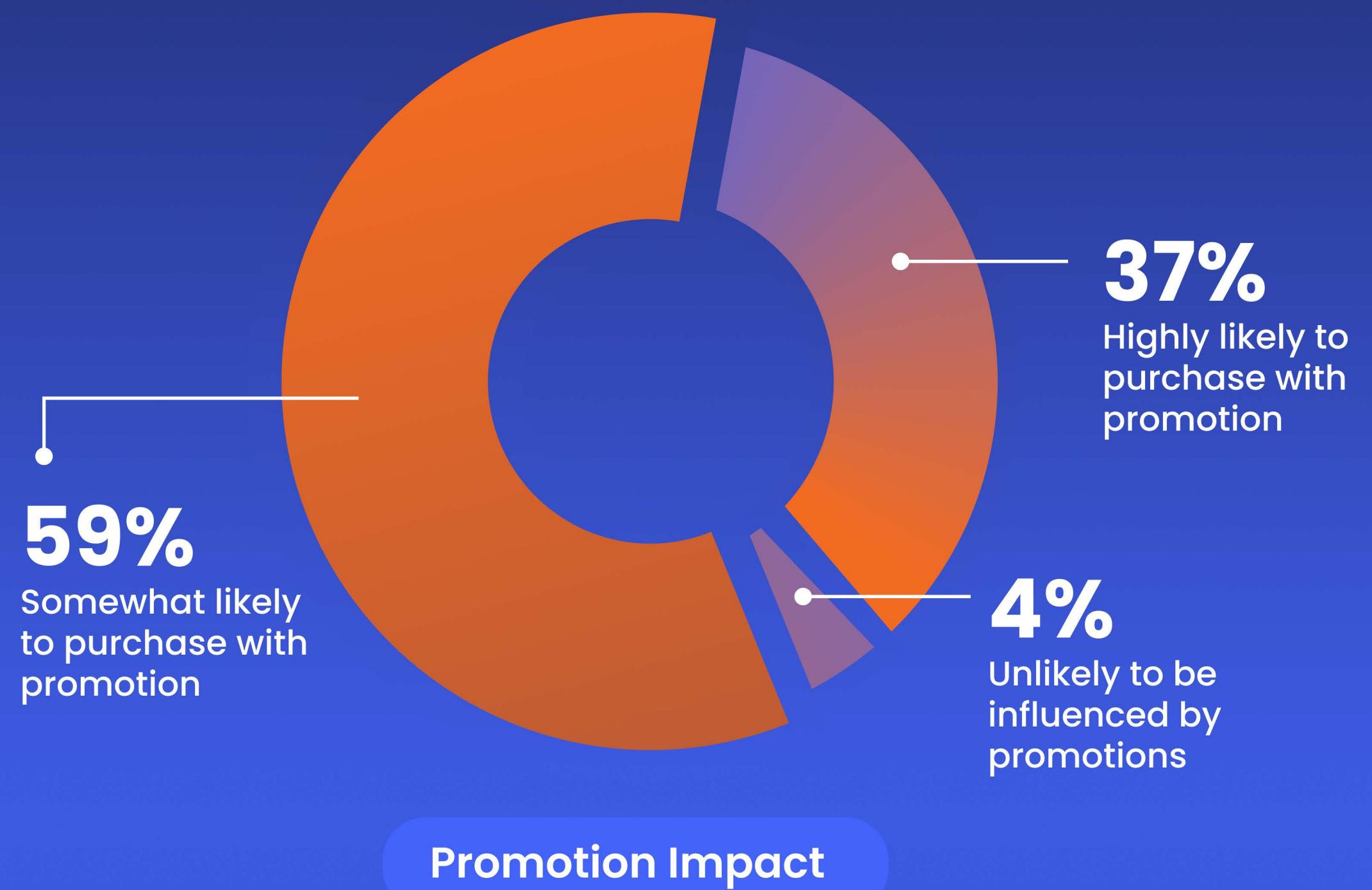
With inflation concerns rising, consumers continue to employ a diverse range of strategies to save money:



A striking 96% of consumers report being influenced by promotions, with 19% ready to make an immediate purchase when they spot a good deal!

Today's shopper isn't just looking for deals – they're actively incorporating multiple saving strategies as standard practice in their shopping routine. The modern consumer's approach to shopping now includes strategic use of promotions to maintain their lifestyle despite rising costs.

The impact of promotions on purchase decisions remains remarkably strong:



With 83% of consumers actively engaging with promotional advertisements and only 16% typically ignoring them, digital promotions represent a significant opportunity for brands to connect with increasingly price-conscious shoppers.

When it comes to digital advertisements that include promotions, consumers are highly engaged.

What This Means For Brands

1 Inflation concerns have intensified, not abated – Brands that can **highlight value while maintaining quality** will win consumer loyalty in this challenging environment.

2 The **promo-responsive consumer** is your lifeline – With 96% of shoppers influenced by promotions and 83% actively engaging with promotional advertisements, your deal strategy isn't just a tactic; it's essential to maintaining sales momentum.

3 Adaptability is the market differentiator – In this rapidly changing economic landscape, the brands that thrive are those that can **quickly adjust their pricing and promotion strategies** to meet evolving consumer needs.

The good news?

You don't have to face these market pressures alone. We have the promotional tools and features you need to thrive in this environment.

[Schedule a strategy session](#)

Survey info:

Methodology: SmartCommerce conducted a quantitative survey in May 2025 with a national sample of 600 responses (n=600). Respondents were between the ages of 18-99 and identified as 346 women and 254 men. This data is compared with our November 2024 survey using the same methodology.

