🗱 BIZCOMMUNITY

Creature comforts take priority during economic strain

By Laurian Venter

17 Apr 2024

With rising electricity prices, stubbornly high interest rates and increasing fuel costs squeezing household budgets, South Africans are adopting new shopping habits to cope. A recent survey revealed that 99% of local consumers have shifted their purchasing behaviours to save money.



Laurian Venter, sales director at OneDayOnly.co.za. image supplied

We have noted that shoppers are becoming much more intentional about what they buy. This is evident in our data which highlighted the surge of bulk-buying everyday essentials like cleaning products and toilet paper compared to last year's trend of popular non-essential items like Crocs.

These findings mirror the NIQ Consumer Outlook 2024 report, which paints a stark picture of South African shopping habits under economic strain. Nearly half (48%) of consumers are turning to bulk-buying essentials, prioritising practicality over non-necessary items.

This shift is further compounded by 45% of shoppers admitting to cutting back on discretionary purchases to focus solely on essentials.

Additionally, the report highlights a growing trend of 31% of consumers choosing online shopping to seek better deals as brick-and-mortar retailers scale back on discounts, passing on rising costs to shoppers.



99% of consumers have changed their FMCG shopping habits to save money $^{\rm 22\,Mar\,2024}$

With this in mind, here are the five product categories that South Africans are prioritising despite rising costs, according to OneDayOnly's data:

<

1. **Sweet, brew**: Coffee consistently ranked among the top 10 products purchased in 2023, with no sign of slowing down in 2024.

This is unsurprising as two-thirds of South Africans start their day with a cup. But, with the cost of their caffeine fix becoming too hot to handle, coffee drinkers are now relying on discounts and deals to stock up on their beloved beverage.

In fact, January saw consumers doubling down, with both L'OR Nespresso Compatible Aluminium Coffee Capsules and Douwe Egberts Instant Coffee being among the most popular items bought.

2. Buy now, live longer: In line with the NIQ report's revelation that health and wellness is a top priority for consumers, South Africans have been swayed on deals for products like colour-correcting toothpaste, collagen, mouthwash, and sunscreen in recent months.

Interestingly, a 2022 study by the Global Wellness Institute found that when people spend more on their well-being, not only are they happier but they live longer too.

- 3. A light in the dark: As 2023 saw the country surviving the worst year of load shedding ever and, despite being blackout-free since the end of March 2024, consumers are still buying outage-mitigating solutions ranging from power banks to rechargeable lightbulbs and solar-powered mobile chargers. Not used to extended periods with electricity, people are stocking up on these, just in case.
- 4. Tech accessory deals appeal: A study found that for every R100 spent by a South African household, R4,60 was spent on Information and Communication Technology (ICT) products. With 99.3% of locals owning a smartphone, 33.7% having a tablet and 26.6% wearing smartwatches, it's easy to see why there is demand for tech accessories like charger cubes, phone stands, cases and screen protectors.

For the most part, consumers aren't actively on the lookout for these products but when they do spot them on discount, they snap them up.

5. Clothing at a click: Apparel, accessories and footwear dominate shopping carts, with this category being the most popular of all in 2023. In fact, people are twice as likely to buy clothing online than they are to buy groceries. This is presumably due to the cost and time savings offered by e-tailers such as eliminating travel to and from stores, searching for parking, and navigating through crowded aisles. Fun fact: Mondays are South Africans' favourite day for online clothes shopping.

From obligatory morning pick-me-ups to investing in health and wellness essentials, South Africans are prioritising their needs despite tightening budgets. Unfortunately, the economic future remains uncertain but constants like a good cup of

coffee can provide some degree of comfort.

ABOUT THE AUTHOR

Laurian Venter, sales director at OneDayOnly.co.za

For more, visit: https://www.bizcommunity.com