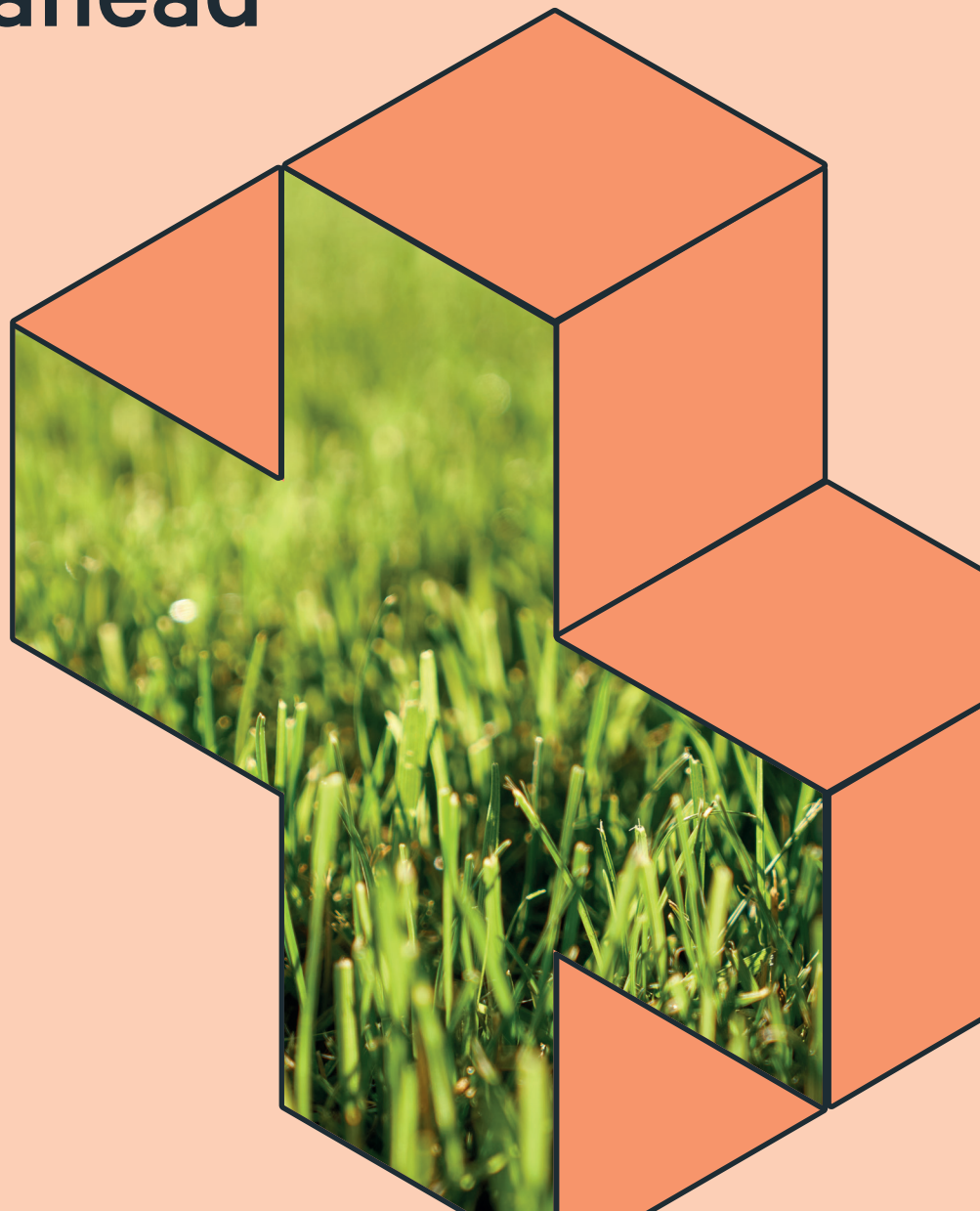


2024

UK consumer trends report

**Essential insight for
the year ahead**



Introduction

Attest's annual consumer trends report – now in its fourth year – offers brands a snapshot of the UK consumer as we begin the new year. Our year-on-year data tracks changes in consumer confidence, attitudes and behaviours, providing vital insight for marketing and insights professionals.

Following the impact of the spiralling inflation seen in 2022 and 2023, this year's report brings some much-needed good news – the data shows green shoots emerging. Consumers are feeling more positive and spending more freely – especially younger consumers.

It might be too early to say we're firmly on the road to recovery but what we can say is that consumers are reacting (positively) to changes in the market. Use this data to help guide your strategy for 2024, and inspire your own consumer research to get intel specific to your business.



Jeremy King
CEO & Founder, Attest

Sample

The data in this report comes from a nationally representative survey of 1,000 working age UK consumers, conducted on the Attest platform during November 2023.

Is the UK economy on the road to recovery?

Trend 1. Consumer positivity is on the rise

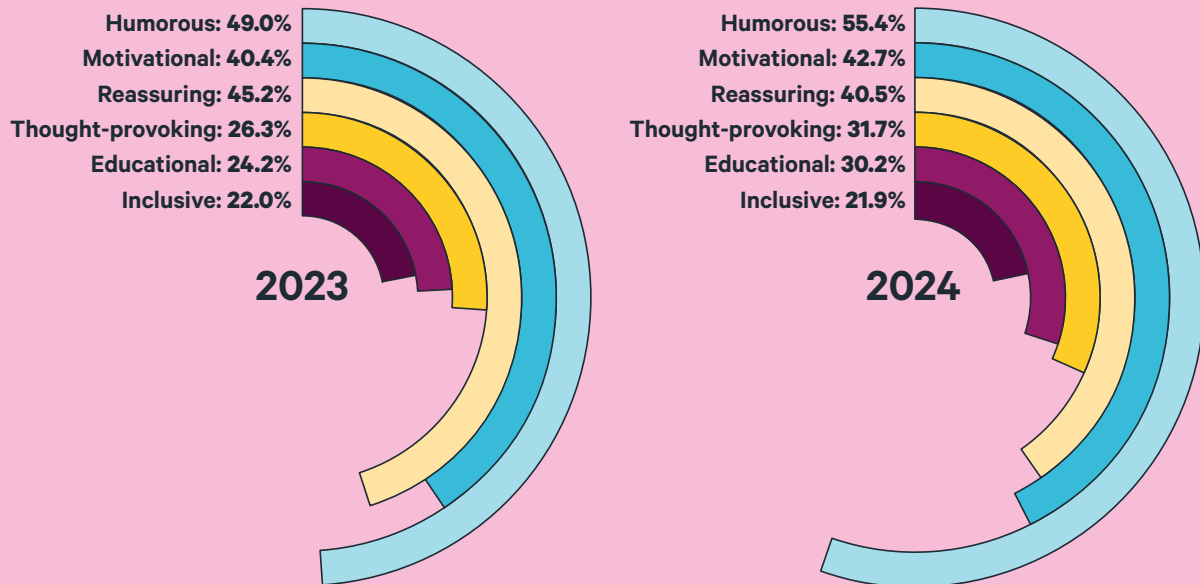
Since last year there has been a +16.4 percentage point increase in the number of consumers who say they feel 'positive'. Today, 62.5% of Brits are feeling positively about the future, with 17.0% of those feeling 'very positive'. This is a significant shift and should trickle down into increased spending and consideration.

Younger consumers are more likely to feel strongly positive: 28.4% of those aged 18-24 and 25.0% of those aged 25-34. People living in London are also significantly more likely to report feeling 'very positive' (27.7%), perhaps because the economy is faster to pick up in the capital than in the regions.

How consumers are feeling



Types of brand messaging consumers want



Trend 2. Consumers need less reassurance

In line with the increase in consumer positivity, Brits are starting to want to hear different messaging from brands. They no longer need reassuring marketing, for example about navigating the cost of living, but instead want brands to match their happy mood with funny ads.

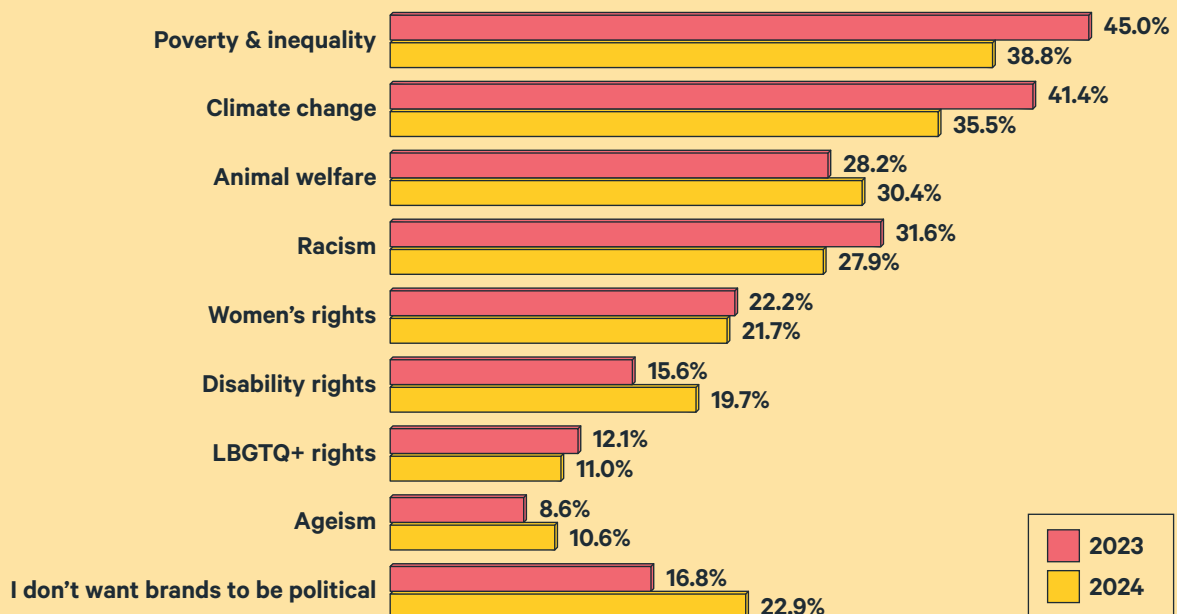
Just over 55% of consumers want humorous brand messaging (up +6.4 percentage points on last year), while 40.5% want reassuring messaging (down - 4.7 pp). However, it's worth noting that women desire more reassurance from brands than men (47.3% versus 33.5%). Educational brand messaging is also trending up for 2024 (+6pp), with Gen Z driving the demand (39.7% want educational messaging).

Trend 3. Poverty and inequality are becoming less important issues

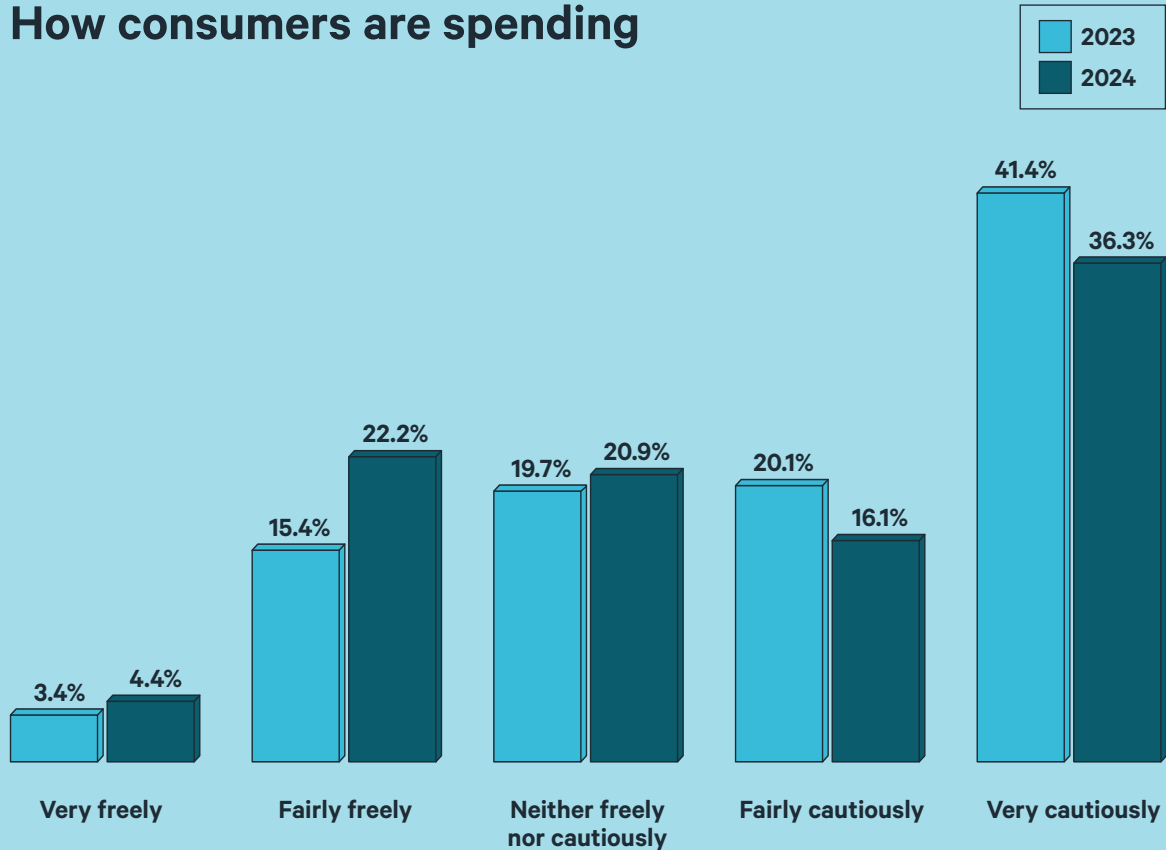
Further proof that the UK is less focused on the cost of living is shown by how much consumers want brands to take a stand on different issues. While ‘poverty and inequality’ is still the top issue, we can see that the urgency around it is declining. Today, 38.8% of consumers want brands to address the issue, which is a – 6.2 percentage point decline on last year.

Interestingly, consumer positivity also seems to be translating into less concern about the environment (‘climate change’ is down – 6.1pp as an issue for brands to represent), although it’s still a hot topic. Meanwhile, we see a +6.1 percentage point increase in consumers who don’t want brands to be political at all, which is driven by those aged 55-64. At the other end of the scale, younger consumers show a strong desire for brands to take a stand on racism.

Issues consumers want brands to represent



How consumers are spending



Trend 4: Consumer confidence is growing

With an optimistic eye on the future, consumers are starting to loosen their purse strings and spend more freely. Compared with last year, the percentage of Brits who say they are spending cautiously has declined by – 9.1 percentage points, to 52.4%.

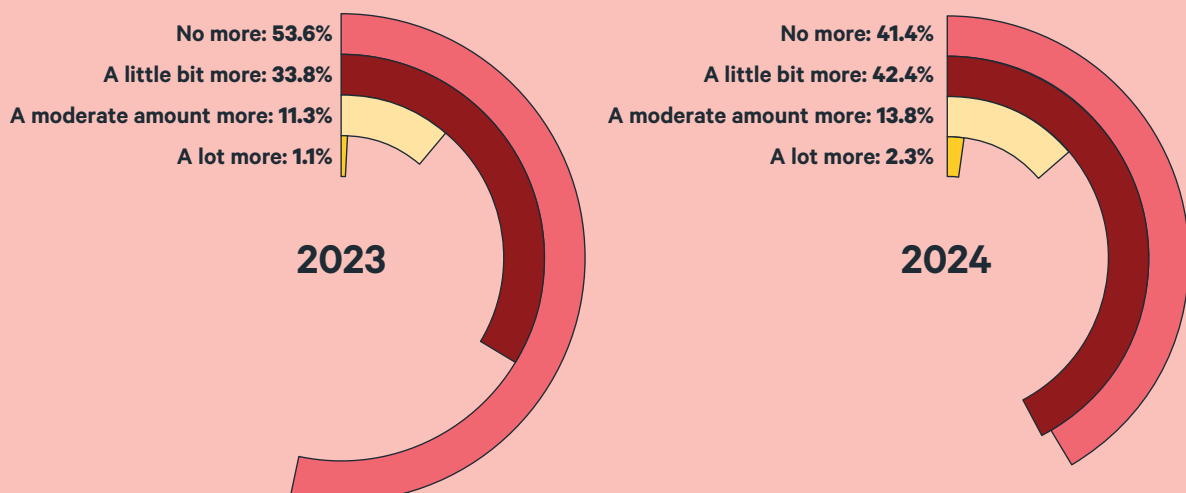
Consumers aged 18-24, in particular, seem to be throwing caution to the wind when it comes to spending, with 44.6% spending freely – higher than any other age group. Shoppers aged 55-64 meanwhile, over-index for cautious spending (64.8% are spending cautiously). Looking at the regions, there is the most consumer confidence in London and least in the North East.

Trend 5: Consumers are prepared to pay more for preferred products

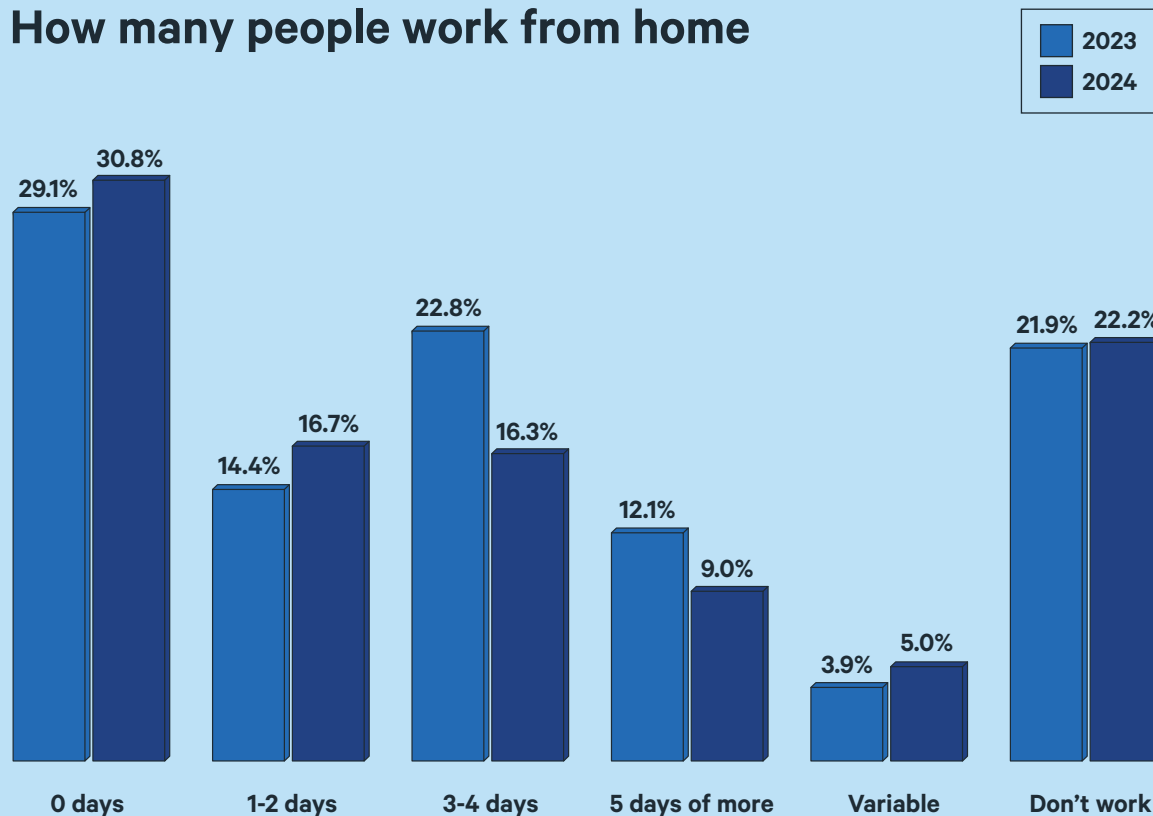
The cost of living crisis forced people to sacrifice preferred brands in favour of more affordable alternatives. 'Green' brands – typically priced a little higher – were one casualty of this behaviour change. But in 2024 we see consumers starting to go back to brands that align with their morals, with a +12.2 percentage point increase in willingness to pay a premium for environmentally friendly/ethical products.

In 2023, 53.6% of consumers weren't prepared to pay anything extra for a green product, but in 2024 that figure has declined to 41.4%. Shoppers aged below 35 are significantly more likely to shell out for green products than their older counterparts – around 20% will pay a 'moderate amount more'.

How much of a premium consumers will pay for green products



How many people work from home



Trend 6: People are returning to the office

The push by companies and the government to get people back into the office appears to be having an impact. The data shows that Brits are working from home less; the amount of people who work from home for more than 2 days per week has declined by – 5.3 percentage points (to 25.8%). This could be good news for shops, with more people circulating in town and city centres.

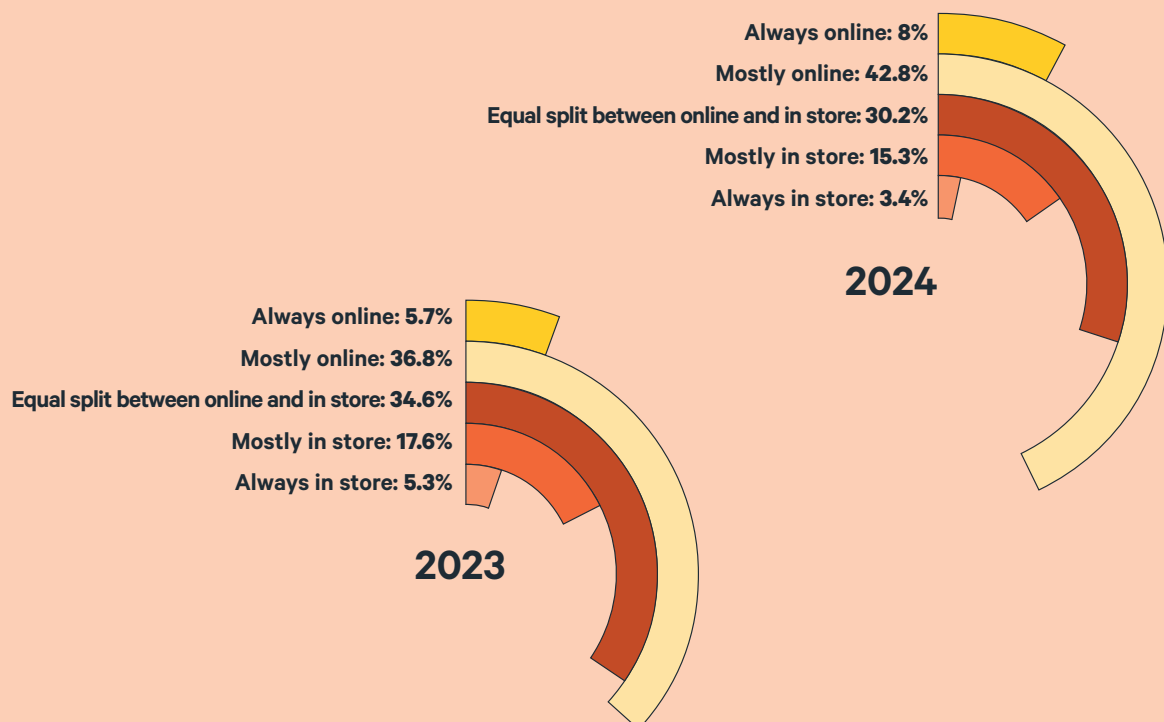
However, the country is still working flexibly, with 47.0% of Brits able to work from home for at least one day per week. People aged 45-54 over-index for working fully remotely, while those aged 25-34 are most likely to be unable to work from home. London and Wales have the highest number of hybrid workers.

Trend 7: Online shopping has increased in popularity

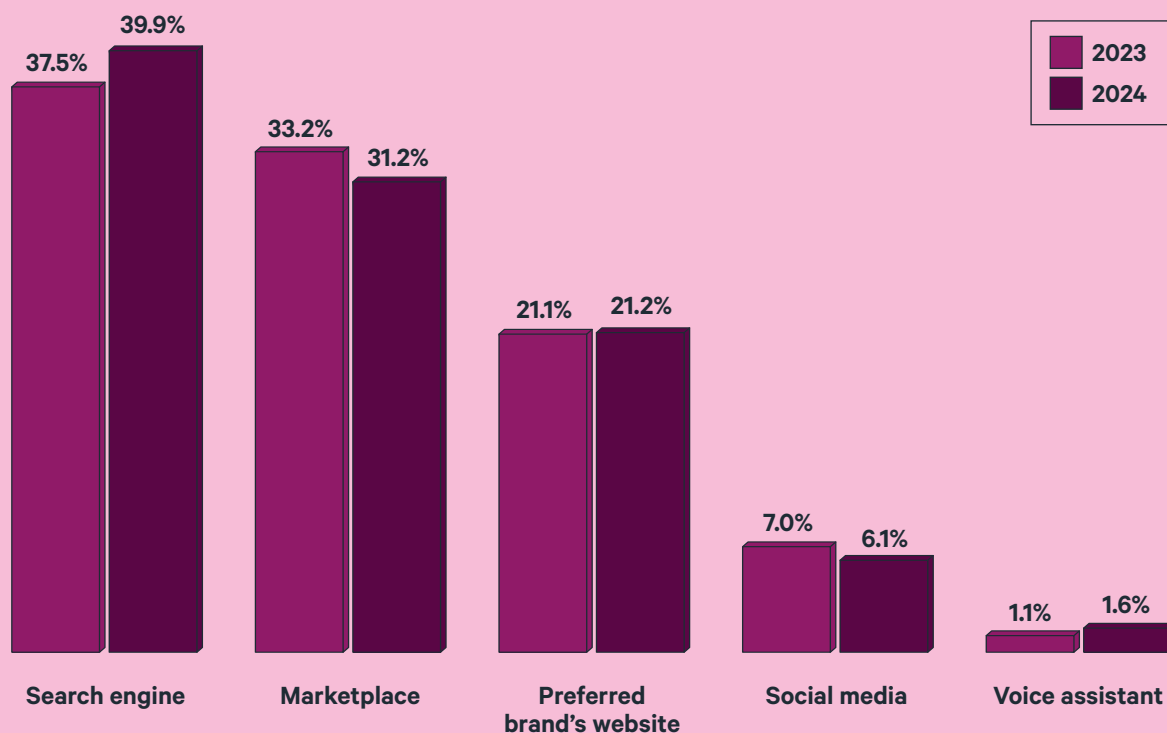
The dominance of ecommerce for non-food purchasing has strengthened in 2024, with an +8.3 percentage point increase in the number of consumers who say they shop ‘mostly’ or ‘always’ online (to 50.8%). Less than 19% of Brits show a preference for in-store shopping, with the remainder splitting their purchasing between online and offline.

Consumers aged 25-34 show the strongest preference for online shopping, with 60.5% doing it nearly all of the time. They are three times less likely than shoppers aged 55-64 to say they ‘mostly’ or ‘always’ shop in store (9.3% vs 28.5%).

Where consumers shop for non-food products



Where consumers start online shopping journeys



Trend 8: Search engines strengthen their position in the shopping journey

Search engines are the primary starting point for online shopping journeys, while marketplaces are the second, but the gap is widening between the two. Nearly 40% of consumers will start on a search engine when they want to buy something online, up from 37.4%. In contrast, the percentage who would start on a marketplace falls from 33.6% to 31.2%.

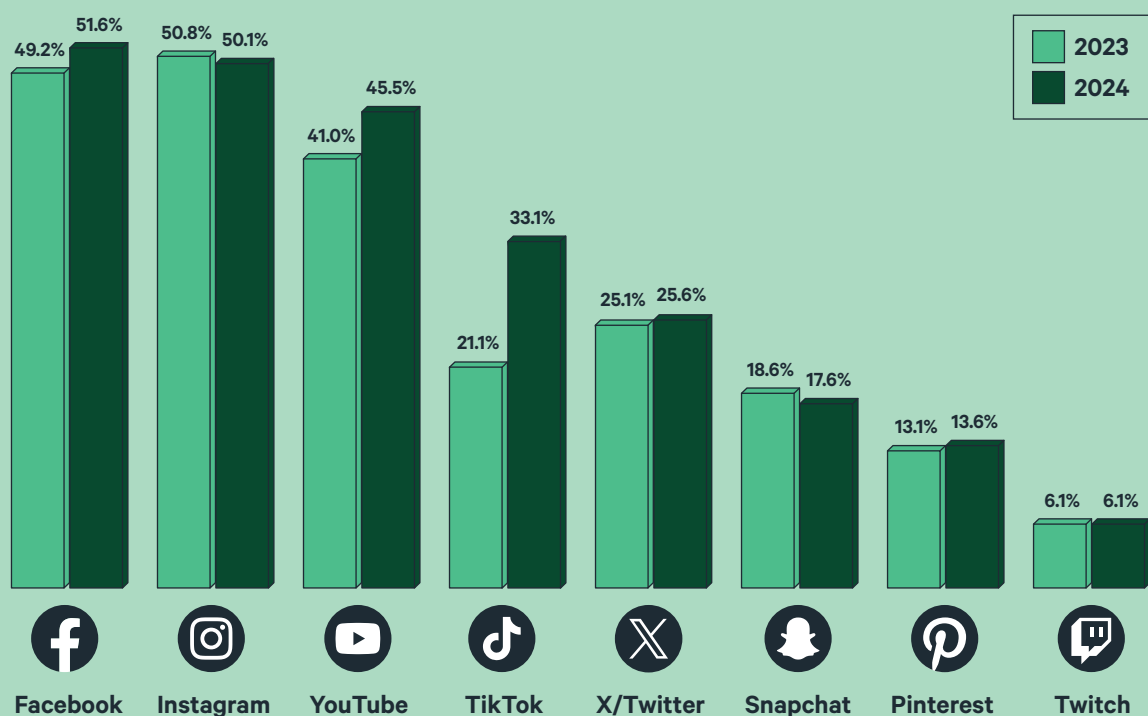
Google is by far the most popular search engine, used by 88.1% of consumers when shopping online. Privacy-friendly DuckDuckGo is the next most-used search engine, but by just 3.0% of shoppers, showing that brands really have no choice but to dedicate a large part of their marketing budget to Google Ads.

Trend 9: Brand interaction is increasing on TikTok

The number of consumers interacting with brands on TikTok continues to grow, increasing by +6 percentage points, to 33.1%. Those aged 18-24 account for the largest share of users engaging with brands on TikTok. Nearly 63% of this demographic can be found there, making it the best platform for reaching them.

YouTube also sees growth in brand engagement, with 45.5% of consumers stating they interact with brands on the platform (up +4.5pp). YouTube benefits from strong engagement across all working-age consumers.

Where consumers interact with brands on social media

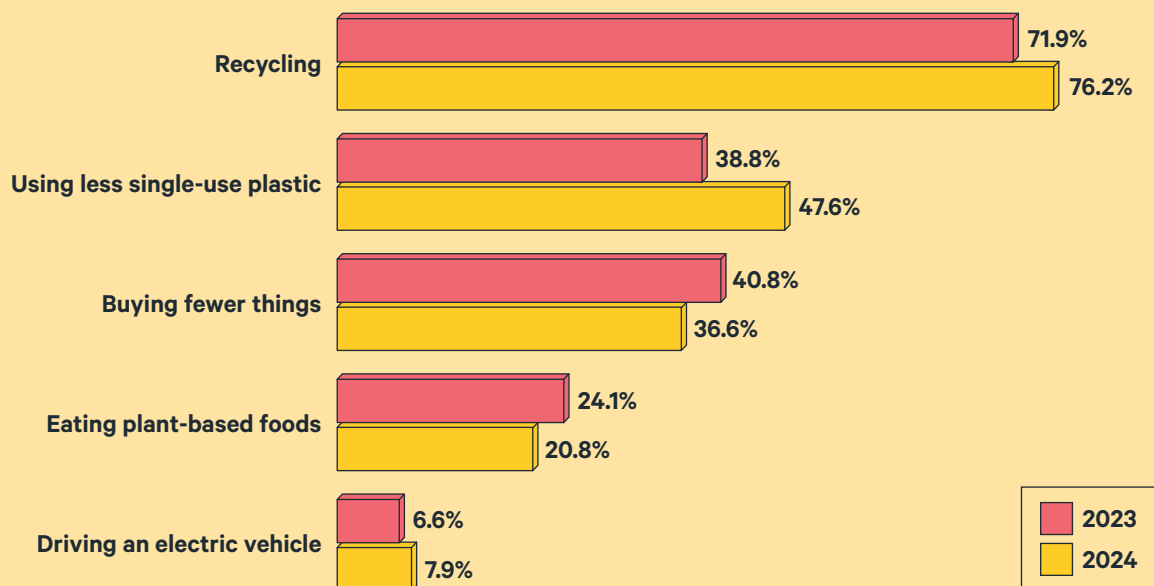


Trend 10: More consumers are taking action on plastic waste

Consumers are trying to cut down the amount of single-use plastic they use; 47.6% of Brits say they're using less, which is an increase of +8.8pp percentage points on last year. Alongside this we see a +4.3 percentage point increase in the number of people recycling, to 76.2%.

With plastic waste being a hot topic, consumers will want to see messaging from brands about how they're minimising their reliance on plastic. And there's opportunity for positive PR around new packaging. This should resonate especially well with consumers aged 45 and above.

Consumers' environmentally-friendly habits

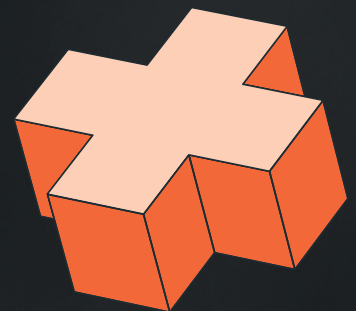


In conclusion

Clearly the UK economy still has a long way to go on the road to recovery, but the early green shoots we see in this data should give brands hope for a more buoyant year. We can already see consumer behaviour is changing. If inflation continues to slow and consumer confidence keeps growing it will lead to even more changes in the way Brits shop and spend.

It's important that brands keep on top of changing habits as the situation evolves throughout 2024. Regularly surveying your target consumers will allow you to stay in tune with them, helping you to anticipate the market and not just react to it.

“...the early green shoots we see in this data should give brands hope for a more buoyant year”



What data do you need to be successful in 2024?

Speak to us to find out how to get it
www.askattest.com

