



Media Release

14 July, 2011

For immediate release

Saving angels and shopper caution rule the retail roost

A savings angel is sitting on the shoulder of the majority of Australian shoppers and its plea for spending caution is getting louder, according to Helen Bakewell, Managing Director, Directional Insights, a leading research house that today released the results of a consumer survey of 1000 Australians on their shopping style.

“Caution is the order of the day for Australian shoppers and frugal fever, our desire to save with an occasional foray to snare a bargain, has gripped the nation,” Helen said. “Recent consumer sentiment figures show that Australians are heeding the voice of a savings angel asking us to reduce the frequency of our “splurge” spending. Our increased caution when shopping has significant implications for all retailers.”

The survey revealed that over half of us (54 per cent) are mostly keeping our pennies – and credit cards - in our pockets, occasionally buying nice things, but also searching the internet for the best interest rates for our savings. Thirty-one per cent of shoppers save a little with every pay packet rather than spending on items they now consider unnecessary.

“Australia’s ageing population combined with recent falling consumer confidence statistics will continue to keep caution king,” Helen said. “Traditionally our biggest shopping centre spenders are those aged 40 to 49 and our analysis shows the older a shopper is the more cautious they are. People over 55 are the most frugal of us all,” she added.



Directional Insights' survey revealed that shopper caution is a true democrat, not differentiating by sex and of concern to all ages. While men and women are united in their search for a bigger personal financial safety net, research also revealed that Gen Y Australians are in simpatico with older Australians on this issue. Fifty-three per cent of the under 30's expressed caution in spending, equal to the national average.

"The spoonful of sugar for retailers is that there is still a strong core - 15 per cent - of mostly young shoppers who still love to make the cash registers ring, spending either all or most of their disposable income in the shops," Helen said. "However this core has shrunk considerably with only four per cent of shoppers showing the symptoms of being shopaholics; those who love to spend with cash, then credit, worrying about it later."

This core is supported by a majority of shoppers (54 per cent) who still buy nice things, though with less frequency than before.

"The majority of Australian shoppers still love a splurge in the stores and over two-thirds of us continue to do so," Helen said. "It's just that a savings angel is sitting on more of our shoulders and has developed a much louder voice, dampening impulse buying so that a retail splurge for the majority of us now only happens from time to time."

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