

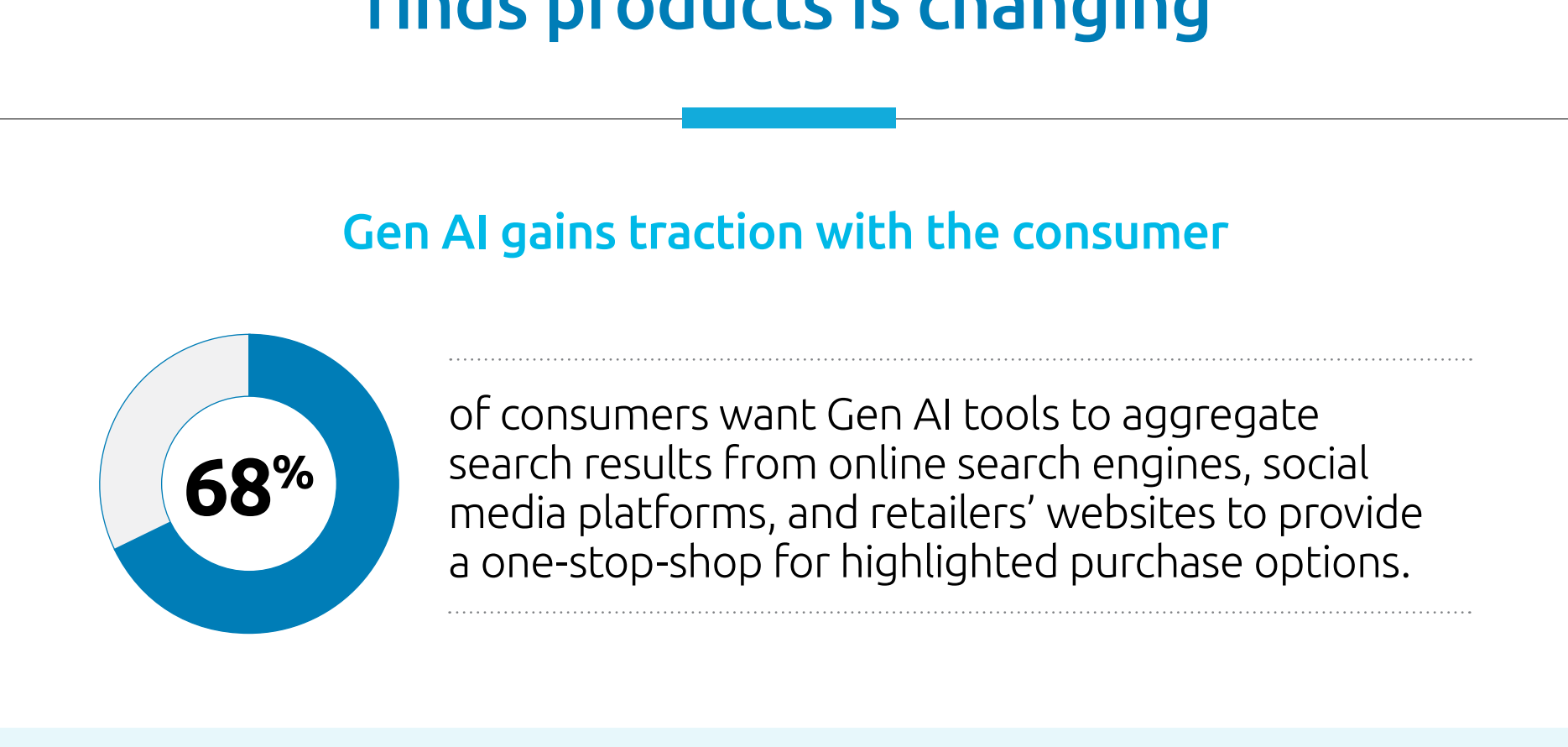
# What matters to today's consumer

2025 consumer behavior tracker for the consumer product and retail industries

## Consumer clusters: A new way to categorize buyer behavior

We identified five distinct behavior clusters based on the sub-themes on which questions were asked in the consumer survey. Each cluster presents unique opportunities for targeted marketing strategies, reflecting their distinct lifestyles and priorities. The Gen Z consumers are present in three different clusters and exhibit different behaviors.

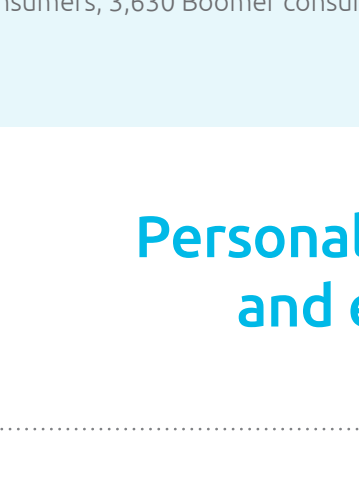
### Cluster segmentation by demography and behavioral attributes



Source: Cappemini Research Institute, Consumer Demand survey, October–November 2024, N = 12,000 consumers; Educated Rationalists cluster = 2,462 consumers; Convenience-Led Urbanites cluster = 3,556 consumers; Grounded Suburbanites cluster = 1,912 consumers; Digital-First Trailblazers cluster = 2,660 consumers; Traditionalists cluster = 1,410 consumers.

## Paths to discovery: How the consumer finds products is changing

### Gen AI gains traction with the consumer



68% of consumers want Gen AI to aggregate search results from online search engines, social media platforms, and retailers' websites to provide a one-stop-shop for highlighted purchase options.

### 58% of consumers have replaced traditional search engines by Gen AI tools

Consumers who have replaced traditional search engines by Gen AI tools (such as ChatGPT) as their go-to tools for product/service recommendations

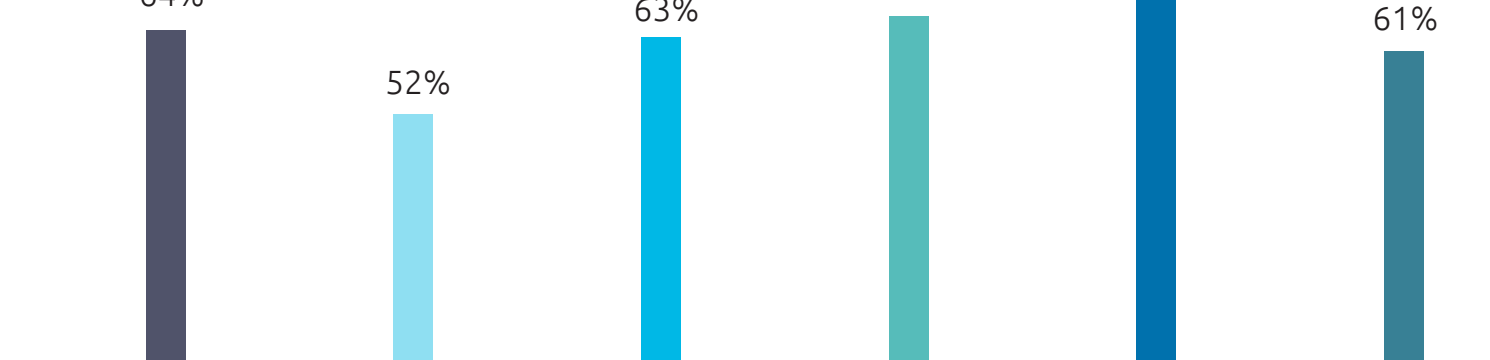


Source: Cappemini Research Institute, Consumer Demand survey, October–November 2023, N = 11,681 consumers; Cappemini Research Institute, Consumer Demand survey, October–November 2024, N = 12,000 consumers; 1,394 Gen Z consumers; 3,219 Millennial consumers; 3,757 Gen X consumers; 3,630 Boomer consumers.

### Personal and planetary wellbeing: How sustainability and eating habits influence consumer choices

#### Gen Z continues to lead in the purchase of sustainable products

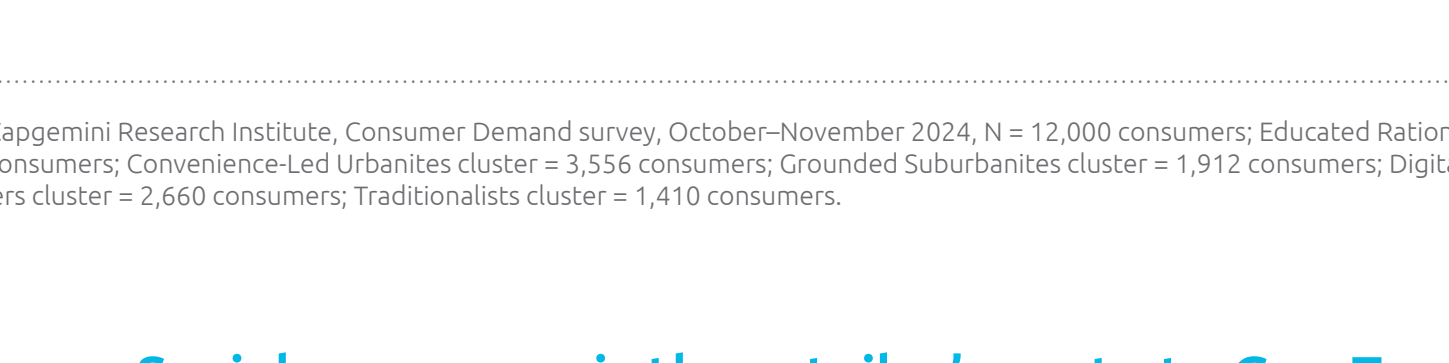
Share of consumers across age groups who bought products from organizations that are perceived as sustainable



Source: Cappemini Research Institute, Sustainability in Consumer Products and Retail survey, March 2020, N = 7,520 consumers; Consumer Demand survey, October–November 2023, N = 11,681 consumers; Cappemini Research Institute, Consumer Demand survey, October–November 2024, N = 12,000 consumers; 1,394 Gen Z consumers; 3,219 Millennial consumers; 3,757 Gen X consumers; 3,630 Boomer consumers.

### Digital-First Trailblazers purchase more sustainable products than other clusters

Share of consumers across age groups who bought products from organizations that are perceived as sustainable (by cluster)



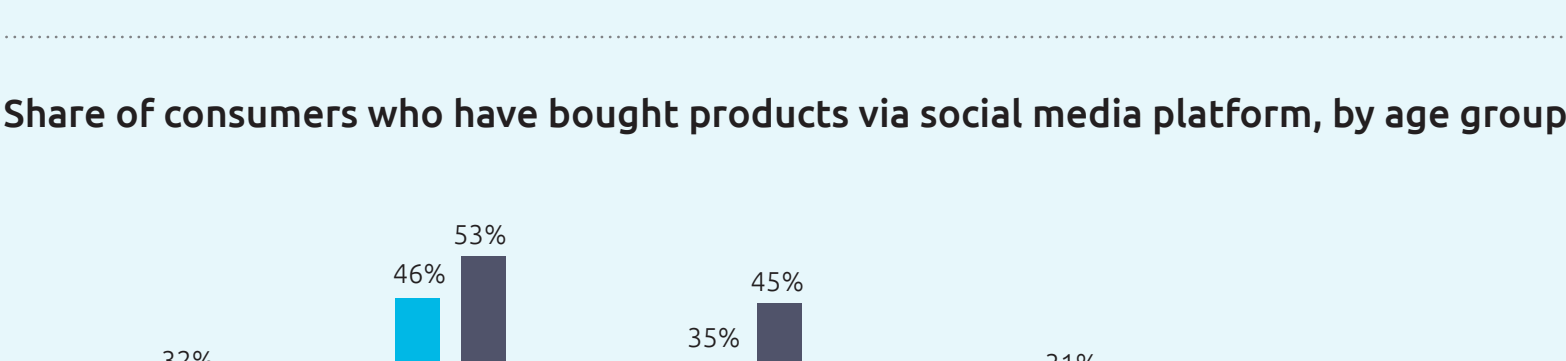
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### Social commerce is the retailer's route to Gen Z

Social media influencers are impacting consumers' product discovery and purchasing processes

#### 53% of Gen Z consumers have bought products via social media platform

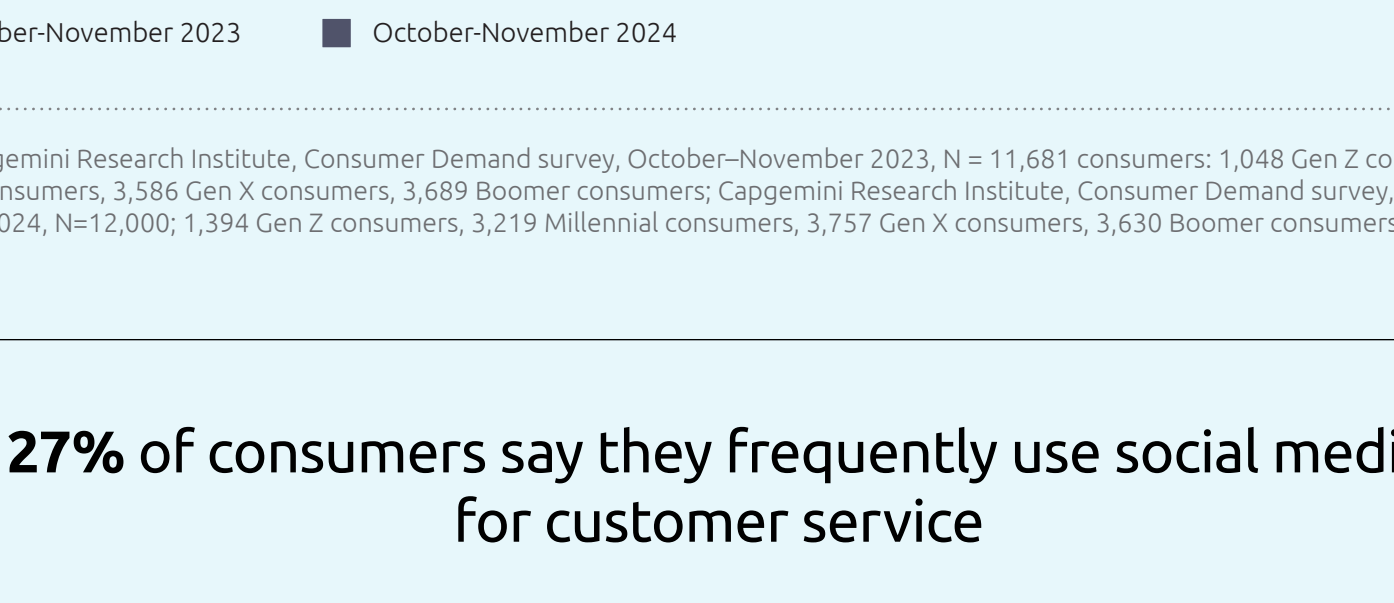
Share of consumers who have bought products via social media platform, by age group



Source: Cappemini Research Institute, Consumer Demand survey, October–November 2023, N = 11,681 consumers; 1,048 Gen Z consumers; 3,358 Millennial consumers; 3,586 Gen X consumers; 3,630 Boomer consumers; Cappemini Research Institute, Consumer Demand survey, October–November 2024, N = 12,000; 1,394 Gen Z consumers; 3,219 Millennial consumers; 3,757 Gen X consumers; 3,630 Boomer consumers.

### 27% of consumers say they frequently use social media for customer service

Frequent (8+ times in past year) consumers usage of social media platforms for different purposes, by age

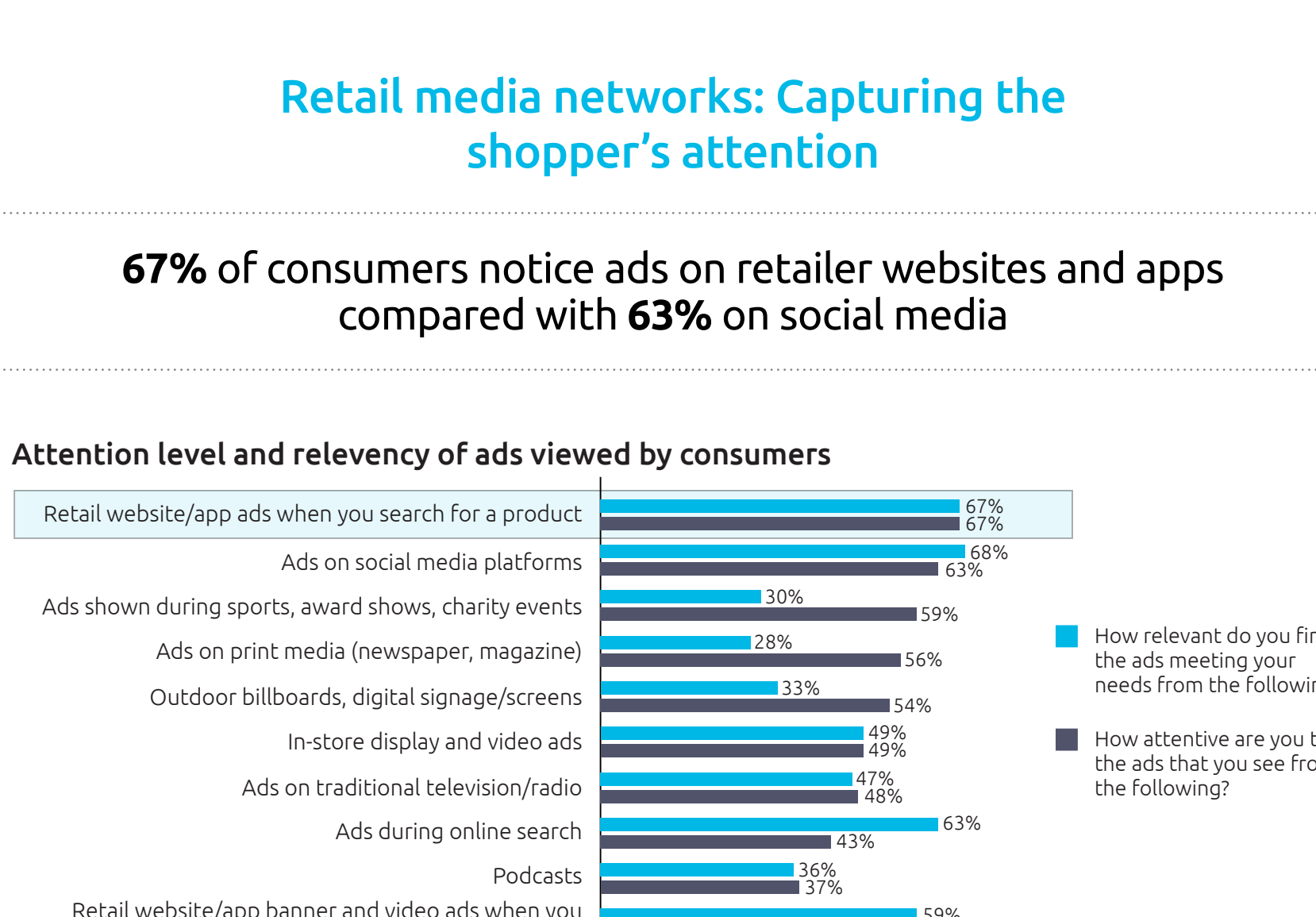


Source: Cappemini Research Institute, Consumer Demand survey, October–November 2024, N = 12,000 consumers; 1,394 Gen Z consumers; 3,219 Millennial consumers; 3,757 Gen X consumers; 3,630 Boomer consumers.

### Retail media networks: Capturing the shopper's attention

67% of consumers notice ads on retailer websites and apps compared with 63% on social media

Attention level and relevancy of ads viewed by consumers



Source: Cappemini Research Institute, Consumer Demand survey, October–November 2024, N = 12,000 consumers.

## How are people shopping?

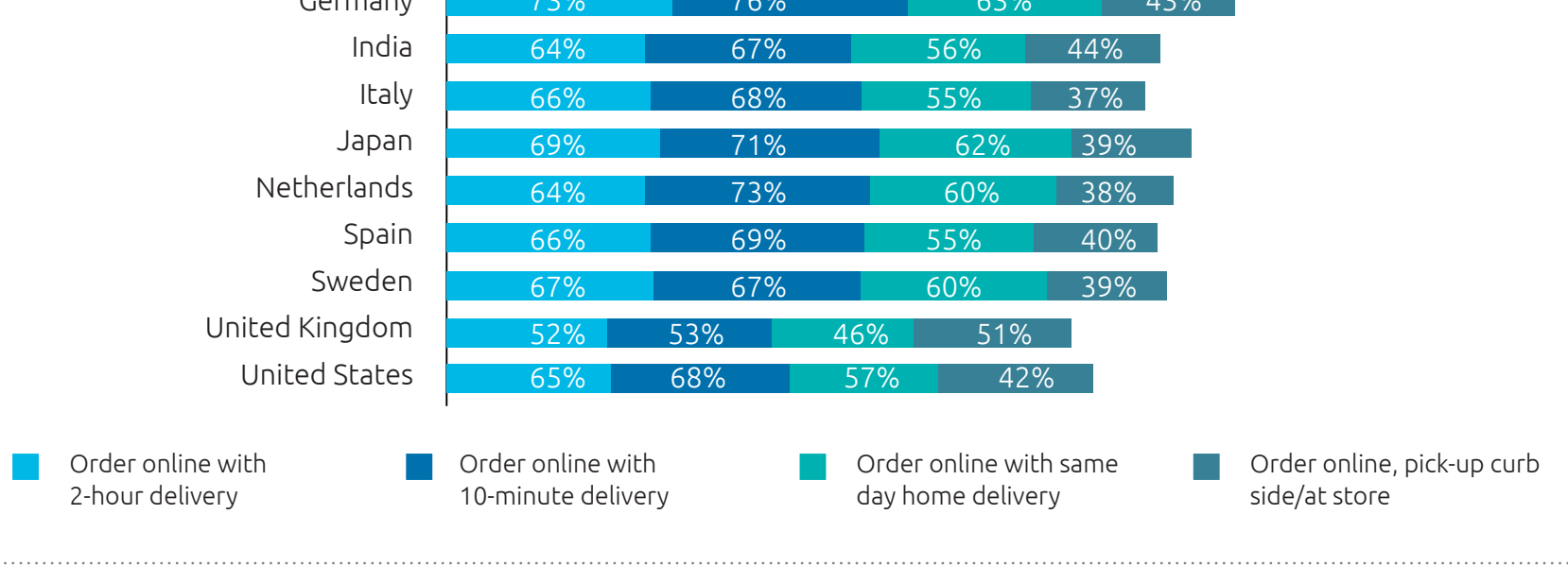


Consumer preference for quick delivery has surged significantly over the past two years. The demand for 2-hour delivery increased from 34% to 65%. 64% of shoppers visit multiple physical stores looking for deals, up from 56% last year. Currently, 65% of consumers buy private-label or low-cost brands, up from 63% last year.

### Make it snappy: The growing demand for quick commerce

65% of consumers say 2-hour delivery preference is a key attribute when they shop

Key attributes for consumers when they shop

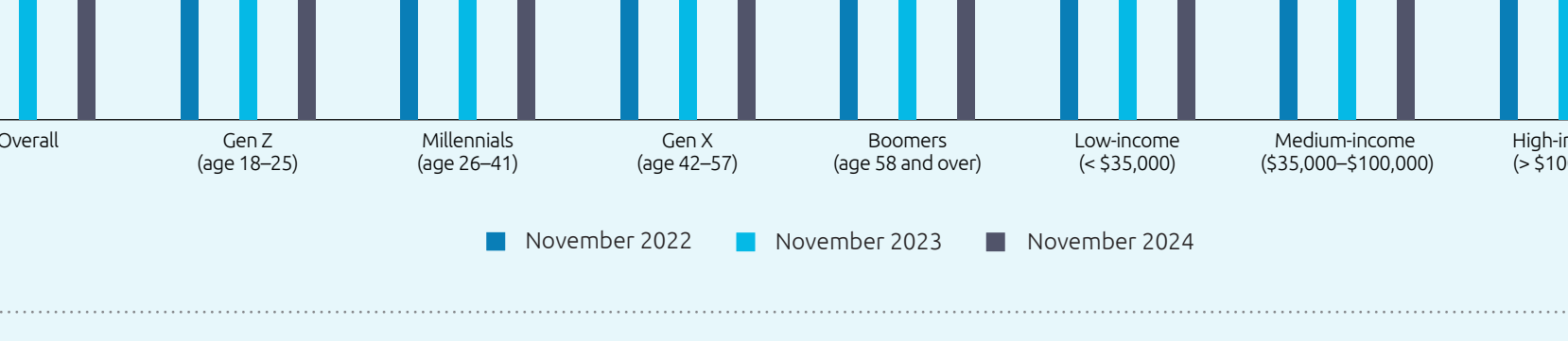


Source: Cappemini Research Institute, Consumer Demand survey, October–November 2024, N = 12,000 consumers.

### Seeing the light: The beginning of the end of the cost-of-living crisis?

Consumers are less concerned about their personal financial situation this year

Share of consumers who agree with the statement: I am extremely concerned about my personal financial situation.

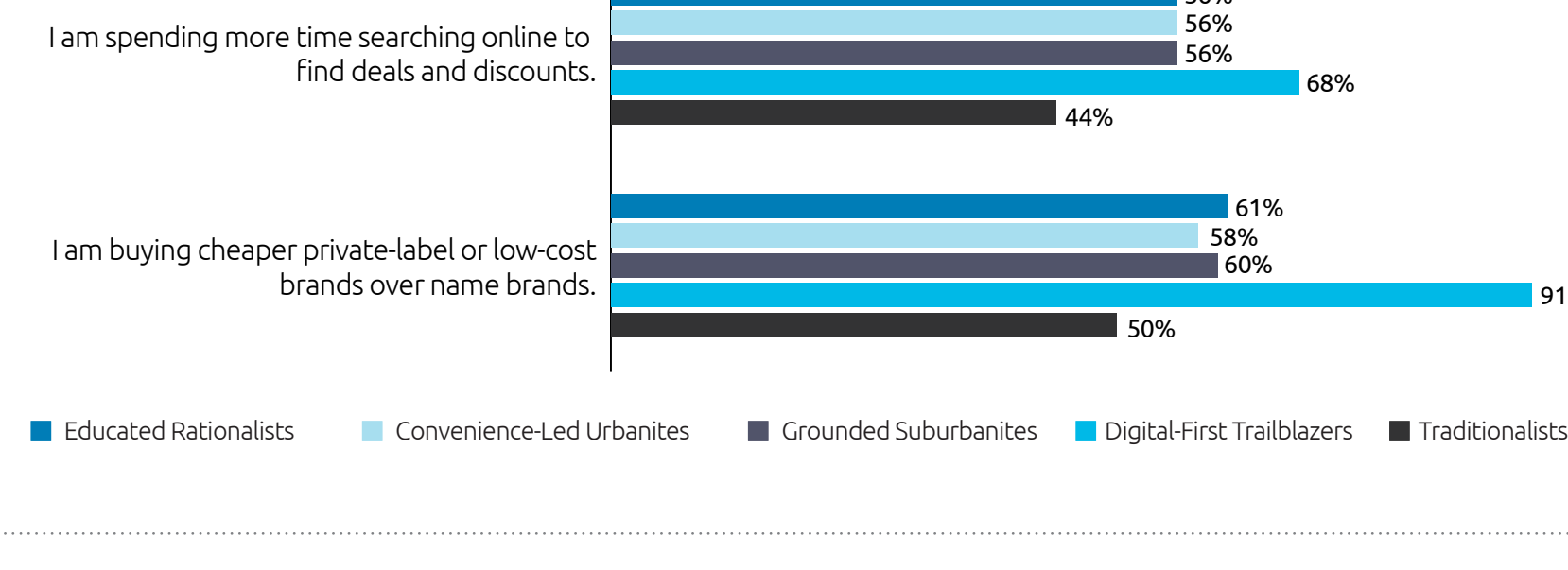


Source: Cappemini Research Institute, Consumer Demand survey, October–November 2024, N = 12,000 consumers; 1,394 Gen Z consumers; 3,219 Millennial consumers; 3,757 Gen X consumers; 3,630 Boomer consumers; Cappemini Research Institute, Consumer Demand survey, October–November 2023; Cappemini Research Institute, What matters to today's consumer, January 2023.

### Consumers still prioritize discounts and private labels

More than 90% of Digital-First Trailblazers are buying private label brands

Share of consumers who agree with these statements (by cluster)

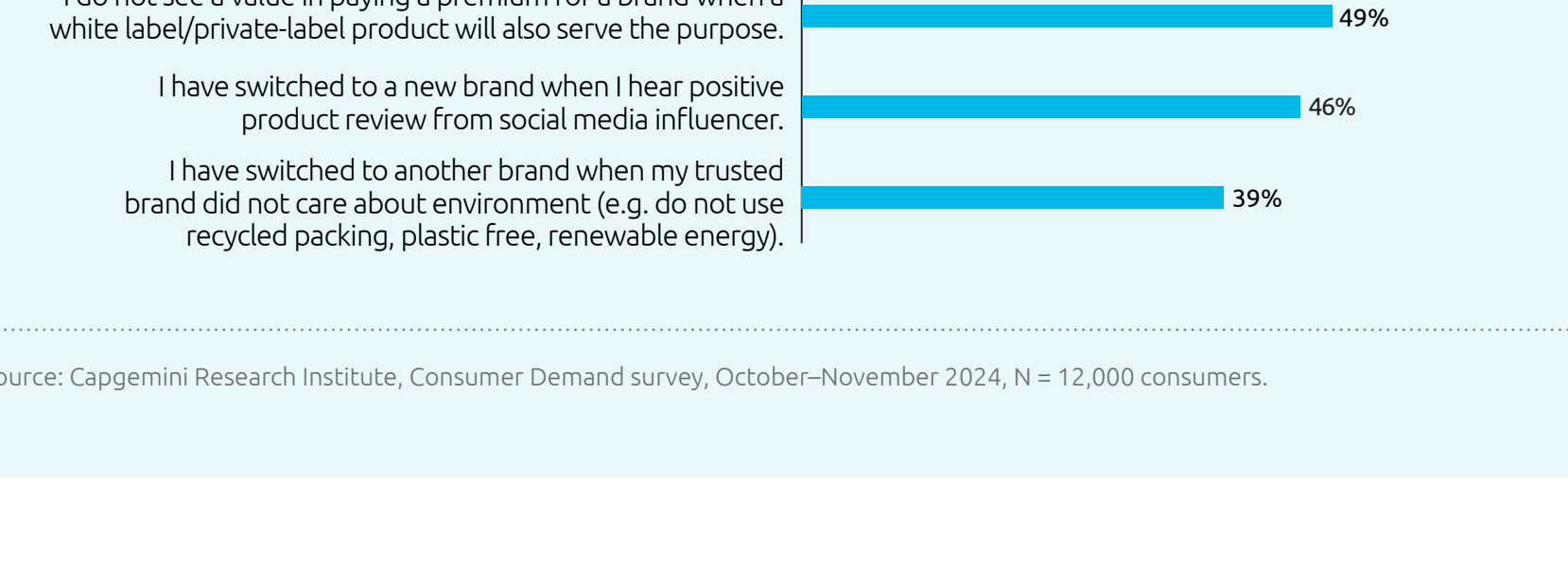


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## The grass is greener: Why consumers are switching brands

Experimentation and lack of personalization are major reasons for switching brands

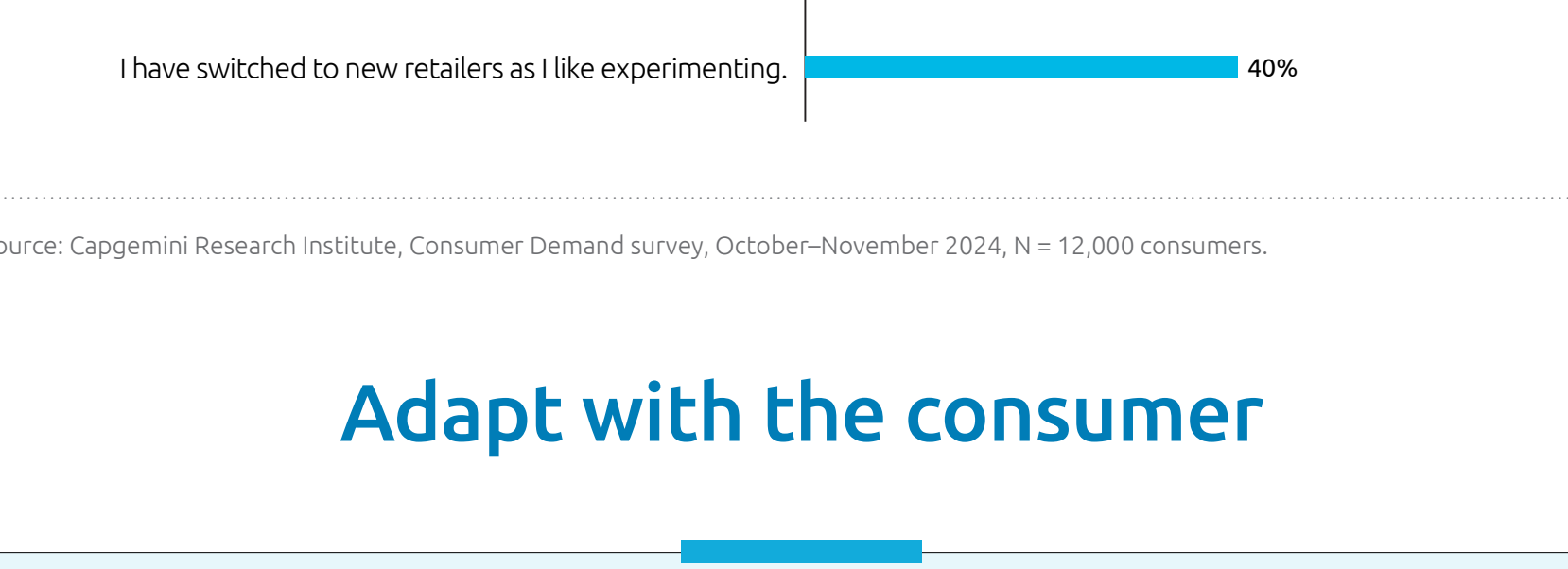
Reasons cited by consumers for switching brands



Source: Cappemini Research Institute, Consumer Demand survey, October–November 2024, N = 12,000 consumers.

### Sustainability and lack of personalization are major reasons for switching retailers

Reasons cited by consumers for switching retailers



Source: Cappemini Research Institute, Consumer Demand survey, October–November 2024, N = 12,000 consumers.

## Adapt with the consumer



Source: Cappemini Research Institute Analysis.