MARIGOLD

Australia & New Zealand Consumer *Trends Index* 2023

Marigold in conjunction with Econsultancy

Our latest research reveals what consumers in Australia & New Zealand expect from the brands they do business with online — the channels they prefer to connect on, what value exchanges elicit engagement and attitudes to the predicted economic recession. We compare the data to previous years to help understand the latest trends impacting consumer behaviour.

We surveyed 1,054 consumers in Australia & New Zealand covering a nationally representative sample across age and gender and income bands.

ONE

Email is the #1 Driver of Sales for Consumers in Australia & New Zealand

Email and organic social media posts are the preferred channels of consumers in Australia & New Zealand for receiving offers, content, incentives and rewards from brands, which ultimately drives them to purchase. Email is not only the highest-converting channel by far, but as brands own their database it's comfortably the most cost-effective.

64% Almost two-thirds of consumers in Australia & New Zealand have made a purchase directly from an email they received in the last year

178% Email outperforms banner ads by 178%

8% Year-on-year increase in consumers from in Australia & New Zealand who have made a purchase directly from an email they received in the last year

TWO

How Best-in-Class Brands Are Communicating With Their Customers

When it comes to separating favoured brands from those less so, messaging is a key differentiator. The brands committed to fostering better relationships and adding relevance, value and personalisation to their messaging are the ones that are elevated to preferred status.

Thinking about how your favourite brand has communicated with you over the last six months, which statements do you agree with? My favourite brand...

91% Provides a consistent user experience, whatever the channel

84% Uses data responsibly

83% Rewards me for my loyalty

83% Treats me like an individual

79% Strives to build a relationship with me

72% Makes me feel like VIP

69% Surprises me with rewards

66% Influences my life beyond the product

THREE

It's Time to Truly Personalise Your Messaging

Too many consumers in Australia & New Zealand are frustrated with the lack of personalised messaging they are receiving, with a 7% year-on-year increase in those irked by irrelevant content or offers. Truly personalised messaging is the core of relationship marketing, and delighting customers for the long haul.

Thinking about all the brands that have communicated with you regularly in the last six months, have you felt frustrated when you received...?

60% Irrelevant content or offers

24% Communications delivered at the wrong time of day

39% Messaging based on information you hadn't shared directly with the brand

46% Messages that don't reflect your wants and needs

33% Messages that don't reflect your loyalty history

FOUR

Two-Thirds of Consumers in Australia & New Zealand Will Pay More to Buy from Their Favoured Brands

Not only are 66% of consumers in Australia & New Zealand happy to pay more to purchase from their favoured brands, this is a 5% increase year-on-year. With 69% of consumers stating they buy frequently from the same company but are not loyal to that brand, rather than a negative, this represents a huge slice of your addressable market that can be won over if you apply the right messaging strategy, utilising a value exchange and strong loyalty offering.

66% I'm loyal to some companies and will pay more to shop with them

5% increase since 2022

85% I am loyal to some brands, but buy from competitors if it's cheaper

69% I buy frequently from the same company, but don't feel loyal

22% I'm not particularly loyal to any brands

15% decrease since 2022

FIVE

Loyalty Program Participation is on the Rise

Consumers in Australia & New Zealand love loyalty programs and are participating more than ever before. 44% plan to increase their participation this year, which is a year-on-year increase of 10%. If you're not offering one, you're leaving sales on the table and risking your customer being wooed by a competitor.

44% I'm more likely to take part in a loyalty program than I was last year

51% I'm no more or less likely to take part in a loyalty program than I was last year

6% I'm less likely to take part in a loyalty program than I was last year

SIX

There's Much More to a Loyalty Program than Rewards

The term loyalty program is all-too-often confused with a rewards program. A rewards program is simply points-for-prizes, and although it can be highly effective in driving sales, it will do little to enhance long-lasting brand loyalty. Consumers in Australia & New Zealand want loyalty programs that go beyond the generic fostering community, recognising them as an individual, and delivering personalised recommendations that reflect this.

Thinking about rewards and loyalty programs, what should brands offer to keep you coming back?

70% Discounts -3%*

66% Points / Rewards -1%*

32% Exclusive access 0%*

23% Suggested products based on preferences +28%*

24% Communicate with me on the channels I prefer +26%*

17% Sweepstakes +13%*

13% Community +44%*

9% Brand recognition -50%*

*Year-on-year comparison

SEVEN

Consumers in Australia & New Zealand Will Share Their Personal and Behavioural Data for Better Service

If you want your customers' personal and preference data, you need to offer something tangible in return — this is the value exchange economy. And it needn't always be a red-letter prize or huge discount, consumers in Australia & New Zealand are actually sharing behavioural and psychographic data for things that will add value to your brand long-term.

	HIGHLY VALUABLE	SOMEWHAT VALUABLE	NOT VALUABLE
Unlocking content	20%	40%	39%
A chance to win a prize	33%	51%	16%
Community	21%	37%	43%
Early / Exclusive access	35%	50%	15%
Loyalty points	52%	41%	6%
Discounts	57%	37%	6%

EIGHT

Consumers in Australia & New Zealand are Very Pessimistic About the Rising Cost of Living

Inflationary pressures, rising energy prices, an impending recession and other personal monetary concerns are going to bring acute financial hardship for many consumers in Australia & New Zealand over the coming year and beyond. Almost two-thirds of consumers (65%) are "very pessimistic" about the rising cost of living, as well as 58% "very pessimistic" about economic outlook. As a result 53% will be making less impulsive purchases and almost half (48%) will rely on loyalty benefits more than previously to make purchases.

	DOING MORE	DOING LESS	ABOUT THE SAME
Buy as quickly as possible	15%	53%	32%
Extend the research phase	53%	14%	34%
Find deals on social channels	38%	21%	41%
Wait for sales	47%	16%	37%
Rely on loyalty program benefits	48%	14%	38%

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Get even more insights into trends at our 2023 Consumer Trends Index hub.

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