MARIGOLD

Europe Consumer *Trends Index* 2023

Marigold in conjunction with Econsultancy

Our latest research reveals what consumers in Europe 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 global consumers to help understand the latest trends impacting consumer behavior.

We surveyed 7,392 consumers in Europe covering a nationally representative sample across age and gender and income bands.

ONE

Consumers in Europe Purchase From Multiple Channels and Expect Consistent Brand Experiences

Email is one of the preferred channels of consumers in Europe for receiving offers, content, incentives and rewards from brands, which ultimately drives them to purchase. Although consumers in Europe also love to purchase from social media advertising (50%) and organic social media posts (47%) too, as brands own their database, email is comfortably the most cost-effective.

48% of consumers in Europe have made a purchase directly from an email they received in the last year

100% Email outperforms banner ads by 100%

100% Email outperforms SMS by 100%

TWO

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

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

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

82% Provides a consistent user experience, whatever the channel

78% Uses data responsibly

77% Rewards me for my loyalty

76% Treats me like an individual

73% Strives to build a relationship with me

66% Surprises me with rewards

61% Makes me feel like VIP

59% Influences my life beyond the product

THREE

It's Time to Truly Personalize Your Messaging

Many consumers in Europe are frustrated with the lack of personalized messaging they are receiving, with almost half (47%) irked by irrelevant content and offers. Truly personalized 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...?

47% Irrelevant content or offers

22% Communications delivered at the wrong time of day

32% Messaging based on information you hadn't shared directly with the brand

38% Messages that don't reflect your wants and needs

32% Messages that don't reflect your loyalty history

FOUR

Over Half of Consumers in Europe Will Pay More to Buy from Their Favored Brands

Not only are 58% of consumers in Europe happy to pay more to purchase from their favored brands, but merely a third (33%) are not loyal to any particular brands. With 72% 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, utilizing a value exchange and strong loyalty offering.

58% I'm loyal to some companies and will pay more to shop with them

81% I am loyal to some brands, but buy from competitors if it's cheaper

72% I buy frequently from the same company, but don't feel loyal

33% I'm not particularly loyal to any brands

FIVE

Loyalty Program Participation is Strong

Consumers in Europe love loyalty programs and are participating more than ever before. 41% plan to increase their participation this year, and only 8% are less likely. If you're not offering one, you're leaving sales on the table and risking your customer being wooed by a competitor.

41% I'm more likely to take part in a loyalty program than I was last year

50% I'm no more or less likely to take part in a loyalty program than I was last year

8% 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 Europe want loyalty programs that go beyond the generic fostering community, recognizing them as an individual, and delivering personalized recommendations that reflect this.

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

65% (+3%*) Discounts

58% (+4%*) Points / Rewards

19% (+19%*) Sweepstakes

28% (-7%*) Exclusive access

21% (-19%*) Suggested products based on preferences

19% (-24%*) Communicate with me on the channels I prefer

12% (0%*) Brand recognition

12% (-14%*) Community

*Comparison with rest-of-world consumers

SEVEN

Consumers in Europe Will Share Their Personal and Behavioral 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 Europe are actually sharing behavioral and psychographic data for things that will add value to your brand long-term.

	HIGHLY VALUABLE	SOMEWHAT VALUABLE	NOT VALUABLE
Unlocking content	18%	39%	42%
A chance to win a prize	36%	44%	20%
Community	18%	37%	45%
Early / Exclusive access	35%	48%	17%
Loyalty points	48%	41%	10%
Discounts	56%	35%	8%

EIGHT

Consumers in Europe are 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 Europe over the coming year and beyond. Almost two-thirds of consumers are "very pessimistic" about the rising cost of living (64%), as well as 60% "very pessimistic" about the economic outlook. As a result 60% will be making less impulsive purchases and 43% of consumers will rely on loyalty benefits more than previously to make purchases.

	DOING MORE	DOING LESS	ABOUT THE SAME
Buy as quickly as possible	16%	60%	24%
Extend the research phase	50%	21%	29%
Find deals on social channels	39%	26%	35%
Wait for sales	49%	20%	32%
Rely on loyalty program benefits	43%	22%	35%

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

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