NEW TREND IN CONSUMER BEHAVIOR POSES CHALLENGES FOR MARKETERS

FAYETTEVILLE, Ark. – A new trend in consumption may be contributing to declining retail sales, according to University of Arkansas researchers. Graduate student Hélène Cherrier has been tracking this trend, called voluntary simplicity, along with marketing faculty Jeff Murray and Norma Mendoza of the Sam M. Walton College of Business.

The researchers presented their findings this week at the International Society for Quality-of-Life Studies Conference in Washington, D.C.

“The trend toward voluntary simplicity has been expanding for more than a decade,” explained Cherrier. “In 1988 voluntary simplifiers were the fastest growing market segment. In addition, recent world events have forced consumers to rethink their buying habits.”

Voluntary simplicity is a conscious choice made at an individual level. Because it is not associated with social movements such as environmentalism or feminism, it has gone largely unnoticed by marketers.

“It is important for marketers to realize that voluntary simplifiers are still consumers,” Cherrier said. “But they are more thoughtful about their purchases. They focus on what is important to them and they resist traditional forms of salesmanship.”
As a movement, voluntary simplicity has been around since the time of Plato. In the United States, it has emerged as a major trend several times. Religion was a key element during the early years of the nation, when groups like the Quakers opposed excessive consumption. During the Civil War, it emerged as a political issue and was promoted by Roosevelt as a public virtue before and during World War II.

Ironically, the trend toward voluntary simplicity has been greatly expanded through the Internet. Online communities and support groups have served to spread the trend among diverse people and cultures. Voluntary simplifiers range from senior citizens who sell their large family home and move into a smaller home in a retirement community to young, mobile professionals who don’t want to be “tied down” to their possessions.

The events of Sept. 11 have had a major impact on consumption and enhanced the trend toward voluntary simplicity. People have become more reflective and more focused on the things that really matter to them, both hallmarks of voluntary simplicity. And this trend is reflected in their purchasing during the holiday season.

Consumers continue to purchase, but they are focusing of different things than they have in past years. This presents both a challenge and an opportunity for retailers, who may need to rethink their marketing strategies.

“While value continues to be important, retailers should focus on the intangibles,” said Mendoza, assistant professor of marketing. “If they emphasize service with the human touch and help consumers find the meaning behind the product or the purchase occasion, they can capitalize on their relationship to the community and to their loyal customers.”

This is not a trend that is likely to disappear after the holiday season, according to Cherrier, because it is a predictable consumer response to difficult and uncertain times. Faced with political uncertainty, security issues, privacy concerns, the explosion of technology and many other complex issues, individuals are focusing on their core values, and their consumption patterns reflect that identity.

“Although we have become accustomed to trivializing it, all consumption is about identity construction,” said Murray, associate professor of marketing. “If you chop this part off in the study of consumer behavior, you may lose the most important part.”