

## FORMATION OF NEW CONSUMER BEHAVIOR MODELS UNDER THE INFLUENCE OF THE CURRENT GLOBAL COST OF LIVING CRISIS

## ФОРМУВАННЯ НОВИХ МОДЕЛЕЙ СПОЖИВЧОЇ ПОВЕДІНКИ ПІД ВПЛИВОМ СУЧАСНОЇ СВІТОВОЇ КРИЗИ ВАРТОСТІ ЖИТТЯ

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**Abstract.** *The article examines one of the most influential contemporary global drivers of international business – the cost of living crisis – and its impact on modern consumer behavior models. It explores the trend of economic growth slowdown, the dynamics and forecast of inflationary fluctuations, and the consumer price index in the world and Ukraine. The author identifies three new consumer segments that have emerged over the past two years under the influence of the global cost of living crisis: Budget-conscious customers, Cost and value-savers, and Now-or-never customers. The article examines the behavior models and savings methods of these consumer groups, which have gained particular popularity worldwide over the past two years, specifically, the BNPL model, reorientation to cheaper retailers or substitute goods, transition to popular private labels and duplicate goods of well-known brands in the middle to lower price segment, the influence and rise of deinfluencers on social media, bundle-and-save models, monthly or annual subscribe-and-save plans, referral bonuses, loyalty programs, and more. Several examples of such international and Ukrainian companies, like Shein, Pinduoduo, Temu, and Avrora, are analyzed. By focusing on the peculiarities of consumer behavior influenced by the cost of living crisis, these companies successfully compete in the market with well-known brands and increase their customer base each month.*

**Key words:** *consumer behavior models, the global cost of living crisis, inflationary fluctuations, private labels, marketing strategies, budget-conscious customers, international business, international marketing*

**Анотація.** *У статті розглянуто один з найвпливовіших сучасних світових драйверів міжнародного бізнесу – кризу вартості життя – та його вплив на сучасні моделі споживчої поведінки. Розглянуто тенденцію сповільнення економічного росту, динаміку та прогноз інфляційних коливань та індексу споживчих цін у світі та в Україні. Автором визначені три нові сегменти споживачів, які з'явилися за останні два роки під впливом світової кризи вартості життя, а саме – Бюджетно-орієнтовані споживачі, Споживачі, орієнтовані на заощадження та збереження цінності, та споживачі «Зараз-або-ніколи». Розглянуто моделі поведінки та способи заощадження даних споживчих груп, які набрали особливої популярності в світі за останні два роки, а саме, модель BNPL, переорієнтація на дешевших ритейлерів або товари-субститути, перехід на популярні власні торгові марки та товари-дублікати відомих брендів середнього на нижчого цінового сегменту, вплив та набуття популярності деінфлюенсерів в соціальних мережах, моделі спільних покупок, місячних або річних підписок на продукти, реферальних бонусів, програм лояльності, тощо.*

*Проаналізовано декілька прикладів таких міжнародних та українських компаній, як Shein, Pinduoduo, Тети, Аврора, які завдяки орієнтації на особливості споживчої поведінки, зумовленої кризою вартості життя, успішно конкурують на ринку з вже давно відомими брендами, та з кожним місяцем збільшують кількість своїх клієнтів.*

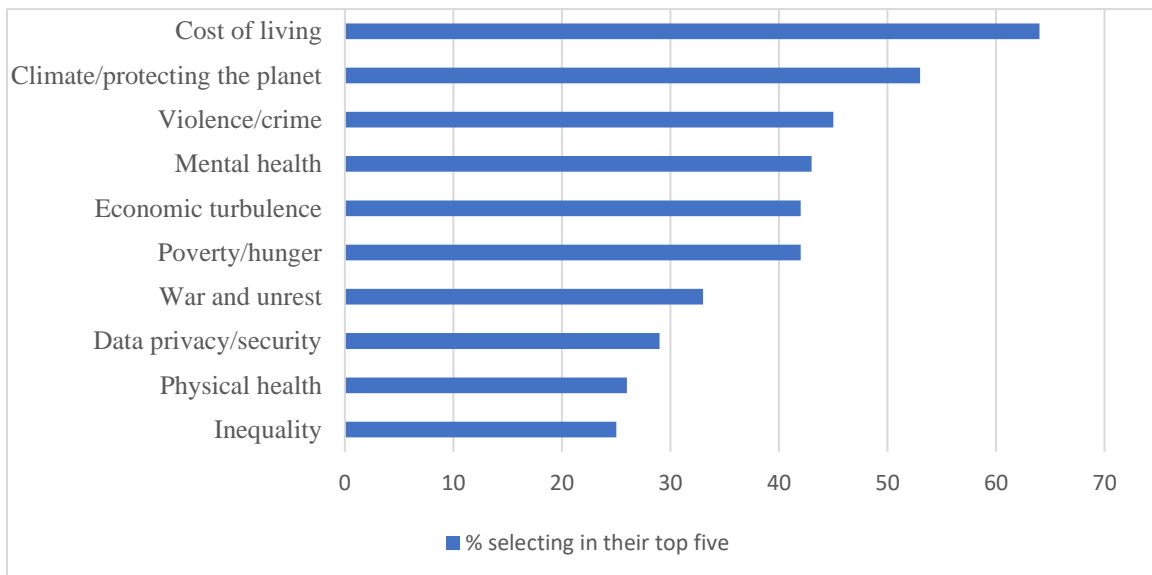
**Ключові слова:** моделі споживчої поведінки, світова криза вартості життя, інфляційні коливання, власні торгові марки, маркетингові стратегії, бюджетно-орієнтовані споживачі, міжнародний бізнес, міжнародний маркетинг

**Introduction.** For the last ten years, the world has dramatically changed under diverse external factors in different spheres. These external factors also influence international and domestic businesses, companies, their products and brands, consumer behavior and marketing strategies, which should be tailored to new obstacles and consumers' needs and pains. Among such global drivers, which impact business trends and then companies, brands and products we may distinguish rising inflation and cost of living, the slowdown in global growth; geopolitical conflicts; climate crises, resource scarcity and global warming; development of new technologies; population growth and population ageing; society fragmentation; micro globalization and glocalization. All these drivers form different cross-trends in international business and influence various aspects of marketing and management strategies.

**The purpose of the article** is to identify and summarize the main trends in consumer behavior globally formed under the influence of global driver – cost-of-living crises, highlight new models and ways of consumer behavior worldwide, and examine the marketing adaptation strategies of international and national companies to slowdown in global growth, rising inflation and cost of living.

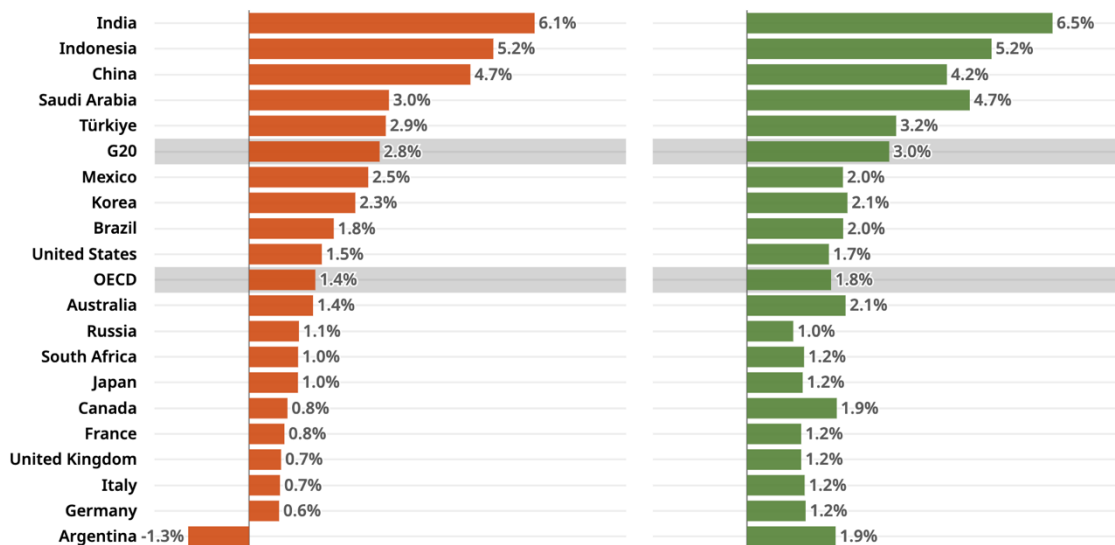
**Literature review.** Each year, international organizations, institutions, and consulting agencies define forces that influence cultural, social, economic, political, technological, and environmental spheres and transform society over the next decade. Among such prominent institutions and agencies, we may highlight The World Bank Group (current report – Global Economic Prospects 2024), VML Intelligence (current report The Future 100 2024), McKinsey & Company, Euromonitor International (current report Consumer Trends to Watch 2024), Trend Hunter (current Trend report 2024), The Future Laboratory. Among data gathering platforms, which also provide statistics and survey results about different issues concerning trends in international business, marketing and consumer behavior we may define Statista, Exploding Topics and Google Trends. Studying main global drivers and trends and understanding their transformative impact on consumer behavior becomes critical for business while elaborating long-term vision and general strategy.

**Research findings.** In this article, we will focus on the global driver of cost of living crises, rising inflation and the slowdown in global growth which, according to the consulting company VML Intelligence, and its report The Future 100 became the top most pressing issue facing society in 2023 and even moved to lower positions such long-lasting issues as climate change and sustainable development.



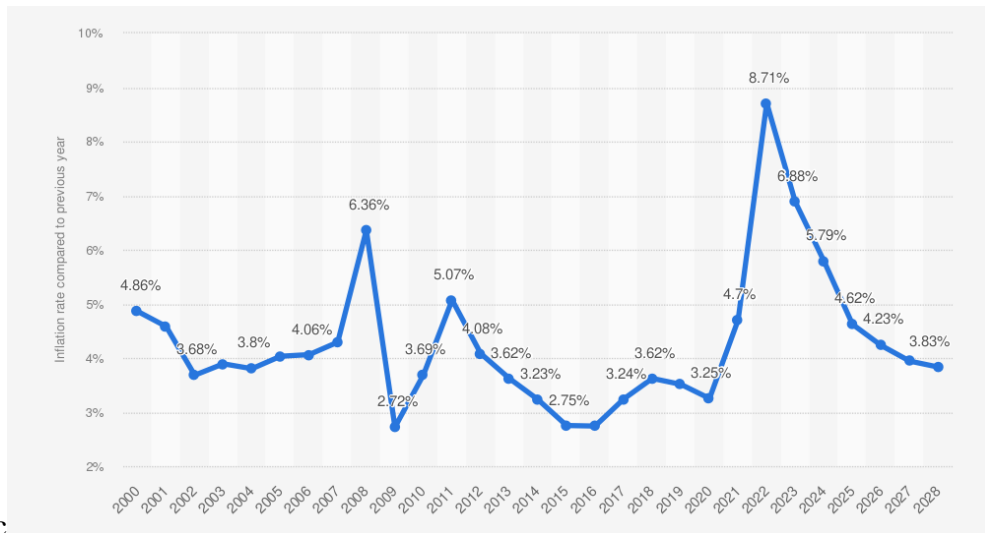
**Figure 1.** The 10 most pressing issues facing society, 2023 (Source: The Future 100 by VML Intelligence, 2024)

According to a World Bank Group report on global economic prospects, which was issued in June 2024, the slowdown in global growth is already occurring. Still, it is projected to stabilize at 2.6 per cent this year, holding steady for the first time in three years despite geopolitical tensions and high interest rates (*World Bank Group, 2024*). Figure 2 shows the projected GDP growth rates for 2024 and 2025 in the G20.



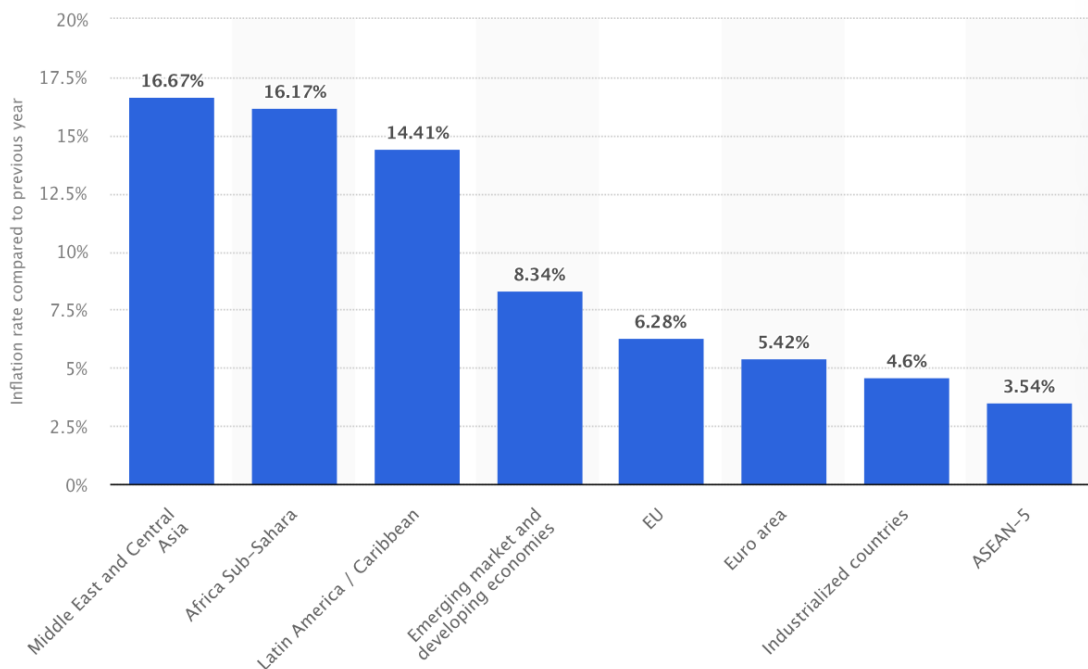
**Figure 2.** GDP growth projections for 2024 (left) and 2025 (right), %, year-on-year (Source: OECD, 2023)

Another factor is inflation, which is generally defined as the continued increase in the average prices of goods and services in a given region. As shown in Figure 3, the global inflation rate from 2000 to 2022 has been relatively stable (approximately 3-5%) excluding 2 sharp increases in 2008 due to the global financial crisis, and in 2022 following the COVID-19 pandemic and Russia's invasion of Ukraine in February 2022.



**Economic**  
**Figure 3.** Global inflation rate from 2000 to 2022, with forecasts until 2028 (percent change from previous year) (Source: IMF, Statista, 2024)

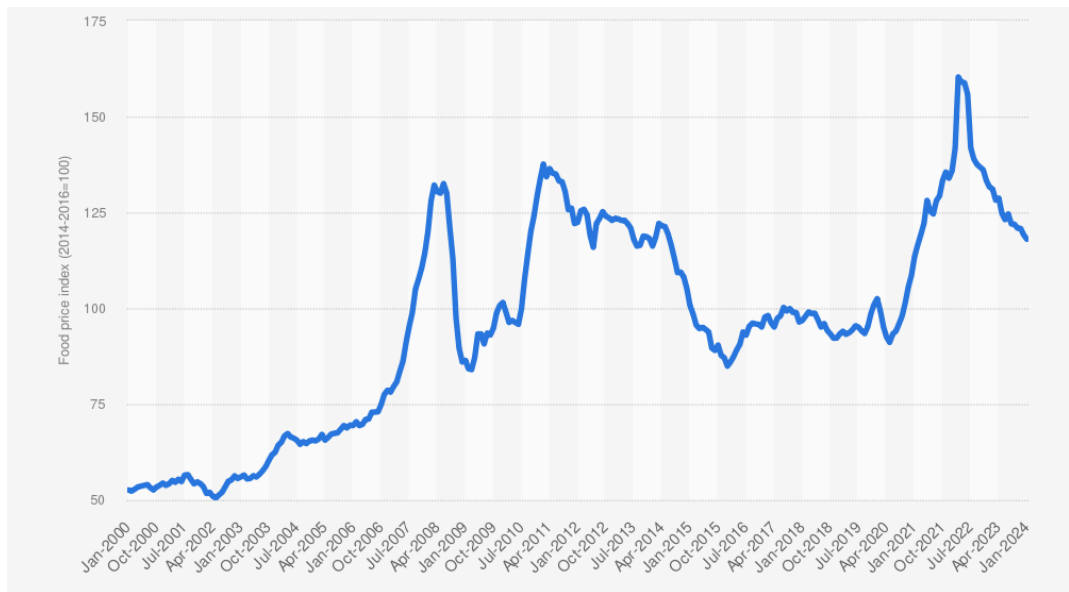
Inflation and slowing economic growth are two major economic drivers, that significantly impact the economy these years. High rates of these factors as a result of geopolitical tensions, supply chain delays, and fiscal instability in the wake of the pandemic, led to rising energy and commodity prices, a reduction in production, employment, and investment and rising cost of living. World Bank states, that by the end of 2024, people in approximately one out of every four developing countries (including Ukraine) and about 40% of low-income countries will be poorer than they were before the coronavirus pandemic in 2019.



**Figure 4.** Inflation rate in selected global regions in 2023 (compared to previous year) (Source: Statista 2024)

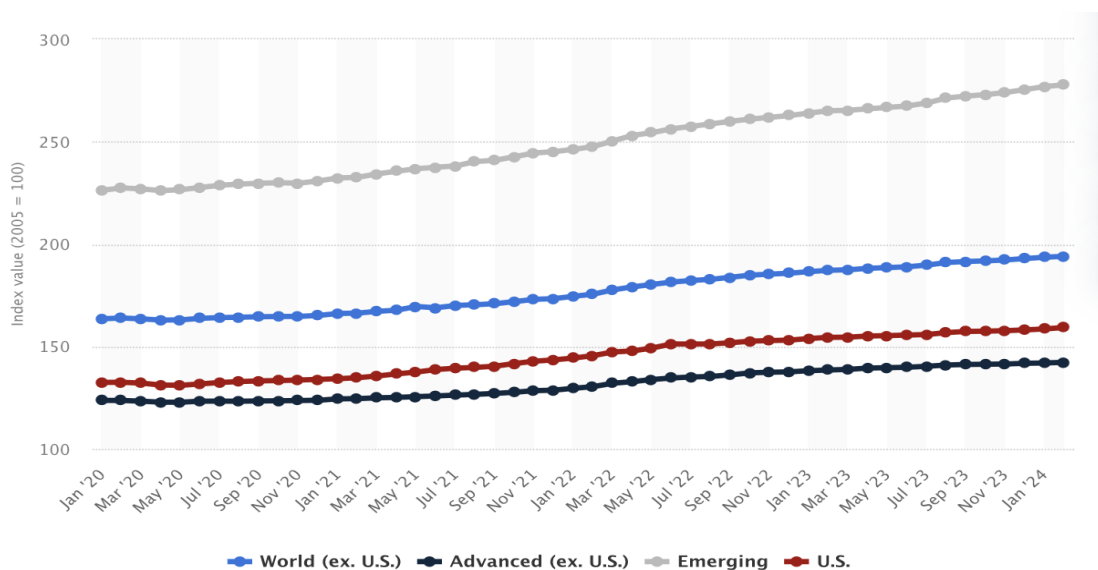
While both developed and developing countries face significant challenges due to inflation, the impact is generally more severe in developing countries. This is due to their higher sensitivity to food and energy prices, less diversified economies, and more limited policy tools. Of course, consumers in developing countries are more sensitive to price increases, as a larger proportion of their income is spent on essential goods and services, while consumers in developed countries generally have higher

and more stable incomes, which can mitigate the impact of inflation on consumption patterns. But, even in the USA consumer prices for all items rose 3.4% in 2023 in comparison with 2022. Food prices increased by 2.7%, reflecting a 1.3% increase in prices for food at home and a 5.2% increase in food prices away from home (*U.S. Bureau of Labor Statistics, 2024*). The euro area’s annual inflation rate was 2.9% in 2023, and EU annual inflation was 3,4%. A year earlier the rates were 9,2% and 10.4% respectively (*Eurostat, 2024*). According to the FAO Food Price Index (a measure of the monthly change in international prices of a basket of food commodities) in January 2024 it averaged 118 points, the highest value for the index in the past 23 years was reached in March 2022 (Figure 5).



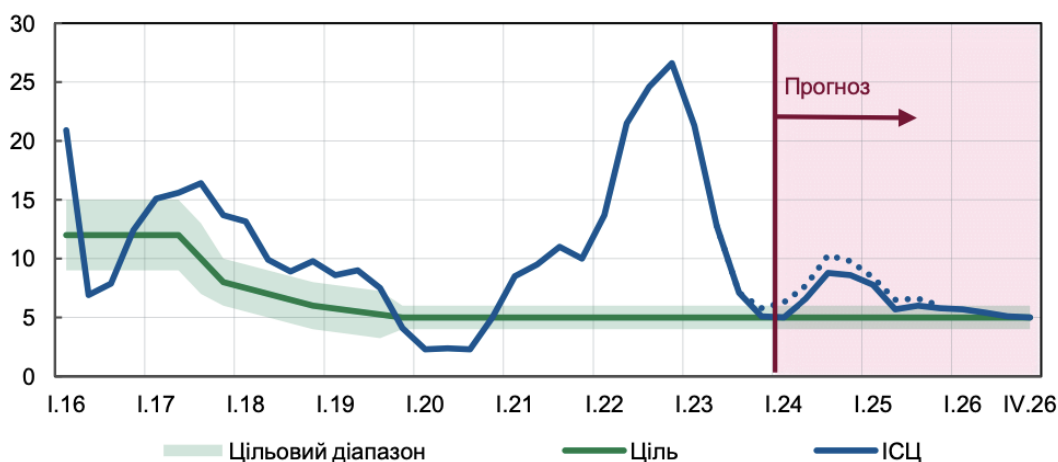
**Figure 5.** Monthly food price index worldwide from 2000 to 2024 (Source: FAO, Statista, 2024)

The consumer price index visually shows how average product and service prices go up over the years. It measures the overall change in consumer prices based on a representative basket of goods and services over time, compared to an earlier base year that is set to the value of 100. According to Statista, in February 2024, the global consumer price index, excluding the United States, stood at 194.1, compared to 159.3 for the U.S. (*Statista, 2024*).



**Figure 6.** Headline consumer price index worldwide from January 2020 to February 2024, by region (Source: Statista 2024)

Speaking about Ukraine, inflation in 2023 slowed down five times compared to 2022 and amounted to 5.1% compared to 26.6%. The inflation is estimated to be 5% in 2029 (*State Statistics Service of Ukraine, 2024*).



**Figure 7.** Change in the consumer price index (as of the end of the period, % y/y) and inflation targets (Source: State Statistics Service of Ukraine, National Bank of Ukraine, 2024)

According to these indicators, the global economy is currently in a better state than it was two years ago. However, rising geopolitical tensions could create new risks for the global economy. The World Bank expects global trade growth in 2024 to be only half of the average rate seen in the decade before the pandemic. Consequently, global economic growth is projected to slow for the third consecutive year — from 2.6% last year to 2.4% in 2024, which is the weakest start of the decade in the last 30 years.

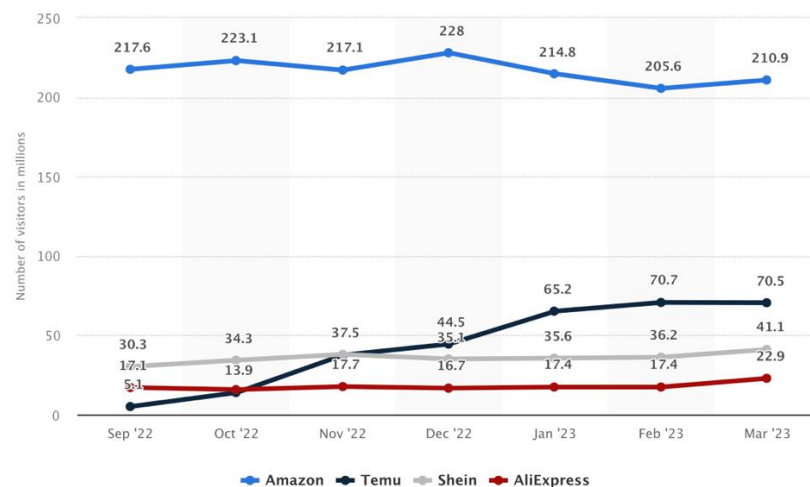
Over the past four years of high inflation and restrained economic growth, especially in developing countries, new cohorts of consumers have emerged, influenced by the cost-of-living crisis. New consumption models have appeared, and certain factors that shape consumer behavior now and in the coming years have been highlighted. Following the survey, conducted by Euromonitor International in 2023 74% of consumers were concerned about the rising cost of everyday items and 44% planned to save more money in 2023 (*Euromonitor International, 2024*). According to the same survey, there are many ways, how consumers are trying to save money, for example, 52% cut back on non-essential spending, 53% are cooking at home more instead of eating out, 47% decreased energy use at home, 33% switched to buying private label products, 28% buy products in smaller quantities of packaging, 26% repair broken items instead of buying new products, 10% join online sharing groups and communities. According to McKinsey & Company survey, more and more customers all over the world are looking to new brands (become brand switchers, and are not loyal to earlier lovebrands) and retailers for better value. Thus, during 1st quarter of 2024 more than 30% of consumers in the US, Canada, Sweden, France, Germany, Italy, Spain, the UK, South Korea and Australia tried a different brand, and more than 40% of consumers in South Korea, Netherlands, Sweden, Canada, France, Germany, Italy, Spain and the UK changed retailers for lower price or discount (*Adams C., Alldredge K., Kohli S., 2024*). This trend is actually for different age groups, both older consumers and Gen Zers and millennials.

Certainly, consumers are trying to adapt to thriftier and more dynamic external factors and are changing their shopping habits. Nowadays we may distinguish several cohorts of consumers, who depend on the global driver of rising inflation and cost of living and the slowdown in global growth. They are Budget-conscious customers, Cost and value-savers and Now-or-never customers.

For the first, Budget-conscious customers, the main priority is to save money, for which the strategy of downgraded spending is used. Often, such consumers look for various ways to spare, frequently disregarding the additional value or quality that branded products may offer. Among

popular ways, that Budget-conscious customers use to a cutback in expenditures are: looking for cheaper alternatives (lower-priced retailers or brands), skipping some purchases entirely or delaying them (focusing spending on essential items like groceries, utilities, and healthcare, while reducing spending on non-essentials), buy now, pay later model (BNPL), resale, rewards perks (for example, paying with points or exclusive discounts, coupons), looking for cheaper private label lines or just substituting products (choosing a less costly type of products like using public transportation instead of owning a car), buy products with special propositions (for example, a larger-size pack for a lower price).

The downgraded spending strategy was popular among customers all over the world in 2023, when consumers shifted from premium products to more affordable options, which affected their purchasing behavior and lifestyle. Many people reduced non-essential purchases, like entertainment, travel or dining out. For example, a study by Hunter, a marketing and PR firm, found that people in the USA are cooking 51% more often compared to pre-pandemic levels, as they are finding cooking more helps them save money (58% of consumers) and eat healthier (52% of consumers). Another good example of how international business adapts to new consumer models is the appearance of generic brands, which become popular instead of well-known branded items. The best example would be Chinese-owned e-commerce platforms Shein, Pinduoduo and Temu which are specializing in low-end women's fashion, the traditional agriculture industry and home decor and household items accordingly. These online retailers became strong competitors to e-commerce giant Amazon, while they steadily gained popularity among consumers thanks to the combination of social features, gamification and low-price marketing strategies. So, nowadays Amazon has shifted focus away from traditional rivals like Walmart and Target toward Shein and Temu.

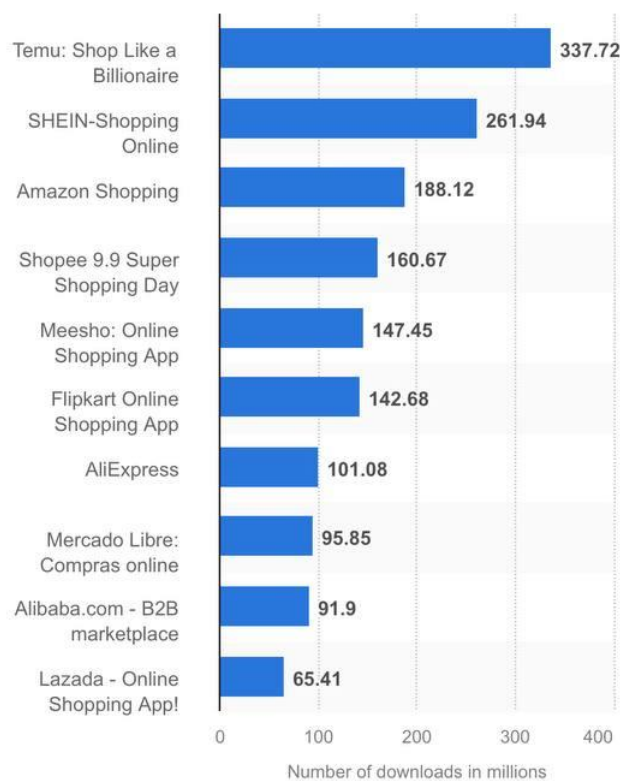


**Figure 8.** Number of unique visitors to Amazon, Temu, Shein, and AliExpress in the United States from September 2022 to March 2023, in millions (Source: Statista, 2024)

A study by Bain & Company and Kantar Worldpanel found that spending on FMCG products in China dropped by 0.9% year on year during Q3 2023. In the same quarter, Pinduoduo had a 314% jump in transaction revenue to nearly \$4 billion, representing a year-on-year increase of 90% (Ren D., 2023). According to estimates from Statista, Temu had 70,5 million US monthly active users in March 2023, Shein had 41,1 million, and Amazon had 210,9 million.

Pinduoduo entered the Chinese e-commerce market in 2015 and rapidly grew to become one of its largest players, thanks to the strategy of team purchase, where buyers form a group to receive discounts from suppliers. Also, they can use social platforms such as WeChat to encourage friends to be part of their team or wait for other buyers to join. The main segment of Pinduoduo is people with modest incomes who live away from major Chinese cities. Among the minuses of this retail customers note product quality issues, namely the prevalence of counterfeit and low-quality products on its

platform. That’s why companies find it difficult to sell higher-quality items on the platform or make enough sales margin to earn a profit (*Sentance R., 2024*). In 2022 Pinduoduo’s parent company, PDD Holdings, launched a new business in the United States - an online marketplace Temu, which offers a vast variety of goods with the same strategy of low prices. Now Temu is present in 49 countries, most recently launching in South Africa in January 2024. Temu has a very clear message for its clients, which represents the main benefit for them – saving money and encouraging customers to buy products freely and impulsively. This message is coined in the slogan of the company - “shop like a billionaire”. Shein, a Chinese brand, was founded in 2012 and also is a very illustrative example of a generic brand for Inditex group, H&M, Next and Nike, in fast fashion, which specialises in trendy fashion products and uses a strategy of low prices. A study by ECDB provides information, that in 2023 Shein was ranked 3 of the biggest US online fashion retailers by net sales after Amazon (\$12,3b) and Walmart (\$8,9b) with \$8,1 billion. Fourth and fifth places are occupied by Macy’s (\$6,4b) and Nike (\$4,5B). In 2023, Temu and Shein have aggressively expanded internationally, successfully topping the global rankings for e-commerce application downloads and growth.



**Figure 9.** Leading shopping apps worldwide in 2023, by number of downloads, on millions (Source: Statista, 2024)

Also, according to the recent annual report on the most valuable and strongest Retail brands 2024 by Brand Finance, 8 of the world’s top ten retail brands experienced declines in brand value this year because of inflationary and cost-of-living pressures. Under such issues, brand values for discount and more affordable brands are improved. Among such brands, Brand Finance distinguishes American Dollar Tree – a multi-price-point chain of discount variety stores (brand value up 23%), Ross Dress for Less - a chain of discount department stores (brand value up 18%), Family Dollar - variety store chain (brand value up 15%), and the UK’s B&M – multinational variety store chain (brand value up 19%) (*Brand Finance, 2024*).

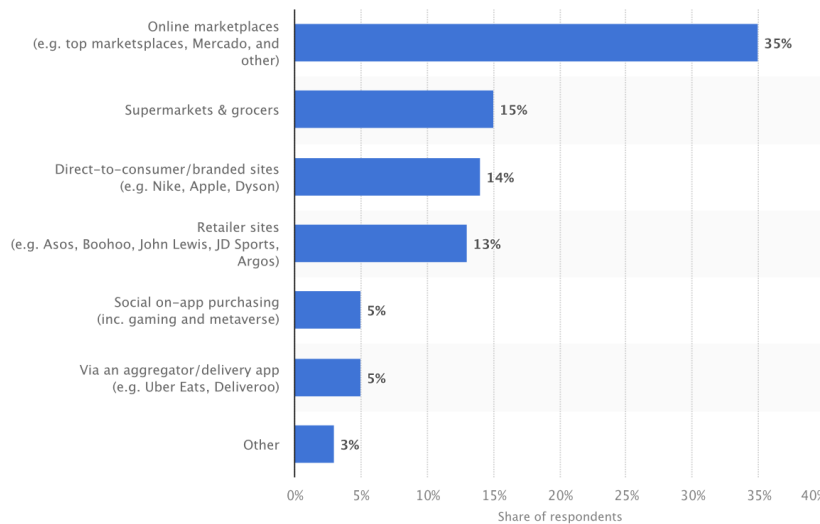
In Ukraine, the market for hard-discounter and dollar store formats is also rapidly developing. In recent years, chains like Territoriya minimal'nykh tsin, OnePrice, and Avrora have become very popular. International retailers such as Temu, AliExpress, and Joom also operate in the national market. For instance, according to Forbes Ukraine, AliExpress attracted the most Ukrainian traffic abroad with a 27% market share, Joom with 3%, and in May 2024, Temu nearly matched AliExpress



in traffic – 9.96 million compared to 10.8 million (*Antonyk T., 2024*). Such international companies compete with discounters such as Territoriya minimal'nykh tsin, OnePrice, Avrora, and C2C sales through OLX and Instagram. According to Forbes' ranking "200 Leaders of the Ukrainian Economy," two-thirds of retailers have experienced a negative revenue trend over the past year. However, budget store chains like Avrora have more than doubled their revenue during the first war year, indicating a decline in the purchasing power of Ukrainians, a decrease in the number of consumers due to emigration, and increased demand for cheaper and lower-quality goods (*Forbes, 2023*). According to Auchan Ukraine, the number of items in the average consumer's basket has decreased by 20%, with a particular drop in demand for high-end products such as sausages, cheeses, and chocolate. Additionally, there has been an increase in the number of shoppers looking for discounted items or purchasing smaller quantities (*Antonyk T., 2024*). Avrora is the largest one-dollar store chain in Ukraine. In 2023, it opened 500 stores and plans to increase the total number of outlets in Ukraine to 2,000 by the end of 2024. The chain's revenue more than doubled, rising from 5.8 billion UAH to 13.9 billion UAH. Similarly, the OnePrice chain has 77 stores in Ukraine, selling non-food items, and plans to open its first OnePrice Club in the hard-discounter format, with a primary assortment of food and everyday products. CEOs of dollar store format companies highlight several factors that enable them to implement a low-price strategy – direct cooperation with manufacturers, strict cost control, selling unbranded products, not very expensive retail spaces with low rent, and using cross-docking (unloading products directly from one vehicle to another). Also, of course, the quality of products sold in discount chains is not very high.

It seems interesting to consider another behavioral model tool for Budget-conscious customers that is gaining momentum worldwide – buy now, pay later model (BNPL). It allows consumers to make a purchase and pay for it in interest-free instalments. Earlier this payment instrument was used for expensive items like furniture or gadgets, but now, it's available for a variety of products across different categories, no matter how cheap it is. In 2021, BNPL accounted for just 9% of e-commerce transactions. Still, by 2026, data shows that it will rise to 25% and in 2028 it will calculate \$687bn according to Juniper research (*Juniper Research, 2024*). Data from Insider Intelligence shows that this instrument is often used by young customers - more than 40% of BNPL consumers were Millennials in 2020. This generation is expected to continue to account for the largest share of users through 2025 and 44% of Zoomer buyers will use BNPL by the end of 2024. This model caters to the modern consumer's desire for immediate access to goods and services while managing their finances more effectively. Among the reasons why customers choose BNPL are avoiding credit card interest, immediate access to products, making purchases they couldn't otherwise make and avoiding a credit check.

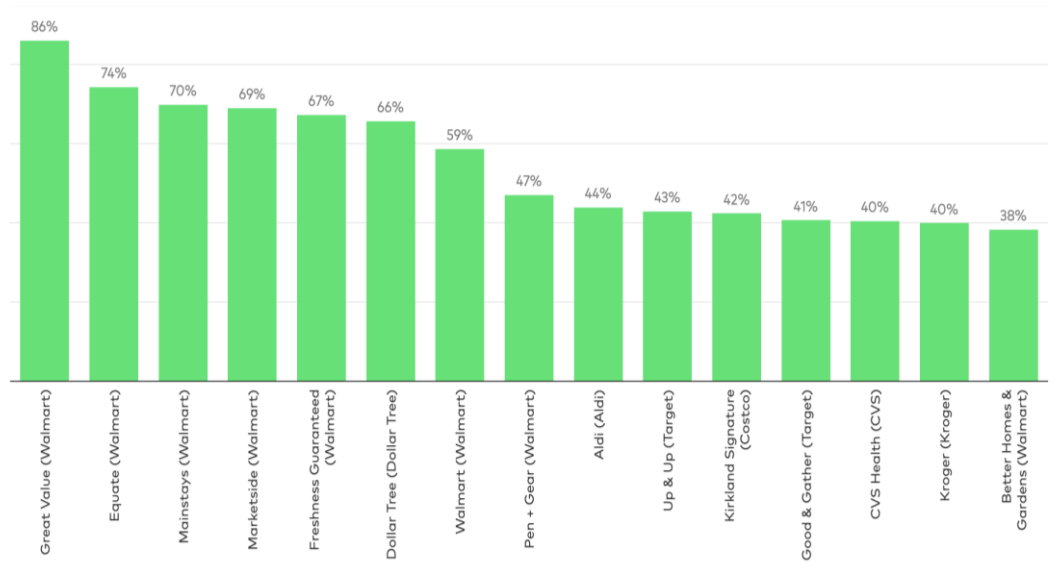
One more strategy for Budget-conscious customers is Direct-to-Consumer (DTC) sales refers to the strategy where brands sell their products directly to customers without intermediaries like wholesalers or retailers. This approach has gained significant popularity because it helps save money for the customers and build better customer relationships for the companies. In 2021, nearly six in 10 consumers made a DTC purchase in different categories, with clothing, accessories and electronics dominating. According to a recent global survey by Statista, more than four out of ten respondents had purchased fashion directly from D2C sites in 2023.



**Figure 10.** Distribution of online purchases worldwide, April 2023, by channel (Source: Statista, 2024)

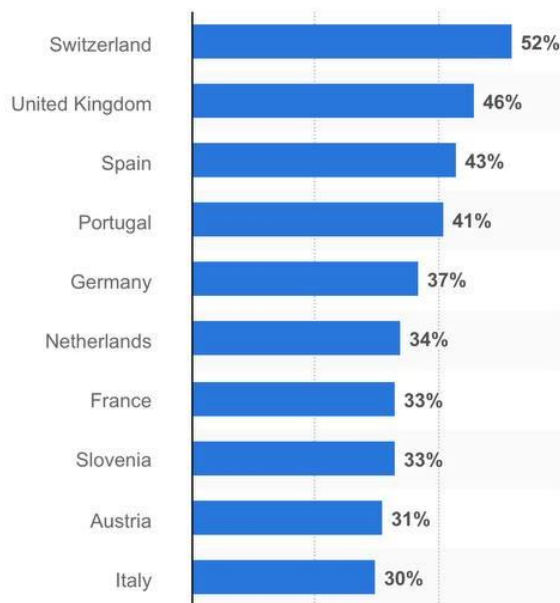
The second group of consumers, which was formed under the global driver of the cost-of-living crisis is Cost and value-savers, who try to reduce spend without compromising quality. According to McKinsey, 80% of US consumers (and 88% of Zoomers and millennials) are seeking value by trading down to different products. This group of customers, unlike Budget-conscious customers, doesn't want to change their consumption habits and essential aspects of lifestyles, that is why, while saving money they don't want to buy products of low quality, they are looking for approximately the same value, as they used to buy from their loved brands. A study by McKinsey found, that in advanced markets, over a third of consumers have tried different brands, and approximately 40 percent have switched retailers in search of better prices and discounts. In Europe and the United States, Zoomers and millennials were looking for lower-priced brands and retailers (Adams C., Alldredge K., Kohli S., 2024). So, consumers are willing to find some alternatives ways of replacing through novel means of consumption.

One of the first trends for the Cost and value-savers consumption model is downtrading for private labels. According to McKinsey survey, 36% of consumers plan to purchase private label products more frequently, and 60% believe private brands offer equal or better quality (Adams C., Alldredge K., Kohli S., 2024). These products are generally positioned as lower-cost alternatives to name brands. They are found across various categories, from food and beverages to household goods and personal care items. However, if known and loyal retailers provide private labels, the quality and value of the product may be kept. According to Numerator, 57% of consumers think private label brands offer an above-average value for their price, 43% of consumers purchase private label items to save money and 29% of consumers think private label brands are just as good as name brands.



**Figure 11.** Top largest US private label brands, % household penetration (Source: Numerator, 2024)

In Ukraine, private labels are also developing. Most grocery retailers operating in the Ukrainian market have several private labels in different price segments. The development of this segment was stimulated by the cost-of-living crisis, which began during the pandemic, as well as the full-scale invasion, when, in the absence of well-known brands, there was a demand for private label goods. For instance, recognizable brands are offered by Fozzy Group (Premiya, Povna Chasha), Novus (MARKA PROMO, NOVUS), and Kyshenya (Hit Product, № 1 - Honest Price). Among household appliances and electronics retailers, Foxtrot has its private label (Delfa), and in 2020, Rozetka launched its brand of household and semi-professional equipment (RZTK). Overall, the market share of private labels in Ukraine was 14% in the first quarter of 2023, which is not a high figure compared to some European countries. Private labels are present across a wide range of industries and are gaining more and more market penetration, according to Statista. In the first quarter of 2023, Switzerland emerged as the global frontrunner in terms of market share for private labels, commanding an impressive share of 52 percent. The United Kingdom and Spain followed suit, with private label market shares of 46 percent and 43 percent, respectively (Statista, 2024).



**Figure 12.** Top 10 countries by market share of private label brands worldwide in Q1 2023 (Source: Statista, 2024)

Another interesting way to save money, the quality/value of the product and customers' usual lifestyle, which is proposed by many brands nowadays is "dupes". Dupes have become one of the biggest buying trends of 2023-2024 years, especially among young shoppers who through social media and online shopping, where popular fashion bloggers research and share lists of dupes for brand-named items for everything from socks to perfumes, may buy the best variants. "Dupe" is short for "duplicate" and refers to items that are very similar to name brands and more expensive products, often mimicking their appearance, function, or quality, but available at a lower price. Consumers actively look for dupes as they can get a similar experience or aesthetic to the original product without paying a higher price. There are a lot of examples of well-known brands in the middle segment, which provide such a marketing strategy of mimicry - Zara frequently releases clothing, accessories and perfumes that resemble those from luxury brands like Balenciaga, Gucci, Chanel, Jo Malone and Tom Ford; Mango provides fashionable items similar to those found at brands like J.Crew and Madewell but at a lower price; The Ordinary offers simple, effective formulations like Drunk Elephant and Sunday Riley. An additional novel feature of social media, which helps in finding some balanced buying solutions is the appearance of deinfluencers who actively discourage their followers from purchasing certain products, or brands, or engaging in specific consumer behaviors. Their content often includes critiques of overhyped or overpriced products, calls for less wasteful living, and recommendations for more ethical and responsible purchasing decisions.

Private labels and dupes are not the only way, how Cost and value-savers may maximise their budgets without sacrificing quality. For example, access to price-comparison tools, customer reviews, and online marketplaces enables them to make well-informed decisions swiftly, ensuring they get the best possible value for their money. Nowadays very often customers shop at stores with reward perks to rack up points for future purchases, pay with credit card or rewards points, and participate in free activities. There are a lot of financial or lifestyle tricks, which may help to save money. Bundle-and-save deals allow shoppers to purchase multiple products or services, which are sold together at a discounted price compared to purchasing each item individually. These deals are designed to encourage customers to buy more by providing them with savings. Subscribe-and-save plans also help to save money without changing customers' lifestyles. Subscription-based services allow customers to receive regular deliveries of products at a discounted price. These plans are popular for consumable goods and services that customers need regularly. They offer convenience and savings, making them attractive to consumers who prefer automatic replenishment without the hassle of reordering. Walmart, for example, provides subscription services for everyday essentials like baby products, pet supplies, and cleaning items. Another way is referral bonuses, which are offered to existing customers who refer new customers to a business. Both the referrer and the new customer typically receive a reward, which can be in the form of discounts, credits, cash, or other perks. For example, Uber provides free rides or ride credits to both parties when a new user signs up using a referral code. And of course, loyalty programs, which give the possibility for consumers to earn points for future purchases, have some discounts or even use for free such services like cleanings, repairs or warranties.

As the segment of Cost and value-savers grows in influence and such shopping behaviors will continue in 2024, it exerts pressure on businesses to innovate and adapt, emphasizing affordability and value creation in their offerings. This, in turn, fosters healthy competition and encourages market efficiency, benefiting consumers at large. The report by VML Intelligence *The Future 100 Trends & change to watch in 2024* gives several examples of such companies and their propositions. Canadian food delivery app SkipTheDishes tries to meet such consumer needs with its Inflation Cookbook grocery shopping tool. This tool forecasts the largest price drops for 400 popular ingredients from 100 grocery stores and uses this information to develop budget-friendly, "chef-inspired" recipes that users can shop for. In France, supermarket giant Carrefour is presenting itself as a consumer ally by opposing "shrinkflation"—where product size or quantity is reduced but the price remains the same. The store is using in-store signs to call out brands that use this tactic, pressuring them to reduce their prices. Petcare brand Wilder Harrier is going beyond just offering low prices to assist its customers. It is establishing a network of Community Pet Pantries, where families affected by the cost-of-living

crisis can obtain donated food for their pets. Turkish Airlines provides free overnight accommodations for passengers with layovers exceeding 20 hours in Istanbul, allowing them to explore the city (VML, 2024).

The last four hard years for the whole world with COVID-19, wars and geopolitical conflicts, economic disruption, cost-and-living crisis, lockdowns and stay-at-home orders, social distancing and travel restrictions, mental health issues have generated a segment of Now-or-never customers. Many people have recently been limiting themselves to various things, products, and services, either due to general bans and restrictions or because of internal constraints on fun, non-essential items that bring joy and comfort. However, crises that follow one another and last for years prompt a reevaluation of values, behavior models, and the value of life at the moment. These external and internal factors have shaped a consumer segment that has begun to allow themselves the pleasure of living and purchasing emotionally valuable and worthwhile products from well-known brands. And even if their financial situation is not so stable, they are still ready to treat themselves, because they think they deserve it.

**Conclusion.** While longer-term economic outlooks are more optimistic, consumers in all global markets will continue to feel the pinch of the cost-of-living crisis in 2024. Consumers are compelled to rethink their spending patterns, scrutinizing every expense to ensure it aligns with their financial priorities. This proactive approach allows them to exert a degree of control over their financial well-being amidst broader economic uncertainties. By responding to the thriftier new consumer mindset, retailers can meet the growing demand for value-based offers, while positioning themselves as strong consumer allies. Today, companies must create new additional values for their products that consumers need so much today – providing positive impressions and emotions to switch from routine life; demonstrating support and convincing that the company can be trusted so that consumers feel confident in support and care, and can preserve and enhance the classic human values that are now most appreciated; sharing experiences and educating to inspire consumers for new achievements and future plans; demonstrating stability and sustainability through various social, inclusive, and environmental programs.

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