

Topic- Trends in regards to Changing Consumer Behaviour

1. Focusing on a new consumer segment or Building business with the strength of millennials

Millennials or the young consumer groups, in general, are at the helm of bringing changes in consumer shopping journeys and trends. Millennials today form a very substantial target group for majority of brands operating in various consumer segments including food and beverages, apparel, footwear and accessories, consumer durables and electronics and Fast Moving Consumer Goods (FMCG).

India has the world's largest millennial population in absolute terms. Falling in the age group of 18-35 years, and having a population of over 440 million, millennials constitute nearly 34% of the country's total population.

2. Social media plays a major role in building connects and changing consumer preferences in India.

Significance of 'S-commerce' or social commerce has significantly increased in today's world of connected consumers. Pictures and videos of products/brands posted by consumers on social networking sites and blogs, user experiences and stories shared on the web, ratings, reviews and recommendations posted online, etc. act as user-generated advertorial content.

This content either promotes or demotes a particular product, brand or service amongst a specific set of people – people which have access to view/ read the content.

Social commerce is not just restricted to social network driving sales, but consists of other forms such as peer-to-peer sales platforms (community-based marketplaces), group buying (products and services offered at reduced rates if enough buyers willing to make the purchase), user-curated shopping (where users create and share list of products/ services for others to shop from), participatory commerce (where consumers become decision makers across the product value chain through voting, funding, collaboratively designing), etc

3.The “Conscious Customer” acts as a win-win for the Health & Wellness brands- Today's consumers increased focus on the quality of ingredients as hygiene plays a critical role in his/her choice of products as well as consumption pattern.

Various brands are currently shifting towards healthier variants of food products. This is a conscious shift in values by the brands to offer healthier variants to consumers who are becoming increasingly conscious of their eating habits, ingredients in food products they are consuming and the nutritional value offered by the food products.

The sedentary lifestyle of consumers, increasing working population, greater access to global trends and higher disposable income levels are driving this change in consumption habits.

Rising health-related incidences are encouraging consumers to become more health and fitness conscious, which is leading this shift in companies' values.

4. Rural India emerged as the next big target for business growth-

Consumer companies have been increasingly focusing on enhancing presence and penetration in the rural and non-urban towns and cities as they present significant opportunities for rapid growth. Factors such as increasing aspirational quotient along with internet access and social media pressure make India's hinterland another big target-pie for outreach of consumer business.

5. Balance between short-term activation and long-term brand building

The changing consumer consumption trends are leading to fierce competition amongst brands that in turn has bolstered business opportunities. This has also led to increased interactivity as brands now deal with the tech-savvy, new-age consumers who are evolved, educated and conscious of their preference.