



2023 Consumer Survey Report:

How consumers' response to macroeconomic
events can inform marketing strategies



Survey highlights consumers' feelings towards inflation, social media, influencers and more.

For several months, inflation has been top-of-mind for consumers across the United States. In July 2023, the inflation rate reached 3.2%, according to the Bureau of Labor Statistics. During this time, many consumers became more cost-conscious to avoid overspending. For marketers and advertisers, these macroeconomic events have a deep impact on their target audiences, meaning they need to have a deep understanding as to how they can best engage and retain consumers.

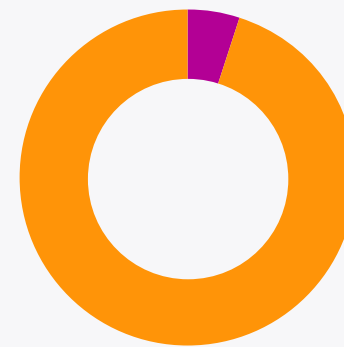
To better understand consumers' feelings about inflation, the platforms and channels they are using, and sentiments around influencers, advertisements, and ad-avoidance, Nielsen surveyed 3,000 adults aged 18+ in April 2023.

Key findings:



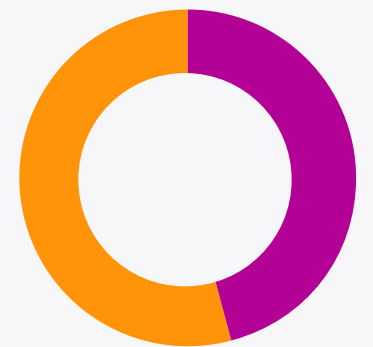
95%

of consumers are concerned with inflation impacting their buying power



55%

of consumers are subscribing to paid, ad-free video streaming services



46%

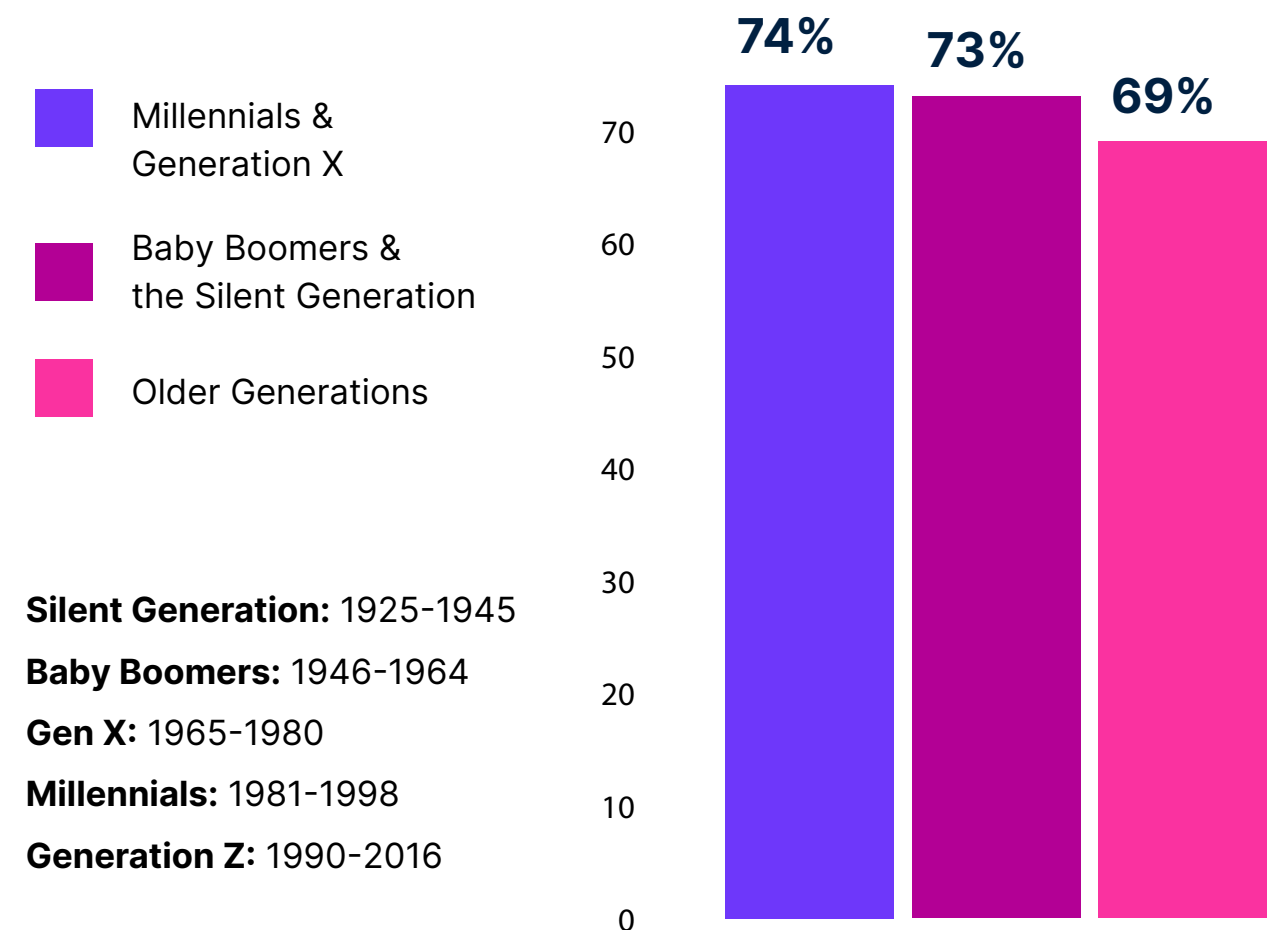
of U.S. consumers dislike ads for interrupting content they enjoy, in a situation when advertisements cannot be skipped

Generational differences don't apply when it comes to inflationary concern

Ninety-five percent of consumers are concerned that inflation is dictating their buying power. Broken down by generation, all respondents report being at least somewhat concerned. Millennials and Generation X are very or extremely concerned (74%) and Baby Boomers and the Silent Generation are close behind (73%). Generation Z also reports being very or extremely concerned, but not as much as older generations (69%).

This concern among consumers can be alarming to marketers who are trying to influence their audiences to act and engage with content. As the economic market continues to fluctuate and impact consumers' purchasing power, there are some factors that are in marketers' control.

Percent % of respondents concerned with inflation among generations

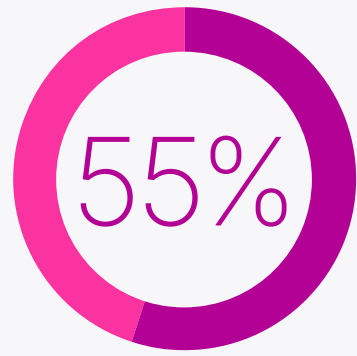


The insights from this report will empower marketers to create campaigns on the platforms and channels that are most important to consumers while keeping inflation and consumer grievances top of mind.

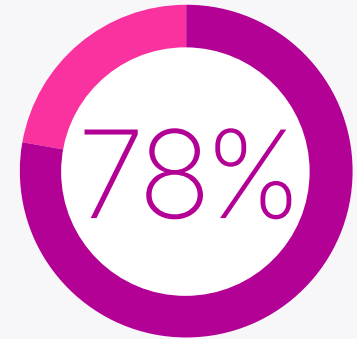
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Section one

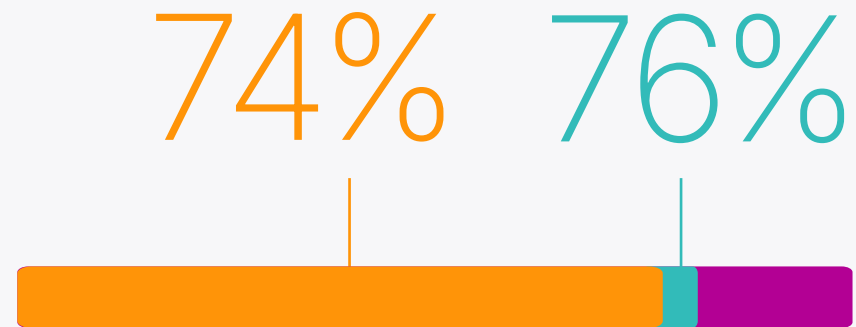
Put ad dollars
to use on consumers'
most-used platforms



55% of consumers are subscribing to paid ad-free video streaming services

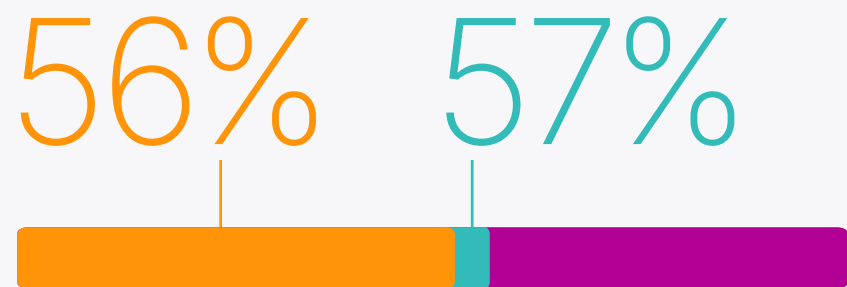


78% do not plan to make changes to this habit in the next 6-12 months

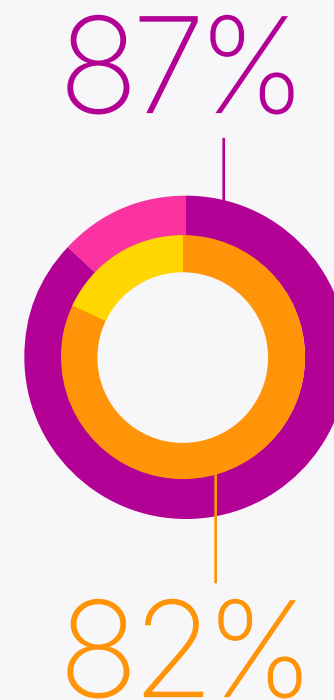


74% said they plan to make no changes to their paid television habits, and **76%** said they will not change their live TV streaming services subscription in the next 6-12 months

56% of consumers say that they enjoy the content provided by paid television, and **57%** say they enjoy the content provided by paid television and live TV streaming services, which is why they aren't making changes or increasing habits

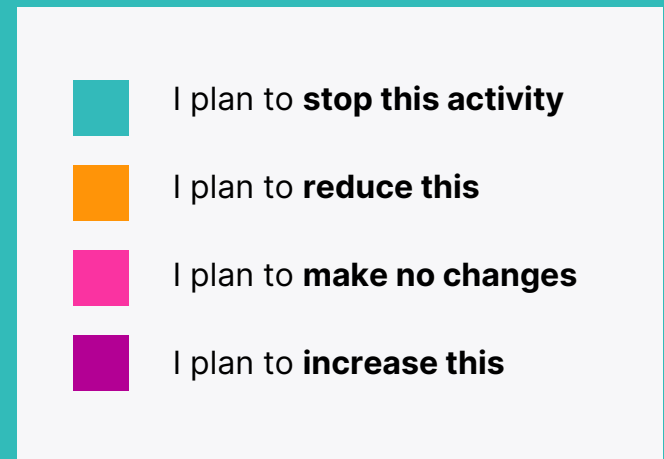


When it comes to free channels, **87%** of consumers plan to make no changes to listening to live local radio for free, and **82%** plan to make no changes to use free-with-ads user-generated streaming services, such as YouTube

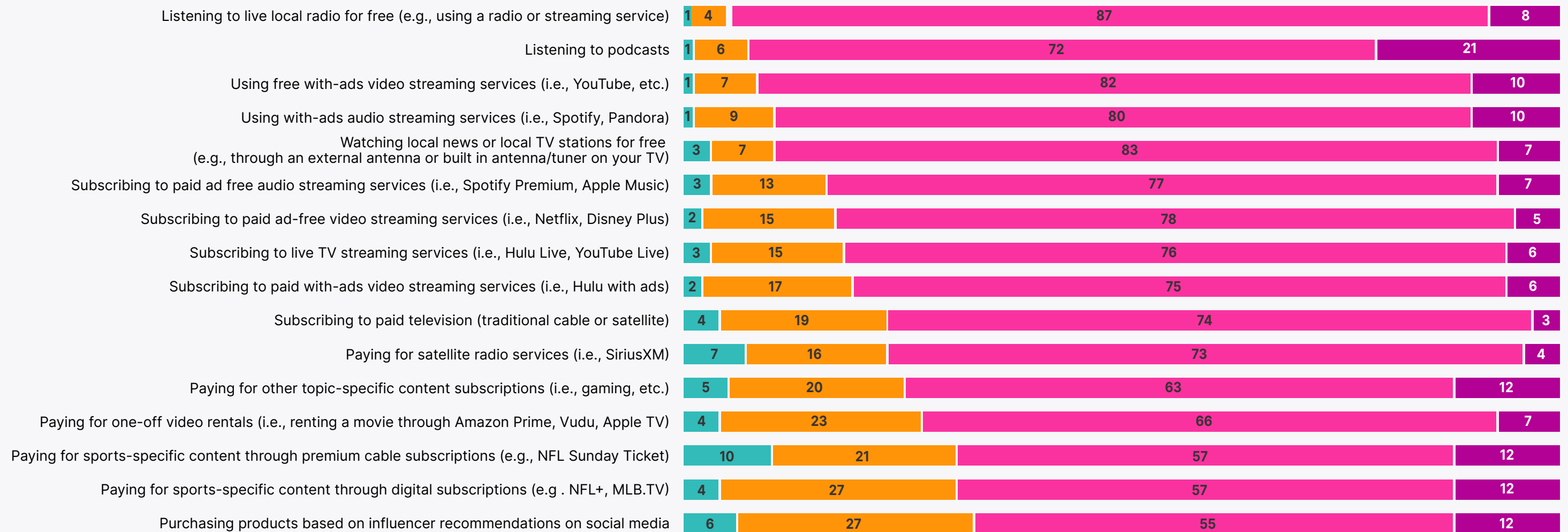


By understanding where consumers are finding content and their plans to continue using these channels, marketers can feel confident they're using the platforms that matter most to audience members.

For each of the topics below, how do you see your habits changing in the next 6-12 months?

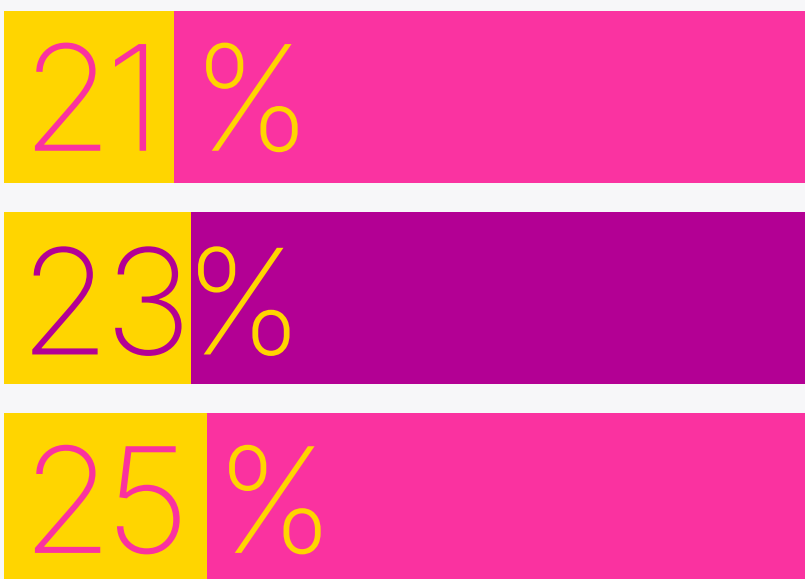


Base: 3,000 (All respondents)

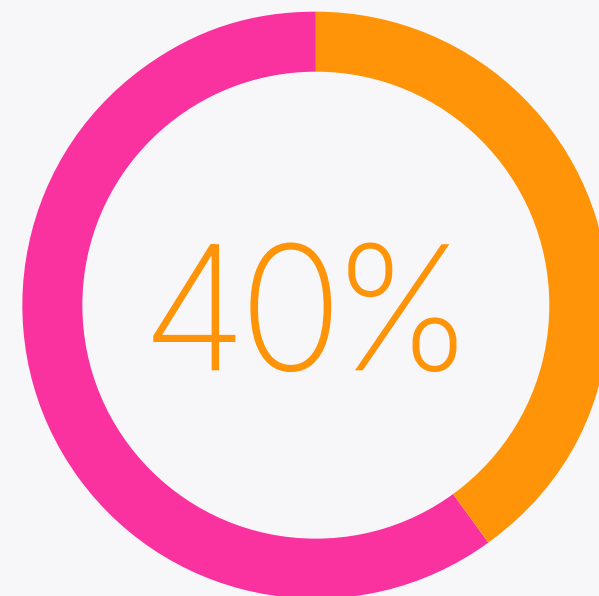


Topic specific content findings

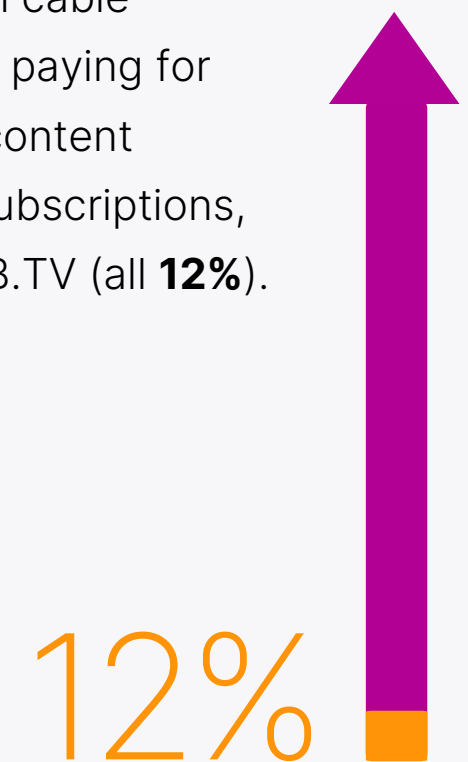
Podcasting will see the most growth of all media channels in the next 6-12 months in terms of consumers' plans to increase their consumption habits (**21%**). Generation Z is the most likely to increase how often they listen to podcasts (**25%**), with millennials close behind (**23%**).



Other Nielsen reports show that overall, the U.S. podcast listener base has grown by **40%** in the past three years, meaning that this will be a valuable platform for marketers and advertisers looking to reach audiences, especially Generation Z and Millennials.



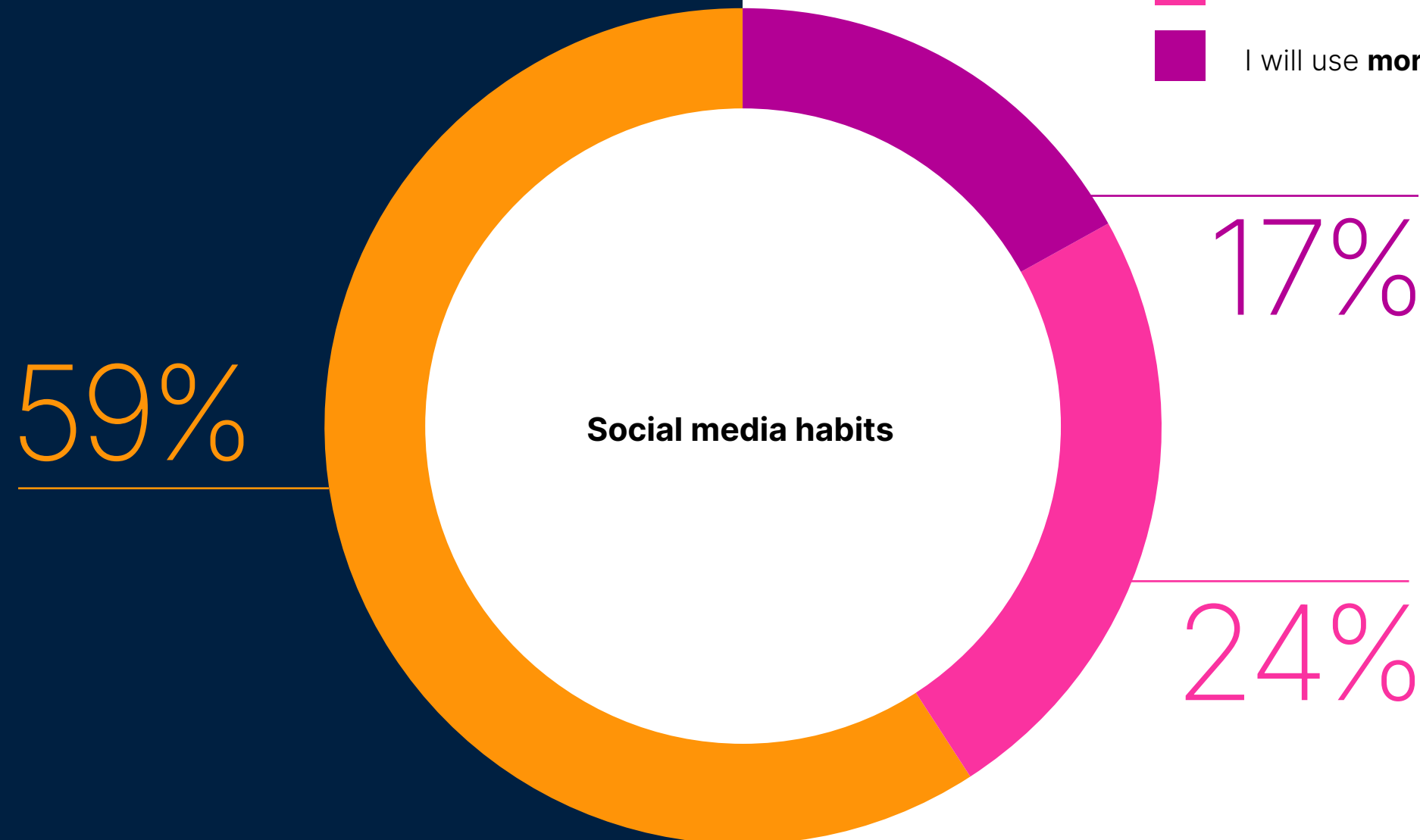
Following podcasts, consumers plan to increase their spending on other topic-specific content subscriptions such as gaming; paying for sports-specific content, such as the NFL, through premium cable subscriptions; or paying for sports-specific content through digital subscriptions, like NFL+ or MLB.TV (all **12%**).



Social media




When it comes to social media, respondents' habits are also not likely to change over the next 6-12 months, with **59%** saying that they will use the same number of social media platforms.

Twenty-four percent of consumers will use a fewer number of social media platforms, while **17%** said they would use more platforms.



Question

Which of the following statements most closely represent how you see your social media/influencer-related behaviors changing in the next 6-12 months, if at all, based on the number of social media platforms you are currently using?

-  I will use the **same number of social media platforms**
-  I will use **fewer social media platforms**
-  I will use **more social media platforms**

It's clear that newer platforms—like podcasts and premium content-specific subscriptions—present the most opportunity for marketers to reach their desired audiences.

By understanding which channels consumers are prioritizing currently and in the near future, marketers and advertisers can more efficiently plan campaigns and projects.



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Section two

Make influencer marketing and personalization tactics count

59% of consumers said they will be as or more likely to purchase items their favorite influencer recommends as they would without such an endorsement

59%



68%

68% of consumers are somewhat, very, or completely likely to buy a product if a brand engages with individuals in a personalized way



Nielsen found that if a brand provides relevant, valuable content beyond selling their product, such as a spirits company offering seasonal cocktail recipes, **63%** of consumers are somewhat, very, or completely likely to buy a product. By contextualizing how consumers will use a product, marketers can increase engagement.

Fifty-five percent of respondents are at least somewhat likely to evaluate a new provider, brand, or product based on a social media ad or content they saw/heard, and **68%** of respondents are at least somewhat likely to buy a product if a brand engages with the consumer in a personalized way across channels.

Overall, **69%** of consumers are likely to change their preferred brand to get a better price with a competitor, an important reflection of consumers' economic worries. On the other hand, **17%** of respondents who engage with retail stores and their e-commerce websites are hardly or not at all likely to change their preferred brand to get a better price with a competitor, showcasing the value of building brand loyalty amongst targeted audiences.

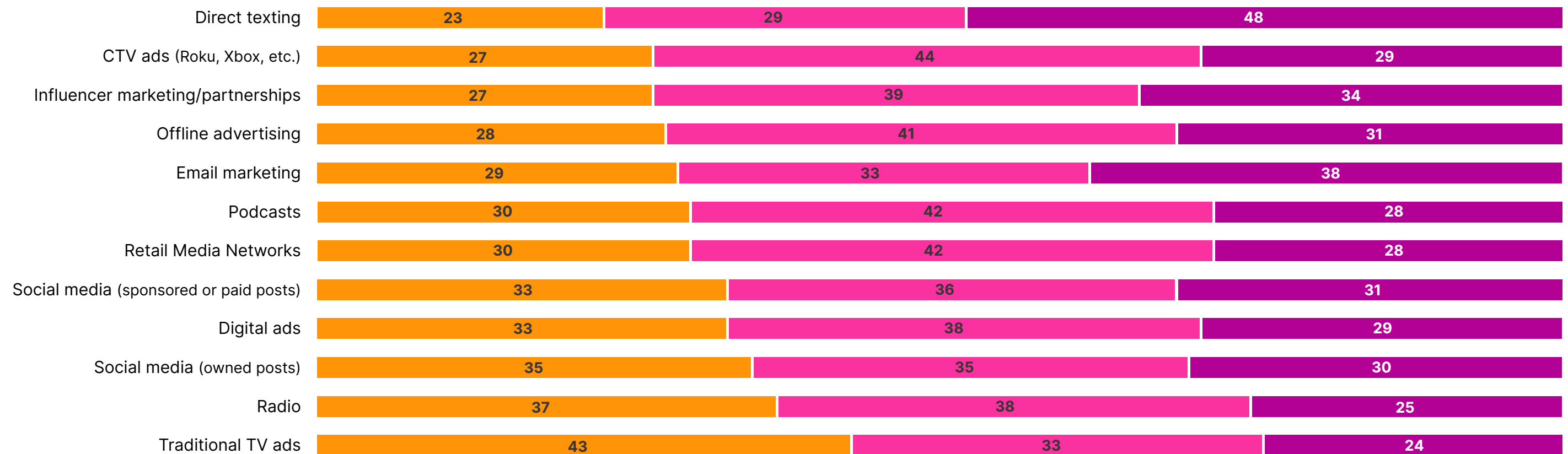


Personalized radio advertisements

One food and beverage brand tailored ads based on the time of day and weather conditions – if it was hot, listeners might hear an ad for iced drinks, but on cool or rainy days, they may have heard an ad for hot drinks.

This tactic can prompt marketers and advertisers to think creatively to reach target audiences.

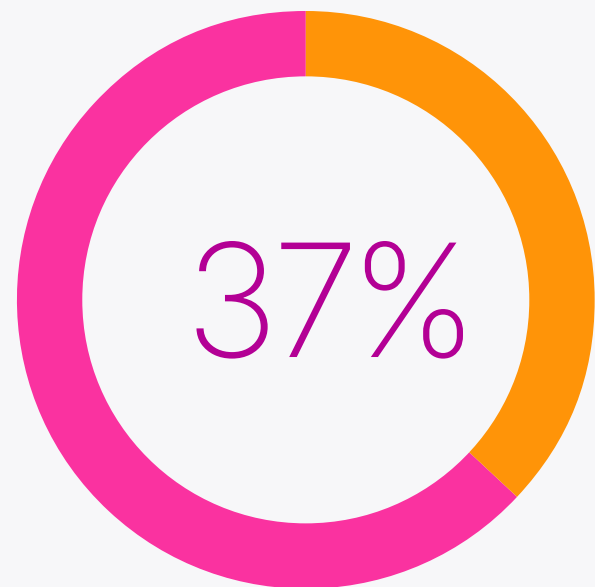
How comfortable or uncomfortable are you receiving personalized advertisements from brands which have engaged you on the following channels?



Personalized advertising tactic findings

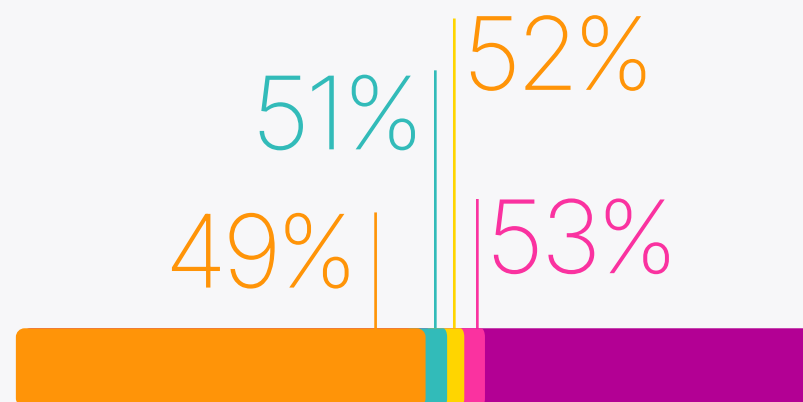
Brand's Owned Social Channels

37% of consumers who engage with travel and entertainment companies are comfortable with personalized posts on a brand's owned social channels



Direct Texting

53% of consumers who engage with phone and internet providers and car accessory brands are uncomfortable when receiving personalized ads via direct texting, followed by banks and brokerage firms (**52%**), travel and entertainment companies (**51%**), and consumer electronics and software (**49%**)



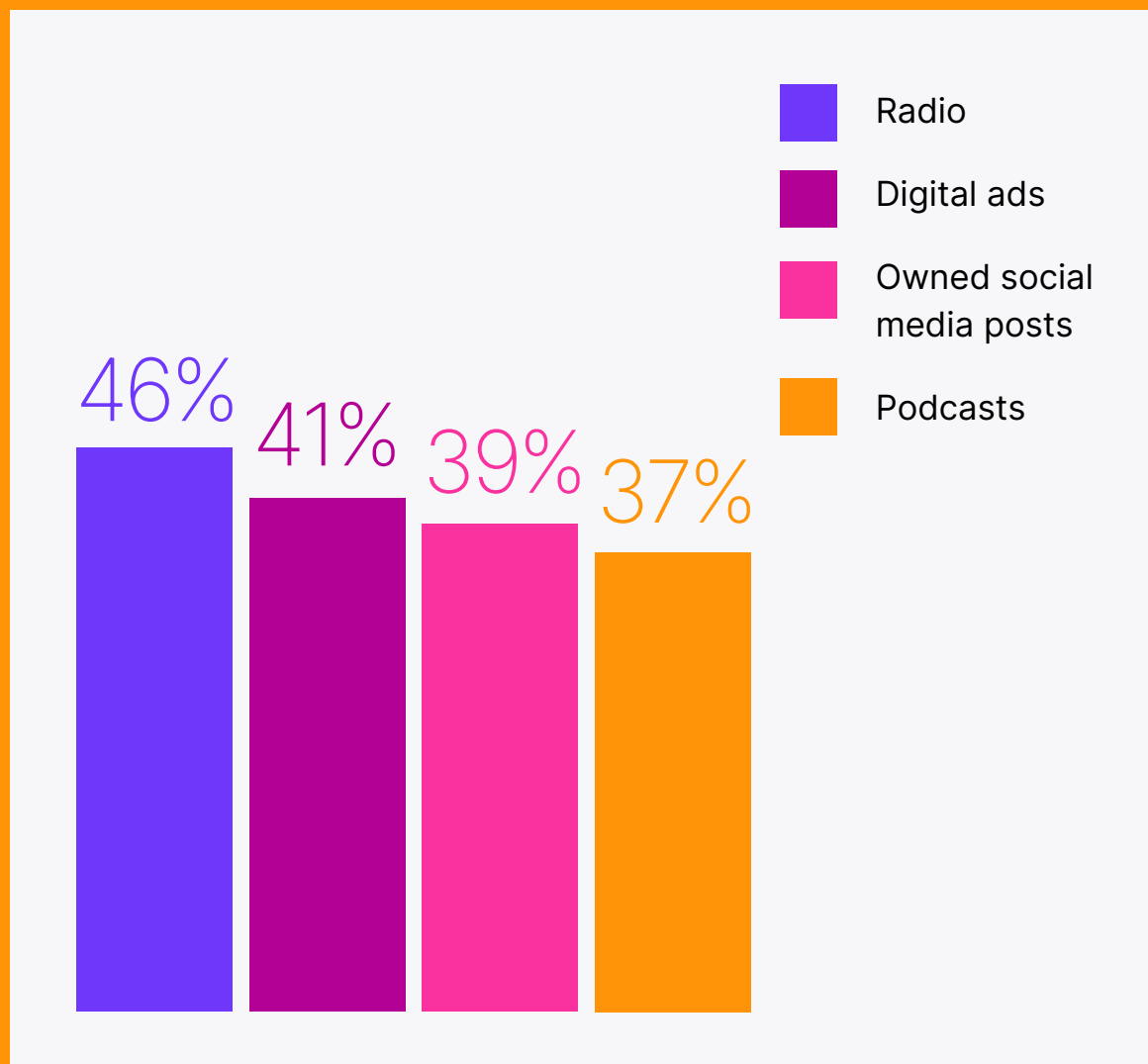
Owned Social Posts

35% of consumers who engage with consumer electronics and software companies are uncomfortable with owned social media posts used as a form of personalized advertising



Key findings

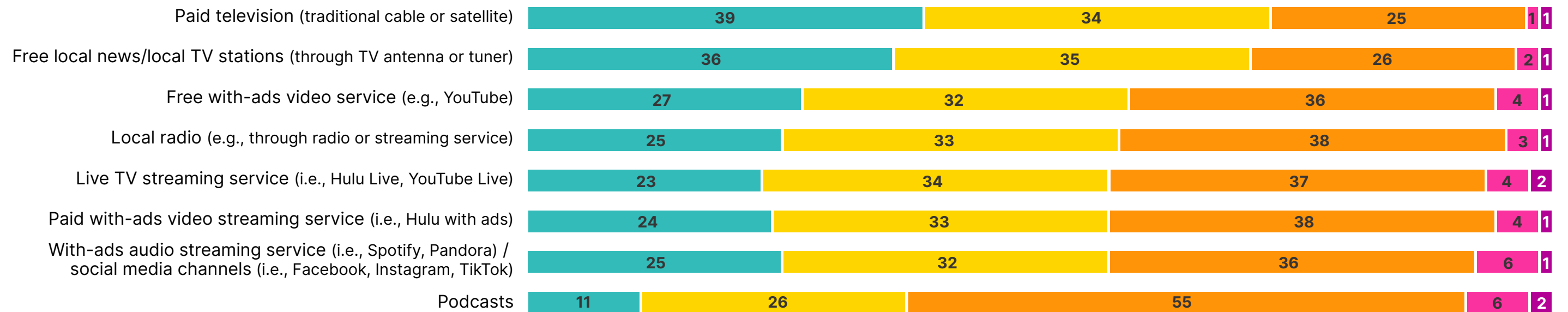
Those who engage with lottery/gambling brands are most comfortable with receiving personalized ads compared to any other vertical and across a host of channels, including radio (**46%**), digital ads (**41%**), owned social media posts (**39%**), and podcasts (**37%**).



Marketers within certain verticals must also have a deeper understanding of what their target audiences expect from an advertising—personalized or not—and purchasing power standpoint. Respondents were most likely to engage with travel and entertainment companies, consumer electronics companies (**12%** each) followed by banks and brokerage firms, consumer packaged goods providers, and phone and internet providers (**11%** each).

Regarding advertising more generally—whether on social media or more traditional channels—marketers must take consumers’ sentiments into account.

What do you think of the overall amount of advertising on each of the following?



36%

of respondents think there are an appropriate amount of ads showcased on free with-ads video services, like YouTube

55%

of consumers said that there is an appropriate amount of advertising on podcasts, followed by local radio and paid with-ads video streaming services (both **36%**)

57%

of consumers believe there are at least somewhat or far too many advertisements shown on paid with-ads video streaming services (i.e., Hulu with ads) and live TV streaming services

When asked which feelings or thoughts consumers had when they hear or see an ad on channels they use, consumers said:

- I am indifferent to ads (**41%**)
- I like this brand for supporting something I enjoy (**20%**)
- I want to try this brand's product (**16%**)



To better understand consumers' feelings about advertising, marketers must also take heed of consumers' feelings about ad avoidance.

At its core, advertising is a means for companies to communicate with their audience, introduce new products, reinforce brand values, or promote special offers. However, the landscape of advertising has evolved, and with the inundation of multiple ads across various platforms, many consumers feel overwhelmed. This sentiment often leads to ad avoidance. Understanding this phenomenon is crucial for marketers if they wish to devise strategies that resonate with their target audiences.



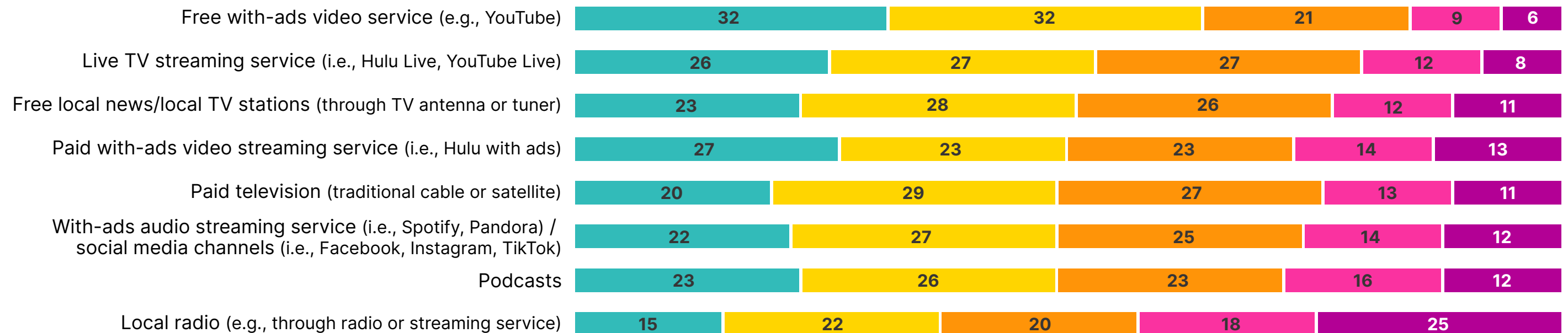
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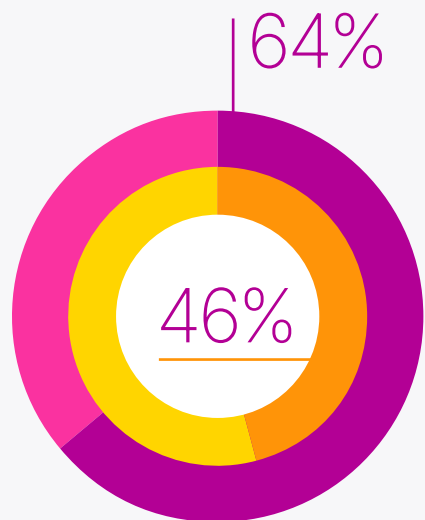
Section three

Navigate consumers' ad avoidance preferences

Ad avoidance continues to be a trend

How often do you intentionally take action to avoid ads on each of the following channels?





64% of consumers intentionally take action to avoid ads on free with-ads video services, like YouTube

When ads cannot be skipped, **46%** say they dislike it since it interrupts content they enjoy

51%

avoid ads on free local news/local TV stations

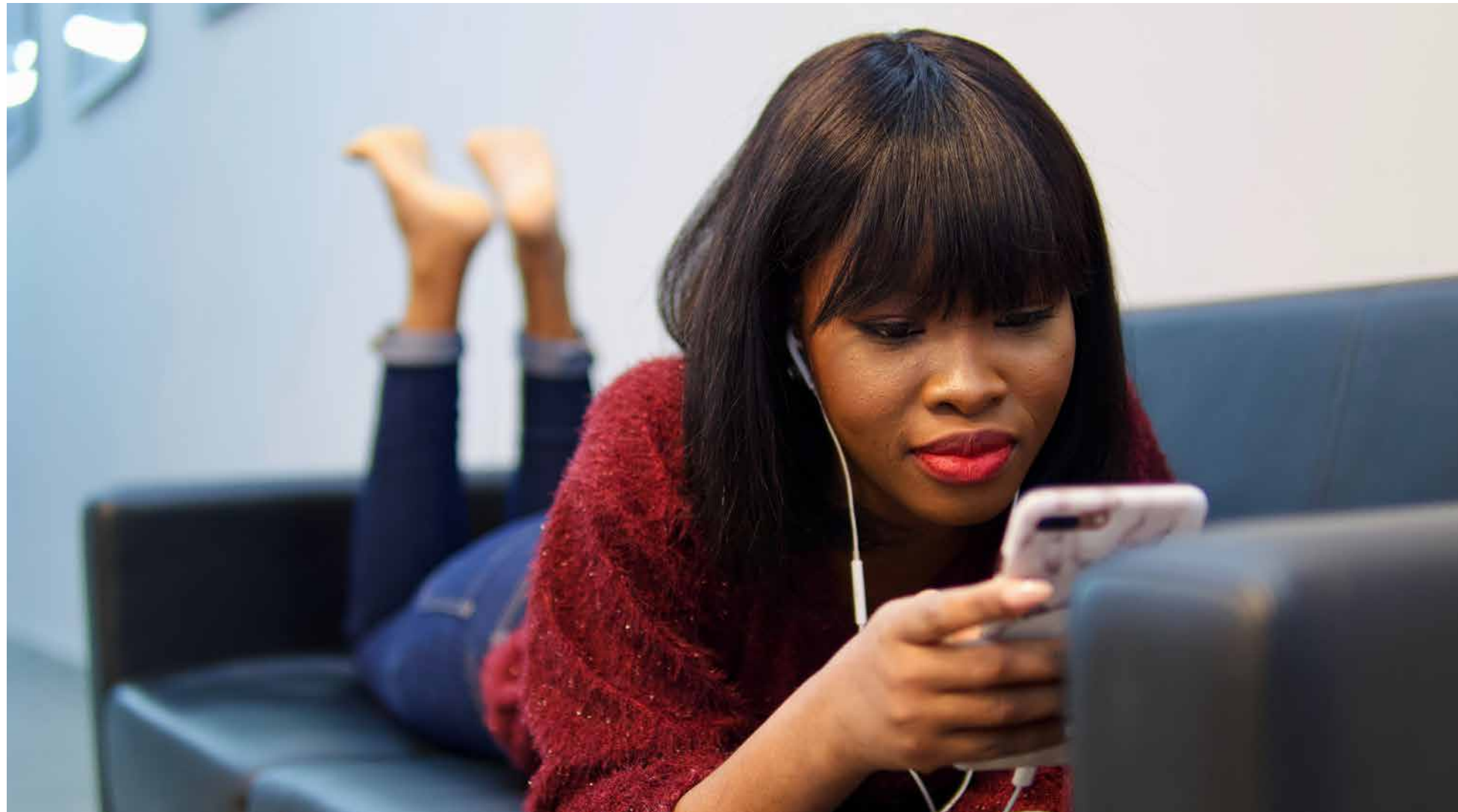
49%

of consumers are somewhat or very likely to pay for a streaming service that allows them to avoid ads

53% of consumers take action to avoid ads on live TV streaming services

53%



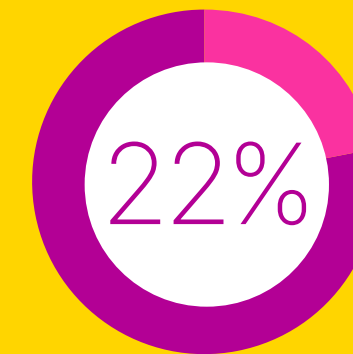


42%

are at least somewhat or very likely to unsubscribe to a podcast channel due to the number of advertisements

39%

will avoid watching live broadcasts due to advertisements



22% of respondents are likely to tolerate multiple advertisements from free with-ads video services.

19%

18%

18%

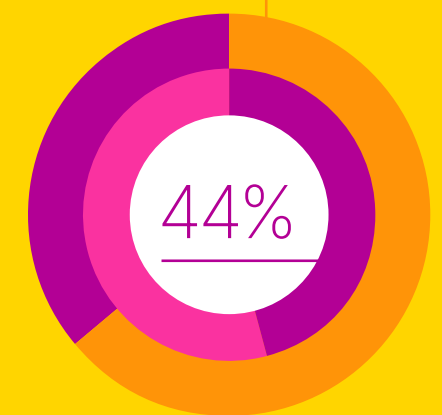
Top channels respondents are most likely to pay a premium to avoid any advertising content are...

- Paid television (19%)
- Live TV streaming services (18%)
- Free with-ads video services (18%)

44% of consumers are not willing to tolerate any advertisements per hour of paid content/services

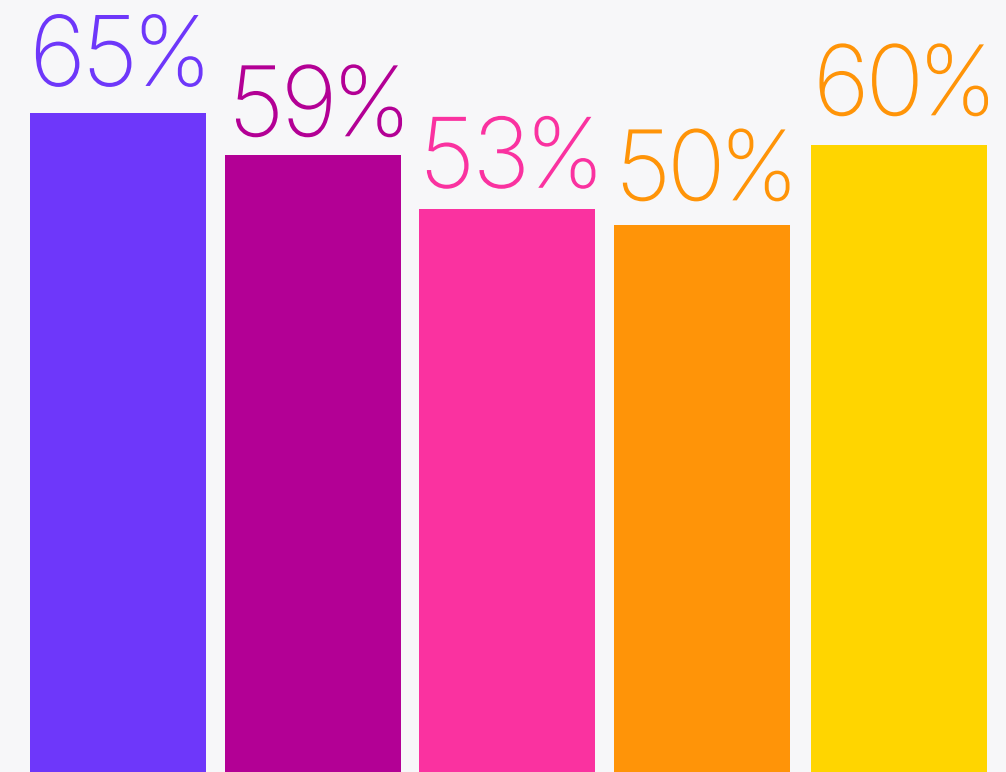
63% will tolerate 1-15% of advertisements per hour of free content/services

63%



It's clear that ad avoidance practices aren't going away any time soon. Marketers and advertisers need to find the balance between engaging consumers with relevant advertisements without consumers feeling overwhelmed.

By understanding consumers frustrations with ads and the steps they take to avoid them, marketers can tailor their strategies to reach key audiences without alienating them.



65% of consumers who engage with banks and brokerage firms are most likely to unsubscribe to a podcast channel due to the number of advertisements, followed by:

- Phone and internet providers (**59%**)
- Consumer electronics and software (**53%**)
- Consumer packaged goods (**50%**)

60% of consumers who engage with phone and internet providers will also avoid watching live broadcasts because of too many advertisements.

For marketers who work in specialized industries, gaining a deeper understanding of what their audience expects—or in some cases, doesn't expect—empowers them to customize campaigns and strategies that make consumers more receptive to the message.



Making data actionable to drive engagement

Streaming services, premium content-specific subscriptions, and podcasts are newer platforms that have captured consumers' attention. At the same time, consumers are taking action to avoid advertisements on these very channels, making it more difficult for marketers to get in front of their target audiences. To be successful, marketers need to keep a close eye on how consumer preferences and their feelings about inflation are changing and impacting their interactions with different platforms and channels. By doing so, marketers can uncover the opportunities to engage key audiences on the channels and platforms most important to consumers.



Research methodology

3,000 U.S. adults aged 18+ were surveyed in April 2023.

About Nielsen

Nielsen shapes the world's media and content as a global leader in audience measurement, data and analytics. Through our understanding of people and their behaviors across all channels and platforms, we empower our clients with independent and actionable intelligence so they can connect and engage with their audiences—now and into the future. Nielsen operates around the world in more than 55 countries. Learn more at www.nielsen.com and connect with us on social media.

