Introduction & Research Question

In a financial crisis, people react in many ways. Hawaii is a destination filled with wonderful treasures that tend to come at a cost. The price of living on a tropical state increases, forcing people to work harder or shop smarter.

During downturns of an economy, businesses are affected by the possibility of going out of business. When stores survive, people have more options to choose from for their needs.

Research Questions:
- Is there an association between a consumer’s spending habits and a recession in the economy?
- Why do consumers prefer to shop at particular stores? Is it due to factors such as special services including loyalty programs, or along the lines of having reasonable prices?
- When there is a recession, do consumers shop at the store(s) that they trust, due to specific factors?

Results

When asked how much the individual would save if the economy were to go into a recession, the answers did not divert from their original response.
- This may be due to the fact that most of responses were from the millennial generation who have never felt the effects of a recession in their lifetime, and according to our results 65.2% of respondents do not provide for others.
- Results showed that most people (54.2%) surveyed answered that they would spend “less than normal” on both groceries as well as non-household items.
- Most of the responses (50%) answered that they prefer to shop at Macy’s, and most answered that they would not wander from their store of preference, however this half may also include those who shop at cheaper stores like Ross or TJ Maxx.
- Most (56.5%) chose Costco or Sam’s Club as their preferred store for both groceries and household supplies.
- Reasons why they choose this store included:
  - “Price”
  - “Coupons/Deals”
  - “Loyalty Programs with incentives.”
- This data reveals that price is the primary consideration that governs consumer decisions.

Discussion

• If the economy were to go into a recession, most participants would not choose to shop at different stores rather than the ones they are already shopping at.
• Consumers are more likely to shop at a store of their choosing due to the factor of price.
• It may be right to assume that consumers may change their market behaviors if their income declines while the prices are on the rise.
• With most participants working in the Service Industry, and having 2 years of college under their belt, we could see a trend of wanting to save less of their paycheck, with about 45% of responses being at 0% of their paycheck being saved.
• Because most of our participants do not provide for others, and are between the ages of 15-25, they have more money for spending, which allows companies the opportunity to up their marketing antics.
• Consumers are heavily influenced by different factors to determine where they shop. Main factors being: price, coupons, and that the store provides products of their liking.

Conclusions

With everything taken into account, in order for companies to market to consumers during a recession, they should focus on why their customers like their particular store. Being that a recession does not majorly affect their spending/saving habits, businesses can focus on providing better prices and more coupons and deals to their already established target consumers. By doing so, it will further establish their loyalty with their current customers, while attracting the business of new ones.

Marketing during recessions is especially important because it is the time when consumers put thought into where they want to spend, whether it be their favorite store, or because of pricing differences. By noticing these trends, businesses will establish a strong marketing technique to keep the customers they have, and attract new ones, which will in turn create business longevity, and not cause them to go out of business during hard times.