

# Consumers' hierarchy of priorities

Justin Gutmann, Citizens advice

Colin Strong, GfK



# The Policy Context



**– Privatisation programme means increasing number of markets in which consumers have to make choices**

**– Increasing number of brands and brand messages**

# Consumer advocacy



John F. Kennedy 1962 Consumer protection address

- The right to safety
- The right to be informed
- The right to choose
- The right to be heard

# Consumer empowerment?



Assume better deals from:

- More choice
- Ease of switching
- More information



# The consumer challenge

28

*Average  
number of  
minutes  
per day  
spent on  
consumer  
related  
tasks*



*Consumer  
capability*



*Choice  
overload*

# Need for research to develop policy



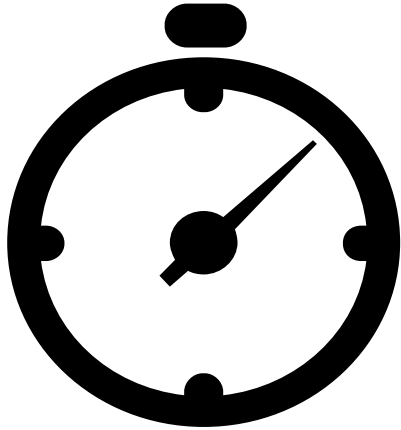
Need to persuade stakeholders that the world may not be as they wish it

Understanding actual behaviour critical for developing policy options.....

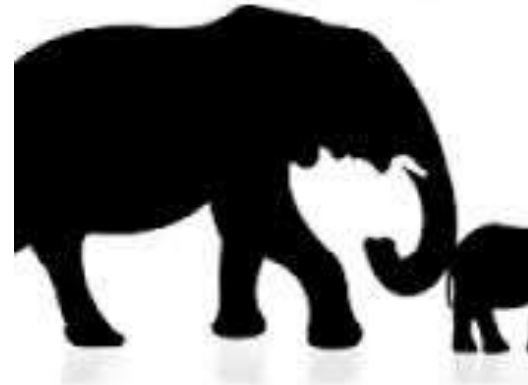
# The research programme



# Creating a research plan

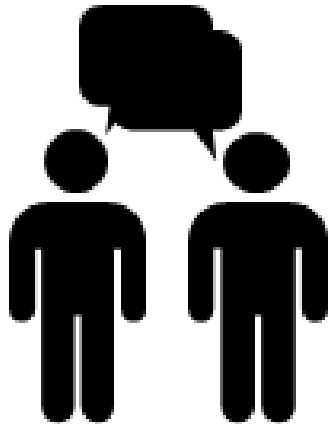


Does consumer  
behaviour reflect a  
hierarchy of  
priorities?



Can we persuade  
consumers to prioritise  
time on tasks that will  
benefit them?

# What did we do?



**Survey methodology**  
*F2F RLO of 1,911 respondents – nat. rep. GB adults*



**Digital tracking**  
*GB panel of consumers that have agreed to have their online activity tracked*



**Experimental study**  
*Recruited 1,997 consumers (via telephone) to an online study*

# Compromises



- Breadth of variables vs manageable task
- Naturalistic vs controlled setting
- Balancing implicit vs explicit measurement

# What did we discover?

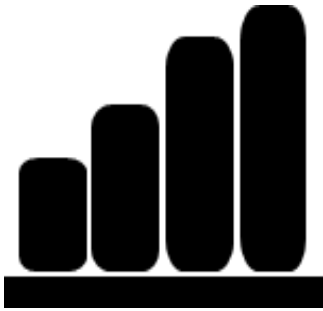
## Choosing to engage:

- Consumers believed they prioritised regulated market decisions BUT of actual behaviour showed the opposite
- Presenting shopping choices that emphasised losses rather than gains only has a minor impact on

## Time spent engaging

- Consumers report a clear prioritisation of time spent towards leisure rather than functional shopping activities
- Supported by the digital tracking and experimental study
- No difference in time spent as a function of social influence

*Strong support for a hierarchy of priorities: challenges notion that 'stickiness' of regulated markets can be resolved by providing consumers with better quality information and simplified tariffs*



# Broader research implications



- ***Mismatch between consumers' beliefs and behaviours:*** Use of survey data and passive monitoring
- ***Limitations of 'nudge':*** Use of experimental techniques prior to expensive RCT's
- ***No single source gives the full picture:*** New techniques allow triangulation of proof points
- ***Tacit knowledge:*** With the proliferation of data points are we seeing the rise in tacit knowledge of consumers to bring together strands?

# Policy implications

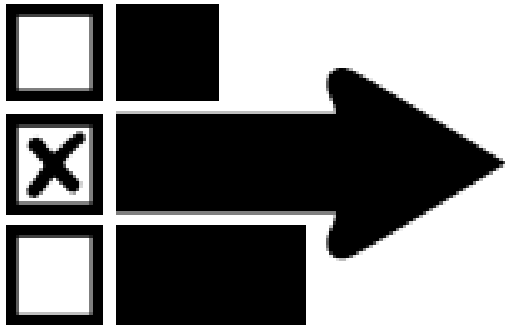
# Key policy implications

- **Support for a hierarchy of priorities:** *challenges notion that 'stickiness' of regulated markets can be resolved by providing consumers with better quality information and simplified tariffs*
- **Limited impact of 'nudges':** *challenges notion that BE can empower the 'uninformed and powerless consumer'*
- **Consumers in vulnerable situations:** *Tentative support that scarcity (both time and assets) encourage tunnel vision, reduces forward-thinking*
- **Advancing research techniques:** *These have the power to drive new policy directions*



# Where next for the study?

- More research needed! How long is needed to engage with different markets
- There will be no general policy initiative around this
- Will feed in to all policy issues in regulated markets





# Contact details:

Justin Gutmann, Citizens advice

Email: [Justin.Gutmann@citizensadvice.org.uk](mailto:Justin.Gutmann@citizensadvice.org.uk)

Twitter: @CitizensAdvice

Colin Strong, GfK

Email: [colin.strong@gfk.com](mailto:colin.strong@gfk.com)

Twitter: @colinstrong

