

Essay on recession



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Downturns are stressful and typically increase people's desire for simplicity. (Flatters and Wolcott, 2009, up. 3). Credit crunch has affected consumers massively. Consumers have to think where they need to shop and what they need to look for to avoid struggles during recession. Things Like food, bills, and mortgage have to be prioritize Instead of buying new house, furniture, going on holiday, spending money on social activities or buying trendy clothing. During recession consumers have to make sure that they find the products for the money they pay.

Brand names are getting less important for people as their priorities are different this tough time. Customers are more likely to shop for clothes in supermarket now instead of designer clothing as they have to think about the future living and getting bargains is essential to survive. A lot of consumers changed the way they shop and where they shop. People started looking for bargains and they didn't care which shops offered them as long as it was the best deal. In other hand, a lot of consumers remained within their favorite shops.

Rust and Cohort, (1993), tied In McCormick (2002, p. 1 1 2) found that loyal shoppers are more likely to 'forgive' occasional service failures and the inertia factor within loyalty makes them less likely to switch stores. A lot of people don't like change and staying loyal is important for them as well as for the company. Conclusion Downturn has influenced consumer in different ways. Consumer had to change their lifestyle and adapt to the changes, but now people think about their future strongly avoiding the struggles created by recession.