

Romania 2024

Voice of the Consumer Survey

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Romania's economy is expected to grow by 3.3% in 2024, the highest rate in CEE countries and second highest in the EU, while the inflation rate will decelerate. Household consumption is anticipated to be in 2024 and 2025 the main driver of GDP advance. In the first quarter of this year, the pick-up in private consumption has remained robust, given especially the surge in the annual growth rate of retail sales. Considering the macroeconomic context and the key findings of the current survey, we notice that, in spite of the threat of inflation, the Romanian consumers are optimistic and this will contribute to a higher consumption and a positive perspective of the retail and consumer goods market in the coming period.

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As the Romanian market continues to evolve, customer experience remains a pivotal factor for success. PwC's Voice of the Consumer 2024 report underscores the importance of affordability, sustainability, technology and data protection. Companies that successfully navigate this balance can foster greater loyalty among their customers. Despite the rising food prices, consumers are showing a preference for sustainable products, being willing to pay a little more for sustainability. Though, investments in delivering consistent and personalized experiences across all channels as well as in innovative technologies and sustainability can help businesses to build trust to stay ahead in a competitive market.

About Voice of Consumer

Companies can strengthen the confidence

Trust is crucial for consumers and for the companies that sell products and services to them: as shoppers confront a set of overlapping and often mutually reinforcing disruptions—financial, ecological and technological—they are prioritizing reassurance and reliability from the brands they engage with.

That's a signal finding of our inaugural Voice of the Consumer Survey, which builds on insights amassed over 15 years of consumer research by collecting the perspectives of more than 20,000 consumers across 31 countries and territories on a wide range of issues, including caring for the environment, attending to their health, being open about data, finding value for money and embracing AI.

The good news for leaders of consumer-facing businesses: global consumer markets are set to continue expanding. The global consumer class, comprised of those spending US\$12 or more per day, reached 4 billion last year, and is projected to reach 5 billion people by 2031. The bad news: there's a widening gap between the trust that executives think consumers place in their companies and the trust that consumers actually have in them. In order to maintain and grow market share, companies must figure out how to build trust in several dimensions.

The present report includes the key findings for the Romanian consumers in comparison to CEE and global consumers.



Key findings for Romania

The Romanian consumers put price first when making choices, are open to technology and are easiest to reach via social media. Three theses for the Romanian consumers:

Worldview



- Romanian consumers notice climate change. They declare that climate aspect has impact on their consumer choices and that they want to take action to stop ongoing climate changes
- However, Romanian consumers are less likely to support climate protection activities if they negatively impact their financial situation

Technology



- Romanian consumers fluently move between various sales channels
- They are willing to use AI to collate product before they purchase and provide product recommendation for them
- Most consumers are concerned about their privacy and data security, which is the strongest factor causing distrust towards technological solutions

Everyday life



- The greatest threat in the eyes of consumers is inflation and it has the greatest impact on decisions regarding consumer spending
- When making a purchasing choice, the consumer first looks at the financial aspect, then health, and finally the climate issue
- Romanian consumer is very price sensitive and the best ways to win a customer is through lower prices and promotional offers
- Physical stores are relatively technologically advanced as regards contactless payment market
- Social media is the most effective channel for reaching customers



WORLDVIEW

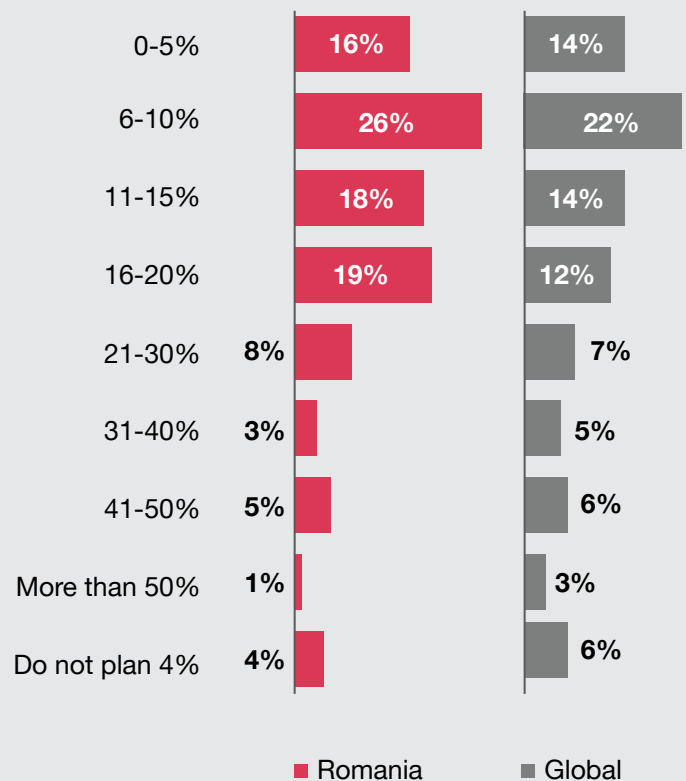
Overview of the Romanian Consumer profile

1,127 USD



is the average
net salary
income in
Romania

Percentage of monthly income planned to be
saved/invested in the next 12 months.



Nominal GDP per Capita [USD]

19 530
Romania

17 552
CEE

17 129
Global

Median of age in population

45.1
Romania

44
CEE

35.1
Global

Source: IMF, OECD, World Population, INS



The most popular social media app in Romania is still Facebook. Among younger users Instagram and TikTok are becoming more popular.



Climate Change

93%

of Romanian consumers have noticed climate related disruption in their day-to-day lives, with a third noticing it to a great extent.

Noticing climate-related disruptions in day-to-day life

To a great extent

37%



To some extent

56%



To no extent

7%



How consumers feel about climate change

Makes me feel worried on a daily basis

20%



Worries me but I don't think about it regularly

66%



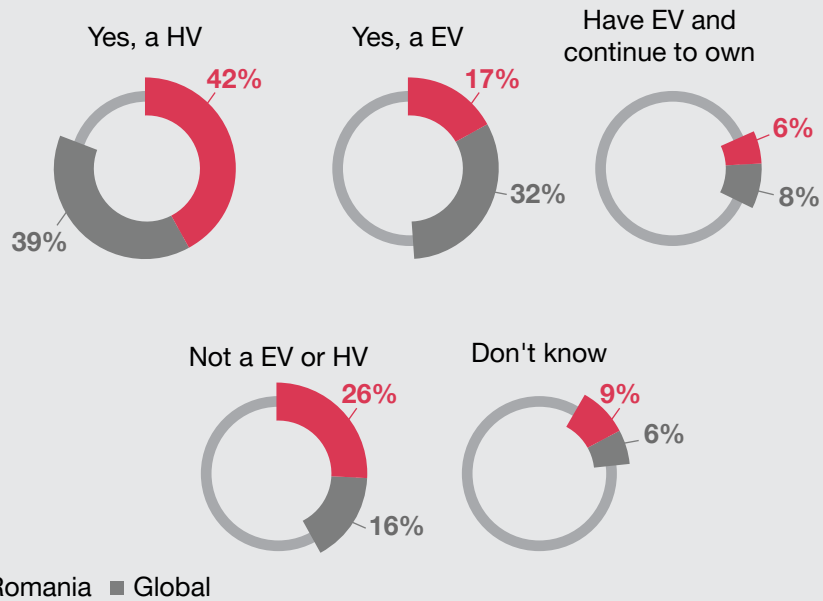
Isn't something I worry about

13%



In CEE region 79% and worldwide 85% of consumers are worried about climate changes.

Considering or owning an electric or hybrid car in the next three years?



Personal actions taken to reduce impact on climate change through consumption.

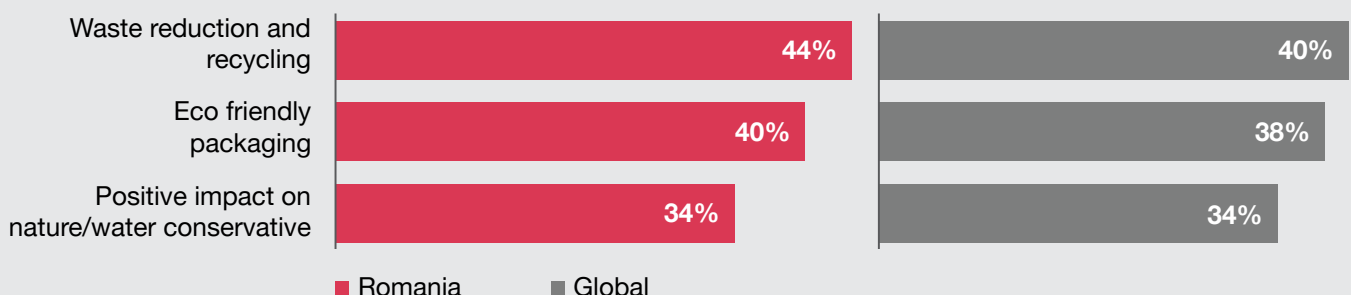
In order to reduce their impact on climate change about 5 in 10 consumers are changing their purchasing habits by buying more sustainable products and being more considerate of their overall consumption.



Consumers in Romania are more considerate when planning the total consumption (46% vs 43% in the CEE region and the rest of the world.) Only a small percentage of all respondents declare not taking any actions to prevent climate change through consumption decisions. This may also be an indicator of the level of approval towards ecology activism in the society. Overall, there are many differences visible in consumers actions taken to protect the environment. These choices are shaped by global and local trends, regulations and macroeconomic situation.

Brand sustainability metrics that incentivize greater consumption

What information about a brand's sustainability performance and practices would increase your likelihood to purchase from them?

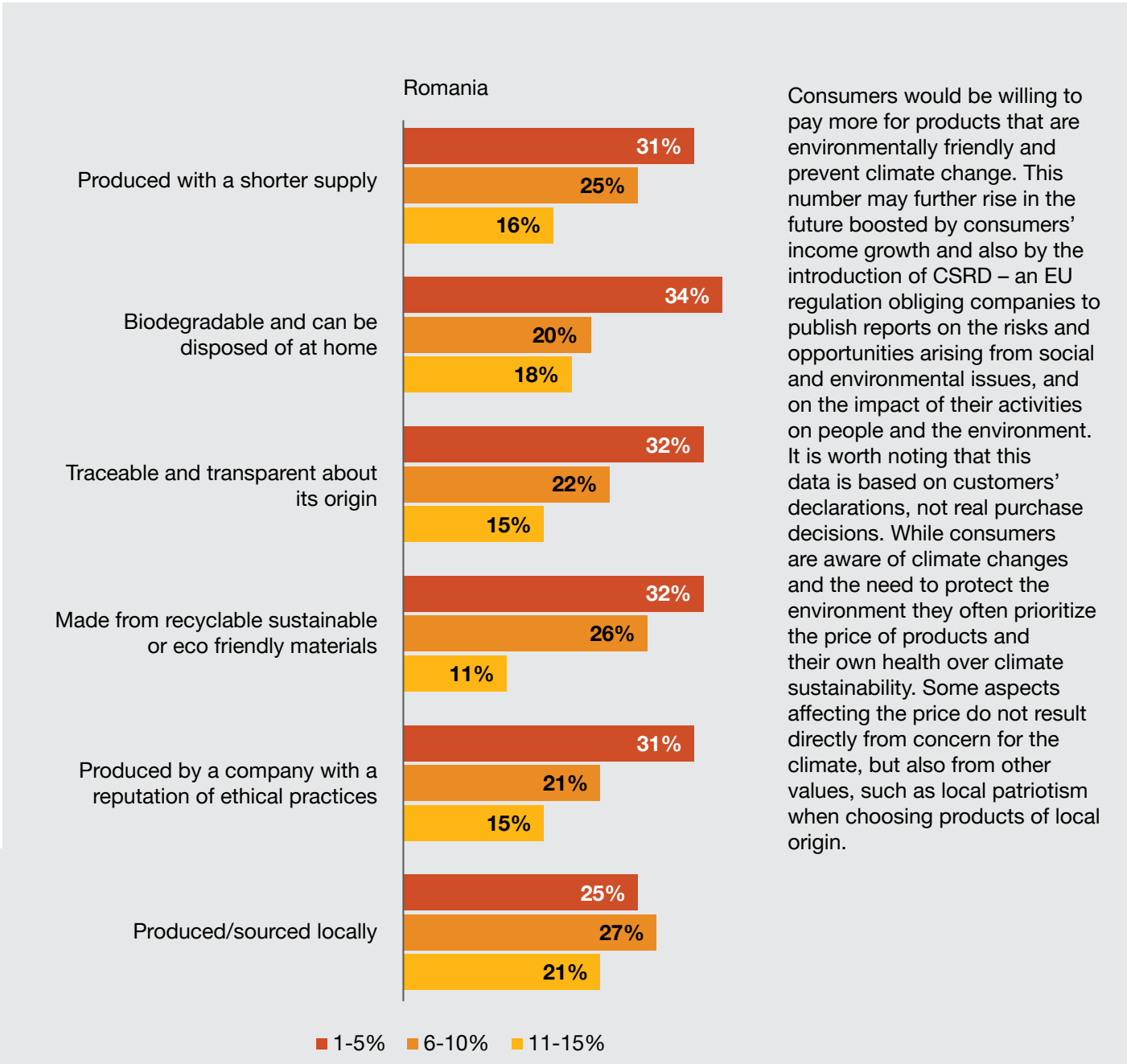


Maintaining environmental sustainability is the most important sustainability performance metric for the consumers

Romanian consumers care more about waste reduction, recycling and eco-friendly packaging when making purchase decisions compared to global results and the rest of the CEE region. Together with the introduction of The Corporate Sustainability Reporting Directive (CSRD) the key metrics influencing customers’ sentiments and decisions may change after the first reports are published. A Deposit Return Scheme (DRS) is another system introduced in many countries to meet the EU requirements regarding recycling rate levels. DRS assumes a small deposit fee when purchasing drinks in single-use containers, such as bottles and cans. Romania has introduced the DRS In 2024, which in essence aligns with the top answers regarding eco-friendly and recyclable packaging being seen as important.

The most important climate sustainable aspects of products

How much above the average price would you be willing to pay for a product that is..



A woman with long, dark, curly hair is sitting at a desk, smiling as she looks at a tablet computer. She is wearing a white button-down shirt. On the desk, there is a laptop to her left and a brown paper coffee cup to her right. The background is a blurred cityscape seen through a window.

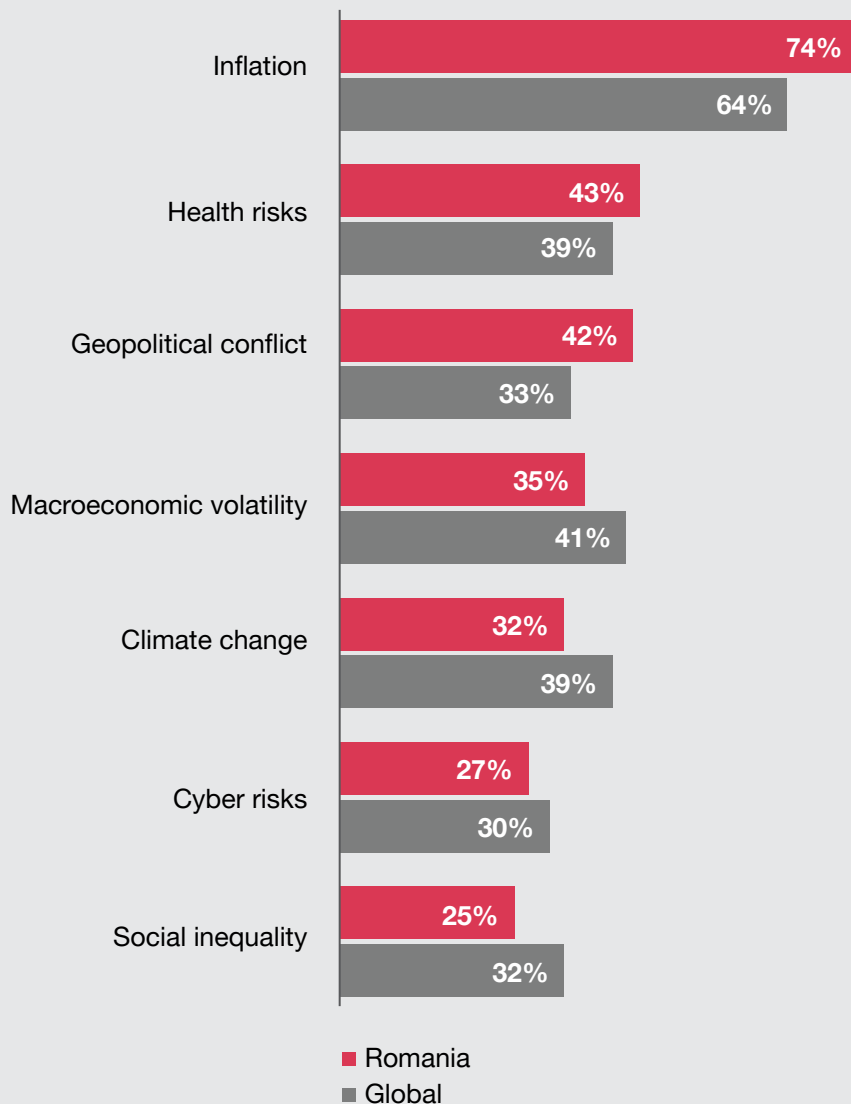
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Everyday life

The greatest threats and risks

The Romanian consumer is most afraid of the specter of progressive inflation, the possibility of conflict and threats to his health similar to the rest of CEE consumers. Romanians consider inflation even a greater threat (74%), compared to the global (64%) and CEE consumers (68%).

Which of the following potential threats/risks do you feel could impact your country most in the next 12 months?

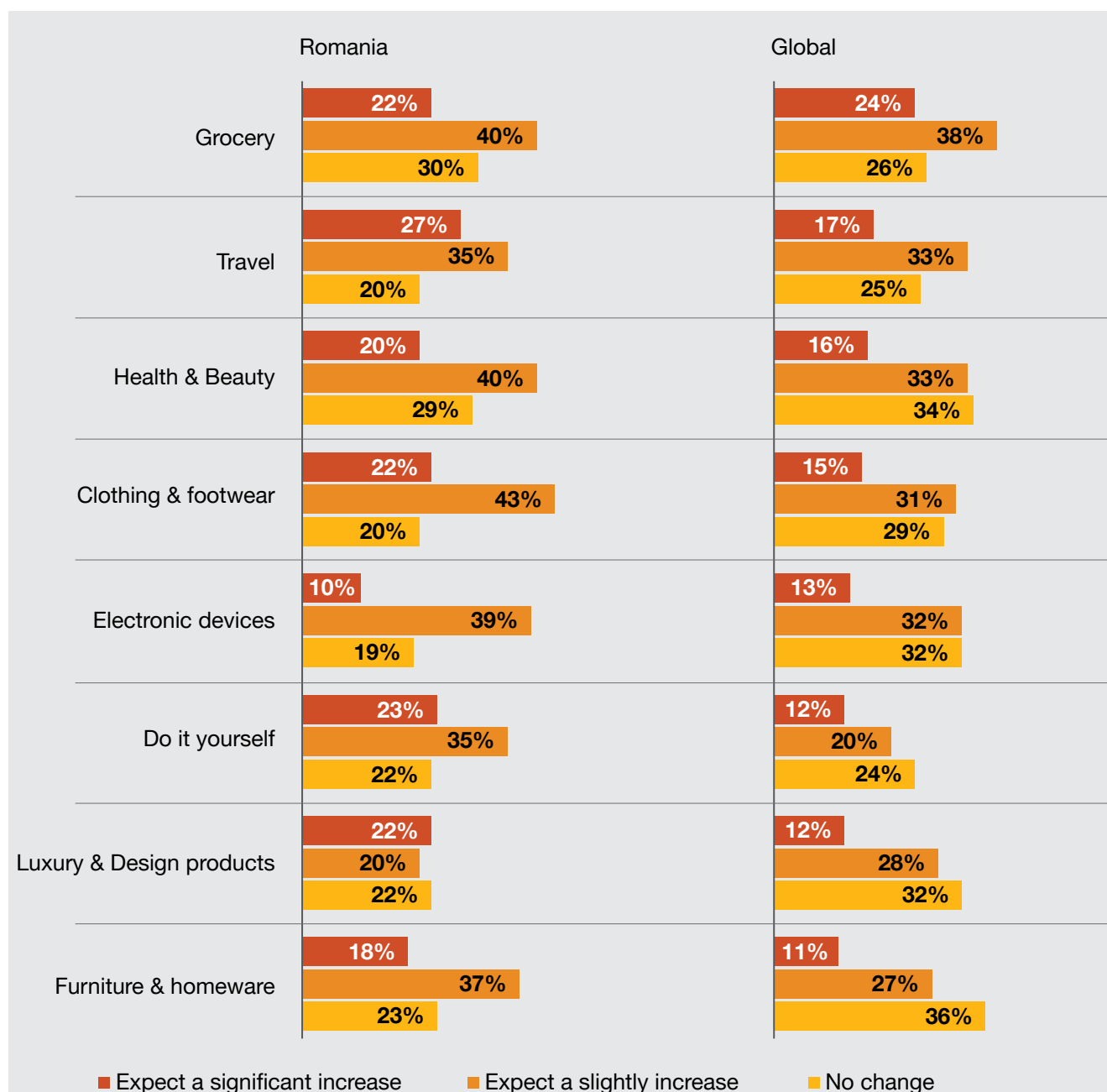


Future spend

Consumers expect the most significant increase in spending over the next six months to be on groceries, clothing and travel.

Predictions about the amount of spending over the next six months in various categories

Thinking about your spending over the next 6 months, please choose your expectation on the spending in the following categories.

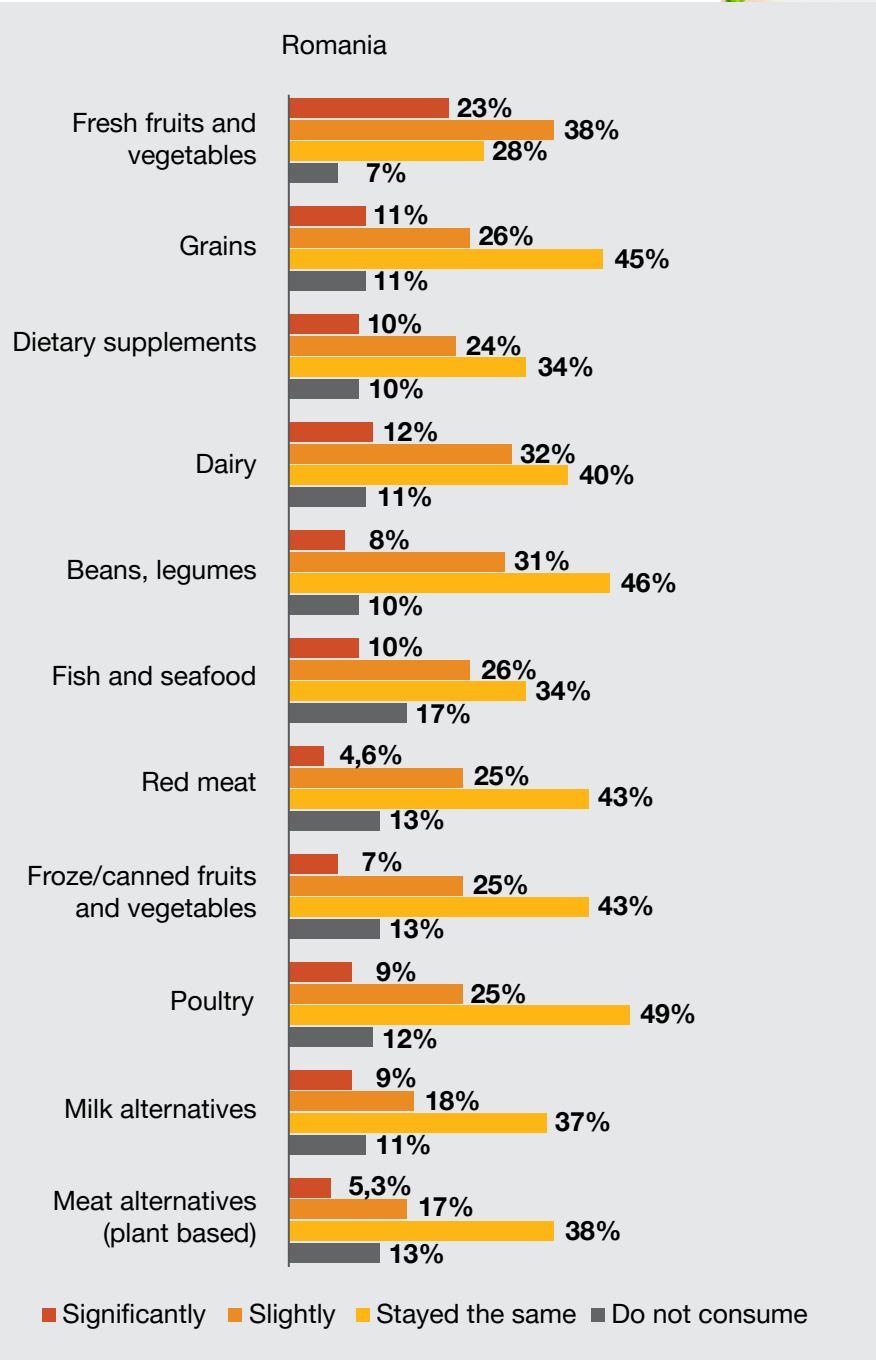


Consumers most often indicate that the largest increase in their spending will be related to grocery, clothing and travel. This is directly underpinned by the ever-present fear of rampant inflation in recent years. In Romania more consumers expect increased spending than the rest of the world for travel, furniture, and DIY, which drive the overall consumption rate in the economy. Romanian society is optimistic, which gives an impulse to the growth of all positive macroeconomic factors.

Over half of consumers expect to increase their spending on fresh fruit and vegetables over the next 6 months.

Consumption trends - Grocery

How has your consumption of the following food groups changed, if at all, over the past 6 months?



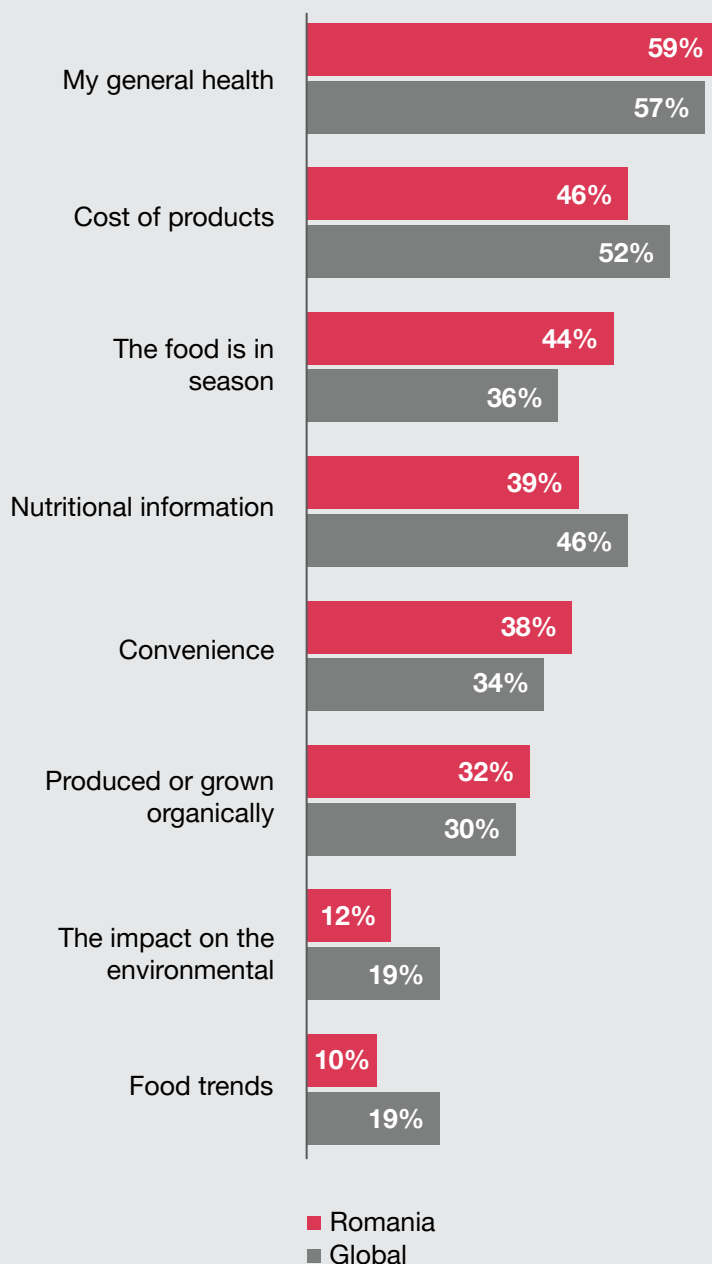
Previously declared significant increases in the level of expenditure in the food segment will mainly affect health-related products like vegetables, fruits, supplements, and fish. Romanian consumers are increasingly choosing fresh vegetables, fruits, and fish over meat, reflecting a health-conscious trend. Globally, red meat spending is expected to surge by 37%, while Romanians anticipate a more conservative increase, reflecting a gradual shift away from red meat consumption.



Food and dietary considerations

There is a balance of impact on personal health and affordable nutrition for consumers when making food and dietary choices, with environmental factors having much less of an impact.

Which of the following do you consider when making food & dietary choices?



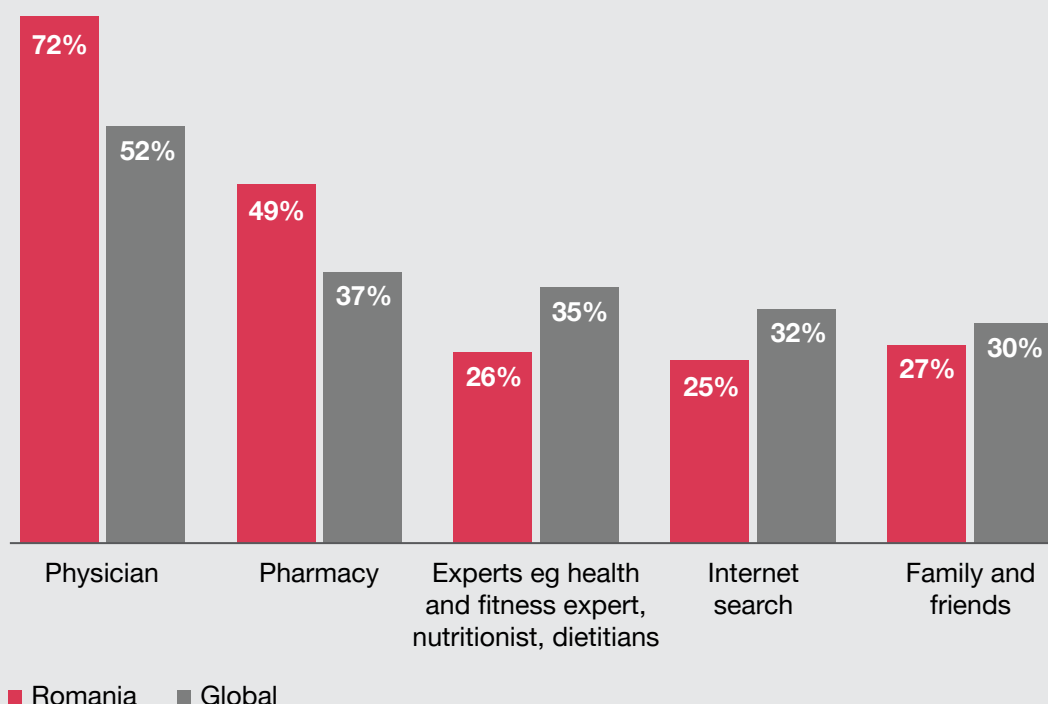
The primary factor that guides consumers when choosing food preferences is the health aspect, financial aspect, and at the very end is concern for the climate. Even if the price of products, mostly driven by high inflation, is very important, Romanian consumers prioritize health, similarly to the global consumers, as the first aspect in making dietary preferences, which is reflected in the previously mentioned increased spendings on vegetables and fruits. Although environmental factors are currently least important this may change with rising awareness of climate changes and introduction of regulations requiring companies to report their ESG performance.



Health advice authorities

Consumers are most likely to use healthcare professionals for advice on health and well-being, and are much less likely to trust digital sources such as internet or social media.

Most popular sources of advice for health and well-being



As regards the price, the average consumer can critically assess on his own the reasons for making his decision by checking the size of his wallet. In the area of health, it is more difficult to identify correct behaviors on our own and we often seek advice from various sources. In the case of Romania, we have habits similar to the rest of the world and physicians are main source of health information.

Compared to the rest of the world and CEE, Romanians are above average in trusting physicians and pharmacy. Also Romanians tend to trust less alternative sources such as internet search engine results, while global and CEE consumers use it more.





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Technology

Shopping channels

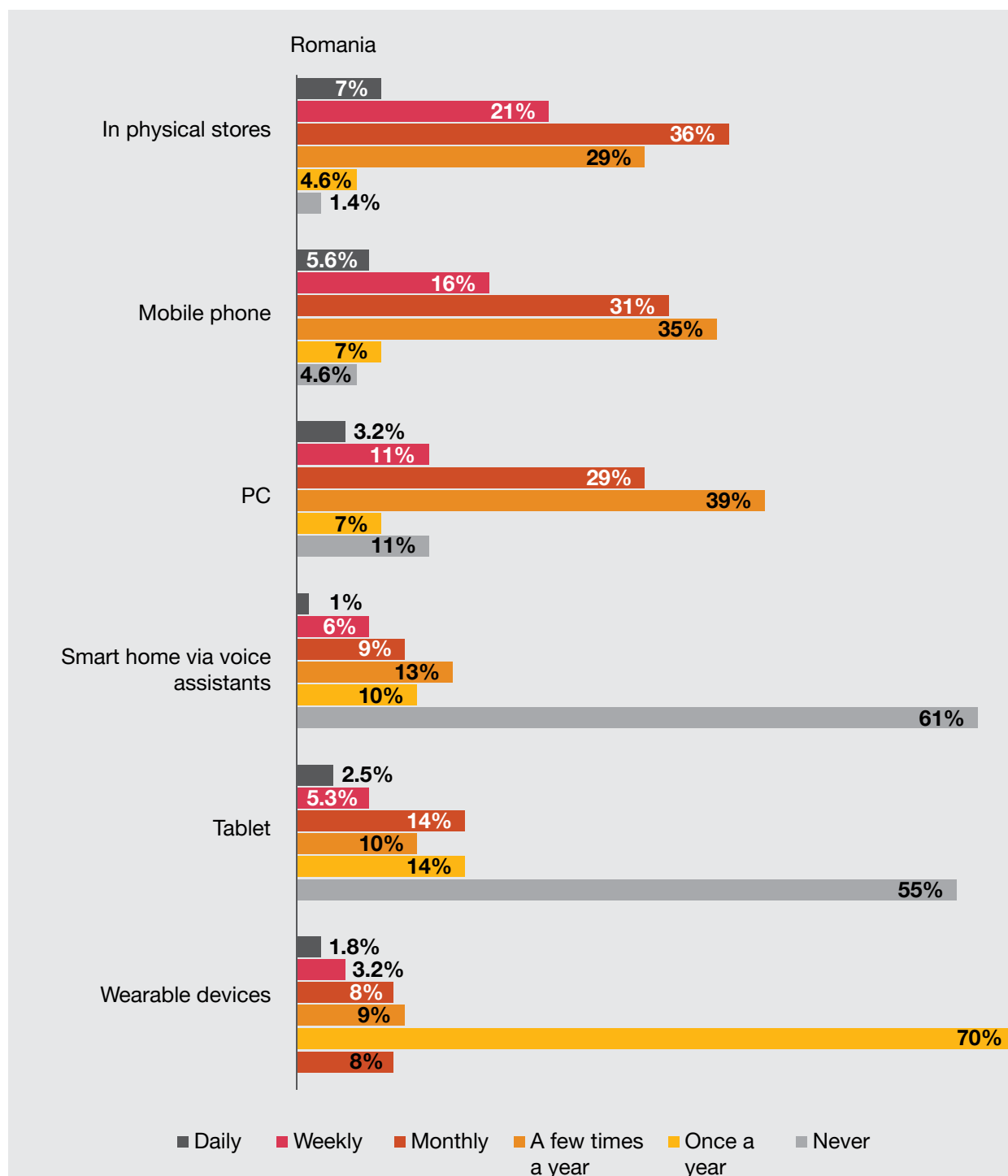
In-store shopping is still the most popular sales channel, but online channels gain ground.

Romanian consumers still prefer physical stores to buy food, clothes, books, electronics, but modern shopping methods are increasing. Monthly, 36% buy from physical stores, but a close percentage of 29% and, respectively, 31%, shop online via PC or via mobile. They are surpassed by the CEE consumers with an average of 50% and 47%, respectively. The wearable devices are the least used.

The most purchased products online were technology, furniture and luxury/designer products.

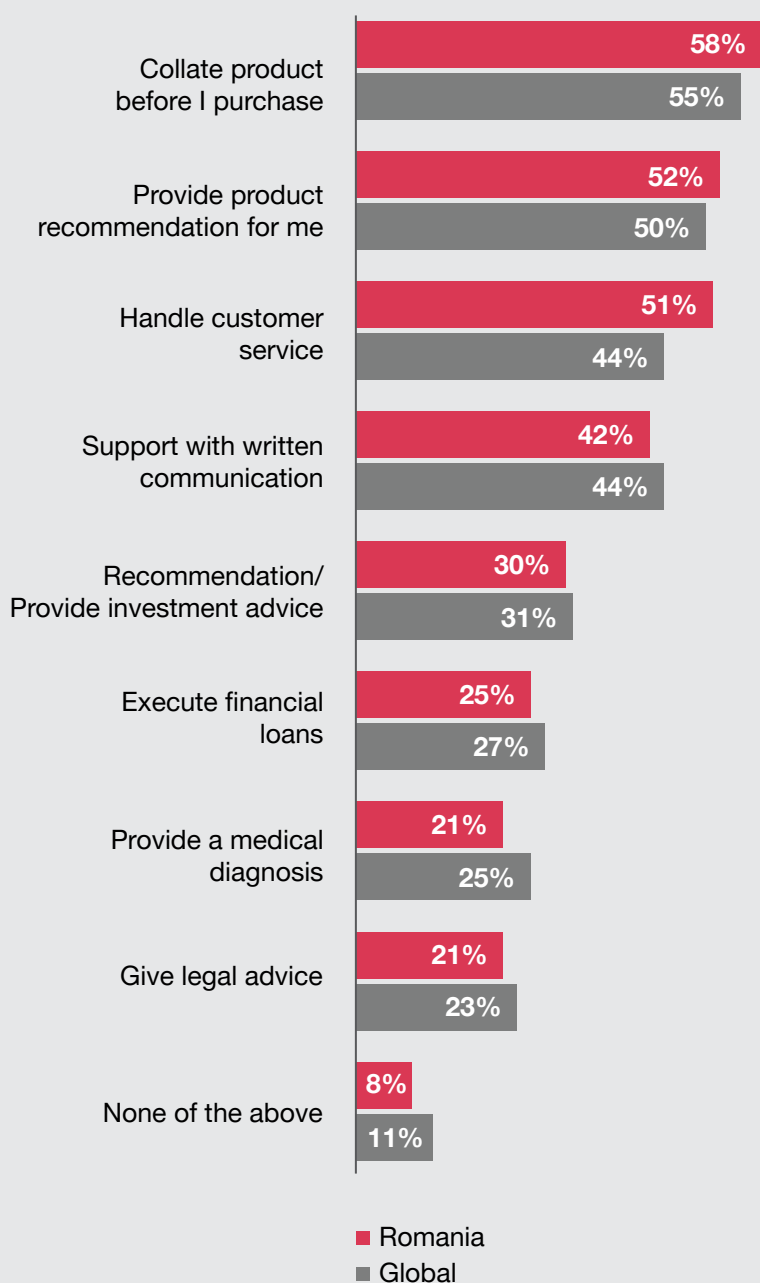
Traditional vs modern shopping channels

In the last 12 months how often have you bought products (e.g. clothes, books, electronics) using the following shopping channels?



Artificial intelligence (AI)

Considering the recent advancements in AI technology, which of the following would you trust AI to do accurately in place of human interaction?



More than half of the Romanian consumers want AI to collate information about products before buying (58%), recommending products to them (52%) or handle customer service (51%). But they are less willing for AI to give them legal advice or provide a medical diagnosis.

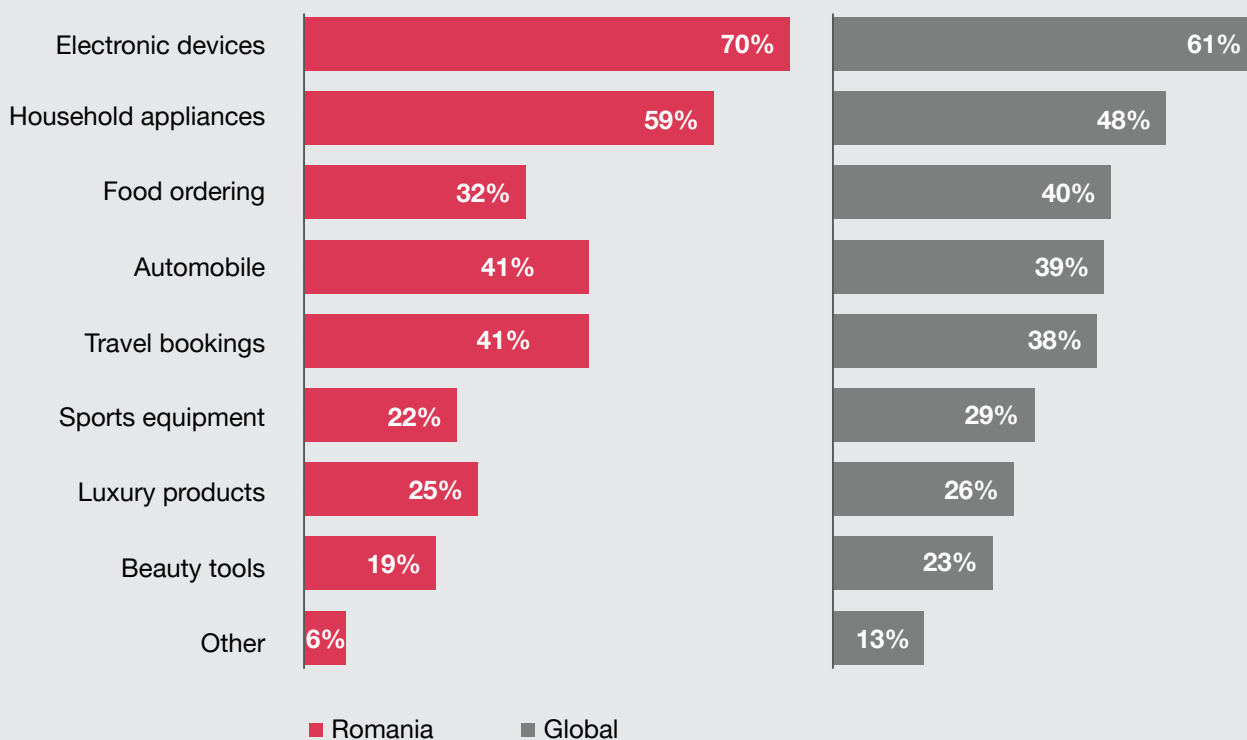
Consumers perceive AI as a feature enabling easier and faster usage of goods but some are still hesitant to use any 'smart' products.

Confidence in introducing AI on a large scale into every element of life is not well perceived by consumers, however Consumers value personalization and AI-enabled experience the most within practical products such as electronic devices (70%) and household appliances (59%). This suggests consumers often perceive AI and 'smart' solutions as features enabling easier usage and lifestyle. These preferences are similar to those at the global level.

Only 4 in 10 consumers want travel bookings and automobiles to have AI-enabled features which are aimed at providing personalized experience and faster execution. This may be due to lack of trust in AI.

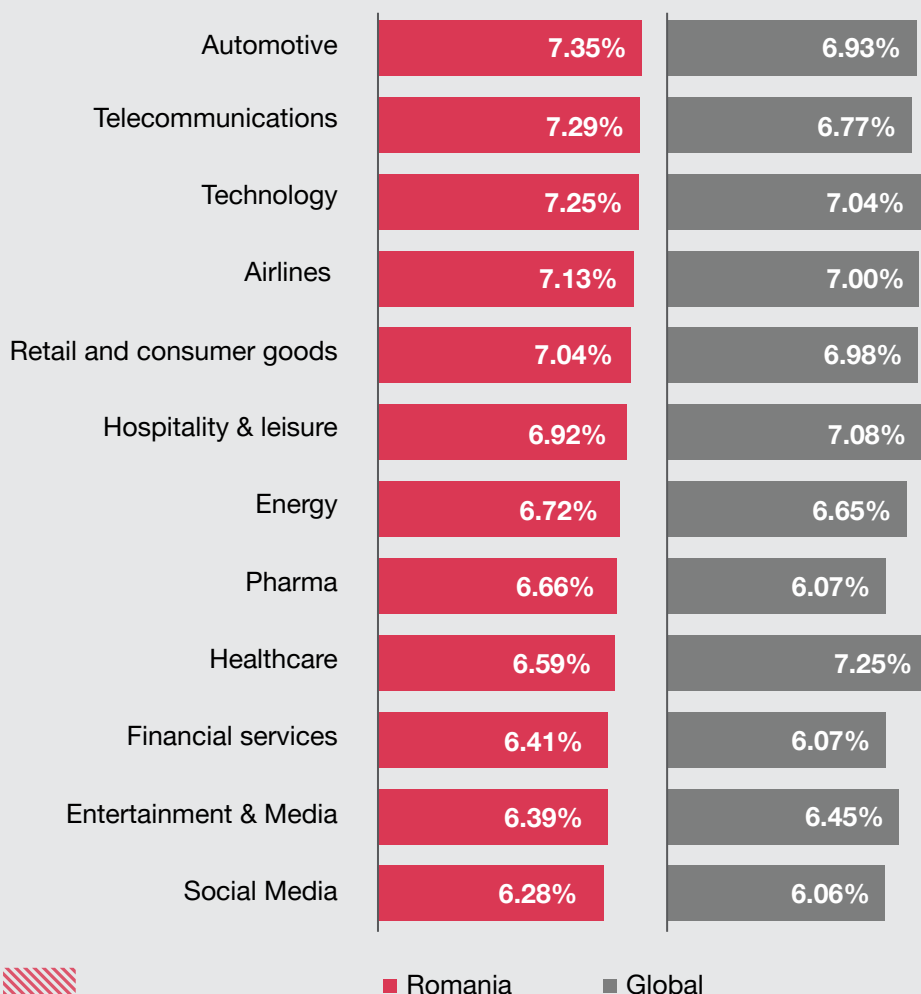
Compared to global results, Romanian consumers are less willing to see AI advancements in food ordering (32% vs 40%), sports equipment (22% vs 28%) and beauty tools (19% vs 23%).

Thinking about the future of technology and its ability to deliver personal digital experiences, how important to you is it that the following types of goods or services are smart or enabled AI?



Trust by industry

On a scale of 0 to 10 to what extent do you think companies in each of the following industries are trustworthy?



Retail and consumer goods is in the top five leading industries in consumers trust in Romania, next to automotive, telecommunications, technology and airlines. In CEE, the retail and consumer goods sector also ranks fifth, after airlines, technology, hospitality & leisure and automotive.

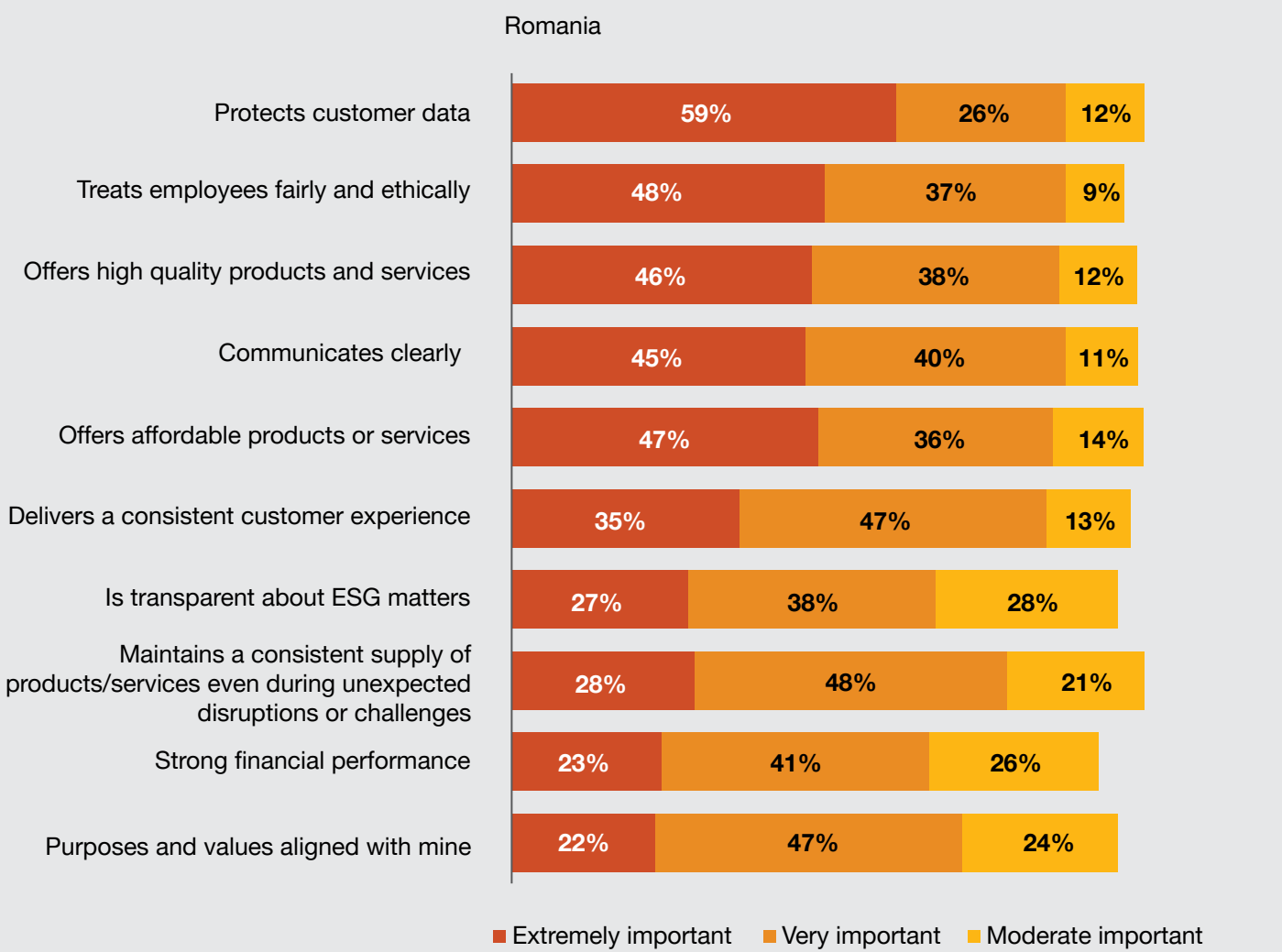
However, things are different at the global level, where consumers put healthcare first, followed by hospitality & leisure, technology, airlines and automotive. Retail and consumer goods ranks sixth place.

Building trust

Protecting customer data stands out as the most important factor in building Romanian consumers’ trust in a company.

Also, Romanians trust companies that treat employees fairly and ethically, offer high quality products and services, but are also affordable.

How important or unimportant are the following areas to building your trust in a company?



Brand switching

Financial benefits are most likely to drive brand switching behavior, 46% of consumers seeking better value for money. However, reputational excellence is also influential in driving consumer choice.

So, better value for money and promotion offers are the two characteristics most appreciated by Romanian consumers when choosing a product, as well as by global consumers. However, it should be noted that they also give great importance to positive reviews and recommendations.

Thinking of one of your favorite brands you are loyal to, which of the following would entice you to try out a new brand that offers the same type of products?



In store technologies

Which of the following technologies would encourage you to shop in store?

Mobile/contactless payment

44%

Real time personalized offers sent to my smartphone when I enter a store

38%

Digitally enabled product tags to access further product details

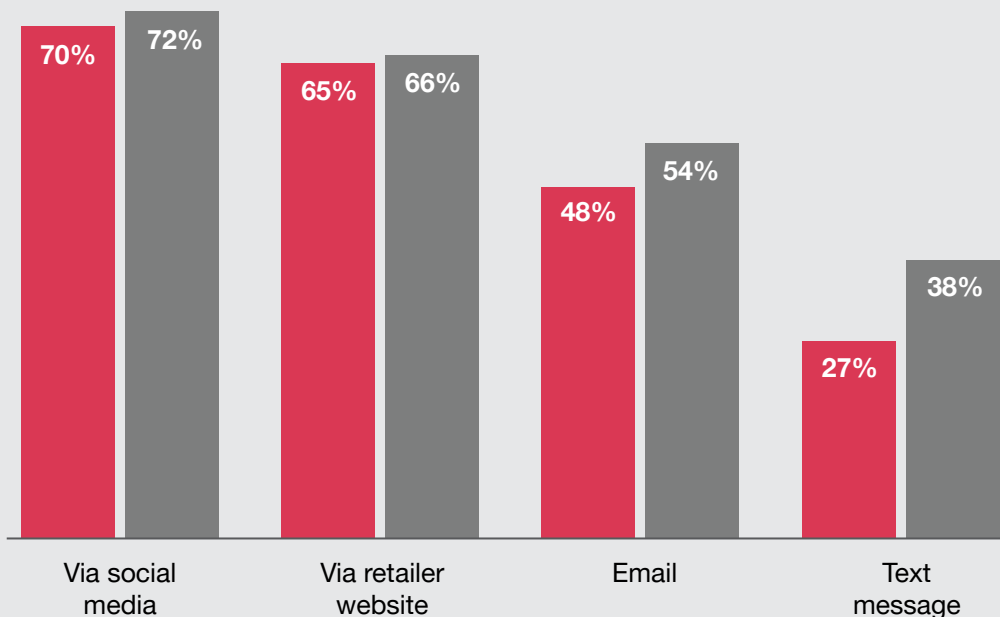
35%

Romanian consumers are more open to digital conveniences compared to the CEE and global ones, but also prefer the human element. So mobile/contactless payment is preferred by 44% of Romanian consumers, similar to those in CEE and more than 38% globally. But only 28% Romanian consumers prefer self checkout technology, compared to 34% in CEE and 38% globally.

The percentage of the consumers who would prefer a fully automated store experience is similar in Romania and globally, of 25% and, respectively, 23%. In CEE only 21% of the consumers would try such an experience.

Social Media

Which type of personalized digital advertising is most likely to influence your purchase?



■ Romania
■ Global

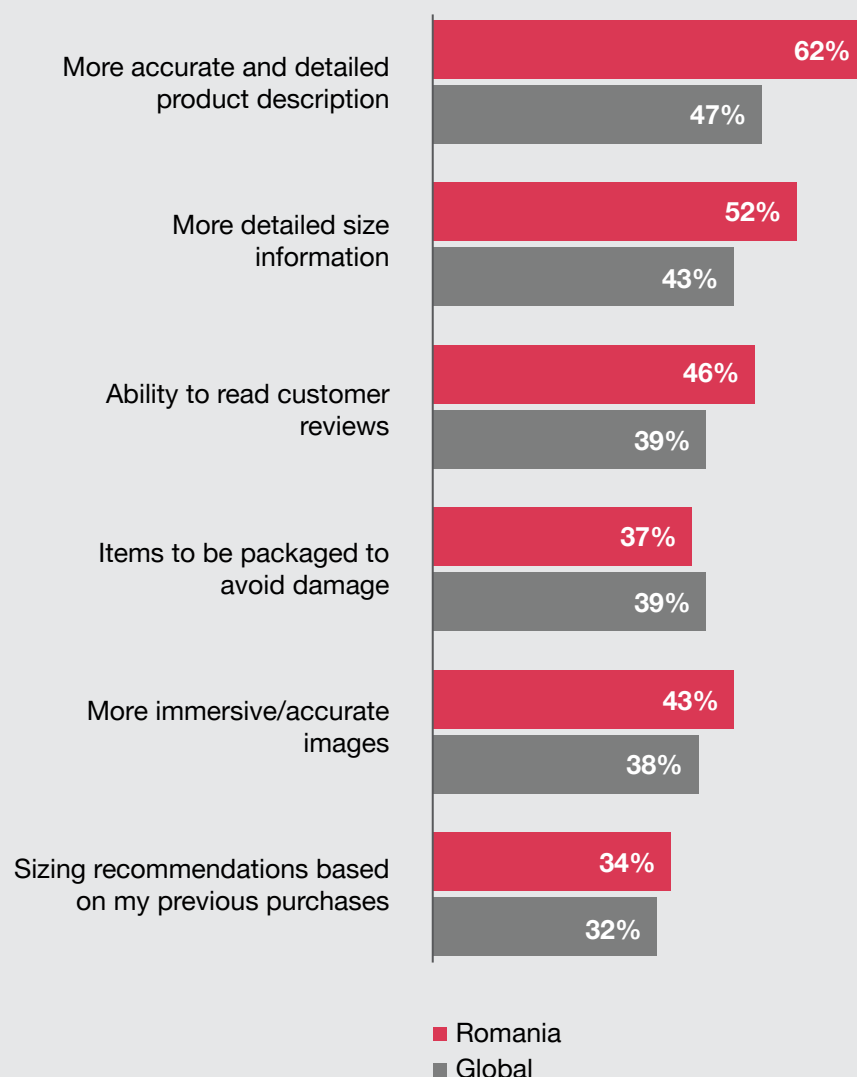
Social media advertisements influence purchases for over 7 in 10 Romanian consumers, similar to their global counterparts, and their strength continues to grow.

Personalized advertising is gaining strength as a much more effective element in building relationships between the brand and the customer. In the era of collecting enormous data and the possibility of processing it in a sensible way using the latest AI tools, creating advertisements dedicated to a specific user is becoming a common communication channel and a form of marketing gaining dominance

- 70% of Romanian consumers claim that advertisements via Social media influence their purchasing decisions. They are also likely to be influenced by retailer website when making purchasing decisions.
- As more companies deploy multi channel advertising it becomes harder to properly quantify the impact of each marketing medium in shaping purchasing decisions of customers.

Returns

Thinking about any products purchased online which you have returned, which of the following factors, if any, would reduce the numbers of returns you make?



To minimize online returns, retailers should prioritize investments in enhancing product information, particularly provision of accurate and comprehensive product descriptions, including sizing information.

Providing more accurate product knowledge when making online purchases is the best way to reduce returns. An additional advantage is that the development of the consumer's virtual product experience aspect will also result in a reduced role of the traditional channel element in shopping.

The hierarchy of factors determining returns is similar between Romanian consumers and global ones, with the percentages being higher in the case of Romania.

How companies can strengthen confidence

Six consumer trust imperatives

1. Forge bonds with eco-conscious consumers by connecting their intentions to positive environmental impacts.
2. Create and promote a product portfolio that reflects consumers' desires for wellness, nutrition and more sustainable food production.
3. Strike a balance with social media use, recognising its significance as a platform for sales and engagement, while being mindful of consumer concerns about its credibility.
4. Safeguard personal data, while continuing to use it to offer personalised services and elevated customer experiences.
5. Navigate conflicting priorities in an economy with rising prices, meeting customers' expectations of value while managing price increases effectively.
6. Incorporate and experiment with AI tools in business operations while maintaining a human element, especially in more complex and personal services.





282

respondents



27%

age
25-34

26%

age
35-44

21%

age
45-54



71% employed

9% self employed

All representative samples in the report are statistically significant, and highlighted statistics are presented for at least 50 representative.

Contact

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