

Hamilton: Consumers Are Alive & Well and Have Been All Along

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As [this](#) recent article states, consumer sentiment has risen to its highest level since the beginning of 2008.

This news, along with most other news in the last year, suggests that until now consumers have been largely dormant, paralyzed by fear through the course of the recession.

Sales have declined for many major retailers and small businesses; this is not a point that can or will be contested.

The truth is that consumers have not been completely inactive; they have just changed their behaviors.

Sageworks has compiled a list of 10 facts about today's consumer based on the analysis of sales in consumer-related private businesses over the past year.

The data depicts a thrifter and do-it-yourself-friendly consumer who is unwilling to give up the simple pleasures of life despite job losses and budget cuts.

Sageworks' data shows that people are still shopping, but they are doing more shopping online. Online shopping makes price comparison easier; people are giving up instant gratification for the satisfaction of finding a good deal.

Another great example of a new trend: consumers aren't making big ticket purchases of things like furniture or electronics, and have opted to rent these items instead. Businesses renting consumer goods have seen significant growth over the last 12 months. In tight financial times, it's understandable that consumers feel more comfortable 'paying as they go' rather than paying one large lump sum upfront.

People are also indulging in different ways now than they did before the recession hit. Instead of going on vacations, buying expensive jewelry or buying new cars people are indulging instead in going out for dinner and drinks, getting manicures and massages, and staying active. These are all manageable purchases that have been kept in the budgets of many consumers.

There are a few other things that should be highlighted. People are still getting healthcare; offices of physicians have experienced steady growth through the course of the past year. This suggests that people are looking to the future and continue to take care of themselves. The fact that revenue of gyms and sporting goods stores are also up speaks to this point as well.

While layoffs have abounded in the course of the recession, and that is clearly not good news, it has given people the opportunity to go back to school to figure out what trade they would like to be in and to make themselves even more competitive in the job market as it picks back up. This trend is supported by the fact that technical and trade schools have grown their revenues by almost 13% over the last year alone.

While it is great news that consumer sentiment is up, it is also great news that people are finding new ways to stay within a budget without losing sight of their future and current wellbeing.

Brian Hamilton is the Chief Executive Officer of Sageworks, a financial information company based out of Raleigh, NC.