

# next tuesday afternoon

march 18, 2008

Now that it's officially a recession, it's prudent to take a look at how consumers will manage their households, which will also be in recession mode.

Let's start with the price of gas. Shopping online is less expensive than driving to a store. Many times you can find shipping deals and/or tax savings. As a bonus, it's less taxing on your nerves.

Comparison shopping sites like BizRate and CNET make it easier for consumers to find reviews of products they need or want to purchase. With this economy, a host of new, category-specific consumer review sites are popping up that specialize in everything from coffee to pet supplies.

Online retailers like Amazon, the online divisions of brick-and-mortar retailers, and many online only niche stores are other factors to seriously consider in a recession. These choices are further confounded by the mom-and-pops that do business within the confines of eBay or Craigslist. At the end of the day, it all adds up to a bonanza of choices for cash-strapped consumers - and a new set of challenges for those who sell to them.

Virtually anyone selling anything should be online, with as much sophistication as they can afford or muster. There are two cardinal rules:

- Maintain quality and don't over-promise. When anyone who uses your product or service can quickly find an audience to complain to, trust me, they will, and the speed in which they can do it is mind-bogglingly fast.
- Keep a close eye on pricing. The online dynamic is totally different than having customers in your store, where they might be willing to pay a premium because they're there. Facing a page of pricing options online, shoppers can go to another "store" in a matter of seconds.

The recession is going to supercharge the growth of online shopping, as current users find new shopping categories and as millions of others jump in to manage their shrinking budgets.

As consumers become more comfortable with the online buying process during this economic period, there's every reason to believe that will cause lasting and permanent changes in consumer behavior.

I'm Lisa Davis. Let me know if I can help you in any way, please feel free to visit at [OneAlliance.com](http://OneAlliance.com) and I'll be back next Tuesday afternoon.

**Lisa Davis**  
**859.225.2684**  
**[Lisa@OneAlliance.com](mailto:Lisa@OneAlliance.com)**

*marketing • advertising • brand management*

