THE DROP

BAMM

THE VALUE CRISIS

Consumers' search for value in a world of rising prices and falling quality

Contents

What we did

Culture scrape

Narrative analysis

50+ sources

Current cultural context of value

Expert interviews

10 x 30 minute interviews with key industry leaders across sectors

How they define value in their fields

Most pressing questions they're facing

BAMM ethnography

n=70

US, UK, Canada & India

Online diaries & focus groups

Ages 18-65

Mix of family makeup, income level, attitudes towards money, and demographics

US n=20, UK n=20, IND n=20, CAN n=10

BAMM survey

US & UK

800 respondents total

Age 16+

10 min survey

Advanced analytics:
Factor Analysis
Correspondence mapping

#1.

Loud Money

"**Money** is one of the most emotionally charged objects on earth, only **food and sex** are close competitors in how strongly people see it in terms of feelings, meaningfulness and significance"

Professor Terence Mitchell, University of Washington

Money is so emotional that historically it's been difficult to talk about, a taboo. Here's what talking about money looked like in the 90s....

Something is changing

"Loud budgeting is terminology for people to use when they don't want to spend money. It's a term people can use that doesn't make talking about money awkward."

Lukas Battle, TikToker

But that was the 90s. Today something is changing. Money is becoming more open, less of a taboo.

Talking more about money is about collectively helping each other

Q. Why do you think you talk about money more with friends than you used to? Top 3 Reasons

49%
So we can save money together

43%
To encourage financial awareness among my friends

43%
I feel proud talking about money

What's driving this trend towards more money openness and engagement?
Some of it is collective - a desire to save and navigate money together, in a world of less taboos and more social connection and honesty.

Now younger generations are talking about money now - openly, directly, and without shame.

45%

18–24 year olds talk about money with their friends more than they used to

"The more you think about money and talk about money, the more comfortable that you get with it."

Grant Sabatier
Author of Financial Freedom; creator of Millennial Money

And we see this trend rising, with 45% of young people saying they're talking about money more with their friends – something that in turn is making them more comfortable with money

It's a reflection of money being more present in culture

> *"Mutual Funds Sahi hai is a strong social campaign in India. The influencers are Rohit Sharma, M S Dhoni and Sunil Gavaskar (all Indian Cricket players) who are championing the cause for savings. I was influenced by this program and have invested through it."*
>
> **Female, 41-65, IN**

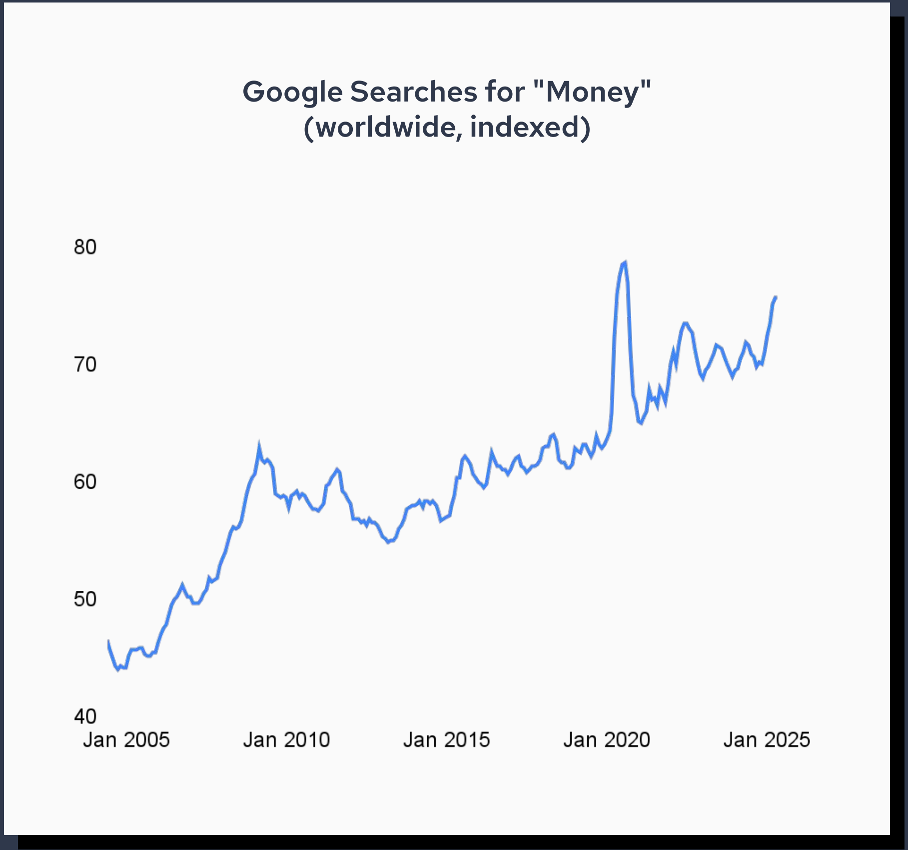
Some of it is also reflective of a more open culture, with money and money stories more present, from influencers and celebrities being open about their financial situations, to championing the cause for savings as in this example from India.

It's a reflection of increasing money engagement and money interest

Robinhood

Splitwise

Revolut



And part of increasing money openness is a reflection of shifting FinTech, for example through investment apps like Robin Hood, or budget splitting apps like Splitwise. All these things make money more visible and interesting for consumers, reflected in how many more of them are searching for money on Google.

And it's a consequence of rising prices which continue to bite

Inflation is affecting my spending MORE vs. 1 year ago

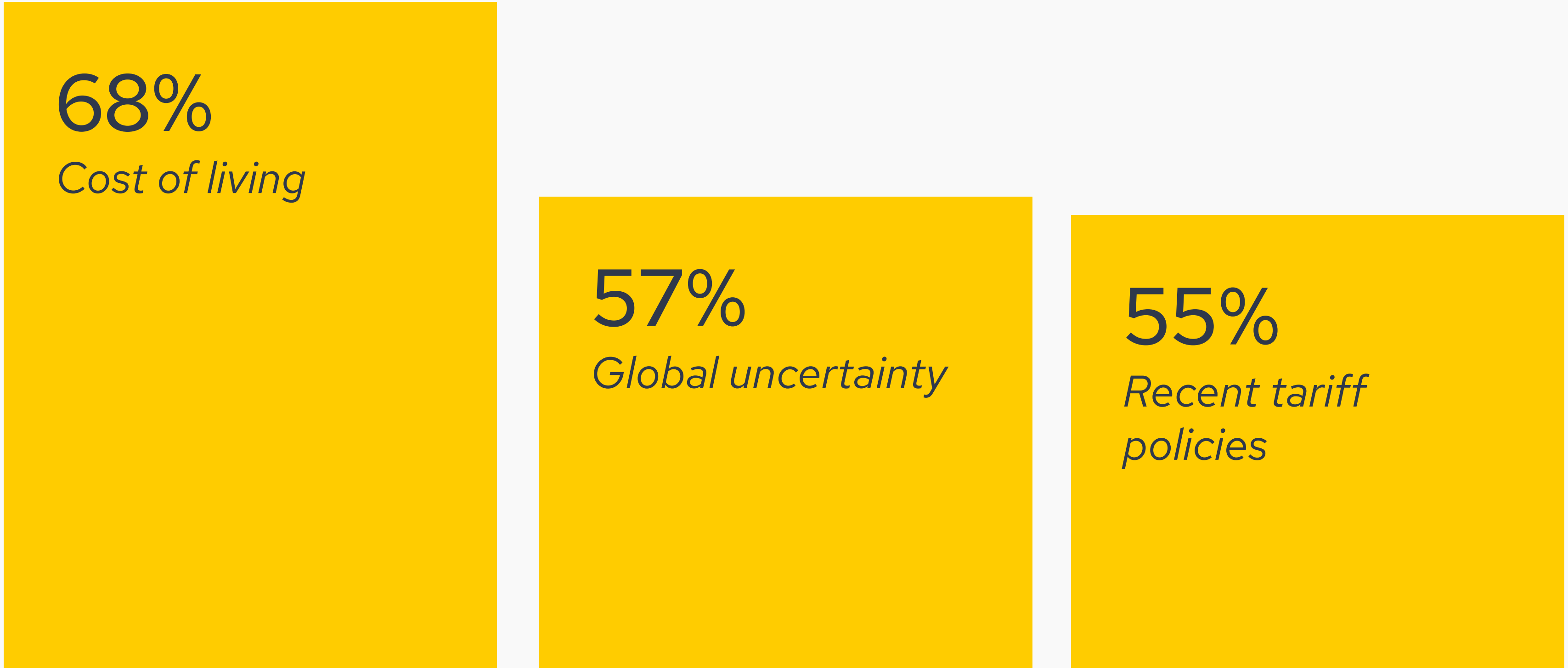
Financial Times, May 2025

Financial Times, May 2025

And finally, of course, increasing money engagement and awareness has been amplified by inflation which, to our surprise, is impacting people even more today than it did even a year ago, as prices continue to stay elevated, not least due to new tariff policies.

Inflation, uncertainty, and tariffs are changing people's perceptions of value

Q. How much are the following changing your perceptions of the value of products/services?



All this has created a different consumer mindset

*"My niece bought a sofa couple weeks ago. It was $6,000 and we were like '**why would you pay that much**?'*

*Had this been 10 years ago people would be like, 'ooh, nice - you're fancy', whereas **now we're all in a different mindset.***

*We've all changed our mentality to think that **saving money is the cooler approach**.*

You could have bought six eggs with that."

41-65 YO, US

#2.

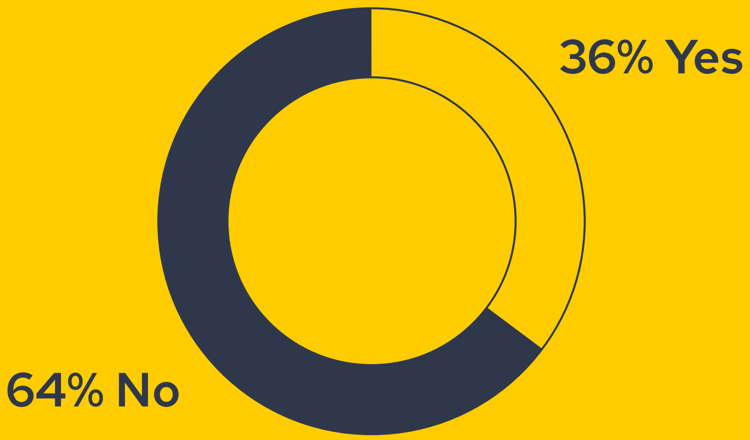
Value, and the Quality Fade

*"Price is what you pay.
Value is what you get."*

Warren Buffett

For consumers, there's a difference between affordability and value

'Affordability' means the same thing as 'good value'



"Good value is the about the product itself and affordability is the price of the product."

"Affordability deals with only price, while good value includes quality with the price paid."

"Affordability means you have enough money to pay for it. Good value means the quality of the product matches the cost of the product"

Q. What's the difference between 'affordability' and 'good value' to you?

Most consumers feel that affordability and value are different things.
Value is about the product itself, affordability is about how much it costs (and whether you have enough money to buy it)

On a practical level consumers believe value is about quality at the right price

*"Good value means **quality equals the cost**, and the item offers reliability, longevity if applicable, and delivers on what it is supposed to do."*

*"Good value to me means a **good quality item for a decent price**. It doesn't have to be the absolute cheapest options but it should be a good balance between price and quality."*

*"It would **last a long time and be reliable**, all at a competitive price."*

Q. What does a product or service being 'good value' mean to you?

When you ask consumers how to define value many of them define it around quality, or more specifically - quality at the right price.
Quality is a central piece of what drives value.

But especially in our ‘information overload’ world, value is also often about ease and convenience

Saves me time

Saves me mental energy

"Life's very busy working with kids and stuff. So for me, if there's something that makes life easier, saves time, or is very convenient and I don't really need to think about – that's something that I really favour."

18-40 YO, UK

Integrates with my life

"My iPhone is very good value. It's emotional value. It saves me time. It helps me achieve things. It integrates, great, for example, with my MacBook."

18-40 YO, US

Other consumers define value around ease - so products that make their lives easier, especially in a world that feels more overloaded with information and stress.

Or bringing much needed moments of joy to hectic lives;

And providing social cache in a trend driven social media culture

Moments of joy

Small treats

"Not only were these the best pastel de nata we have had since Portugal 🇵🇹 but they were served in this amazing box which made it feel more like an experience and not just a snack. Such a treat and worth every penny!"

41-65 YO, UK

Fitting in/Standing out

"My Ugg Tasmans are a talking point and make me feel stylish. They were pricey but they are so comfortable and cosy to wear. Lots of people have commented on them"

18-40 YO, UK

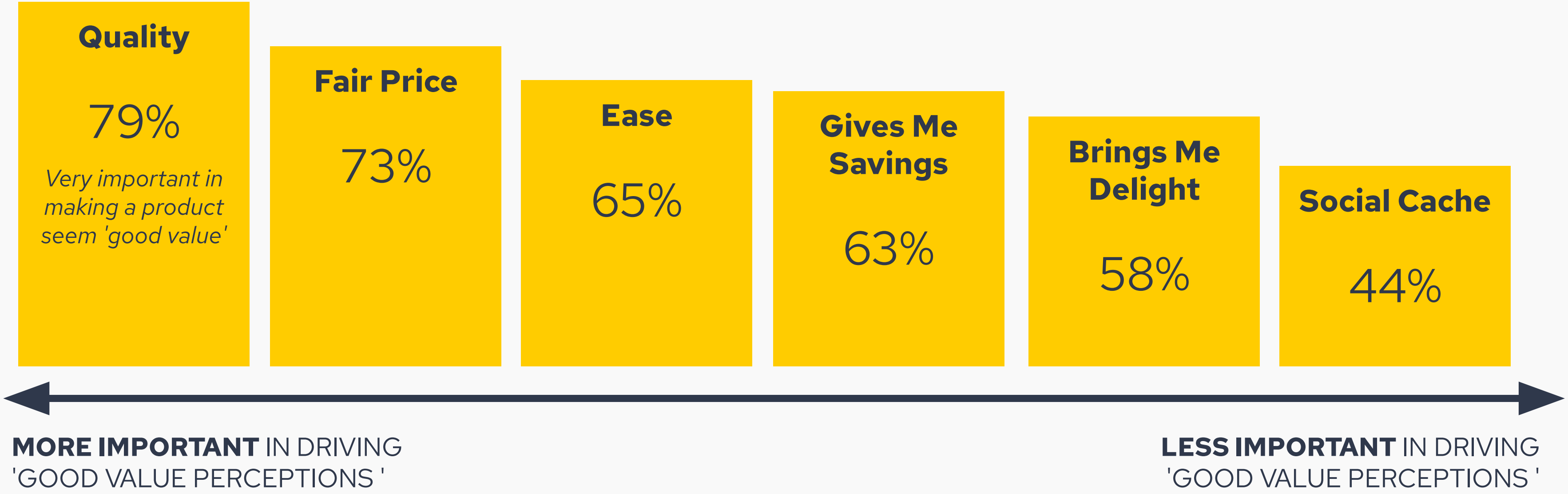
And yet other consumers define value around the emotional benefit they get from a product or service.
For example around how much joy it brings them, or how much it helps them feel connected to others.

The 6 Value Pillars

Quality	Fair Price	Ease	Gives Me Savings	Brings Me Delight	Social Cache
Is high quality, fits my needs, lasts a long time, well designed, and solves a problem	*Is a fair and consistent price*	*Removes hassle from my life, saves me time, easy to use, and removes mental load*	*Gives me long-term savings that I feel good about, shows I'm responsible with money*	*Brings me joy, makes me feel good, and is better than expected*	*Makes me feel cool, brings people together, helps me stand out from the crowd*

Built using Factor analysis on 45 value statements
Q. How important are each of the following in making a product or service seem 'good value' to you personally?

Quality and a fair price are the most important value pillars



Built using Factor analysis on 45 value statements
Q. How important are each of the following in making a product or service seem 'good value' to you personally?

These are the 6 things that can drive a perception of value in your products or services.
The most important of these in driving 'good value' perceptions is quality. Then, a product or service feeling like it's a fair price is next important, and then there's ease, and so on.

When driving value perceptions, deprioritize things like subscription models, freebies, or loyalty programs

Q. How important are each of the following in making a product or service seem 'good value' to you personally?

28%

*Having a **loyalty program** is very important in making a product/service seem 'Good Value'*

27%

*Giving **freebies** is very important in making a product/ service seem 'Good Value'*

23%

*Having a **subscription model** is very important in making a product/service seem 'Good Value'*

In our quant survey, to explore and find the 6 value pillars, we had a list of over 40 drivers of value. And at the bottom of that list - the things least likely to be selected by consumers - were these 3 things: Loyalty programs, freebies, and bottom of the list - subscription models.
Though there are good reasons to do some of these things, in consumers' eyes they don't drive perceptions of 'good value'.

Value is largely about quality - which in turn is about reliability, durability, the sensory experience, and reputation

Q. And generally, how would you describe a 'high quality' product/service?

Groupings established through Factor Analysis

So if quality is the biggest driver of value - what does quality mean for consumers? It is primarily about finding reliability or durability - things people can rely on, in a world where we can rely on less. And then it's about providing a good sensory experience - for example taste experience, or visual experience. And then it's about reputation.

RELIABILITY IS ABOUT TRUST AND CONSISTENCY: KNOWING THAT THE PRODUCT OR SERVICE WILL DELIVER EVERY TIME

"Travelon is a brand that's especially good. I can trust it to use quality materials and use innovative design for safety and security."

18-40 YO, US

DURABILITY IS ABOUT SOLIDITY AND LOWER 'COST PER USE'

"I bought a whole range of weights - not cheap but really good quality. They're durable are going to last me a long time and cost per use compared to a gym membership is better."

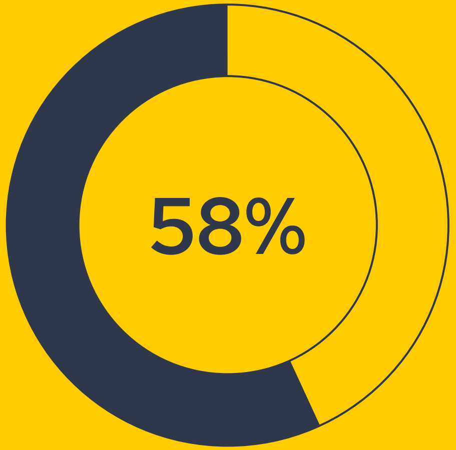
18-40 YO, UK

SENSORY EXPERIENCE IS ABOUT AESTHETICS & THOUGHTFUL DESIGN

"I buy this Chanel moisturiser despite the price because of the experience it gives. While I might get similar results from a cheaper product, this one is brilliantly designed in all aspectss."

18-40 YO, INDIA

However, quality is fading in consumers' eyes

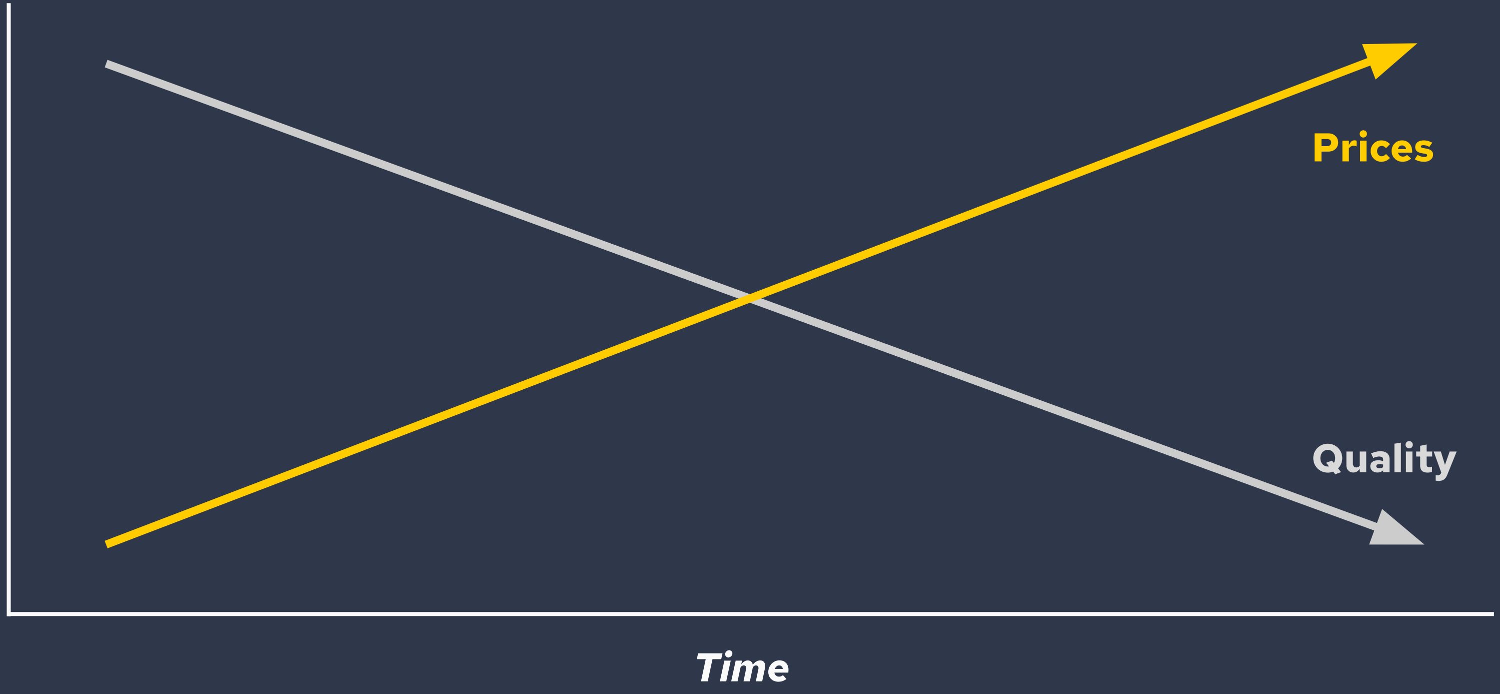


The quality of products and services has decreased over time

"Too many products these days feel like they are made to break, and too many services remove features to make you pay more for them as extras."

18-40 YO, UK

The Value Crisis: The connection between quality and a fair price is drifting apart



This quality fade is creating a VALUE CRISIS.
The quality of products and services are declining as their prices are on the rise - exacerbated by recent tariff policies and global uncertainty.
The relationship between quality -at a fair price - a core definition of value for consumers - is drifting apart.

So people are increasingly 'hacking' value

Dupes are growing in popularity & something to be proud of, not hide like *#knockoffs*

The Guardian

Counterfeit goes cool: high-end brands urged to embrace rise of #dupe

"Previous generations may have shopped for knockoffs on the sly, but gen Z has not only normalised buying knockoffs or generic products but has grown the #dupe movement into one of the most searched terms on social media."

The change is so profound that research shows that even when gen Z or millennials can afford to buy a genuine designer item, many still opt for a dupe instead: nearly one-third of US adults said they intentionally bought a dupe of a premium or luxury product, with at least 11% of UK consumers buying one dupe product at least once every few months.

*"I feel like **we are in the dupe era**.*

We all have heard scandals of items called luxury being made in the same factories as cheap items.

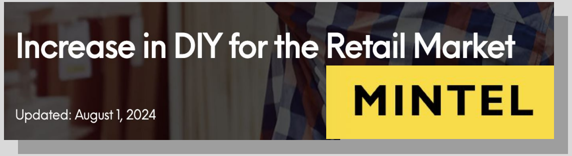
Most consumers are not convinced that should spend more for a product when there are cheaper alternatives that are the same product."

18-40 YO, US

To respond to this crisis consumers are finding ways to hack value, to get to prices that feel fairer for their quality level. One way they do this is by buying "dupes" (purchasing products that closely resemble more expensive, often luxury, items but at a lower price point). Dupes aren't intended to be counterfeits; they typically don't replicate specific logos or trademarks, instead focusing on replicating the overall look and feel of the original product. This trend, particularly popular with younger consumers, allows them to enjoy the aesthetic and functionality of high-end items without the high cost. We're in a Dupe era.

So people are increasingly 'hacking' value

Through DIY – it's not just about home improvement. It's a mentality



"Inflation has been a silent killer because our eggs were $3.47 and they are now $8.

I told my husband ***we're going to go buy a hen, and we're going to have our own chicken. Lay our own eggs.***

I'll make the bread. I'm not going to the Panaderia because now they're selling bread for $8, and ***I could just make my own bread,*** *and have enough to last us for 2 weeks."*

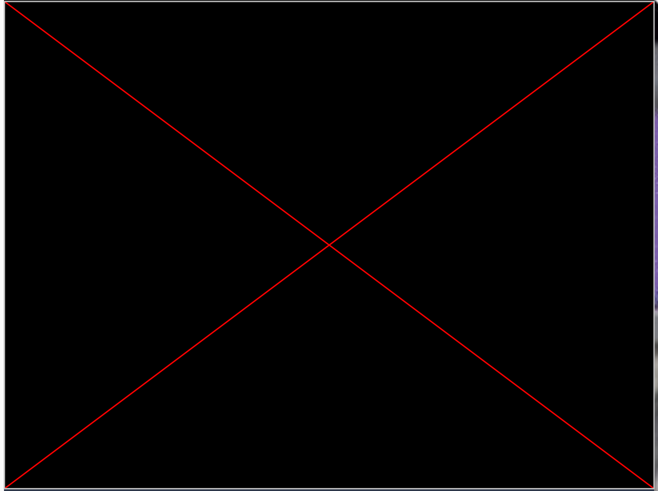
**Female,
41-65 YO, US**

Other people are hacking value via DIY. Whether that's buying their own hens to provide eggs at one extreme, or more commonly - getting a feed of DIY tips and tricks across all types of products within their social media feed
There are ever new ways and approaches people are taking to create their own versions of the products and services that are increasingly out of reach.

So people are increasingly 'hacking' value

By thrifting - often a point of pride, and a way to participate in fast trend cycles without the full price tag

Medjy Jean-Louis



"We've got a charity shop around the corner. And there's somebody who lives in my area who keeps getting the latest books, so I keep going in every week and get them for 50p."

18-40 YO, UK

And then there's the rise of thrifting being 'cool'. Some thrift stores are quick to put, or to focus on, fast trends - allowing consumers to increasingly be part of culture at a fraction of the price

61%

Use some form of 'hack' to find more value in products/services

67% of 18-24 year olds

Hacks are: Buying Dupes, DIYing Things, Buying Second Hand, or Getting Price Drops

#3.

The Value Consumer

The 5 Value Typologies

Different consumers have different value needs

19%

FOCUSED MONEY SAVER

Older consumers who are looking for ways to **save money**

18%

LOOKING FOR THE LONG-TERM

Older, low income consumers looking for products or services that are **reliable and durable**

25%

JOYFUL BARGAIN HUNTER

Lower income Gen Zers & Millennials looking for **fun ways to save** on products or services that **bring joy or help feel connected**

19%

EASE SEEKER

High income parents looking for products or services that make things **easy and reduce their mental load**

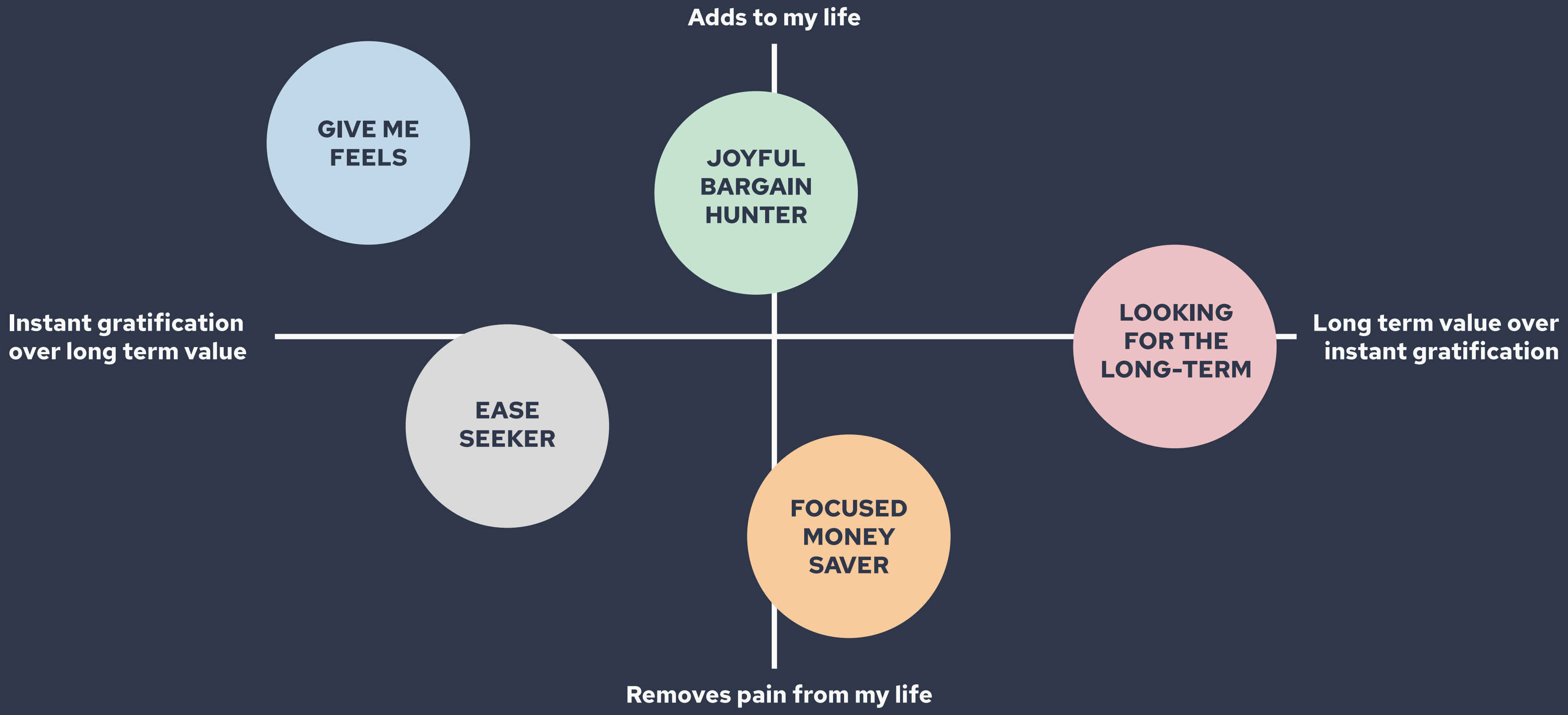
19%

GIVE ME FEELS

Younger consumers looking for products or services that make them **feel cool, connected, joyful, or good**

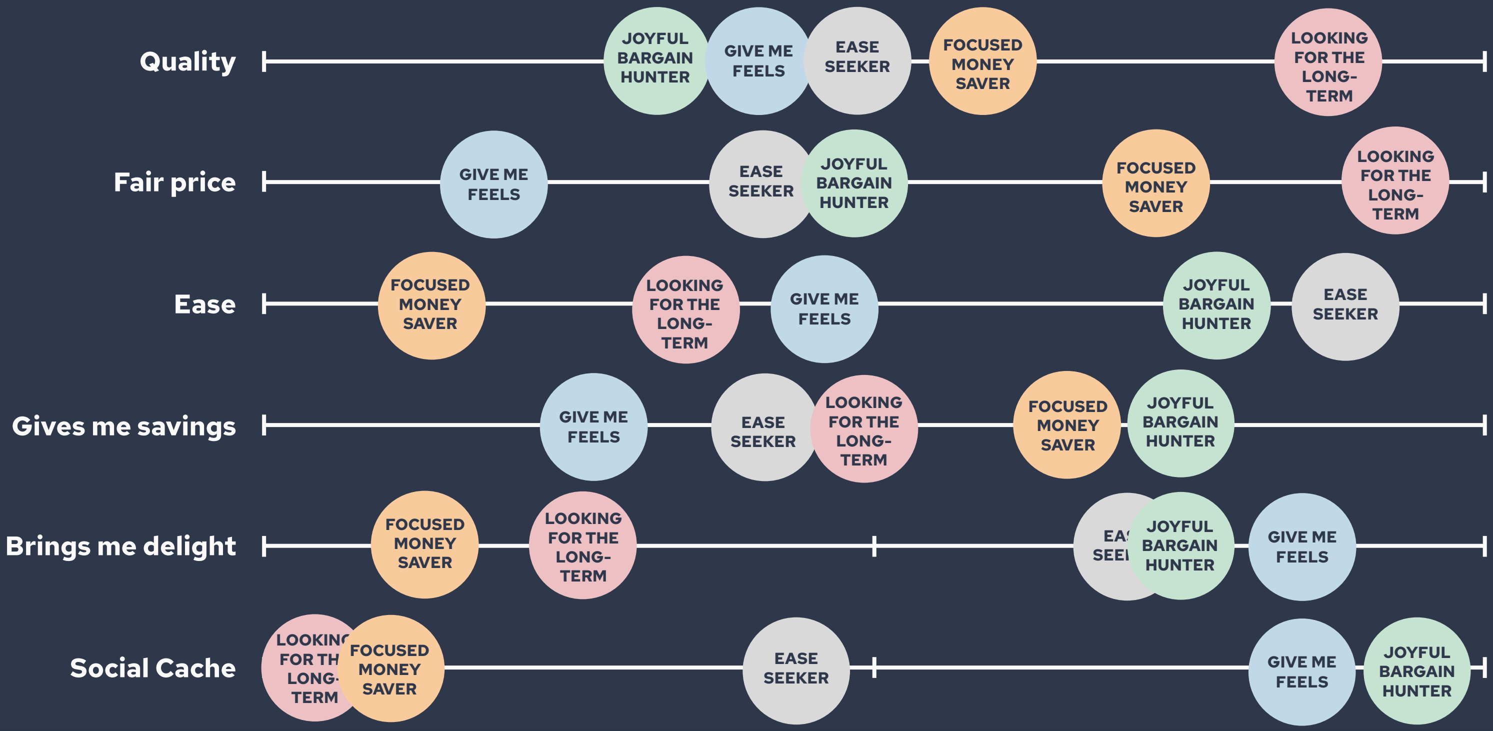
We found 5 different value consumers, each focused on value from a slightly different perspective.
One of the things we think is happening is changes in the sizes of these groups - for example we believe that there are increasingly more joyful bargain hunters as price pressure on consumers prompt them to look for hacks and bargains.

Differing on what they need from products or services



You can think of these segments as lying across these axes in terms of what they're seeking around value

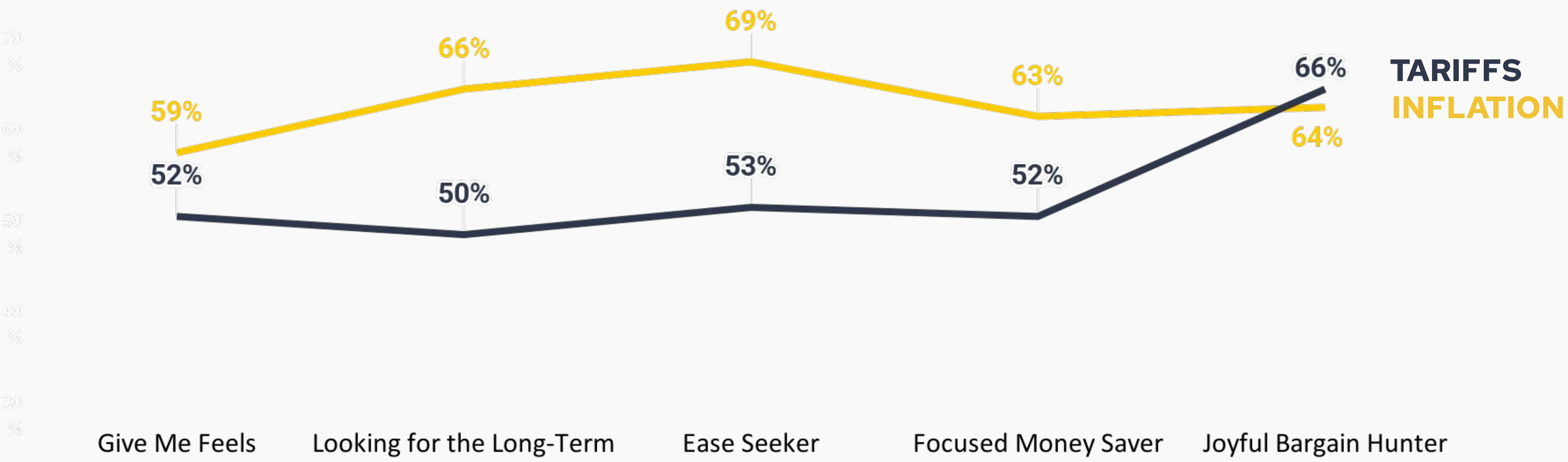
Differing on the importance they place on different value drivers



And obviously these typologies differ on the importance they place on each of our value pillars.

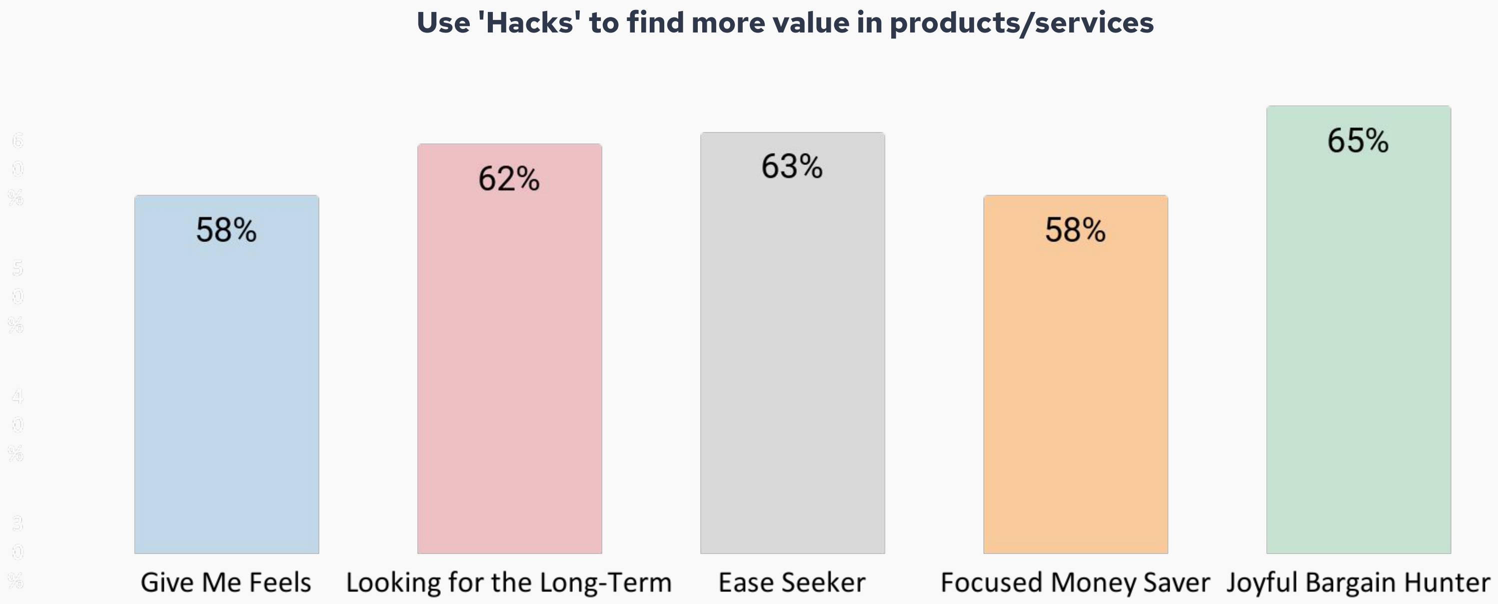
All are changing their perceptions of value due to inflation and tariffs

Changing a little my perceptions of value a lot or a little



Though the typologies differ on the value pillars they most respond to, ALL are changing their perceptions of value due to inflation and tariffs - with tariffs impacting Joyful Bargain Hunters the most, which may explain why this segment is the largest.

The Joyful Bargain Hunters most likely to use hacks, though all segments do to a large extent



Hacks are: Buying Dupes, DIYing Things, Buying Second Hand, or Getting Price Drops

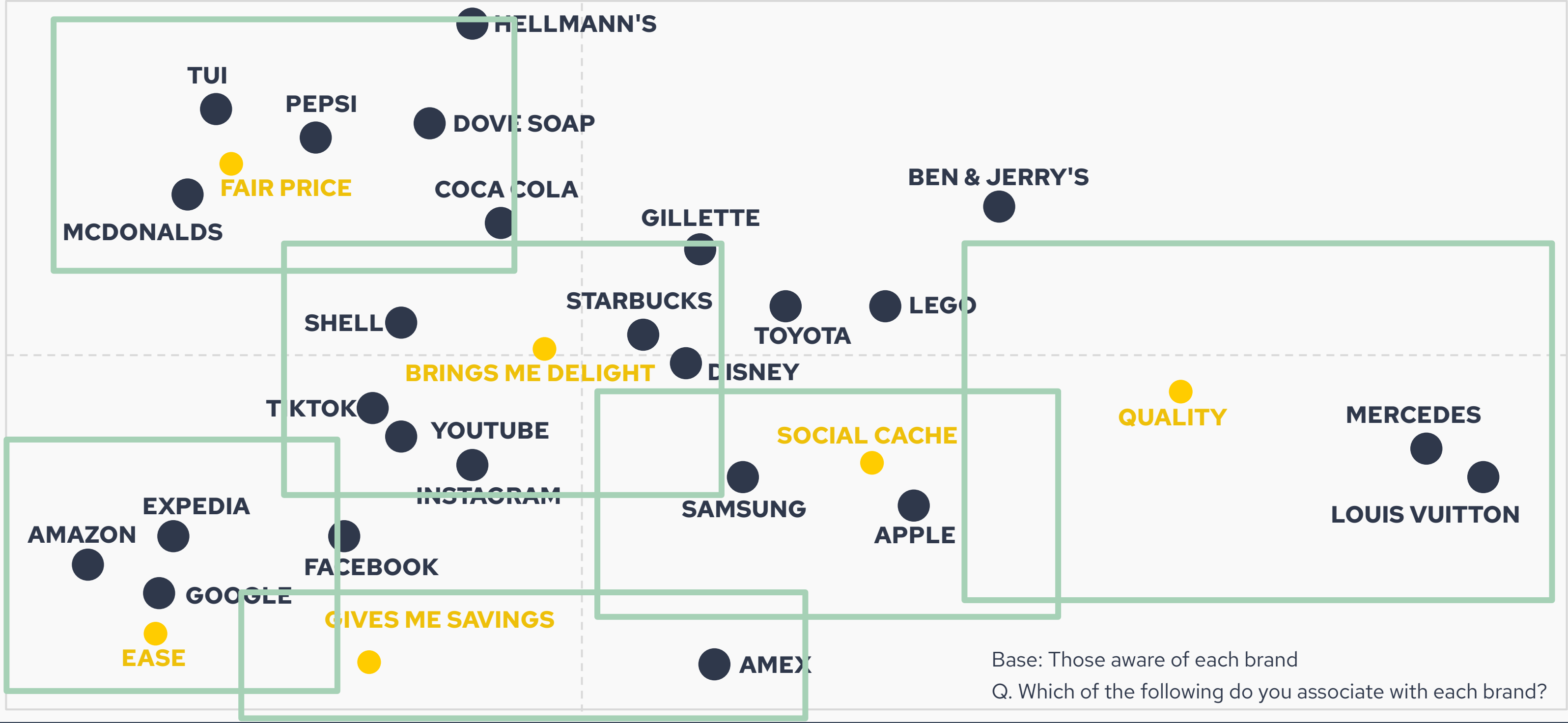
And in turn, it's the joyful bargain hunters who are most likely to be using hacks, although the majority of all typologies are doing this.

#4.

Brands and Value

Categories 'own' different value pillars

Correspondence Map: Proximity shows strength of relationship between brands and associations



Base: Those aware of each brand

Q. Which of the following do you associate with each brand?

Different categories own different value pillars. This is a correspondence map showing consumers' associations with different brands across different categories. The closer points are on the map, the more related they are in consumers' minds.
For example, luxury brands own 'Quality' the most - on the right.; In the top left food and beverage and CPG own 'Fair Price'; In the bottom left, digital brands own 'Ease'; Consumer Tech brands own 'Social Cache'; Entertainment brands own 'Brings Me Delight'

The way consumers judge a brand's value reflects the value pillars

amazon

EASE, QUALITY, PRICE, DELIGHT

"With Amazon Prime I ***get the best price****. I have also* ***subscribe to receive regular deliveries*** *of selected items. This is all on top of the* ***excellent Amazon Prime Video service*** *where I receive a lot of my entertainment,"*

41-65 YO, UK

Apple

QUALITY, EASE, DELIGHT

*"****The design is nice, metal making it pretty unbreakable,*** *small so I can carry it in my rucksack everyday for work.* ***I use it all the time for work and pleasure****:"*

41-65 YO, UK

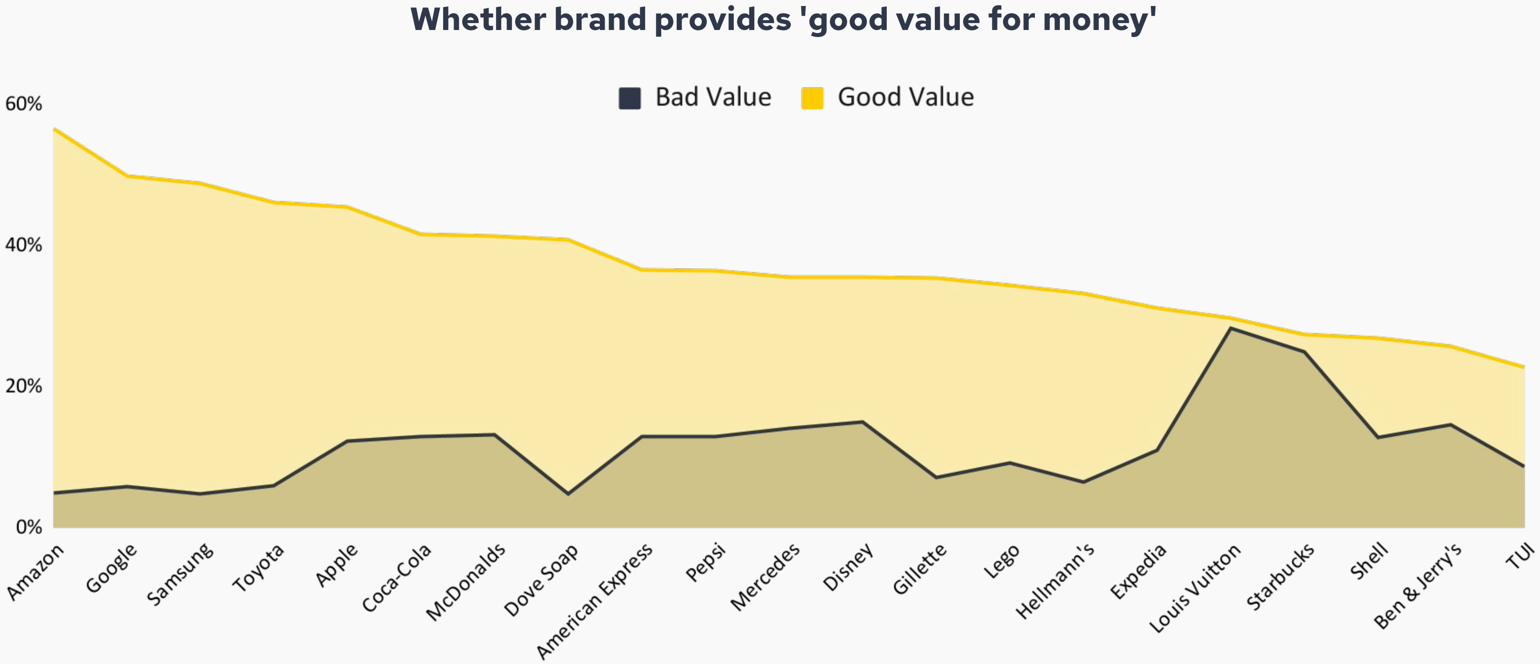
ALDI

QUALITY, PRICE, DELIGHT

"I was pleasantly surprised by shopping at Aldi. They truly do have great products at a great value. It was ***unexpected*** *because everything I bought* ***was delicious even though it was not a named brand item."***

41-65 YO, US

Amazon, Samsung, Toyota, and Apple seen to offer best value



Base: Those aware of each brand

Q. Rate on a scale from 0-10 how much you believe each brand's products or services provide good value for money.

We deep dived further into which brands are really delivering good value for consumers.
With Amazon, Google, Samsung, Toyota, Apple, Coke, McDonalds seen as strongest on providing 'good value' And the likes of Louis Vuitton and Starbucks providing low value for consumers.

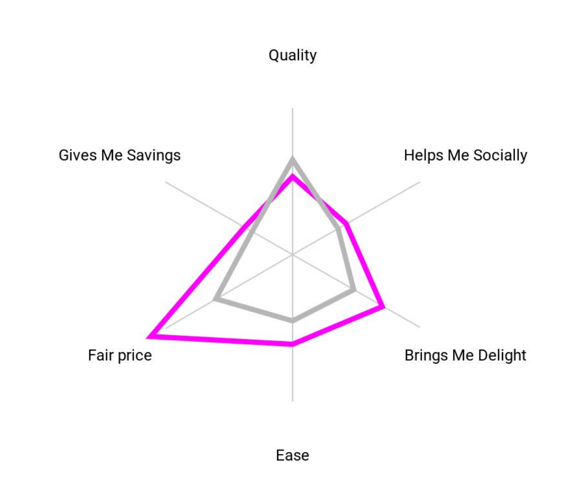
Brands that perform **best** on 'good value'

Tend to perform well across all or almost all pillars, and always on 'fair price'

AMAZON
Vs. AVERAGE BRAND

APPLE
Vs. AVERAGE BRAND

MCDONALD'S
Vs. AVERAGE BRAND



Good value brands are delivering across the value pillars. Amazon is the biggest example of this. Even though it dominates ease over brands in other categories, it also plays strongly against all the value pillars. Apple also plays well against all the pillars, and does just enough on price to maintain those good value perceptions. And McDonald's, another brand that plays well across most pillars, though needs to be watchful of underperforming on quality

Brands that perform **worse** on 'good value'

Tend to underperform on 'fair price' and at least two additional Value Pillars

STARBUCKS

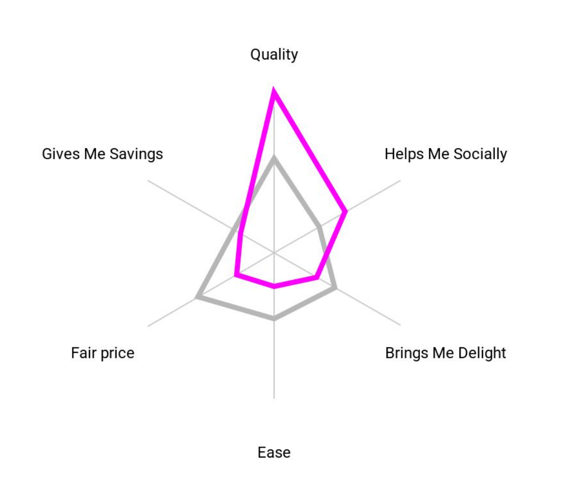
Vs. AVERAGE BRAND

BEN & JERRY'S

Vs. AVERAGE BRAND

LOUIS VUITTON

Vs. AVERAGE BRAND



When we look at brands that are worse at 'good value', these underperform across many pillars - and especially on fair price.
And here you can see the Starbucks issue. In the Value Crisis we're in today it's underperforming on both Quality and Price, where consumers are more sensitive to both.

Summary & Recommendations

Summary and implications

01

Inflation continues to impact consumers' perceptions of value, and may be exacerbated by tariffs

What's your value strategy as inflation continues to bite?

02

Value is driven by 6 fundamental pillars

How do you perform on each pillar, and where can you improve?

03

Quality is the most important driver of people's value perceptions

Are you providing sufficient levels of quality in our products and services, relative to the category and consumers' expectations?

04

We're in a Value Crisis, and people are responding by finding new ways to 'hack' value

How do you help consumers hack value, when it comes to your brand... or how do you mitigate value hacking?

05

Different segments of consumers have different value areas they focus on

Which segments are most likely to be your customers, and how does that affect your value strategy?

To learn about the new consumer mindset around VALUE

please contact anthony@bammglobal for the full report