



Euromonitor  
International

# New Economic Reality: Transforming Uncertainty into Opportunity

April 2023

Table of Contents

## INTRODUCTION

Scope

Key takeaways

Exploring the New Economic Reality

Drivers of New Economic Reality

New Economic Reality uncovered

## HIGH INFLATION, SLOWER GROWTH

Elevated inflation and economic slowdown hit consumer spending and business bottom line

Case study: Unilever streamlines product range to cut cost and enhance efficiency

Pricing, portfolio and cost management are key to navigate through economic downturn

## RISING ENERGY PRESSURES

Energy price and supply shocks undermine global energy security and raise business costs

## RISING ENERGY PRESSURES

Case study: Sleep Country installs BrainBox AI technology to boost energy efficiency

Energy transition and strategic adjustment are crucial to withstand potential future shocks

## RISING COST OF CAPITAL

Higher cost of capital to hurt construction and business services sectors the most

Tighter credit conditions can further restrict access to capital and constrain growth

Case study: Intel employs cost-cutting measures to preserve capital

Case study: OfBusiness helps SMEs to finance their growth

Monitoring market conditions will be crucial for adjusting to the rising cost of capital

## GLOBALISATION RESET

The global economy will face a reset rather than de-globalisation

Diversification and industrial policy will shape the reset of globalisation

Case study: Foxconn nearshoring Apple production to Vietnam to diversify from China

Case study: Manwah's nearshoring of production to Mexico targets its main market in the US

High uncertainty requires companies to continuously evaluate risks and opportunities

## CHANGING LABOUR MARKET

Tight labour markets have pushed up wages and challenged labour-intensive sectors

Short- and long-term business strategies are needed to safeguard against labour shortages

Case study: Walmart raises minimum wages and provides additional benefits to employees

Case study: Primark using automated cranes and driverless vehicles

Talent retention and productivity growth are key strategies

## CONCLUSION

Key takeaways

New Economic Reality: How to win

Evolution of New Economic Reality

Questions we are asking

## About Euromonitor International

Euromonitor International is an independent market intelligence provider. Data, insight and analysis stem from in-the-field research spanning 210 national markets.

Content ranges from the in-depth and country-specific, to key strategic themes with a global range and significance. Products cover a comprehensive range of insights and market data, but can be broadly categorised as:

- **Strategy Briefings:** Global or regional in scope, and focussing on the most important themes shaping consumer demand, the key markets, competitive environment and future outlook across a range of industries.
- **Company Profiles:** Analysis dedicated to the world's most significant companies, with detailed insight into their activities, focus of operations, their competitors, their geographic presence and performance.
- **Country Reports:** For an in-depth understanding of specific countries, whether by industry, economic metrics or consumer trends and lifestyles. These reports cover current trends, consumer demand, market potential and future prospects, with country-specific local insight and comprehensive data, unavailable elsewhere.

For more information on this report, further enquiries can be directed via this link [www.euromonitor.com/new-economic-reality-transforming-uncertainty-into-opportunity/report](http://www.euromonitor.com/new-economic-reality-transforming-uncertainty-into-opportunity/report).