COVID-19 Shopper And Retail Pulse Study

Momentum

Methodology.

A global research study was conducted to explore current shopper attitudes and behaviors during COVID-19 and their perception of how behaviors will change in the future.

Research was conducted using mPulse, Momentum's proprietary consumer research panel. We surveyed 1600 respondents in 8 markets (across UK, US, Canada, Europe, Middle East & Asia).

Margin of error +/-3% at 95% level of confidence.


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Macro
Forces
Shopper attitudes and
the macro environment
Shifts and trends
in e-commerce
Changing shopping
experiences and expectations
Threats and opportunities
for brand loyalty

Shopper Attitudes

Shoppers Aren’t Rushing To Get Back To Normal.

ONLY 16%

said they would **immediately go back** to the way things were

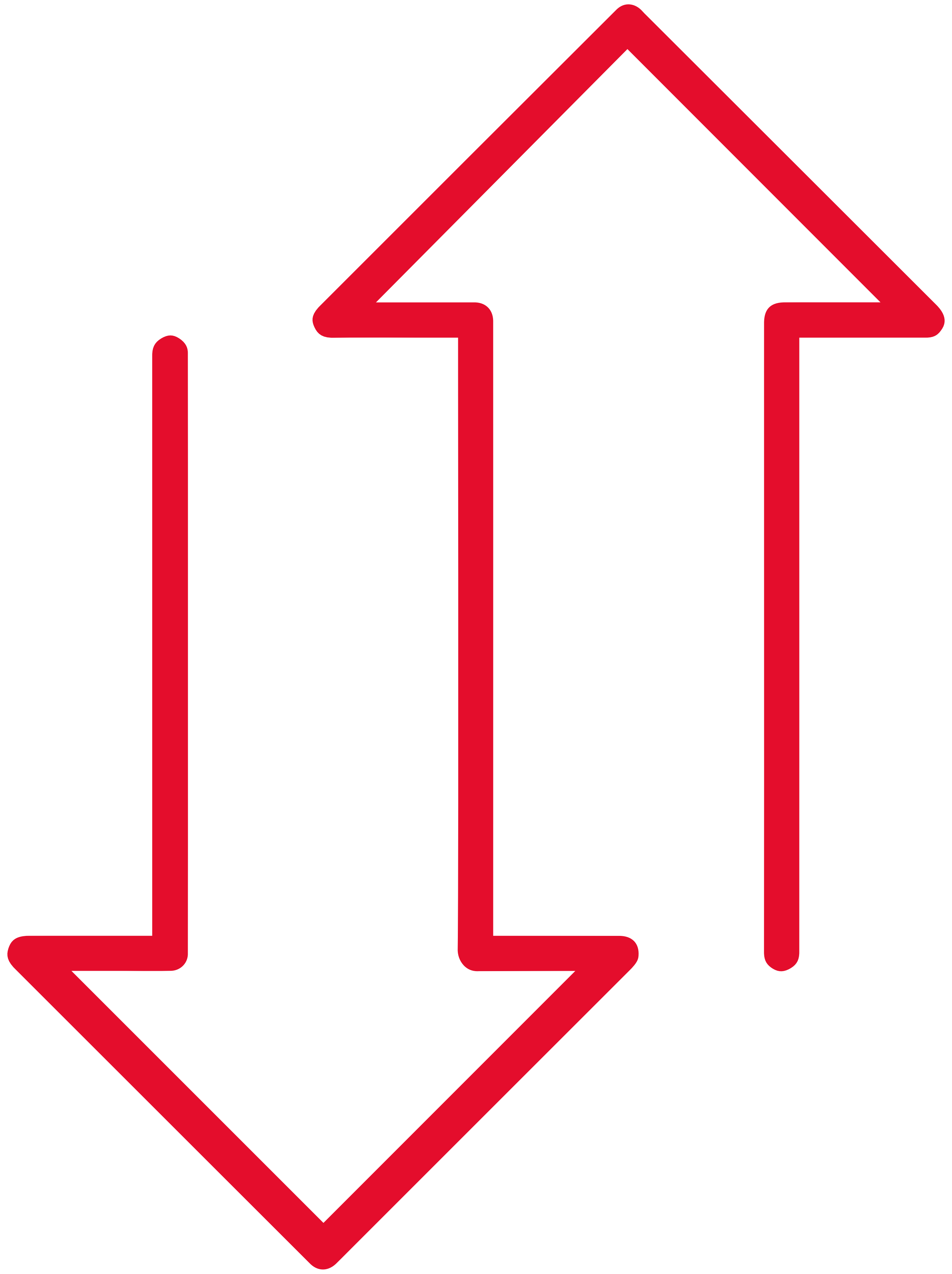
In Fact, They're Getting Quite Used To This Whole Quarantine Thing.

Planning To Do More:

Cooking at home **(61%)**

Eating healthier **(60%)**

Eating healthy **(57%)**



Planning To Do Less:

Dining at restaurants **(40%)**

Going to concerts, movies and sporting events **(43%)**

Going to bars **(43%)**

A Return To “Normal” Is Met With A Mix Of Emotions...

Hesitation and nervousness as well as **Relief and freedom**

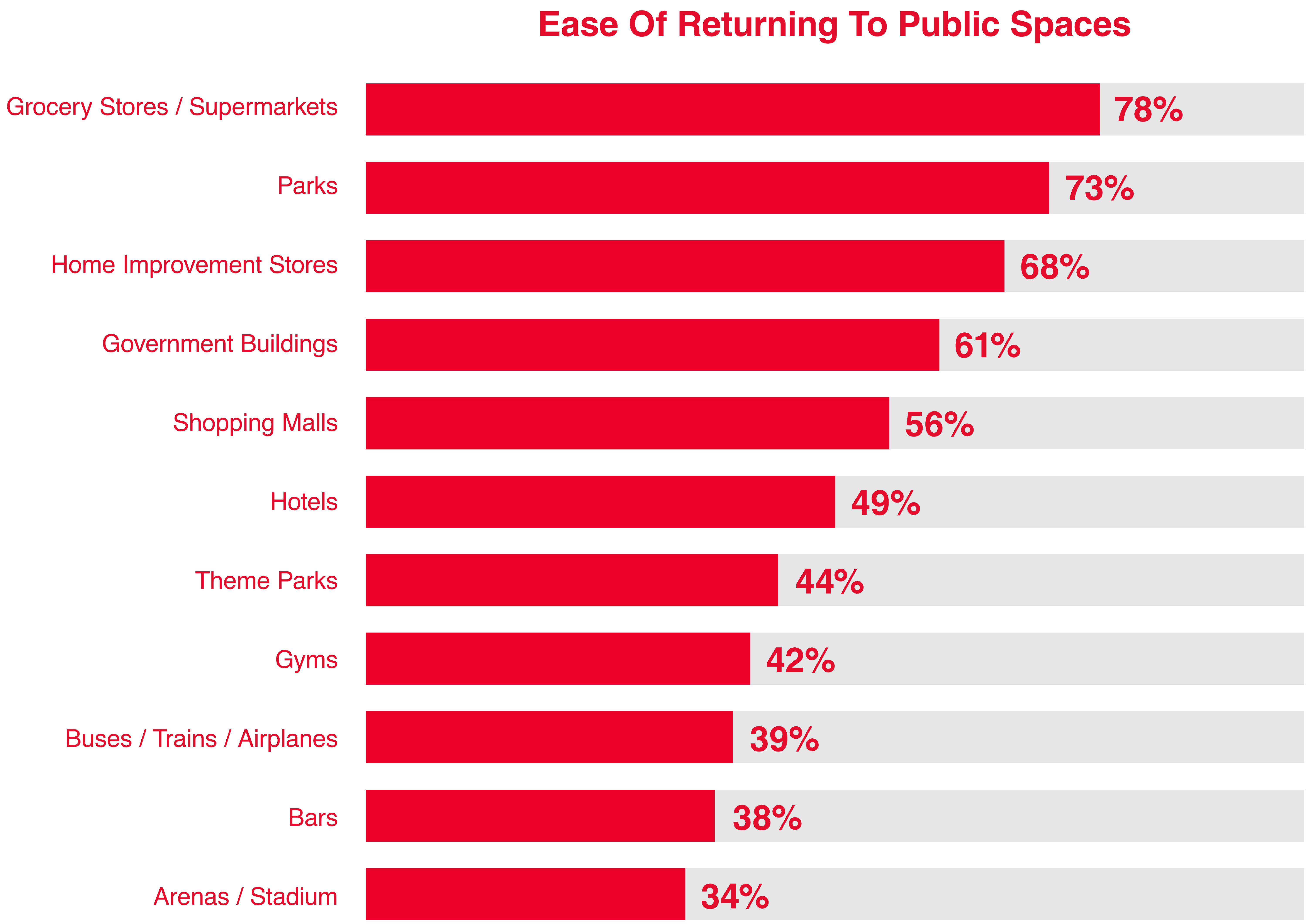
...and most are looking to others to make decisions for themselves

The majority of shoppers would **wait for others to go and see** what happens

Healthcare organizations and the national and state governments are the top three resources shoppers trust most for information and guidance around returning to normal

And Some Places Will Be Easier To Go Back To Than Others.

Essential destinations and the outdoors remain the top public places people will find it easier to go to



Naturally, This Environment Is Changing The Way We Shop And Having Drastic Effects On:

E-commerce

Shopping experiences and expectations

Brand preferences

E-commerce

E-commerce Continues To Soar.

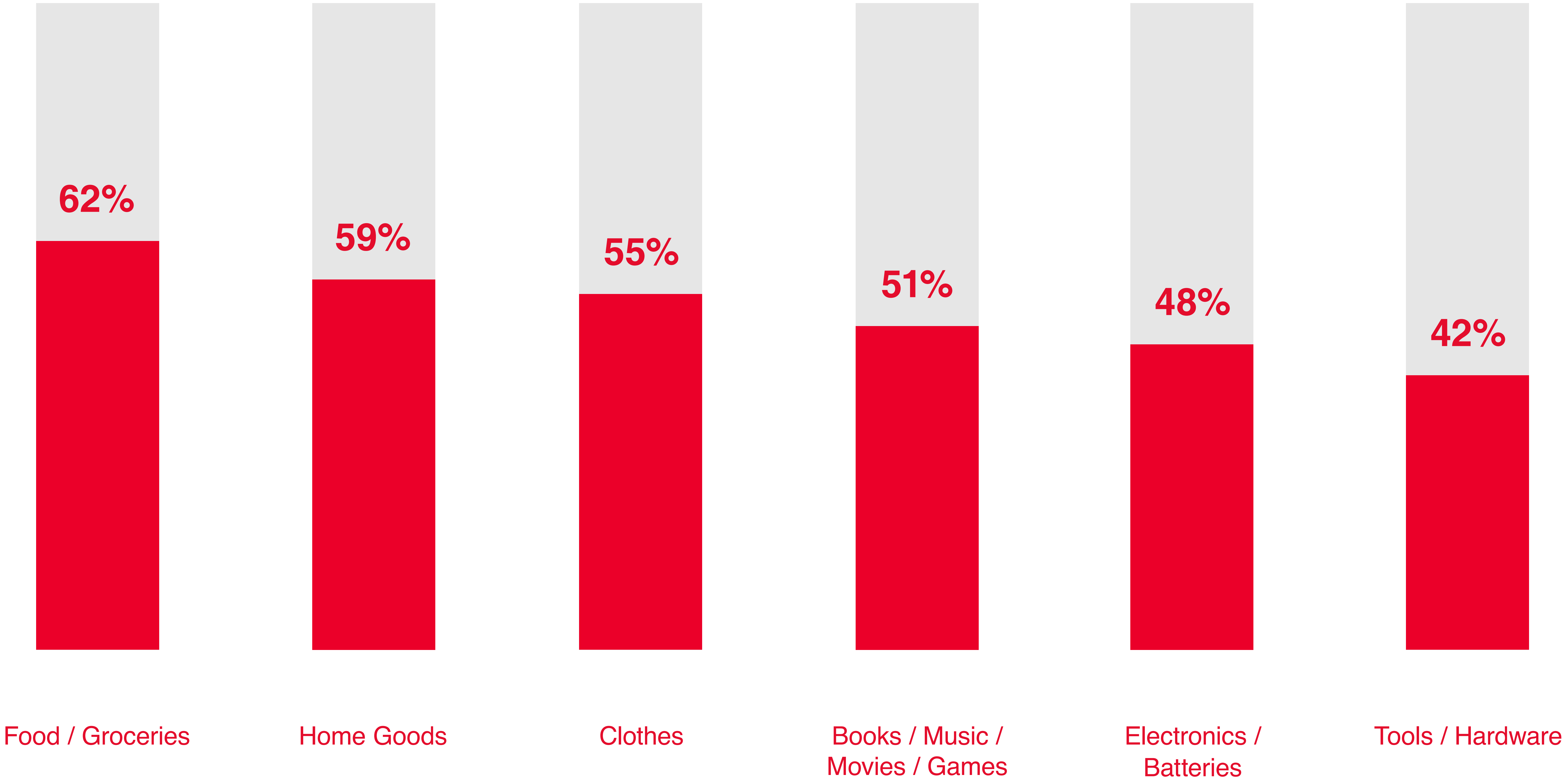
84%

of people have been shopping online
since the pandemic started

Online grocery penetration already hit 10% this year, exceeding 2022 projections.

And That Behavior Is Proving To Be One That Lasts Beyond The Pandemic And Across Multiple Categories...

Categories shoppers expect to buy more of online after the pandemic compared to the year prior



Online Grocery Will Continue Post-Pandemic If It Can Deliver A Better Experience.

37% of shoppers **started using** grocery delivery services during the pandemic

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51% of those who use grocery delivery services see themselves continuing, post-pandemic

NEARLY 1/4

of shoppers will leave online grocery shopping when this is all over.

Poor experiences are likely to blame for the reluctance to continue the behavior, but it shouldn't be discounted that there is still a willingness to consider.

Shoppers Will Take A More Omni-Channel Approach With Their Grocery Shopping.

79% of those who use grocery delivery services see themselves continuing, post-pandemic

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37% of shoppers **started using** grocery delivery services during the pandemic

BUT

12% Only 12% of shoppers who started using grocery delivery services as a result of the pandemic **plan to continue** using them afterward

STILL

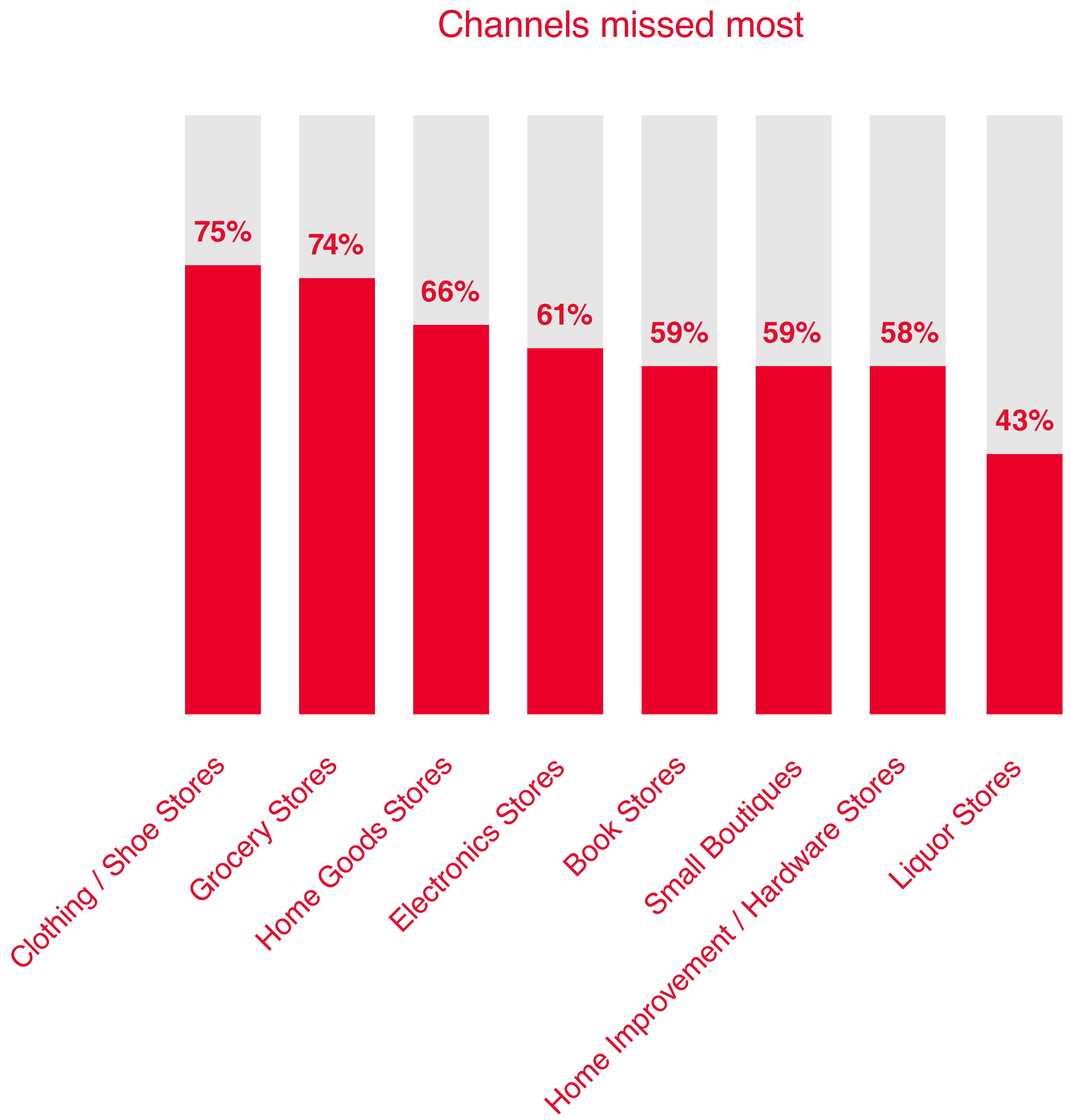
1/5 of shoppers who have never used grocery delivery services would consider trying them

Those with prior experience using grocery delivery services are more likely to continue that behavior post-pandemic, whereas those who started using grocery delivery as a result of the pandemic are less likely to continue using the services.

Poor experiences are likely to blame for the reluctance to continue the behavior but it shouldn't be discounted that there is still a willingness to consider.

Shopping Experiences

When It Comes To Shopping, Experience Matters.



Because shoppers miss discovering together

83% miss getting the chance to **spend time with friends and family**

79% miss being able to **touch and feel** products

77% miss just **casually browsing**, even at the grocery store

77% miss **hunting for a great deal**

But COVID-19 Has Forced Us To Shop Out Of Necessity, Making The Experience More Pragmatic And Deliberate.

More about completing a task and checking off a list than actually shopping.

Compared to before the pandemic, shoppers are:

Making a shopping list	**43%**
Researching products online	**40%**
Price comparing across multiple retailers	**36%**
Actively looking for sale items (through coupons, promotions and/or discounts)	**36%**
Seeking out coupons	**30%**
Looking at the retailer website/app	**30%**

And Shoppers Feel Stores Have Changed To Meet These New Ways Of Shopping.

And they expect pandemic protocols to continue on, post-pandemic:

Hand sanitizer stations at the door **(63%)**

Six feet distance when shopping or waiting in line **(49%)**

Sanitizing wipes for shopping carts **(50%)**

Shoppers Are Always Looking For A Deal, And Now More Than Ever.

94%

Feel happy when they are able to take advantage of a product promotion

94%

Like to buy things on sale

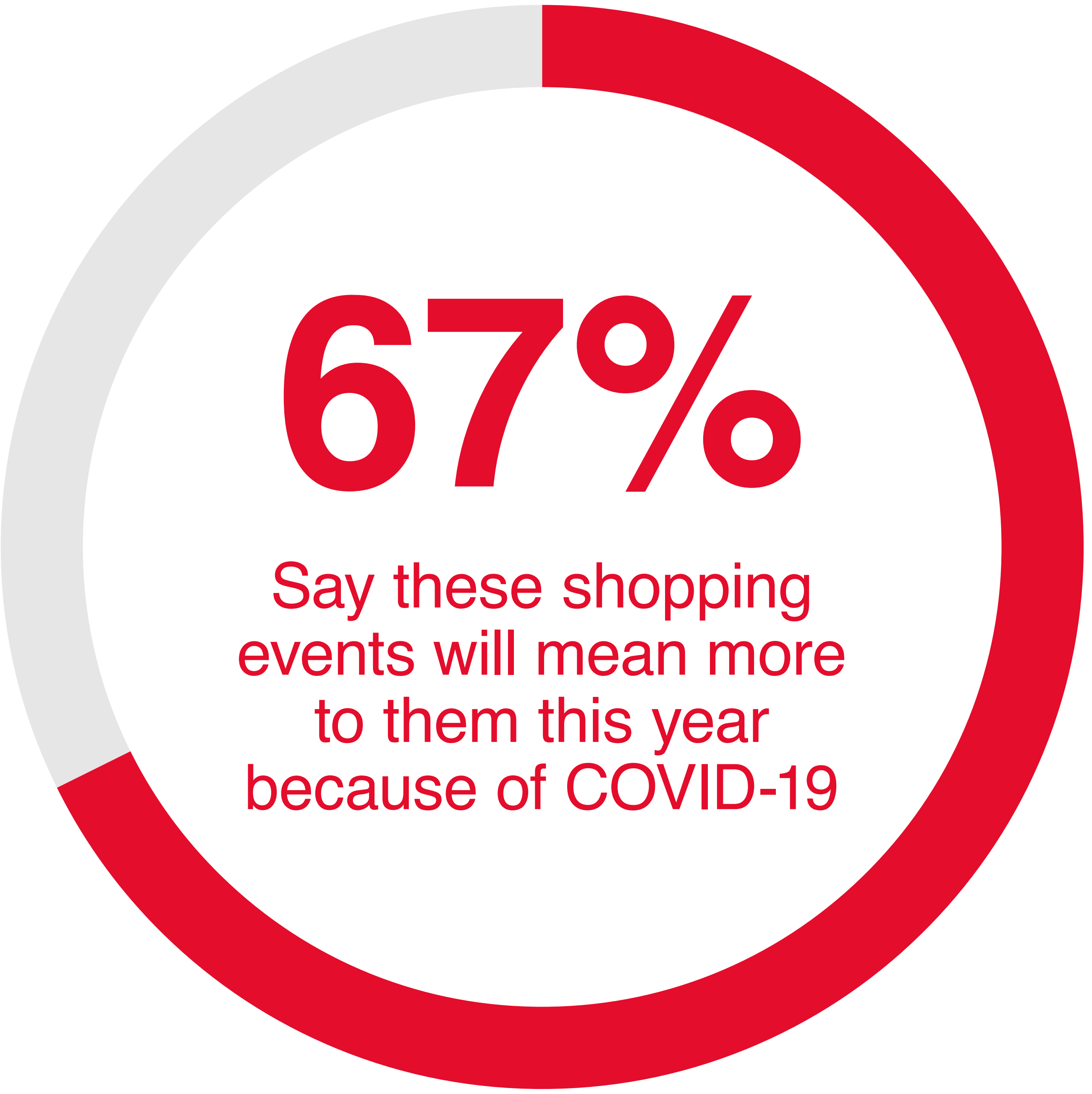
92%

Believe brands should offer more discounts/sales both during and after this economic downturn

As shoppers go online, so do their deal-seeking behaviors, creating an even greater need for price comparison providers like Google Shopping and deal-seeking platforms like Honey and RetailMeNot.

And We Expect Tried And True Shopping Events Will Be More Important This Year...

...Especially as they offer a sense of normalcy and an ode to how things used to be



Even though these sale events will provide a sense of normalcy, we can expect them to shift to online formats. It will be hard to imagine traditional Black Friday crowds packed into a store. And back-to-school shopping will likely include more hand sanitizer and disinfectant wipes.

Brand Preferences

Giving Back Is Important And Shoppers Want To Reward Brands Who Offer Support.

87% of consumers say seeing a brand give support during the pandemic has improved their perception of the brand

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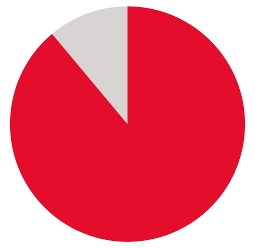
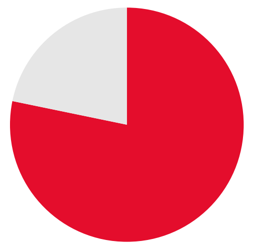


82% agree they will seek out and buy brands that provided support during the pandemic

But With The Quantity Of Messaging And The Seeming Lack Of Quality, It Is Difficult For Brands To Stand Out.



78% say it's hard to remember the specific brands trying to help during the pandemic because so many have

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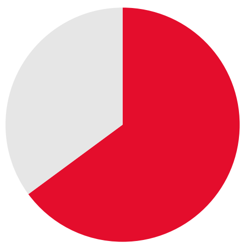


64% two-thirds say companies are flooding them with empty promises

That means brands that give back must do so in a way that is meaningful to their values and resonates with their customers.

But More Importantly, They Want Brands To Be Pragmatic.

93%

say it's important that brands solve for basic needs like safety, security and health

93%

say brands should give people the tools and information needed to improve their well-being

94%

agree companies should offer higher pay and benefits to frontline workers

89%

would like to see more of a focus on people

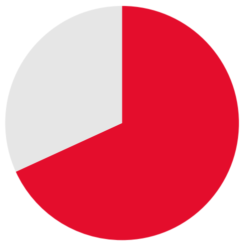
vs.

35%

Only 35% who think it's very important that a brand be more emotional

COVID-19 Tested Brand Loyalty And Shopper Preferences.

Faced with economic uncertainty, shoppers looked to private label/less expensive brands to save money despite having a preference toward name brand products



71% of shoppers agree their preference is for name brands

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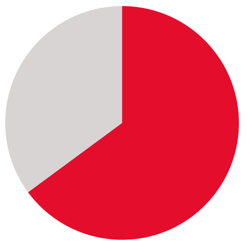
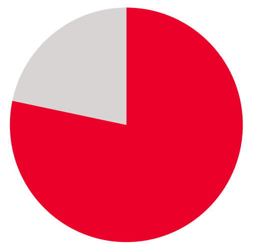


65% of shoppers agree they started buying more private label brands during the pandemic

BUT

85% of shoppers agree they're mostly satisfied with private label or less expensive brands

But This Is Not To Say That Private Label Will Necessarily Remain The Winner, Post-Pandemic.



78% of shoppers agree they will continue to seek out name brand products after the pandemic ends

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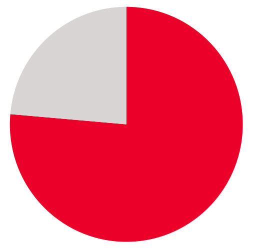

76% of shoppers agree it will be easy to go back to buying their preferred brands once the pandemic is over

That means brands will need to defend their preferred status by offering value beyond quality.

As Brands Work To Defend Their Position With Shoppers, Trust Will Be The Most Important Factor.

Why choose name brand over private label?

I trust the brand	**53%**
It uses better quality ingredients	**42%**
It's my favorite brand	**34%**
It's more environmentally friendly	**33%**
They were a major contributor to helping out during the COVID pandemic	**32%**
It has a reputation for "giving back"	**30%**
It's a brand I grew up with	**27%**
The brand offers a wider variety of flavors/options	**26%**
It fits my personality	**25%**
Made me organic/all natural ingredients	**24%**
Shares the same values as me	**22%**

4 Rule Summary

RULE 1

Continue to invest in online shopping and optimize the e-commerce experience.

We know that more shopping is happening online, but much of the in-store experience gets lost in the digital world. When e-commerce introduces more opportunities for discovery, sociability and bargain-hunting, it can satisfy the needs that are going unfulfilled.

RULE 2

Reimagine traditional shopping and sales events for a COVID-19 world.

Shoppers look forward to major events like Black Friday and Back-to-School for savings and will count on them more during the economic downturn. We need to identify the elements they love about these events—the excitement, the tradition, the ritual—and recreate them for our new ways of shopping.

RULE 3

Invest in non-traditional ways of shopping.

Even though shoppers will find comfort in major shopping events, they're also taking new non-traditional routes. Leveraging platforms like Google, Honey and RetailMeNot will meet these shoppers in new spaces, helping them satisfy bargain hunting needs in an online space.

RULE 4

Focus on shoppers' most basic human needs to establish trust.

Private label brands pose a major threat to name brands, especially as shoppers tighten their belts and become generally satisfied with cheaper options. The pandemic startled our sensibilities and caused us to rethink what we truly value. Brands that can successfully tap into these fundamental needs will connect with shoppers beyond a simple price-quality relationship.

Thank You

Want to know more? Drop us a line
info@momentumww.com