2021

POST COVID CONSUMER REPORT

PREPARED BY

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The COVID-19 pandemic and months of living in lockdown have changed how consumers buy and use products and services. New evidence from UK, US and European consumer research reveals the psychological shifts that have occurred and their impact on short and long-term consumption behaviour across categories.

We have asked 4000 consumers across the UK and US and put together a free report for brands to understand and identify the new emerging shopper types and their attitudes towards shopping and leisure activities.

This report summarises the key findings of our tracker over the COVID-19 pandemic. Looking forward – what behaviours are we likely to see?

ABOUT EMOTIONAL LOGIC

Get closer to real consumer behaviour.

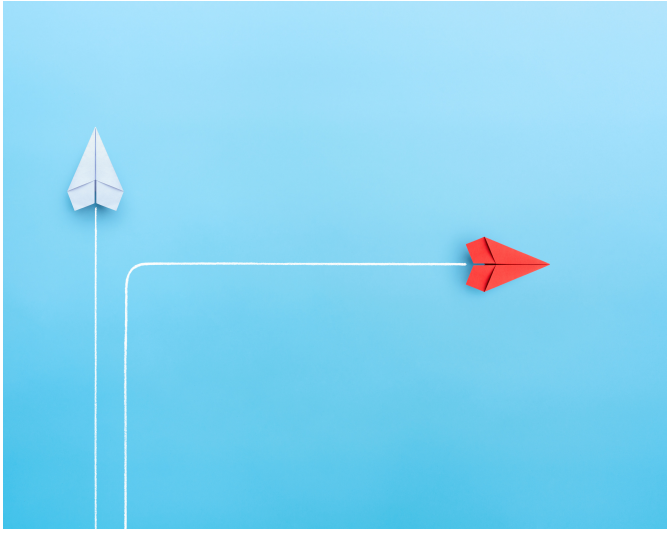
Emotional Logic is a specialist market research agency that applies Behavioural Science to deliver better consumer insight. Never has understanding behavioural shifts been more important than in these unprecedented times. As people are adapting to their circumstances new habits are forming. Some of those habits are here to stay. The way we all live; shop and think are changing – our research helps you adapt your strategies to the new normal.

Just as we correctly predicted how the 2008 recession changed consumption habits, we are now helping brands, charities and public sector organisations to predict the short and long-term impacts of COVID-19.

Annett Pecher
DIRECTOR

Behavioural research will help you focus on the drivers that matter, those long-term trends that really shape the buying behaviour of tomorrow.

POST COVID REPORT HIGHLIGHTS



Priorities have changed

The top three priorities for 2021 across age groups in both the UK and US are Health, Financial Security and Family Time. Brands that connect with those values are likely to do well over the next 12 months.

The pandemic has shifted perceptions and opinions which have created a long-term influence on consumers. For example, social distancing, mask wearing and interacting will never be the same again.

New habits are forming

The coronavirus pandemic has had a lasting impact on how consumers view their purchases and decisions. Consumers have put to bed their previous long-term habits and have had a complete shift.

To determine these habits, we asked "Thinking about the time during the COVID-19 pandemic, what have you changed that you plan to continue?" – answers included social distancing, eating habits and workouts done outside of a gym.

Travel will start with staycations

Travel will start with Staycations, overall, 69% of US and UK consumers will be holidaying closer to home more in the future, whereas 31% can't wait to be able to go on holiday overseas again. However, with further analysis, UK consumers are more inclined to be travelling abroad in comparison to US consumers.

HAVE CONSUMERS CHANGED FOR GOOD?

Apart from the COVID-19 pandemic being one of the greatest health crises, it has also shifted consumer habits. As consumers have chopped and changed new habits, businesses have wondered whether these changes would be fleeting or permanent...

According to PwC's The global consumer: Changed for Good report, 59% of consumers say that they are more price-orientated and 50% say they're more eco-friendly. The study has been running over the duration of the pandemic, and in a 6-month period, consumers evolved to be even more digital and eco-friendly. They have also reported being healthier, data-conscious and wanting to shop locally.

Having been out of lockdown for quite some time now and despite the world heading back in the right direction, the majority of consumers are still seeking security and stability. The pandemic has accelerated so many new trends and has changed consumer priorities - short-term consequences were sudden and very severe such as, furlough or remote working as well as long-term changes.

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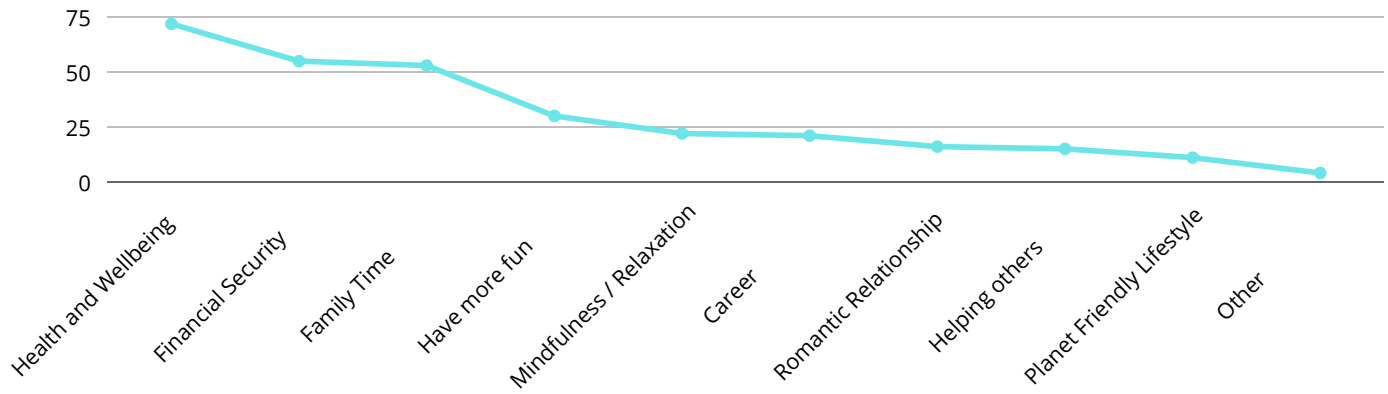
The pandemic has shifted perceptions and opinions which have created a long-term influence on consumers. For example, social distancing, mask wearing and interacting with others will never be the same again.

What are your top 3 priorities for 2021?



LOCKDOWN SHIFTS

Overall, consumers increased their cooking frequency because of the pandemic. Whether it be cooking partly or completely from scratch. 55% of UK consumers did this before the pandemic and continued at the same level, which is 10% more than US consumers. And whilst cooking, 38% of UK and US consumers began to buy locally sourced food before the pandemic and continued to the same level, with 11% increasing as a result of the pandemic.

When it comes to reducing meat intake and having a completely veggie/vegan lifestyle, younger generations are more open to doing so. When creating new products and creating your target demographics – those aged between 18 to 44 should be your go to audience.

As a result of lockdown, a lot of consumers aged between 25 – 44 actually reduced their alcohol intake. However, those over 55 did this pre-pandemic.

Those aged between 18 – 44 are most likely to have participated in a weight loss plan – whether that be hopping on the latest Chloe Ting workouts or using the hour daily exercise outdoors to full potential. The truth is, a lot of consumers wouldn't usually do one hour exercise each day, so the pandemic actually motivated a lot of people to move more.

When it's coming down the pubs, bars and clubs re-opening, consumers over the past year have realised that they don't actually enjoy drinking/the act of alcohol that much. A lot of people have had that shift in perception.

eCommerce has become more of an embedded part of our lives, now ranking as the number 1 activity people do more than they did pre-pandemic. However, a year ago, eCommerce ranked in fifth position.

Time spent with family has also increased: consumers have realised the importance of spending time with their loved ones especially after being kept in doors for so long. They have realised that going out isn't all they once thought it was.

THE IMPACT ON RETAIL

According to the Barclays UK Consumer Spending Report, retail spend has increased. In May 2021, consumers spend surged by 55.7% on preparing and refurnishing their homes and gardens and clothing retailers returned to growth for the first time since September 2020 at 8.5% vs -6.6% in April, with spend from those aged 50-64 driving the increase.

The main fashion brands where UK consumers have significantly decreased purchasing in the last 6 months are Primark, M&S and Next. The main reasons for this decrease in purchasing is primarily because stores are closed; 34% of shoppers have also admitted to spending less / not needing to freshen up their wardrobes with the latest clothing (excluding sports clothing). However, Primark seems to have taken the biggest decrease in purchases because they do not have an online presence, and with stores being closed, it has left consumers with no other option. Also, M&S, for example, have announced plans to close 30 stores and reduce the offering in others as it has made since a loss in the past year. Despite this dramatic loss, M&S have started to modernise their offering, through selling groceries online with Ocado and welcoming third-party brands to their website. This brand is looking at the products consumers are buying and making the appropriate changes to increase revenue - which has proven to be very successful.

US consumers are more likely to take risks, in all aspects in life. Resulting in them being more likely to try new brands over UK customers.

THE RETURN OF THE HIGH-STREET

Despite 1063 fashion retail stores closing throughout the pandemic, it doesn't mean that the high-street is doomed. Footfall has increased on UK high-streets due to staycations in August. Springboard have revealed that this was the first time that footfall levels reduced to less than 20% since the start of the pandemic. Going on staycations has brought travellers to the local high-streets for shopping.

Consumers who want to go to the high-street want to go for the following key reasons; I like window shopping; I like trying clothes on in-store and I want to see what they product actually looks like.

WILL SUPERMARKET FASHION BE SUCCESSFUL?

Lockdown well and truly had put a spanner in the works for the retail industry – with shopping being off limits due to the pandemic, and more people spending time in supermarkets its only natural that consumers' eyes are turning and that they were starting to shop elsewhere.

The only problem that consumers were faced with was to be the fact they couldn't get a hold of the pieces fast enough in their supermarket and wanted brands to stock online again! One shopper said, “Bring back online! See so many nice things on here but can never get any of them!”

Because of the raging success, Missguided have launched in 100 ASDA stores as well as online via George, selling the brand's most popular pieces and collaborations. Also, ASDA began to sell a range of vintage clothing as a push for sustainability. It was noticed that supermarket clothes shopping was successful over the pandemic with this being the only type of in-store shopping consumers could do. Brands, are you prepared to move into your local supermarket to appeal to younger shoppers? And although this means more competition for the already struggling fashion retailers – it also proves there is pent-up demand for retail stores.

So, well done supermarkets for capitalising on the loophole and somehow managing to make fashion shopping essential!

Supermarkets have had a unique opportunity to create a fashion space to take over.

Convenient for shoppers to have a one-stop-shop for all of their needs.

Take into consideration consumers wants such as, eco-friendly pieces and cheap branded alternatives.

HOW RETAILERS CAN STAY RELEVANT

Do you know that 90% of people turn right when they first enter a retail store?

Encouraging customers to follow a specific path is a much easier way for your product placement. From creating specific layouts, you can lead traffic through high demand items and encourage more consumers to see the products.

You can determine where consumers will look, where they will linger, and which displays they pass. This makes it much easier to map out the best place for impulse displays.

For example, in the recent years department stores have been facing a lot of issues, mainly because they no longer seem to be as relevant to the current consumer. The department store stands for three things: convenience, range, and customer service. This also sounds a lot like, the internet – convenience, and range have been replaced by online purchasing. Shopping online can be argued as the easiest method of shopping, it's quicker and easier in the digital age to order online than go searching in-store (especially given current circumstances). The department store used to hold all of your favourite brands under one roof, however, online shopping has captured that, under the roof of your own home.

So, retailers, the one thing you can beat online at is experience. Think how can you make it exciting in-store? Creating the right mix of inspiring products and affordability will attract shoppers. Optimising your shop and activating those unconscious drivers in-store increases sales conversation by up to 200%.

Emotional Logic's in-store optimiser helps you do all that:

- Fully contact-free research solution
- Measures conscious and subconscious factors
- Award-winning behavioural approach

WHEN SHOPPING IN-STORE, WHAT IS IMPORTANT TO YOUR CUSTOMER?

Do you know what your consumers want? Over the past year and a half, 56% of consumers have become more price orientated, followed by 54% being focused on saving money, 51% are becoming more digital and 67% of consumers are likely to go to a shopping mall.

Although online shopping is extremely convenient, it has a lot of draw backs. The overall process is actually a lot slower, offers more distraction and is less efficient than going in-store - yes, you want to make sales online, but are you prepared to lose your physical store? 44% of customers believe that the ability to see and touch the products is most important - which can't be done online.

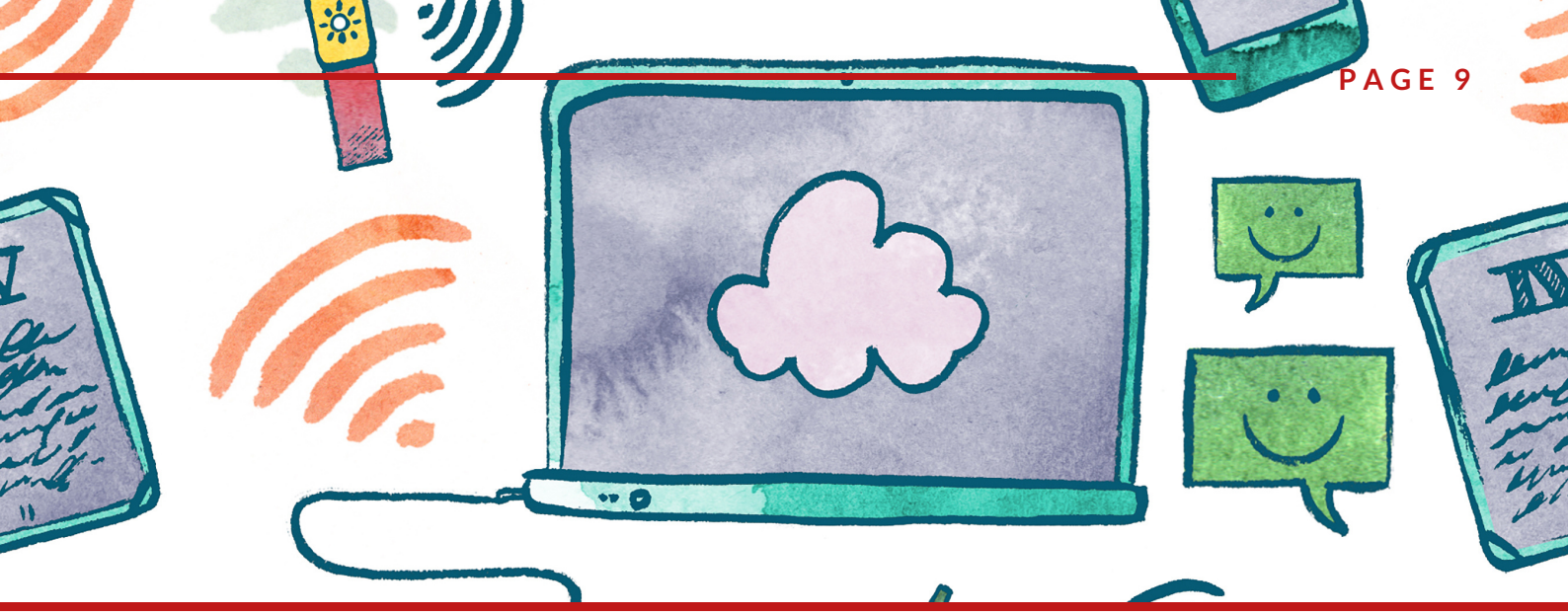
A brick-and-mortar store are the perfect way to overcome this; they are able to provide a more efficient journey as the product is tangible; you can navigate the store, touch it, look for alternatives, make your purchase, and take it home with you. This process can be done completed in one day, instead of having days in between.

I want a free consultation

44% of consumers believe that the ability to see and touch the products is the most important

38% of ability to quickly and conveniently navigate the store to find products they're interested in

Product range and the increase in health and safety measure



THE STORE OF THE FUTURE

Brands, to effectively have a store in the future, you will have to fuse the physical and digital worlds together. Having trust in technology will continue to revolutionise online and physical retail, forcing rapid change. Traditional marketing channels will have to work hard to maintain their consumer focus.

A few examples of this are:

- Dunelm are using an augmented reality to bring products to life in-store so consumers can see how their products would look built up.
- Halfords are launching a new store and garage format to engage customers directly with their products – the rise of home improvements during lockdown might have played a part on this move too.
- John Lewis have also introduced a pop-up show room for consumers to experience its homeware in a real environment.
- Vans are building a pop-up skate park in London, not only to show off their products but also to get people who are interested in the Skateboarding scene involved.

WHAT IS THE BEST DIRECTION FOR YOUR BRAND TO GO IN?

CONTACT-FREE SHOPPER RESEARCH

i. Are you maximising sales in-store?
ii. Consumers don't know why they buy.
iii. Adapt your research approach to the new 'normal'.
iv. Increase sales conversion by up to 200%.
v. Don't rely on what consumers say they want, find out what really works.

DIGITAL WALLETS AND A CASHLESS SOCIETY

Before the outbreak of COVID-19 consumers were shifting towards a digital and cashless society; however, the pandemic has amplified it. Usually, around the Christmas period, people withdraw more cash in December than in every other month – demand for cash peaks, whether it be for presents or nights out (and drops in January). However, reports from LINK, the operator of the UK's biggest network of ATMs, says cash usage in Britain has fallen significantly, by around 50%, in the beginning of the pandemic and payments had shifted to contactless payments to prevent the risk of spreading disease.

New data from payments giant Worldpay and FIS suggests that just seven percent of all purchases in the UK will be made via cash in three years' time. Also, cash will be almost abandoned in the UK by 2024 as the pandemic saw the use of physical currency drop. Therefore, being card friendly and having technology that is up-to-date will help you moving forward.

REASONS TO BECOME 'CASHLESS'

i. With online shopping becoming so popular it makes sense
ii. Because of the COVID-19 pandemic, people being more cautious and aren't wanting to handle money
iii. Paying with mobile phones is becoming increasingly more popular
iv. A rise of 'buy now, pay later' services that are aiding in cashless purchases

GIFT CARDS, NECESSARY OR NOT?

eCommerce is still continuing to boom and sustainability remains a top priority, so are traditional gift cards still relevant? A study found that 25% of all gift cards actually aren't used within the allowed time, however, 75% still are. Some businesses have stepped forward and said that they would lose out on a lot of money if they stopped offering them out. It is a quick easy fix for consumers when buying a 'gift' for friends / family who have expressed an interest in the brand.

ONLINE SHOPPING THROUGHOUT COVID-19

ONLINE BROWSING HABITS

Online browsing has become increasingly popular, especially on mobile apps. Mobile apps have been taking over in lockdown to feed consumers fashion habits – Shein has become the most downloaded shopping app in the US. However, this used to take place in-store. People used to go to shopping centres just to walk round and get the whole experience, however, now there are very few people who do it in comparison to 16 months ago. What does this mean for the retailers?

It's important therefore that retailer websites are encouraging people to engage, are up-to-date and have exciting stuff on there. It doesn't necessarily mean people will buy online but it means that will be able to see what is in-store and give them a reason to visit in-store. For example, looking on a brand website to see what products are available, if there's something that they like, consumers will save it in their baskets and then travel – consumers don't want to have to drive 30 minutes for a wasted journey, especially when the shopping conditions aren't the best (such as, having to queue, wearing a face mask, empty shops).

The average Android user spending up to 4 hours on their phone each day. Mobile phones are now first.

Consumers like to start online and end in-store to complete their purchase.

Adapting your website to mobile will help consumers navigate it a lot easier.

ONLINE SOCIAL MEDIA PLATFORMS

In the UK, the only anomaly in social media usage was for TikTok. The average number of social media accounts per user is 6.9 for 16 to 64-year-olds – this means that there is an overlap on social networking sites. Naturally, users will have their preferred app, but consumers will spend time on each platform, so you have time to target.

Facebook is still the most popular platform, followed by YouTube, WhatsApp, and Instagram. Globally "researching products to buy" is one of the key reasons why consumers use social media – which is now up to 27.5% because of the pandemic. This solidifies the importance of having a social presence and guiding consumers to your website or product pages.

Although TikTok is not the most popular app, it has become a raging success because of the pandemic. Data from Sensor Tower indicates that the TikTok Mobile app was downloaded roughly 57 million times in June 2021 alone – I wonder how consumers we have subjected to targeted ads or influencers on these platforms are influenced and how their purchasing habits change as a result of it.

Twitter did not get as big a bump as the more visual platforms that make for more entertaining doom scrolling: and is now second from bottom on the world's most used social platform – so does Twitter have to up its game?

According to HootSuite, the majority (70%) of Twitter users are male also, the target demographic is 25-34-year-olds – this is a very specific market.

Despite Twitter having fewer active users, they are still succeeding in particular areas. For example, 82% of adults aged 18 and above now consume news online: which is significantly more than the 64% who say they watch news content on TV. That is where Twitter excels. Despite claiming three times fewer monthly active users, Twitter is almost as popular as Instagram when it comes to news content with 59% of users regularly getting news updates from Twitter – social media users can select which sources and publishers they trust when searching for the latest news.

However, one issue Twitter ran into was removing millions of fake accounts, which resulted in an 8% hit on its share price. Though, it had to be completed for the credibility of its business and advertising.

ONLINE PURCHASING HABITS

A lot of consumers have already bought online before, however, many have jumped on the internet hype even more; buying groceries, clothing and big-ticket items.

Consumers have expressed what they would like from online shopping; for example, 41% want fast/reliable delivery, 35% want in-stock availability of items that they want to purchase, and 31% want a good returns policy, according to PwC's The global consumer: Changed for Good report. Many brands have adjusted already for example, Very Group have extended their next day delivery cut off time from 7pm to 10pm from using new automated tech – being more accessible for your customers is key with 41% of consumers wanting fast delivery. Also, online shop Asos are looking to expand into their fifth warehouse to reduce delivery time as they have received a lot of complaints about offering next day delivery, but consumers not receiving their parcel next-day. This type of press is something that could destroy an online retailer.

Because of the pandemic people increasingly shop online. It's fair to say that majority of all consumers have been converted to this new way of life and are enjoying the hassle-free process. With online shopping it is more convenient; not having to leave the comfort of your own home, not paying for parking or having to drive/take public transport to the destination, as well as consumers enjoying looking around for discounts and doing price comparisons on big ticket items.

Although consumers have realised the ease of online shopping, as the restrictions have lifted in the UK, in-store spend significantly improved and is finally returning to pre-COVID-19 times. It seems as though consumers are making the transition back to the high-street with face-to-face non-essential retail increasing.

However, according to Sitecore, a lot of consumers (aged between 25 and 40) are conscious when shopping with Amazon, with 32% of UK shoppers saying that they feel guilty every time they shop with the retailer and that they want to cut down. These consumers would rather shop with small independent businesses who have environmentally friendly values they resonate with.

I want a free consultation

ONLINE FOOD SHOPPING

Online grocery and food delivery services have certainly seen an increase in sales now given Government guidelines and safety concerns, however, they shouldn't get too comfortable. Consumers are undecided on whether they will continue with this service. However, it has still been very successful and a lot more widely used than it was, Tesco have released some facts about how pre-pandemic 10% bought online and now it's up to 30% of all groceries bought online.

People don't like it because of the substitutions and they don't get exactly what they want – bruised strawberry pack or wrong product pick-up. Also, some consumers just enjoy to go food shopping and the whole process around it. Seeing new products on the shelf, looking for a specific product or even wanting to see what offers the supermarkets have on are a few reasons why people visit the supermarket and as soon as they have had the opportunity to stop online and go back to in-store grocery shopping they did. However, grocery sales in general have actually decreased by 2.7% as hospitality reopens for indoor trading - this shows consumers are excited to be back out and socialising once again.

Kantar online food delivery: consumers really care about other reviews. 49% of respondents have had a good online grocery experience, and 38% of consumers believe that they get a better range online. More than one in three now prefer buying groceries online which has dramatically increased because of the pandemic.

Because of the pandemic, online grocery shopping has increased from 10% to 30%

Consumers don't like getting substitutions and receiving incorrect items

Consumers actually like to go food shopping to see new product releases, try introducing this onto the website more seamlessly.

SHOCK TO LOYALTY

Consumers in the UK and US have responded to the crisis and its associated disruption to normal consumer behaviours by trying different shopping behaviours and expressing a high intent, 48% amount of people are changing habits and increasing purchases, and plan to incorporate these behaviours going forward.

In order for you to stay ahead of the game, you need to know exactly what is going to drive your consumers to make a purchase... Think With Google have noticed different consumer behaviours, for example, in the past year 1 in 4 clothing shoppers have bought from a new brand or retailer; 75% of womenswear and 83% of menswear shoppers said that they will continue to buy from these same new retailers over the next 6 months). Research also found that more have bought than had intended to buy when asked at the beginning of lockdown (Bauer Media). So, there is still opportunity to find new customers as behaviour changes.

Even though this consumer behaviour change (shopping habits) might be coronavirus specific, consumers are open to trying different brands and products. Now more than ever. Our contact-free solution can help you measure customer flows, get shopper feedback and optimise in-store displays. Understand how your customers are reacting to the new situation and your changed in-store environment to maximise sales you can achieve.

HOW TO CREATE A LOYAL CUSTOMER

PwC's The global consumer: Changed for Good June 2021 report identified the attributes a brand must have for a consumer to remain loyal. The key influences are reliability (46%), products that are widely available (31%) as well as exceptional customer service and loyalty programmes (26%).

Consumers want brands that resonate with their values. There is a continuous rise in expectations for the brands that they engage with – businesses will have to articulate meaningful propositions to win customers over to stop them from shifting. However, with the rise of social media and consumers' willingness to try new products, creating a loyal customer is becoming increasingly difficult.

The key to successful strategy is insight into specific product categories – storage solutions, cosmetics, indoor plants, exercise equipment, bicycles for example have all experienced growth. But – expect things to change again now that pubs and hospitality have reopened. So, knowing exactly what is trending when is essential for a successful marketing strategy.

PICKY EATERS POST-COVID-19

According to the FSA consumers have a lot of food concerns, with 28% of respondents reported about the quality of food produced in the UK in March 2021, whilst 50% reported being concerned about the quality of food imported from outside the UK. Having said that, food production in the UK could move overseas – will consumers still buy your products? The answer is probably not...

The qualitative research that the FSA conducted showed that more generally, COVID-19 had changed how consumers buy, cook and eat food. For example, loss of income, location, food availability were all factors that influenced this decision.

Localism continues to be important too, with 52% of respondents paying more attention to product origins than they did pre-pandemic. 68% prefer supermarkets close to home whilst 64% think that local stores are important for the community – when big supermarkets went into meltdown and struggled to get produce / products in-store, small and local stores managed to support them.

28% of consumers have a lot of food concerns, particularly the quality.

COVID-19 has changed how consumers buy, cook and eat food.

52% of consumers will continue to shop locally from corner shops, fruiters and butchers as a result of the pandemic

HEALTH AND WELLBEING IN FOCUS

The pandemic has spurred many consumers into healthier diets and increased physical activity. 40% made changes to their diet as a result of the pandemic – cutting back sugar, alcohol or meat. 1 in 4 consumers had increased their exercise levels and 1 in 5 went on a weight loss plan; partly due to COVID-19 causing a more severe illness in overweight people but lockdowns have also enabled people to readjust their lifestyles away from the temptations of restaurants, bars and clubs.

Health and wellbeing are at the top of everyone's agenda. However, naturally, every age group has different priorities: 18-24-year-olds had a wider range of priorities with everything (apart from health and wellbeing) being a major priority - which is a key difference amongst those 25 and over. Overall, 58% say they are now more focused on health & wellbeing, so offer discounts for heathy living and attract past, current and new customers.

Food is key: consumers are crying out for healthier products, along with a rise of sustainability. Many consumers experienced positive changes such as increased home-cooking, food sharing and an increased attention to a healthier diet.

According to Gary Hughes at AAK, "people want to be healthy post COVID-19 and so look for healthy foods on supermarket shelves. In fact, 62% of UK consumers would like to see more reformulation of unhealthy products to make them healthier."

Google searches for "self-care routine" were up 250% since the first lockdown in March 2020.
Professional Beauty, 2021

Yoga and meditation app searches have increased by 65% y-o-y.
Think with Google, 2021

More than 1 million people have quit smoking since COVID-19 hit.
BBC, 2020

ENVIRONMENTALLY FRIENDLY CONSUMERS

Although consumers have woken up to the fact that current lifestyles are unsustainable, they do not necessarily act on this. Wave 1 of our COVID-19 tracker in April 2020 found that 76% of consumers see the pandemic as an opportunity to live more in harmony with the planet, yet in the most recent wave only 4% choose a planet friendly lifestyle as a priority for 2021.

Sustainable lifestyles may have more success if they also affect health and wellbeing. For example, in both US and UK markets 1 in 5 consumers state they are actively reducing their meat intake since the pandemic hit. This is mostly driven by younger consumers where 1 in 3 aged 18-34 had taken this step while only 1 in 6 of those aged 35 and over did. Deliveroo have seen a spike in vegan meals, and 46% will pay more for sustainable packaging. However, sustainability will struggle if it comes into the way of convenience.

The most likely to be prioritising a planet friendly lifestyle are males aged 35-44 with children.

However, the pandemic also caused some people to slip, for example meat intake. One of the reasons for this is that many people initially went into 'survival mode' and seeking comforting foods from their childhood. While others who were choosing meat free dishes when eating out struggled to recreate them at home and fell back onto classics.

76% of consumers see the pandemic as an opportunity to live more in harmony with the planet

12% overall who had been cutting down their meat intake before, stopped during the pandemic

Only 16% of UK consumers state they are actively reducing their plastic consumption.

38% continue to buy locally sourced food before the pandemic, with 11% increasing because of COVID-19

SUSTAINABLE LIVING: THE DAVID ATTENBOROUGH EFFECT

David Attenborough has fuelled people's desire to minimise their impact on the planet. While record numbers of people watch programmes about plastic pollution, the United States is still by far the world's largest generator of plastic waste (producing 42 million metric tons of it) and over the last 12 months Britain has been facing a littering epidemic – with record numbers of plastic bottles and other packaging items being dumped on roads. Only 16% of UK consumers state they are actively reducing their plastic consumption. It seems the majority still feel this is someone else's problem. 64% of consumers have voiced that they would like better schemes to remove plastics and packaging – this can be noticed by Unilever in their most recent action to get rid of plastic bottles and replace them with cardboard.

According to a study conducted in March 2021 by Deloitte, one of the key areas where consumers are demonstrating their commitment to sustainability is through avoiding single use plastic, despite 61% of consumers saying they have cut back. Also, there has been a particular focus on seasonality (49%) as well as buying local goods (45%) – these are the next biggest areas of focus. Although it is only a small percentage who are taking sustainability seriously, they are changing a lot of their ways. Consumers claim to have stopped purchasing certain brands due to related concerns. These consumers could create quite the rip-tide in the coming months and years. However, those that aren't adopting a more sustainable lifestyle is because a) they aren't interested (22%), b) it's too expensive (16%), and c) they don't have enough information (15%).

That is not to say businesses should not take the subject seriously – they just need to deliver solutions and products that are just as convenient and affordable as the less sustainable option. Solving the problem without inconveniencing the consumer, for example, giving greater clarity if the products packaging can be recycled.

Also, according to the Vegan Society, Brits want more vegan fashion, "more vegan verified clothes, bags, shoes and accessories on the high-street." Out of those consumers, 74% would be willing to pay more for plant-based leather compared to animal leather. Although it is not without environmental concerns, The Environmental Profit & Loss, a sustainability report developed in 2018 by Kering, agrees that the impact of vegan-leather production can be up to a third lower than real leather.

COVID-19 INDUCED HABITS

The extreme measures and duration of lockdowns and business closures have forced consumers to re-evaluate their choices and 'habits' – whether that would be going to a shopping mall, eating out at a restaurant, or meeting up with friends. These habits had to come to quite a sudden stop.

Almost every aspect of life has been interrupted and fast-tracked, 52% of UK and US consumers can't wait for things to speed up again, and return to the way they were pre-COVID-19. Whereas 48% believe that they have changed – they will do some things again but their behaviour in other things has changed. UK and US consumers have revealed their previous long-term habits, examples include, time and money spent out of the house as well as their online shopping habits. To determine these habits, we asked "Thinking about time during the COVID-19 pandemic, what have you changed that you plan to continue?" – answers included social distancing, eating habits and workouts done outside of a gym.

Different age groups have a different approach when it comes to their changes in habits because of the COVID-19 pandemic. For example, those aged between 18 - 34 eating habits and workouts are the key changes because of the pandemic - when trying to sell or create new products relating to fitness and health, this is definitely the audience. Whereas, those aged between 35 - 44, remote working is the main key change for this audience.

Overall, those aged over 35 are keen on following social distancing rules, even after the restrictions have been lifted as well as shopping online. Primarily, before the pandemic, it was the younger generation who shopped online, however, we can notice that there has been a shift.

Only 18 - 24-year-olds have introduced lifestyle and mindfulness changes to their routine - this is particularly exciting because of the rise of yoga and meditation apps. The pandemic has caused a lot of stress and anxiety within this age group, imagine trying to finish your final year of education or trying to get employed for your first adult position in the work place throughout this. It is not ideal. However, introducing these good habits into daily practice is eliminating/reducing COVID-19 induced anxiety or stress.

Overall, what 71% of all US and UK consumers want most in their life is to have fun, and enjoy life's pleasures, in whatever they have / are doing moving forward from COVID-19.

COVID-19 INDUCED HABITS THAT HAVEN'T LASTED

However, there are some habits such as taking part in regular exercise that stopped because of the pandemic. For example, 40% of consumers took part in regular exercise and physical activity pre-pandemic but 18% actually stopped during the pandemic, with only 13% increasing these habits. Because of the pandemic, consumers all around the world have been nesting in their own homes. Day-to-day activities such as grabbing a coffee, going to work and seeing friends or family were put on hold – therefore, creating a lot of time for consumers. The most popular activities for UK and US consumers to do at least weekly during the pandemic were online browsing (68%), popping to the shop for a specific item (44%) as well as online shopping and enjoying fast-food (37%).

Whereas, throughout the pandemic UK and US consumers never visited a gym (51%), followed by an online shop with click & collect (41%), then visit a bar/club (36%). Naturally, this is because of some of these facilities were closed, however it has had a lasting impact with consumers saying things like, "I'll never go back to the gym again."

During the pandemic the FMCG industry remained successful because consumers were willing to try new products. It's extremely rare for a consumer to go in store without purchasing an additional item that has caught them off guard by a special offer or promotion - lucky for them 44% of consumers were popping to the shops several times a week.

52% of UK and US consumers can't wait for things to speed up again, and return to the way they were pre-COVID-19.

The most popular thing for UK and US consumers to do is online browsing (68%)

Once a week 44% of consumers will pop to the shop just to buy a specific item

The least popular thing for UK and US consumers to do is attend a gym (51%)

STRANGE TIMES, NEW HABITS

The past year has given consumers the opportunity to do something they might not have previously had time to do; with schools being closed and parents working from home priorities changed to getting creative to pass time.

Stephen Mihm, an associate professor of history at the University of Georgia has spoken out and said, "The internet strengthens the power of more obscure hobbies in so far that it allows you to connect and learn from people who you wouldn't have been able to meet in your average town."

Because of the internet it was a lot easier for consumers to find new hobbies and skills. 2020 became the rise of tie-dyeing clothes, increase of arts and crafts (according to Statista, arts, crafts & design saw a 63% increase in web searches from US consumers, as of May 2020), and becoming TikTok's biggest fan. Among the many hobbies that cropped up, the majority aren't still around – so does this apply to brands too? Yes.

Understanding your consumer or target audience is the only way to succeed – We are all creatures of habit and understanding consumer beliefs and behaviours is extremely important. In order to keep up with (and perhaps even influence) those changes, brands must deep dive to uncover the truth.

Before the 'new normal', consumers would stick stubbornly to their habits, resulting in little to no behavioural change. And now, because of COVID-19 consumers have had to adjust to every twist and turn – which really has opened their eyes. To truly change behaviour, we need to identify what is driving current habits – something our award-winning Motivation Deep Dive delivers reliably.

I want a free consultation

A POST-COVID-19 WORLD

Are consumers ready to get back to normal? Some consumers are feeling more comfortable returning to their day-to-day activities however, comfort levels still remain low. Approx. one in three people are now comfortable going back to the office, beauty appointments, doing recreational shopping, as well as going on domestic holidays. However, less than one in five is comfortable attending large events such as concerts or sporting matches.

OFFICE WORKING

Brits are now feeling more comfortable to go into office – London's west end footfall has improved as a result of this decision. It can be noticed that the footfall in London's West End rose 12% between the first week in August and the last weeks in August. According to the Retail Gazette, 91% of Brits wish to return to the office in some capacity. However, 47% of Brits will be travelling to and from an office a lot less with flexible working being a more popular option, therefore, when Brits are travelling to and from the office it might be time to target some ads when you find out which shops they're passing on the days they are in office.

AT HOME WORKOUTS

Working out at home whilst gyms were closed became increasingly popular during the pandemic and the habit will not disappear overnight, however, with the gyms re-opening, consumers returned gradually with a 19% increase in comparison to the previous quarter. COVID-19 has accelerated the adoption of a hybrid model of online exercising which will continue after the pandemic ends. So, gyms it might be time to start offering online classes / personal training to keep your sales up.

WILL CONSUMERS REGAIN THEIR SOCIAL LIFE?

Despite restaurants and bars seeing the biggest quarterly rise in net spending ever recorded, and they are now significantly higher than their pre-COVID-19 levels, it cannot be clear on if this is a permanent shift. However, this is age specific, with those under 35 being the most likely to dine out.

As a result of the pandemic, the growth of fast-food and restaurant take-out has increased with 31% of UK and US consumers admitting to spending more than they did in the previous year. In the western world, consumers are eating out more than ever before, but because of the lockdown, consumers were either forced to make meals 3 times a day, or order take-out. They were able to get their weekly treat, but from the comfort of their own home – readjusting once again.

Restaurants, consumers care about their home comforts. There is an opportunity to introduce a take away or home delivery model as home consumption expands: Just Eat Take away is hiring 1500 new staff in preparation – the pandemic really has changed up consumers eating habits. Will your consumers still travel to you or will it be worthwhile you go live on a Take Away app?

GOING OUT FOR LEISURE

Pure outdoor attractions have a head start with 35% wanting to return within a few weeks, whereas museums and art galleries are likely to catch up within a few months.

Return to the cinema will be a trickle and not a flood with 41% of consumers saying that they will be attending the cinema a lot less; the main reason being that 70% of people feel uncomfortable. Also, 41% of regular movie watchers are happy for movies to come out on demand and watch from home whereas 36% of regular movie watchers prefer going to the cinema (18–24-year-olds making up the largest proportion with 48%).

Consumers prefer the cinema over streaming or DVD because of the viewing experience (67%), going with others for a social occasion (55%), and they can see it as soon as it has been released (40%).

I want a free consultation

TRAVELLING ABROAD OR STAYCATION?

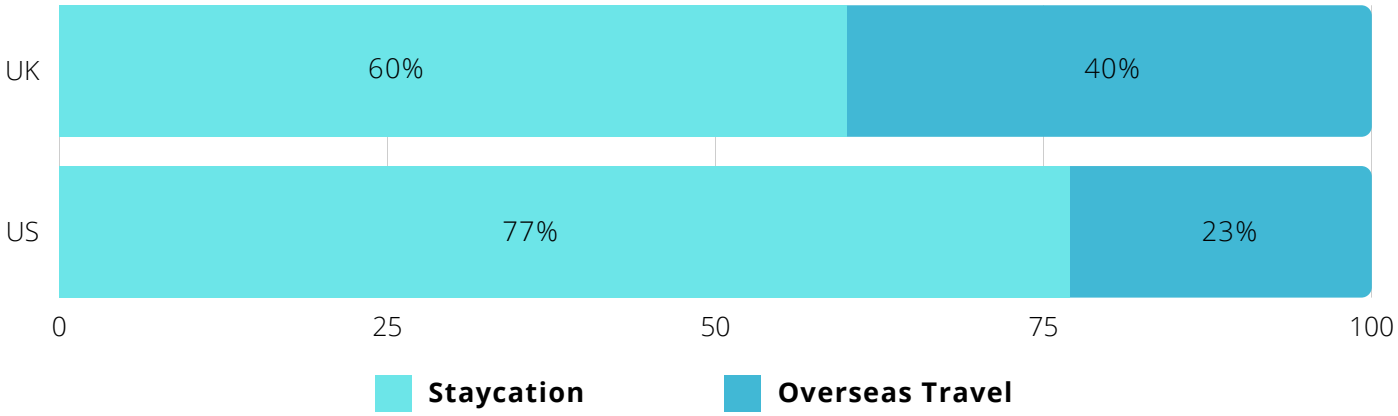
The tourism industry has been helpless throughout the COVID-19 pandemic. The industry that once brought us closer together has been put on hold. We have been analysing data from UK and US consumers to understand how they have been coping and adapting to the restriction and reduction of travel.

A lot of people are planning on travelling however there is a split. People have said outright I do not think I'll ever get on an airplane again and will only holiday within the UK to others who are desperate for a holiday and will jump at the first opportunity. According to the World Travel and Tourism Council, they have projected a global loss of 75 million jobs and a $2.1 trillion loss in revenue.

Travel will start with Staycations, overall, 69% of US and UK consumers will be holidaying closer to home more in the future whereas 31% can't wait to be able to go on holiday overseas again. However, when further analysing, UK consumers are more inclined to be travelling abroad in comparison to US consumers.

Consumers like their alone time. People have realised I've been alone for a year and a half and now consumers enjoy being by themselves. People are comfortable being alone now. For the travel industry and accommodation providers they usually target a lot of ads to 'you and your partner' 'have a romantic get-away' – sell the destination rather than the reason why people are going. It won't appeal to people as much – it isn't a priority.

How do you plan to travel in the future?



HOW CAN WE HELP?

Market Research and Consumer Insight has never been more valuable than in these unprecedented times. Shoppers see, react, and make snap decisions within seconds – and the majority of this is not noticed on a subconscious level. Our research can help you adapt your strategies to the new normal.

BEHAVIOURAL CHANGE RESEARCH

We are all creatures of habit and understanding consumer beliefs and behaviours are extremely important. In order to keep up with (and perhaps even influence) those changes, brands must deep dive to uncover the truth.

The coronavirus pandemic has disrupted nearly every routine in day-to-day life. The extreme measures and duration of lockdowns and business closures have forced consumers to re-evaluate their choices and 'habits' – whether that would be going to a shopping mall, eating out at a restaurant, or meeting up with friends. These habits had to come to quite a sudden stop.

Before the 'new normal', consumers would stick stubbornly to their habits, resulting in little to no behavioural change. And now, because of COVID-19 consumers have had to adjust to every twist and turn – which really has opened their eyes. Consumers are open to trying different brands and products. Now more than ever. For example, in the past year 1 in 4 clothing shoppers have bought from a new brand or retailer. However, consumers are still making purchases – that's what counts!

Our behaviours are driven by unconscious influences (System 1 reactions) that cannot be tackled with traditional messages – it's time to change up your marketing. Our unique Behavioural Change Model will help you understand the unconscious emotional drivers that are keeping consumers trapped in their current habits.

I want a free consultation

HOW CAN WE HELP?

NEW PRODUCT DEVELOPMENT RESEARCH

As mentioned, COVID-19 has well and truly shaken up the world – but it isn't all bad. Consumers have had the opportunity to think about what matters to them and what they want to spend their hard-earned money on. Having said that, consumers are open to new brands. 38% of consumers say they have discovered new brands during lockdown that they will continue to buy from (Emotional Logic). So, for all brands there are new opportunities to bring out a new product, consumers are willing to try something new and different at the moment. This might be an opportunity to steal some customers from your competitors…

Brief:
An FMCG brand was looking to increase their market share and grow the category they were operating in by activating new consumption situations. Emotional Logic was asked to screen, then test and refine a number of new product ideas for their potential to change consumer behaviour and activate growth for both the brand and the category.

New Insight:
Like many FMCG purchases this category was very habit driven with consumers reaching for 2-3 brands without really taking notice of new options. Our Motivation Deep Dive revealed what held existing behaviours in place and how to unhook those habits. We tested product concepts for appeal and ability to attract attention at point of purchase. This enabled the brand to develop a strong new product concept that will disrupt the category and create new consumption occasions.

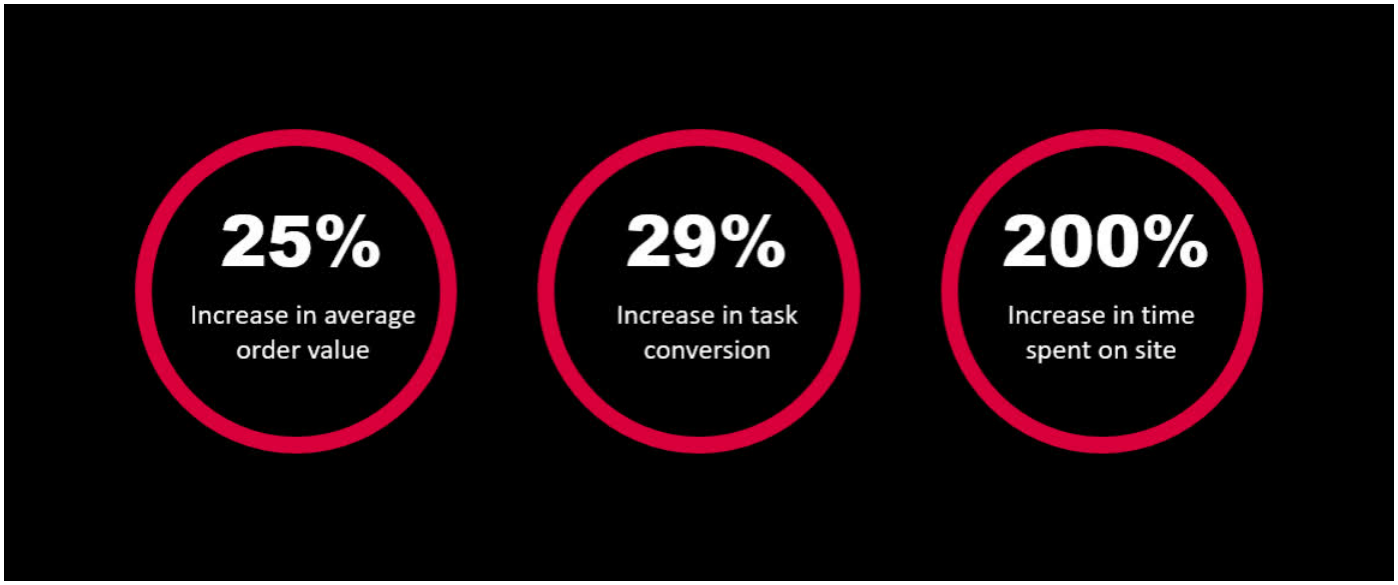
HOW CAN WE HELP?

WEB DEVELOPMENT AND TESTING (UX)

The pandemic has accelerated the speed at which we are going digital and has given new power to many industries. It's important that your website is optimised for consumers so they stick around and convert to sales or enquires. There is a need for brands to move online and use consumers new dependence on technology to their advantage.

It's not surprising to read consumers need the internet just to make it through the day; whether it be for Zoom, to make an Amazon purchase or to watch a funny cat video on YouTube… Maximising behavioural nudges on your website or adverts to get shoppers to buy and users stay is essential post-COVID – especially because buying behaviour online is a lot different to buying in-store.

Maximise behavioural nudges on your site to get shoppers to buy and users to stay.



HOW CAN WE HELP?

CONTACT FREE SHOPPER RESEARCH

Now more than ever feedback from your shoppers is critical. Buying behaviour and attitudes are shifting rapidly, new loyalties are developing and online shopping is at an all-time high. How can you get shoppers back in your store?

Our contact-free solution can help you measure customer flows, get shopper feedback and optimise in-store displays. Understand how your customers are reacting to the new situation and your changed in-store environment to maximise sales you can achieve. Adapting your research to the 'new normal' is essential.

Consumer's priorities are changing, but eventually the pandemic will pass, and you will be competing for consumers time, attention and money in no time. Now is the time to understand your consumers habits, don't rely on what consumers say they want, find out what really works.

Whether you need insight to adjust your strategies for existing brands to the new normal or are thinking about launching new products we can help you get it right. Emotional Logic is a specialist behavioural insight agency and we offer a range of cost-effective research solutions to ensure your strategy connects with the constantly shifting needs of the consumer. Please get in touch for a free consultation.

Contact Us

Get in touch today for your free demonstration.

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PREPARED BY

emotional logic