

## Consumer Digest

Welcome to your April Consumer Digest, where we highlight some recent customer trends and unpack the continuing impact of Covid. We encourage you to treat this as you do your morning news: read it over coffee, discuss it with your teams, use it as a reference in your current work. Feel free to reach out to your 84.51° contact with questions or thoughts!

### Included this month:

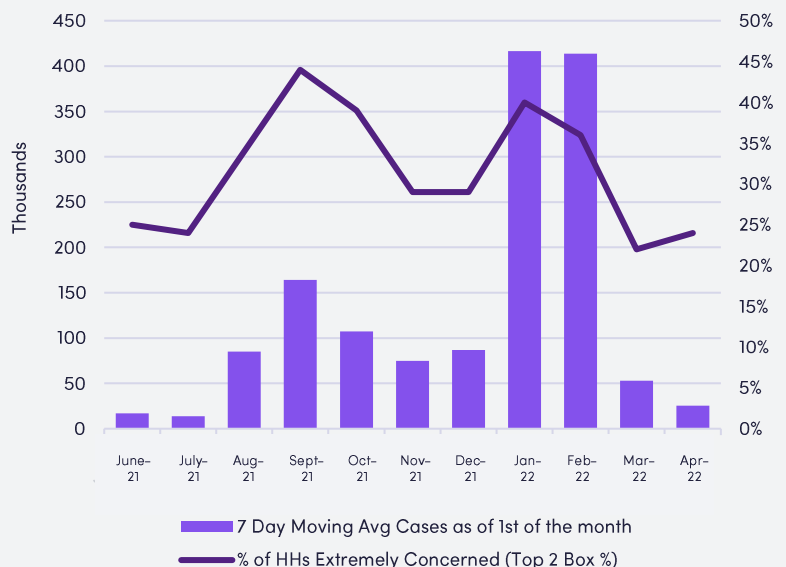
- **Coping with inflation** – what are shoppers doing?
- How consumers are dealing with **prices at the pump**
- **Spring has sprung** – what consumers plan to do this season
- **Cooking & grocery shopping enjoyment** are on the rise
- What shoppers plan to purchase for Mom this **Mother’s Day**

## COVID Update<sup>1</sup>

### COVID concern still exists even as cases drop month to month

- 24% of shoppers claim they are very to extremely concerned about COVID this month, up 2 percentage points from March.
- Moving Avg Cases drops more than 50% from March to April, part of which could be due to more people testing at home.
- While 18% of consumers are feeling less optimistic about a return to pre-pandemic conditions, 64% of those shoppers said they are concerned that more COVID variants will arise.
- Of the 60% of shoppers who are feeling more optimistic, 64% are optimistic about this return because of level of cases, while 44% say they are optimistic because family & friends are vaccinated.

How does shopper concern align with COVID case counts?



SOURCE: CDC, "COVID Data Tracker", 84.51° Real Time Insights Survey

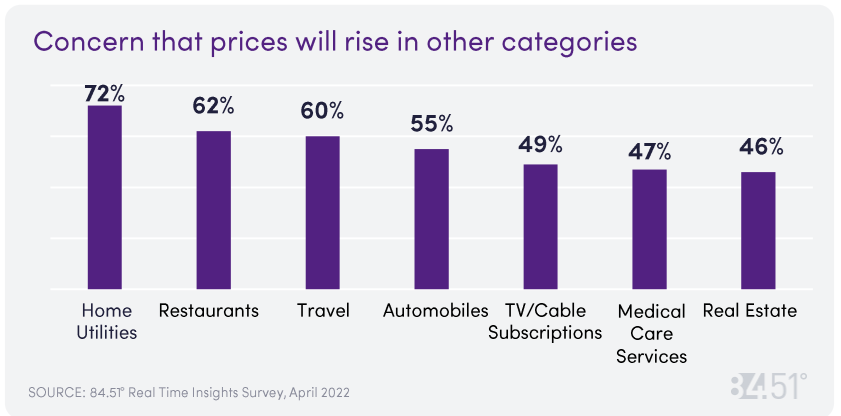
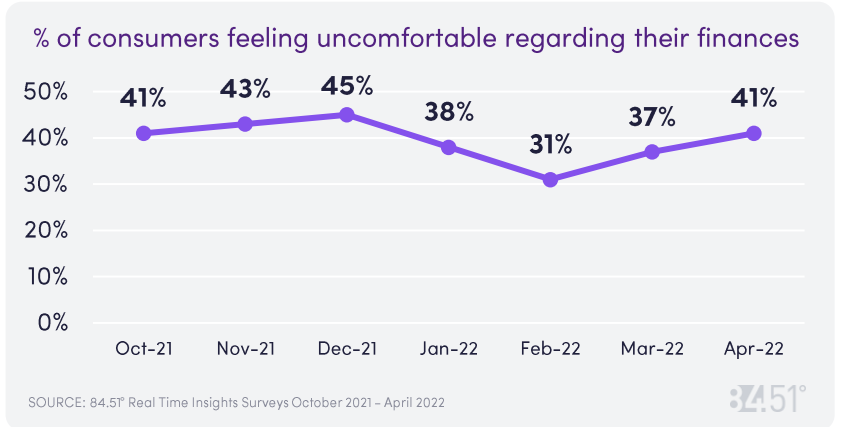


SOURCES: 1) CDC, "COVID Data Tracker"; 2) 84.51° Real Time Insights Survey, September 2021 – April 2022

# Rising Prices And Inflation – How It’s Impacting Consumers<sup>1</sup>

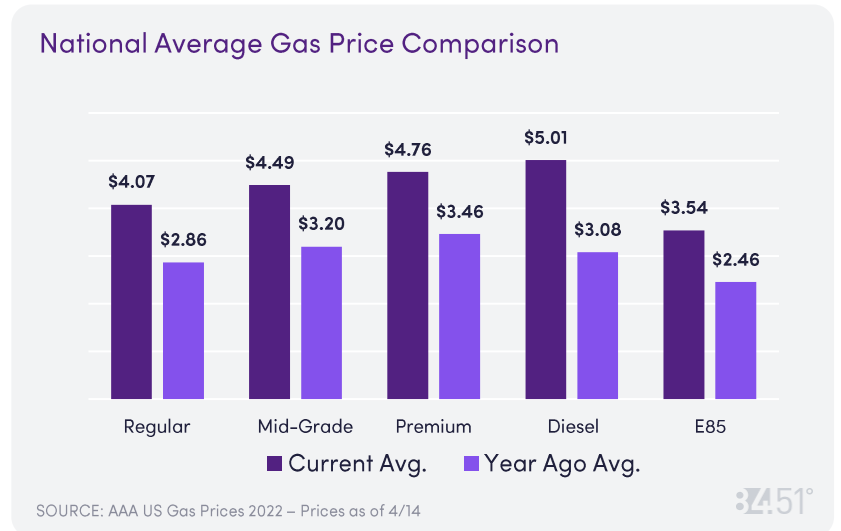
## Consumers continue to cope with high prices

- 88% of consumers feel concerned with inflation and consumer prices.
- Consumers are seeing prices rise in categories such as: Dairy (milk, cheese, etc.) (82%), Deli/Meat/Fish counter (76%), and paper products (toilet paper, tissues, paper towels, etc.) (73%).
- Many say they are cutting back in categories like snacks/candy (61%), Drinks (soft drinks, juices, etc.) (49%), Fresh Bakery (46%), and Beauty (hair products, makeup, etc.) (43%).
- To cope with high prices, 59% of households are looking for sales/deals/coupons, while 51% are switching to a lower cost brand.



# How Consumers Are Dealing With Prices At The Pump<sup>1</sup>

- With the current state of gas prices, 59% of consumers are reducing driving/traveling and 50% mention they are utilizing fuel points or gas discounts. 18% have not made a change due to rising gas prices.
- 91% of consumers are concerned that gasoline/fuel will continue to rise due to inflation.
- Nearly 65% of consumers feel that the international conflict between Russia and Ukraine is having a “very” to “extreme impact” on their purchasing of gas.

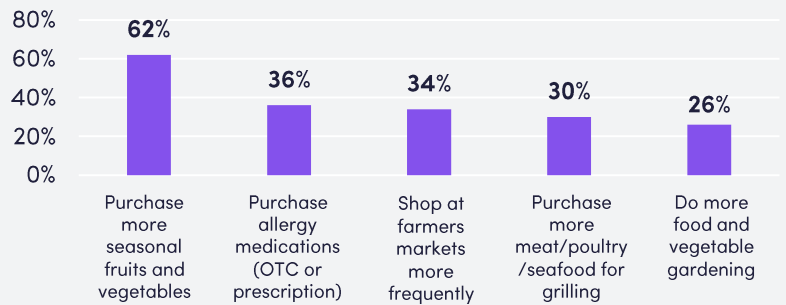


SOURCES: 1) 84.51° Real-Time Insights Survey, April 2022

## Spring Has Sprung!



### What consumers are planning to do this spring



SOURCE: 84.51° Real Time Insights Survey, April 2022

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## Cooking & Grocery Shopping Enjoyment Are On The Rise<sup>1</sup>

- Consumers are enjoying cooking more than they did last month – 26% are enjoying cooking more this month vs. 21% in March, and only 19% in February.
- Grocery shopping enjoyment is also on the rise this month – 18% of consumers are enjoying it more than last month vs. only 11% from January, and only 10% six months ago.

### Categories consumers are willing to purchase a more premium version of what they normally buy:

1. Deli/Meat/Fish counter (27%)
2. Health Care (OTC, Vitamins, First Aid, etc.) (23%)
3. Personal care (toothpaste, soap, etc.) (22%)
4. Paper products (toilet paper, tissues, etc.) (21%)
5. Dairy (milk, cheese, etc.) (21%)

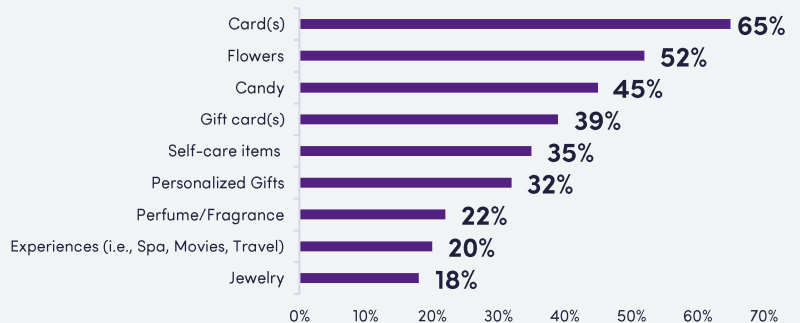
SOURCE: 84.51° Real Time Insights Survey, April 2022

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## Celebrating Mother's Day – May 8th<sup>1</sup>

- Of those who are planning to purchase card(s) this Mother's Day:
  - 31% are planning to purchase at a mass retailer (e.g., Target, Walmart, etc.)
  - 22% are planning to purchase at a grocery
- Of those who are planning on purchasing flowers this Mother's Day:
  - 30% are planning to purchase at a grocery
  - 13% are planning to purchase at a mass retailer (e.g., Target, Walmart, etc.)

### What consumers plan to purchase this Mother's Day



SOURCE: 84.51° Real Time Insights Survey, April 2022

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## Making Customers' Lives Easier



Households are willing to switch to a lower cost brand to offset an increase in prices. Reward your loyal customers through coupons, promotions, or value packs.



Knowing more people are enjoying cooking from home and will be in store to pick up their Mother's Day card and flowers, promote family favorite staples for a special Mother's Day meal.



Consumers plan on purchasing more seasonal fruits and vegetables this spring. Inspire households with fresh-forward recipes that incorporate seasonal produce.



Inspire Mother's Day gifting opportunities through co-promotion or a partnership with other suppliers. Complement card and flowers with an experience (gift cards), self care items, and more.

## Custom or Out-of-the Box? Learn more.

84.51° Insights leverages first-party customer transaction data from nearly 60M households to provide shopper science, analytics and strategy, giving you unparalleled business knowledge and customer intelligence. Our insights and research solutions will help you better understand the shopper's path to purchase and empower you to build and execute comprehensive and personalized customer-centric strategies.



### CHANGING HABITS

Learn about the impact of inflation, price, advertising, and depth of discounts from a customer perspective. Dig into migration and switching behavior and identify opportunity areas through pack size adjustments, household segments engaged, and consumption trends with the **Inflation Learning Plan**.



### THE SEASON OF SAVE

Deliver data-driven insights to support your pricing strategy at retail with the **Price & Promotion Tactic Predictions** solution. This capability will provide the lift expected at different price points by tactic.

Understand which brands are gaining or losing different types of household segmentations through **84.51° Stratum**.



### PULSE ON THE SHOPPER

Track household behavior and forecast trends through an encrypted but persistent household ID through **84.51° Collaborative Cloud**.

Simulate a shopping trip that exposes groups of consumers to different in-store scenarios and have them rate their shopping experience with **VR Testing**.



## Connect with us

Have a specific question that isn't answered by one of our standard solutions? Reach out to your 84.51° partner or [Insights@8451.com](mailto:Insights@8451.com) to see how we can help.