

# COVID-19: CONSUMER MOTIVATIONS & OUTCOMES

3451°

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## EXECUTIVE SUMMARY

### WHAT

**SITUATION:** COVID-19 is creating a major disruption, both financially and emotionally, in consumers' lives. This creates a lot of uncertainty for consumers.

**CONSUMER REACTIONS:** Consumer outlook evolves from uncertainty to fear, and from fear to a search for normalcy and comfort.

#### FEAR manifests in two main ways:

**Self-Sufficiency:** Financial and food supply concerns lead consumers to prioritize their well-being above others

**Health & Safety:** Consumers weigh risks of safety in almost every decision

**A BRAVE FACE:** Consumers try to maintain a positive attitude, meanwhile anxieties around their finances, health, and other aspects of their lives are almost universal

**NEW ROUTINES:** As consumers attempt to find a new normal, they're confronted with a new set of challenges (cooking, daycare, homeschooling... and for some all the above)

**COMFORT:** Shoppers seek comfort through hobbies and technologies, as well as through food.



Whenever you see this purple logo, or a purple box, information has been sourced from our **Beyond the Table Community** – a qualitative resource from the 84.51° Consumer Research team. Respondents have been asked various questions around how COVID-19 has affected their lives since March 11, 2020 continuing through April 6, 2020. All respondents' names have been masked.



### SO WHAT

There is an opportunity to be there for customers as they react to changes beyond their control, helping address financial and emotional distress.

Understanding consumer motivations allows us to address their underlying needs.

#### *Self-Sufficiency:*

Make value more visible to customers (activations: budget focused meal displays; targeted campaigns centered on Value; discounts focused on everyday staples)

#### *Health & Safety:*

Broadly communicate all health & safety measures...

this breeds comfort and trust

Enable pickup and delivery options, as many consumers view this as safer than in-store

Provide larger pack sizes to enable stock-ups

As external factors exaggerate financial bifurcation, personalized communications enable relevancy

#### **NEW ROUTINES AND COMFORT:**

As customers are quickly moving between caretaker, spouse, teacher, worker, offer solutions to meet them where they are:

- Easy lunches for busy weekdays
- Fun breakfast ideas for long, slow weekends
- Comforting dinners... healthy sides for frozen pizza; simple fried chicken
- Fun desserts: ice-cream sundae bar ideas, easy cookie recipes

## DISRUPTION & UNCERTAINTY

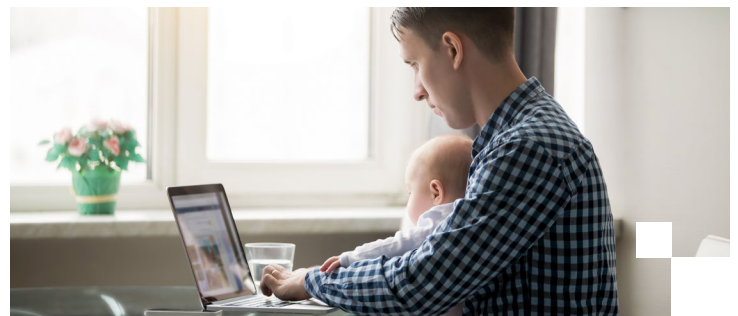
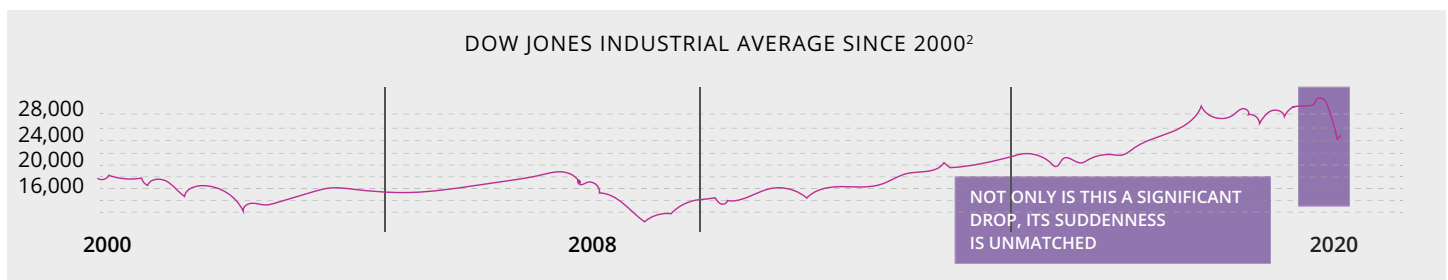


### THE DISRUPTION CREATED BY COVID-19 HAS FORCED CONSUMERS TO QUICKLY ADAPT TO A NEW NORMAL

Due to COVID-19, consumers are facing disruptions to their routines and are having to put their lives on hold. However, the idea of a disruption is not a foreign concept, as we've been forced to navigate through and adapt to life altering events throughout history. Just as we did with those disruptions, we will now have adjust to the new normal in order to survive and thrive.

**73%** OF AMERICANS VIEW COVID-19 AS AN EXTREME OR MODERATE DISRUPTION TO DAILY ROUTINES<sup>1</sup>

### COVID-19 HAS UPENDED ECONOMIC STABILITY AND CAUSED CONSUMER DISTRESS

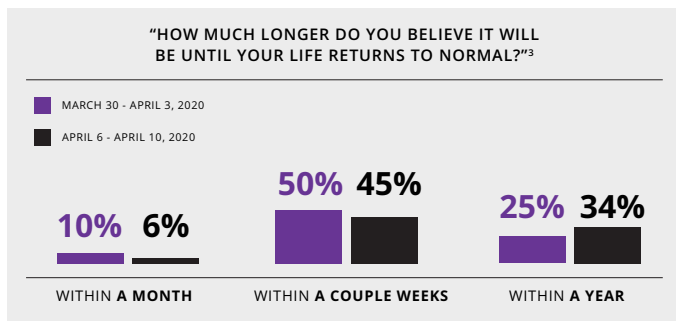


SOURCES: <sup>1</sup> Kantar "Consumers and the Coronavirus: In Their Own Words" March 2020; <sup>2</sup> MacroTrends "DJIA 100 Year Historical Chart" April 7, 2020;

## DISRUPTION & UNCERTAINTY



AS TIME GOES ON, CONSUMER OPINIONS ON THE PANDEMIC HAVE SHIFTED TO UNDERSTAND THAT THE EFFECTS OF THIS ARE GOING TO LAST LONGER THAN INITIALLY EXPECTED



Source: 84.51° CR Weekly COVID-19 Pulse; n= 411, 418; Ages 18-99; Q: How much longer do you believe it will be until your life returns to normal (e.g. the way it was before the coronavirus pandemic)?



**"Who knows when everything will open back up and get back to normal or will restrictions arise and we will be on lockdown not even being able to leave the house...I'm hopefully right now. Anxious of course, uncertain. I think it may take longer than everyone thinks for things to go back to normal..."**

- KAREN<sup>4</sup>

## THE UNCERTAINTY CAUSED BY COVID-19 LEADS TO ERRATIC BEHAVIOR AND FEELINGS

### A WORD FROM THE EXPERTS:

*"Anticipatory grief is that feeling we get about what the future holds when we're uncertain...There is a storm coming. There's something bad out there. With a virus, this kind of grief is so confusing for people. Our primitive mind knows something bad is happening, but you can't see it. This breaks our sense of safety."*

- David Kessler, Grief Expert<sup>5</sup>



**"At this point it is a free for all, and we just have to purchase what we can without regards to the nutritional facts and goals that we had before this crisis emerged. We are only purchasing to ensure we have food on our table regardless of what that food is."**

- VIGGO<sup>4</sup>

## FEAR: SELF-SUFFICIENCY

**72%** OF AMERICANS SAY THE CORONAVIRUS IS MAKING PEOPLE MORE LIKELY TO PUT THEIR OWN NEEDS FIRST, EVEN IF IT'S NOT IN THE BEST INTEREST OF THE COMMUNITY<sup>6</sup>

DURING UNPRECEDENTED TIMES AND IN THE MIDST OF CRISES, HUMANS OFTEN REVERT BACK TO EGOISTIC HABITS TO ENSURE SURVIVAL, RATHER THAN ALTRUISTIC BEHAVIOR THAT MAY BENEFIT THE GREATER COMMUNITY.

### CONCERNS STEM FROM TWO AREAS OF FEAR:

#### 1. FINANCIAL

With the tumultuous economy, consumers are increasingly concerned about their financial security

#### 2. FOOD

As consumers are faced with the potential of a nationwide lockdown, fears of not being able to obtain food dominate their minds

**75%** OF AMERICANS ARE EXTREMELY OR VERY CONCERNED WITH COVID-19'S IMPACT ON THE US ECONOMY<sup>7</sup>

**47%** OF AMERICANS REPORT STOCKING UP ON GROCERY ESSENTIALS<sup>8</sup>



## 26MM+ CITIZENS

HAVE APPLIED FOR UNEMPLOYMENT SINCE MARCH 14<sup>TH</sup> 2020. THE REAL UNEMPLOYMENT RATE IS NOW AT ITS HIGHEST LEVEL SINCE 1934.<sup>9, 10</sup>

FOR MANY SHOPPERS, COVID-19 HAS VERY SUDDENLY UP-ENDED THEIR LIVES

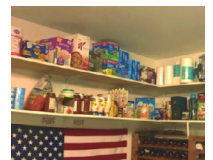


## “HOARDING” MENTALITY

Consumers consistently look to stock up on key staples, especially in the wake of key item shortages. There is a disconnect where consumers are quick to say that they are not hoarding, but just stocking up on items.<sup>11</sup>



“First of all, I’m not hoarding anything. I can get by on what I have for many weeks, so there’s no need.”  
- THOMAS<sup>4</sup>



### THOUGHT STARTER

We know that an increasing number of consumers’ situations are forcing them to become more budget conscious. What support can we provide to help consumers find budget-friendly choices?



### POTENTIAL ACTIVATIONS

- Budget-focused meal displays
- Targeted campaign centered on value
- Discounts focused on everyday

SOURCES: <sup>6</sup> Kantar “Consumers and the Coronavirus: In Their Own Words” March 2020; <sup>7</sup> Directions Research “Coronavirus Consumer Response Tracker” April 16, 2020 <sup>8</sup> Shopkick “Majority of Americans Changing How They Shop Due to COVID-19 Concerns”, March 24, 2020 <sup>9</sup> FRED “Initial Claims (ICSA)” April 2020; <sup>10</sup> “Fortune” “Real unemployment rate soars past 20%- and the US has now lost 26.5 million jobs” April 23, 2020 <sup>11</sup> 84.51° BTT Community 2020



## FEAR: HEALTH & SAFETY

AS SAFETY MEASURES INCREASE, AND COVID-19 MOVES CLOSER TO HOME, CONSUMERS' CONCERNS ABOUT PERSONAL AND MENTAL HEALTH GROW

**58%** OF CONSUMERS ARE EXTREMELY/VERY CONCERNED WITH THEIR PERSONAL HEALTH<sup>12</sup>



**82% vs 70%**

EXTREMELY/VERY CONCERNED ABOUT THE VIRUS, AMONG SELF-REPORTED HIGH RISK VS. NOT HIGH RISK POPULATIONS<sup>12</sup>

**32%**

OF AMERICANS CLAIM THEIR MENTAL HEALTH HAS GOTTEN WORSE THIS PAST WEEK VS. ONLY 17% FOR THEIR PHYSICAL HEALTH<sup>13</sup>

## SHOPPING BEHAVIORS HAVE BEGUN TO CHANGE TO REFLECT THE INCREASED CONCERN OVER HEALTH AND SAFETY



**70%** OF AMERICANS SAY THERE IS A **LARGE/MODERATE RISK** TO THEIR HEALTH & WELL-BEING BY GOING TO THE GROCERY STORE<sup>13</sup>



**41%** OF CONSUMERS ARE CLAIMING TO STOCK UP ON **HAND SANITIZER, DISINFECTANT PRODUCTS, AND OTHER SUPPLIES**<sup>12</sup>



**24%** OF CONSUMERS SAY THEY ARE USING **GROCERY CURBSIDE PICK-UP SERVICES MORE**<sup>14</sup>

## BALANCING HEALTH RISKS: CONSUMERS ARE FACING TRADEOFFS BETWEEN THE HEALTH RISKS THAT COME WITH IN STORE VS. DELIVERY



"I have looked into... delivery service and this maybe a good option. But then I **wonder how they are handling the food, who is touching the food, etc.** So trying to figure out what is the safest route for me...**should I go to the store wearing gloves/mask or should I pay a little extra for delivery.** I'm not sure at this point. "

- OLIVIA<sup>15</sup>



### THOUGHT STARTER

How can we implement best-in-class safety measures and contactless solutions in order to ease consumer tensions?



### POTENTIAL ACTIVATIONS

- Broader communication
- Increased availability of pickup slots & delivery options
- Larger pack sizes to enable stock-ups

SOURCES: <sup>12</sup> Directions Research "Coronavirus Consumer Response Tracker" April 6-12, 2020; <sup>13</sup> IPSOS/Axios "Coronavirus Index" April 14, 2020;

<sup>14</sup> 84.51° CR Weekly COVID 19 Pulse Week of April 12 2020 n=431 Ages 18-99; <sup>15</sup> 84.51° BTT Community 2020;



## PUTTING ON A BRAVE FACE



CONSUMERS CONSISTENTLY VOICE THAT THEY ARE IN CONTROL OF THEIR SITUATION, REGARDLESS OF HOW DIRE IT IS, AND STRIVE FOR POSITIVITY IN THE FACE OF ADVERSITY. HOWEVER, EVEN THE LEAST WORRIED CONSUMERS SHOW ANXIETY IN ASPECTS OF THEIR LIFE, FROM FOOD TO FAMILY.<sup>16</sup>

### ONE CUSTOMER'S SUCCESS IS ANOTHER'S STRESS



Finances



Health &amp; Safety



Self-Sufficiency



Food

#### POSITIVE, CALM, AND OPTIMISTIC LANGUAGE

"I am experimenting with off-the-cuff cooking using whatever is available. **It is kinda fun!**"



ROBERT

#### ...BELIES A STRESSED, ANXIOUS UNDERCURRENT TO EVERYDAY LIFE

"I left my job today to stay home. I have health issues that make the virus possibly more dangerous for me. I did not get laid off, so no unemployment. **Yes I am worried how I am going to make it work. Very.**"



SARAH

"**I am not worried about how we will pay for food.** It's a priority that we eat healthy meals and that our kids do also, and whatever that costs [...] **we'll make it work** if it's higher than usual."



"It's often me **juggling things for myself, husband, kids, and making dinner.** And I'm typically tired at that point of the day also, even more so now that I'm home 24/7 with every member of my family, **with no time to myself.**"



TRISHA

"**I'm meal planning at least a week in advance.** I'm a single mom and my son is w/ me every other week. So next week when he's here, I'll be cooking a full week's worth of meals, so got all my groceries this week (which I planned and ordered last week)."



"My son has asthma and my #1 priority in this is **keeping myself healthy to keep him healthy [...]** I'm nervous about **what germs could be on the bags or on the items I've bought.** The bags go on the floor and items get taken out and set on the counter, cleaned as necessary, and put away, and then the counters are cleaned. I can relax a bit after this is done"



SUSAN

"My grocery store just started allowing **senior hours this week!** Monday thru Thursday from 6-7AM. **We also got 10% off every item** because we went on Wednesday which was the first Wednesday of the month!"



"We just found out today that my husband is **laid off indefinitely.** As soon as I'm finished here I am filing unemployment for him. **He is really down.** I'm also going to see if we qualify for food stamps too."



#### THOUGHT STARTER

We know that consumers are battling conflicting emotions. How can we leverage this understanding to influence and personalize our messaging and approach?

SOURCES: <sup>16</sup> 84.51° BTT Community, 2020



## FINDING A NEW NORMAL

### NEW WORK LIFE: CONSUMERS TRY TO FIND A NEW NORMAL, FRUSTRATIONS ARISE FROM CHANGES TO ROUTINES AND SCHEDULES

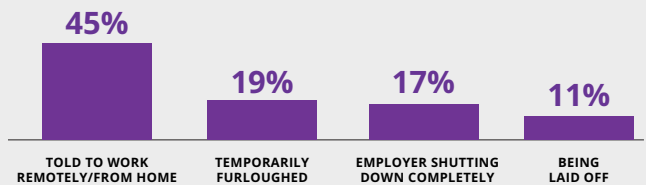
**47%** OF THOSE CURRENTLY  
EMPLOYED FEEL THEIR ABILITY  
TO EFFECTIVELY DO THEIR JOB  
HAS GOTTEN WORSE<sup>17</sup>



@jimmyfallon #MyQuarantineSuperPower  
is my ability to make productivity disappear!<sup>24</sup>



SITUATIONS EXPERIENCED BY EMPLOYED  
AMERICANS IN THE PAST FEW WEEKS<sup>17</sup>



Source: IPSOS/Axios Coronavirus Index Wave 4 April 3-6 2020; US Gen Pop Ages 18+; n=684 Question Base: Employed;  
Q: Have you personally experienced the following in the last few weeks?



"Some days I roll out of bed and **start remote working immediately in my pajamas**; other days, I try to actually **adhere to a pre-quarantine routine** of taking a shower and eating breakfast before starting my work-day... **just trying to get back to some normalcy.**"

- PATRICK<sup>19</sup>

### CHILDREN'S EDUCATION:

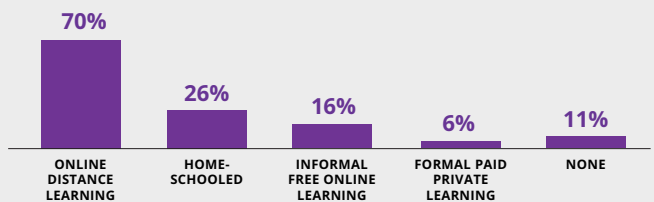
**42%** OF PARENTS ARE CONCERNED  
ABOUT THE NEGATIVE IMPACT  
COVID-19 WILL HAVE ON THEIR  
CHILD'S EDUCATION<sup>20</sup>



"With school being out until at least the end of April, **we are homeschooling the kids to ensure they don't fall behind...** which drives the kids crazy when they hear that their friends are just chillin at home and watching tv. I tell my kids that **when they go back to school they will be caught up, but their friends will have to do extra work just to catch up to where you are.**"

- BERNARD<sup>19</sup>

REPORTED EDUCATION SOURCES K-12 STUDENTS  
DURING COVID-19 SCHOOL CLOSURES<sup>20</sup>



Source: Gallup March 24-29; US Parents of K-12 children whose schools are closed to in-person attendance; n=1870  
Q: Are you using any of the following for your child's education right now? (Select all that apply)



sperstad\_12 Working, parenting, and teaching are three different jobs that can not be done at the same time. It's not hard because you are doing it wrong. It is hard because it is too much. Do the best you can. (These words are shared from Dr. Emily W. King)  
We are all in this together. Stay well!! We love you all!! #staystrong<sup>24</sup>



#### THOUGHT STARTER

How can we help already busy parents  
save time to increase productivity?



#### POTENTIAL ACTIVATIONS

- "Easy lunches for busy weekdays"
- Merchandising simple crock-pot dinners
- Promotions around weekday meals

SOURCES: <sup>17</sup> IPSOS/Axios "Coronavirus Index" April 7, 2020; <sup>18</sup> Sprinklr Social Listening Search 2020; <sup>19</sup> 84.51° BTT Community 2020;

<sup>20</sup> Gallup "42% of Parents Worry COVID-19 Will Affect Child's Education" March 21, 2020

## SEARCHING FOR COMFORT

AS CONSUMERS FACE UNPRECEDENTED FEAR AND UNCERTAINTY IN THEIR LIVES, FINDING COMFORT AND HAPPINESS BECOME MORE IMPORTANT



### STAYING SOCIAL

**54% OF AMERICANS CLAIM TO HAVE HAD A VIDEO CALL WITH FRIENDS OR FAMILY IN THE PAST WEEK<sup>21</sup>**  
**23% OF AMERICANS CLAIM TO HAVE ATTENDED A LARGE GATHERING VIA ONLINE STREAMING OR SOCIAL MEDIA IN THE PAST WEEK<sup>21</sup>**



We had a family facetime for my dads birthday today and he cried of happiness I love him so much big softy 🥰❤️❤️ @evvy\_02<sup>24</sup>



### NEW HOBBIES

**300%+ INCREASE IN U.S. GOOGLE SEARCH INTEREST FOR BOARD GAMES AND PUZZLES<sup>22</sup>**  
**140% INCREASE IN 'BEST BOOKS TO READ IN 2020' AND 102% INCREASE IN 'TV SHOWS' PINTEREST SEARCHES<sup>23</sup>**



...I know you will miss my daily puzzle progress updates, but keep your heads up... @kellynlepper<sup>24</sup>



### SELF CARE

**30% OF AMERICANS CLAIM TO BE EXERCISING MORE/MORE OFTEN<sup>26</sup>**  
**105% INCREASE IN 'SPA DAY AT HOME' AND 102% INCREASE IN 'SELF CARE CHECKLIST' PINTEREST SEARCHES<sup>23</sup>**



I did my first ever Zoom workout today. My favorite part was muting my microphone to cuss out the trainer every 5 minutes. @TweetsFromTommy<sup>24</sup>

## INCREASED APPRECIATION OF FAMILY TIME

# 46%

OF AMERICANS ARE CLAIMING TO BE SPENDING MORE TIME WITH FAMILY.<sup>26</sup> MANY FAMILIES FIND THIS TO BE A POSITIVE CHANGE, CITING INCREASED TIME AS A BENEFIT TO THE CRISIS.



"My husband is usually leaving for work when the kids are getting home from school so, I love all the quality time he has with them now."  
 - NATALIE<sup>25</sup>



"My son and I are spending a lot more time together since school is cancelled and I'm working from home... I've also been reconnecting w/friends I haven't talked to in awhile..."  
 - TRISHA<sup>25</sup>



### THOUGHT STARTER

Meal time is now center-stage as everyone is at home together all the time. What options can we provide to help keep things fresh and simple during this overwhelming time?



### POTENTIAL ACTIVATIONS

Messaging and merchandising around specific meal times:

- Fun breakfast ideas for long, slow weekend
- Desserts to make as a family

SOURCES: <sup>21</sup> IPSOS/Axios "Coronavirus Index" April 14, 2020; <sup>22</sup> Google Trends "Board Games" "Puzzles" Feb 24-March 28 2020; <sup>23</sup> Pinterest "What Pinners are searching for this week" Week of March 30 2020; <sup>24</sup> Social Media Search April 2020; <sup>25</sup> 84.51° BTT Community 2020 <sup>26</sup> Directions Research "Coronavirus Consumer Response Tracker" April 6-12 2020;

## FOOD AS COMFORT/STRESS

FOR MANY, COOKING AT HOME HAS BECOME A MATTER OF SAFETY



**79%** OF CONSUMERS FEEL  
EXTREMELY/VERY SAFE WITH  
FOOD PREPARED AT HOME<sup>27</sup>

**31%** OF CONSUMERS FEEL  
EXTREMELY/VERY SAFE GETTING  
CARRYOUT FROM A RESTAURANT<sup>27</sup>

ALTHOUGH COOKING OFFERS COMFORT AND CONNECTION ...THE CHANGE IS STRESSFUL AND UNWELCOME FOR SOME



"Before and after. Haven't made banana bread in years. Forgot how good it is" - @hanmiluvsfood<sup>29</sup>



"I am appreciating having more time as a family, while sharing food at lunch and dinner. **Food is such a bonding thing** and I have realized that I am **enjoying all the meals that we have been sharing together.** With this, we have more time to eat together as a family which is important."

- KEVIN<sup>28</sup>



"When you want @ikeausa but you gotta #stayhome"

- @cvvartist<sup>29</sup>



"I'm tired of cooking! I'm tired of being restricted to using what's available in the fridge to figure something out. **I'm tired of having to cook after work. I want to eat out.** I used to eat different cuisines all the time. I can't cook the same dishes as well as my favorite restaurants and I've tried and it sucks and makes me super depressed :( "

- ADRIANNA<sup>28</sup>



"**I really wish we hadn't gotten bitten by the snack bug.** I think a part of the snack bug came from the unknown of when we would be able to access stores, plus people were buying up everything. And a lot was bought out of fear of this virus and just **needing something sweet and salty and "bad for you" to calm our nerves."**

- CLAIRE<sup>28</sup>



"I'd say cooking and **preparing meals for my family is my #1 struggle** as a parent/wife. I feel like I make the same 6 meals over and over and whenever I venture out of that bubble my kids/husband don't like what I make."

- ERICA<sup>28</sup>



### THOUGHT STARTER

Although consumers are trying new ideas in the kitchen, many of them are afraid to spend extra time in the store, making locating new ingredients difficult. What can we do to offer online shopping options for popular recipes and help consumers find new ingredients quickly in-store?

SOURCES: <sup>27</sup> Directions Research "Coronavirus Consumer Response Tracker" April 16, 2020;

<sup>28</sup>84.51° BTT Community 2020; <sup>29</sup> Social Media Search April 2020