



Retailers Can Adapt To Evolving Shopping Habits

30 Sep 2020

Content Types:

 [Candy & Snack Today](#)

 [Data & Insights](#)



Contributed By *Nicole Huyghe*, founder and CEO [Boobook](#)

Cleveland — The COVID-19 pandemic has naturally had a huge effect on consumers' shopping habits. With almost half of consumers in the U.S. facing a pay cut in the near future, consumers are changing the way they spend money. The pandemic has sparked a shift to online shopping but, despite this, brands in the U.S. will only see a modest increase in consumers moving away from brick-and-mortar, with only 5 percent planning on increasing the number of products bought online after the pandemic. Despite this, many retailers are worrying about the future. To recover from the hit taken during lockdown, brands need to understand consumers' shopping behaviors to discover how they can adapt accordingly.

Retailers Should Set Realistic Expectations Based On Consumers' Financial Situations

Findings from our study of 4,500 consumers in multiple markets, including the U.S., have shown that almost half of U.S. consumers have experienced or are expecting a pay cut due to COVID-19. As a result, 40 percent are going to be more careful of what they spend their money on. Consumers aren't willing to compromise on quality, so instead of switching to cheaper alternatives or looking for products on promotion, many are planning on buying fewer high-quality products.



The lockdown also encouraged many to start saving more. Twenty percent of U.S. consumers saved more during lockdown compared to before, and one-third are planning on spending these savings in the next 12 months. Nevertheless, 36 percent of U.S. consumers will have saved less or saved no money during the pandemic. Because of this, many retailers should expect a revenue hit.

Consumers See A Light At The End Of The Tunnel

Although there is undeniably a large amount of uncertainty around the globe, our study shows that consumers' attitudes to the crisis are not too negative, with 28 percent of people in the U.S. feeling somewhat optimistic about the future



This fairly positive mindset inevitably reflects on people's spending behavior, with 32 percent of consumers categorized as 'considerate spenders,' and 16 percent believe life will return to normal within three months. The U.S. as a whole is the second most optimistic country across the globe.

Consumers will certainly want to watch the pennies and will be smart about how they save money, but will also be allowing for treats; 44 percent of people in the U.S. are planning to spend some of their "COVID-19 savings" in house and garden decorations, and 32 percent on fashion items.

These findings are encouraging for the retail industry, as they suggest that although consumers are currently financially impacted by the crisis, they are optimistic about how the future will unfold and are keen on making up for the lost time.

The Winning Mix Of Bricks & Clicks



The pandemic does not spell the end of traditional retail. Despite the inevitable increase in online shopping, our study suggests this shift is not permanent, revealing that once the pandemic is over, 39 percent of U.S. consumers will be shopping primarily in stores, compared to the 16 percent who will buy products mainly online. This suggests that the shift to online is not as great as some might think, but consumers will be shopping both online and in-store, using a combination of 'clicks and bricks.'

Our data suggests that the pandemic has caused changes for which key drivers are important to consumers in purchase choice. Consumers are placing more value on whether a product is 'safe for my health,' as well as price and quality. Data shows that U.S. consumers are willing to pay 10.5 percent more for a safe and healthy shopping experience, and 3.5 percent more for an ethical brand or store. This provides an opportunity for savvy retailers to make up for lost time. Retailers should adapt their shopping experiences to suit consumers' new desires and expectations. By adjusting store environments to create a safer shopping experience, retail businesses might be able to attract more customers.

A New Type Of Shopping Experience

The pandemic has placed many businesses in a vulnerable position and the retail industry has certainly taken a hit. Retailers with a strong online presence might come out of the crisis stronger, while traditional retailers have found themselves in uncertain times, feeling worried about the future. However, with consumer behavior shifting, retailers have the chance to adapt to consumers' new needs and survive the effects the pandemic has put on them. As consumers are holding out hope for the future, so should retailers.

Nicole Huyghe is the managing director and founder of boobook, an international consultancy company, specializing in consumer analytics. Huyghe has an engineering degree from the University of Ghent and an MA in applied statistics from the University of California at Berkeley, and has more than 25 years' experience in turning data into strategic insights. She has worked at both the client and agency side.

Read More

Deadline November 16th

Nominate
Your Retail
Partners





Presented By:




The Power of Providing Consumers With Transparency

Candy & Snack Today

Today's consumers are seeking more transparency from packaged foods in order to make informed purchasing decisions. From how ingredients are grown and harvested, to the manufacturing process, there is strong desire for visibility into supply chain.

[Read More »](#)

Defining Craft Chocolate

Candy & Snack Today

Until recently, it was uncommon to find double IPA beers in corner dive bars, single-origin cold brew coffee on tap at national chains, and Japanese Kobe beef burgers featured on small town restaurant menus. No one could have predicted the meteoric rise of craft

[Read More »](#)

Opportunities For High-End Chocolate As Shopping Patterns Shift

SFA Trendspotters Reveal 2021 Trends

Pandemic Shifts Strategies For Premium Brands

04 Nov 2020

Content Types:

■ **Candy & Snack Today**

■ **Data & Insights**

Euromonitor International's Jared Koerten discusses the impact COVID-19 is having on the core strategies of the premium confectionery and snack sectors. Cleveland — Observable traits and features such as ingredients and packaging are the determining factors of premiumization within snacks. These tangible value...

