



How will COVID-19 change the consumer?

Data-driven insights into consumer behavior

Accenture COVID-19 Consumer Pulse Research: Wave 7



August 2020

OUTMANEUVER UNCERTAINTY

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COVID-19 has changed everything

While still in the midst of the COVID-19 crisis, we can reflect on all that has occurred in recent months. The ways in which people live and work are different. How and what people buy is different. Consumers themselves have dramatically evolved, and the change is lasting. We see new archetypes emerging that consumer packaged goods (CPG) companies must take notice of and respond to—fast.

Accenture has been continually investigating the impact and implications of the pandemic globally. Our seven waves of consumer research reveal that COVID-19 has had a profound impact on the consumer goods industry, and the effects may be everlasting. As companies move forward, they must have the capabilities to understand and deliver on consumers' wants and needs and strive to outmaneuver uncertainty in this new era.



An elderly couple is sitting at a wooden table in a bright, modern kitchen. The man, with a grey beard and glasses, is sitting at the table with a laptop open in front of him. The woman, wearing glasses and a blue jacket, is leaning over his shoulder, looking at the laptop screen. The table is cluttered with papers, a yellow candle holder, and other items. The background shows a kitchen counter with a sink and a window with a view of a city.

WHAT AND HOW CONSUMERS BUY IS VERY DIFFERENT

Get to know your consumers

Consumers have been through an emotional life-changing journey during the pandemic. Prior consumer segments—and the insights they're built on—will need to be redefined to reflect new behaviors and preferences. CPG companies should get reacquainted with new and evolving consumer segments to understand the changes people have undergone and the values they now hold.



On the Edge 19%

Extremely worried about health, finances and going out in public

Most worried about health, the economy and job security.

44% will **cut back** on future spending, **62%** are exploring **new sources of income**.

Least comfortable visiting public places in the next 6 months.



Stubbornly Seeking Normal 29%

Looking forward to balance and eager to return to some level of normality

45% are shopping more cost-consciously, making them least likely to do so.

39% will not change spending patterns post-outbreak.

Most likely to think restrictions are being lifted too slowly, and **least likely** to comply with them.



Tentative Returner 36%

Cautious about re-entering society and returning to normal routines

Cutting back or moderating future spending.

Will avoid non-trusted or non-essential places (e.g. bars/clubs, sporting events, public transport).

Fearful for the health system and economy.



Me. Reinvented 16%

Seizing the opportunity to transform themselves for the better

82% are making more sustainable purchases and **83%** are more health conscious.

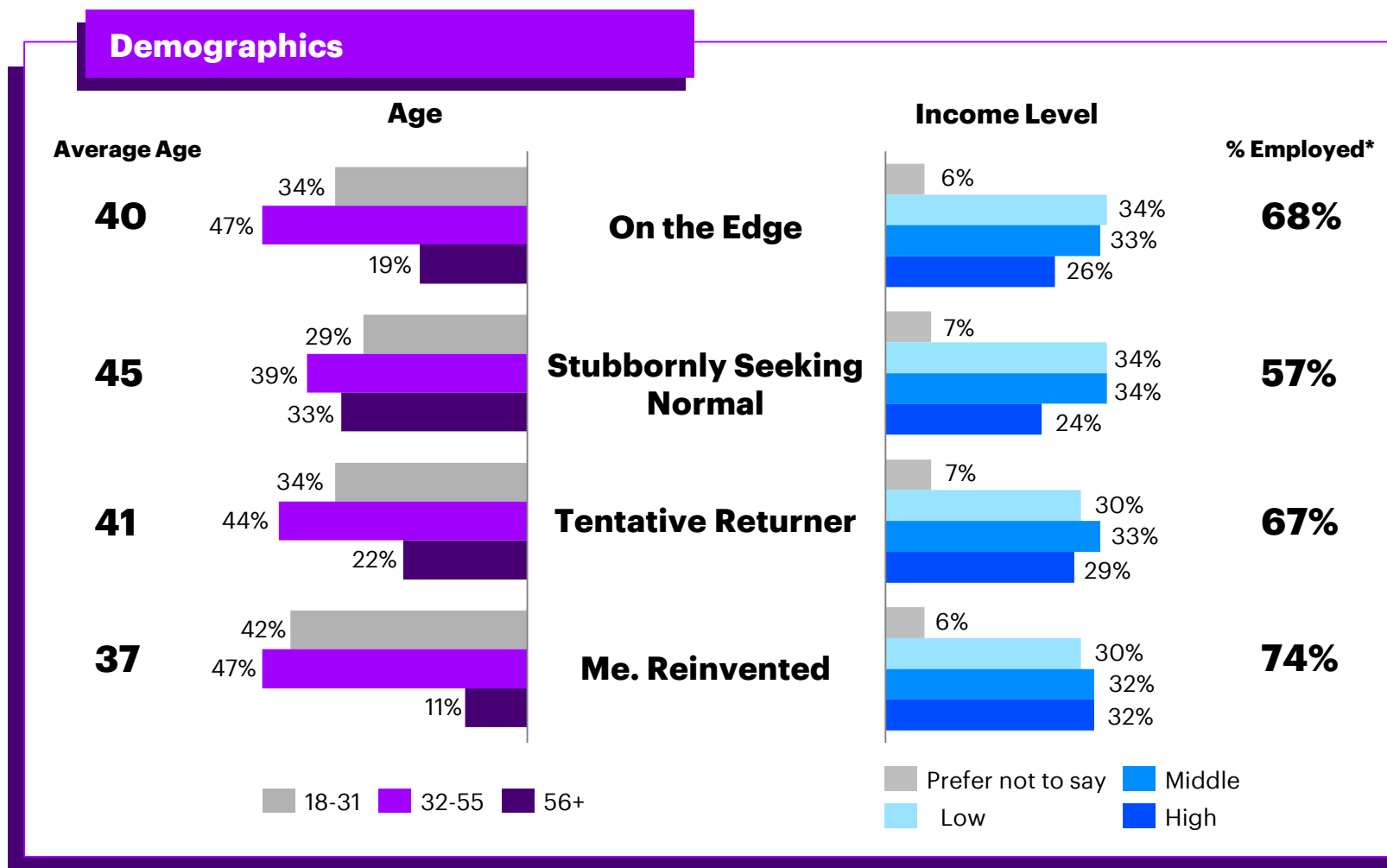
Most comfortable visiting public places and traveling.

More likely to be buying products online through digital channels.

Emerging segments create new opportunities to connect

The consumer archetypes emerging from the pandemic span age, income level and employment status. The Me. Reinvented group is younger, on average, and has more wealth, while On the Edge consumers skew more towards lower income levels.

It will be important to tap into the profiles of each of these segments and tailor messaging accordingly to address their underlying needs and priorities. For example, finding ways to tempt tentative returners to re-engage through physical channels, or continuing to engage with the most fearful On The Edge consumers in the home.



Source: Accenture COVID-19 Consumer Research, conducted 16th - 22nd June.

*Does not include those who were furloughed or made redundant as a result of COVID-19.

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Worriers vs. wellness seekers: deliver what they want

On the Edge consumers

Overall worry more about health and the economy, and they earn less. They are spending what they have on items to stay healthy and safe.

35%+

Focusing on necessities

Increasing purchases of fresh food, personal hygiene and cleaning products, while decreasing luxury goods, apparel and home décor.

Me. Reinvented

The Me. Reinvented segment is spending time—and money—online. They are trying new recipes and hobbies and they don't mind spending a little more as they reinvent themselves.

1 in 3

Rank sustainability as a top 3 purchasing criteria

Highest proportion of consumers who are making sustained positive changes to shop more health consciously or sustainably.

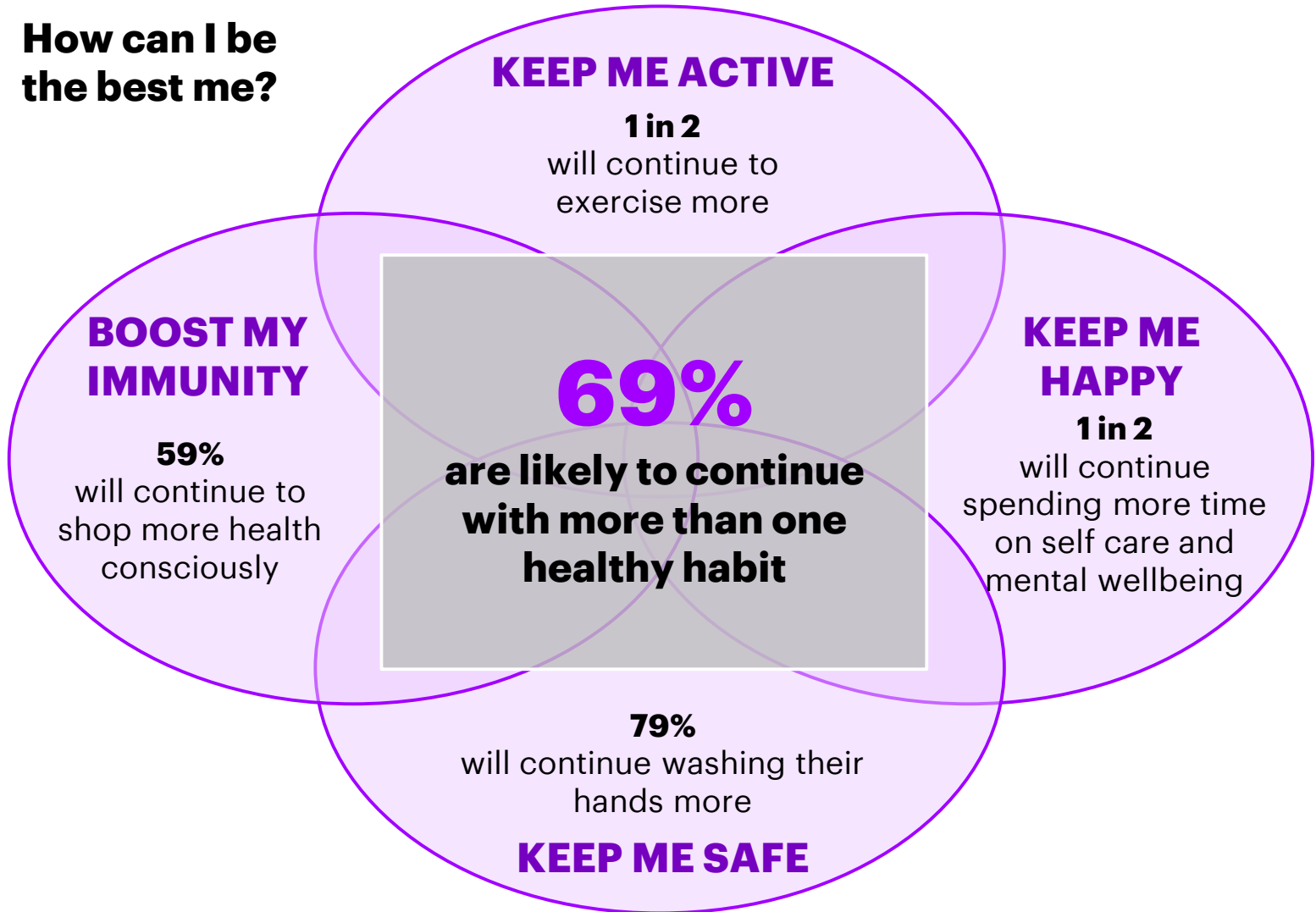


Brands might consider using a “Reverse Influencer” strategy to gather feedback from social media influencers close to target consumers to inform the brand’s decisions.

Wanting to be healthy is not new; how you enable it is

People today want to be healthy, happy and safe—they always have, but COVID-19 has raised the stakes. Consumers don't want isolated products that serve one need. They want more holistic health and wellness solutions that help the whole person. CPG companies can partner across the ecosystem (technology, health and other CPG companies) to develop products and services that address a variety of health and wellness needs, rather than following a one-off trend.

How can I be the best me?



HEALTH IS SOCIAL

1M
runners

Viral Instagram running challenge **Run 5 Donate 5 Nominate 5** was taken up by over 1 million runners within a month

Healthier at home

Ping An's Good Doctor is a healthcare platform with 300 million users in China. Consumers triage their concern using an AI-enabled diagnostic, then can speak to a doctor via video call within an hour. The platform offers a one stop shop for consultation, referral, prescriptions purchases and delivery supplied by 10,000+ local pharmacies, as well as wellbeing advice, health check-ups and consumer healthcare.

Source: <https://www.prnewswire.com/news-releases/ping-an-good-doctors-revenue-for-2019-amounted-to-rmb5-065-billion-with-its-losses-continuously-narrowed-and-online-medical-services-revenue-doubling-by-109-over-the-same-period-301002912.html>



THERE'S NO PLACE LIKE HOME DURING COVID-19



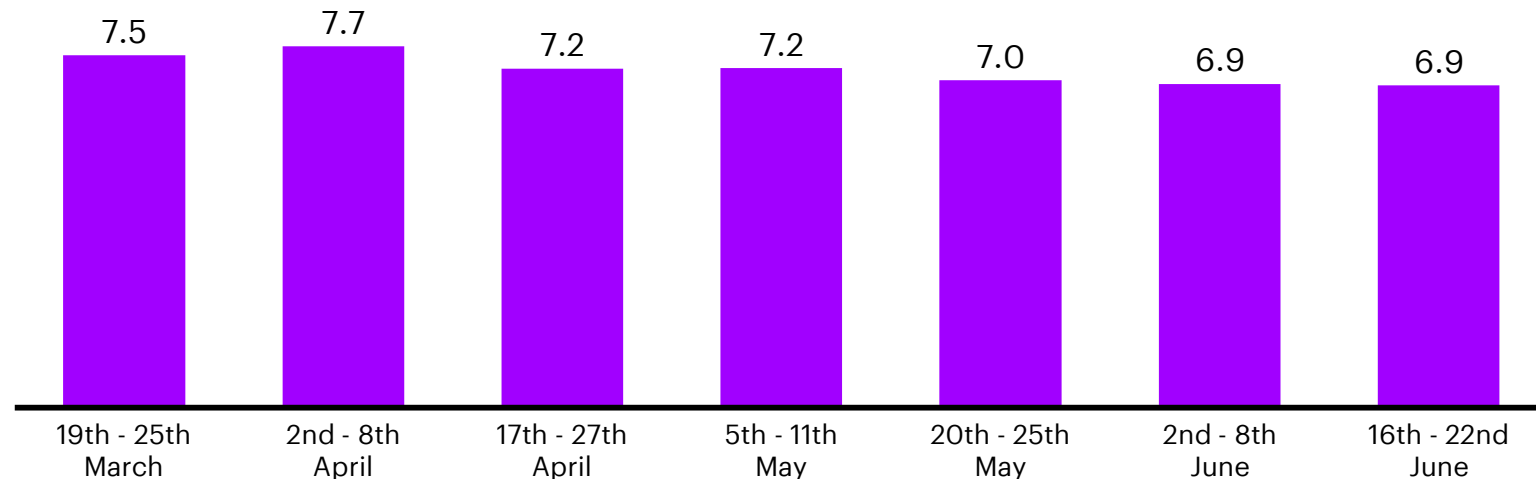
Confidence has not fully rebounded

Consumer concern may have dipped from its peak in early April but has remained consistently high as consumers grapple with worries around their health, job security and the state of the broader economy.

Although most consumers feel restrictions are being lifted responsibly, this has not translated into consumer confidence about visiting public places. In markets where retail restrictions have lifted, visits to non-essential retail are flattening out at reduced levels. We expect confidence to increase over the next few months, but we will not be back to “normal.”

Level of Overall Concern

Average score out of 10, 1 being not at all concerned



I'll find it a bit scary when we start to go out again because you just don't know how safe it is mixing with strangers.

Female, Australia, 70+



Although the declaration of emergency has been lifted ... it seems clearly too early. ... I think we should avoid unnecessary and non-urgent outings as much as possible.

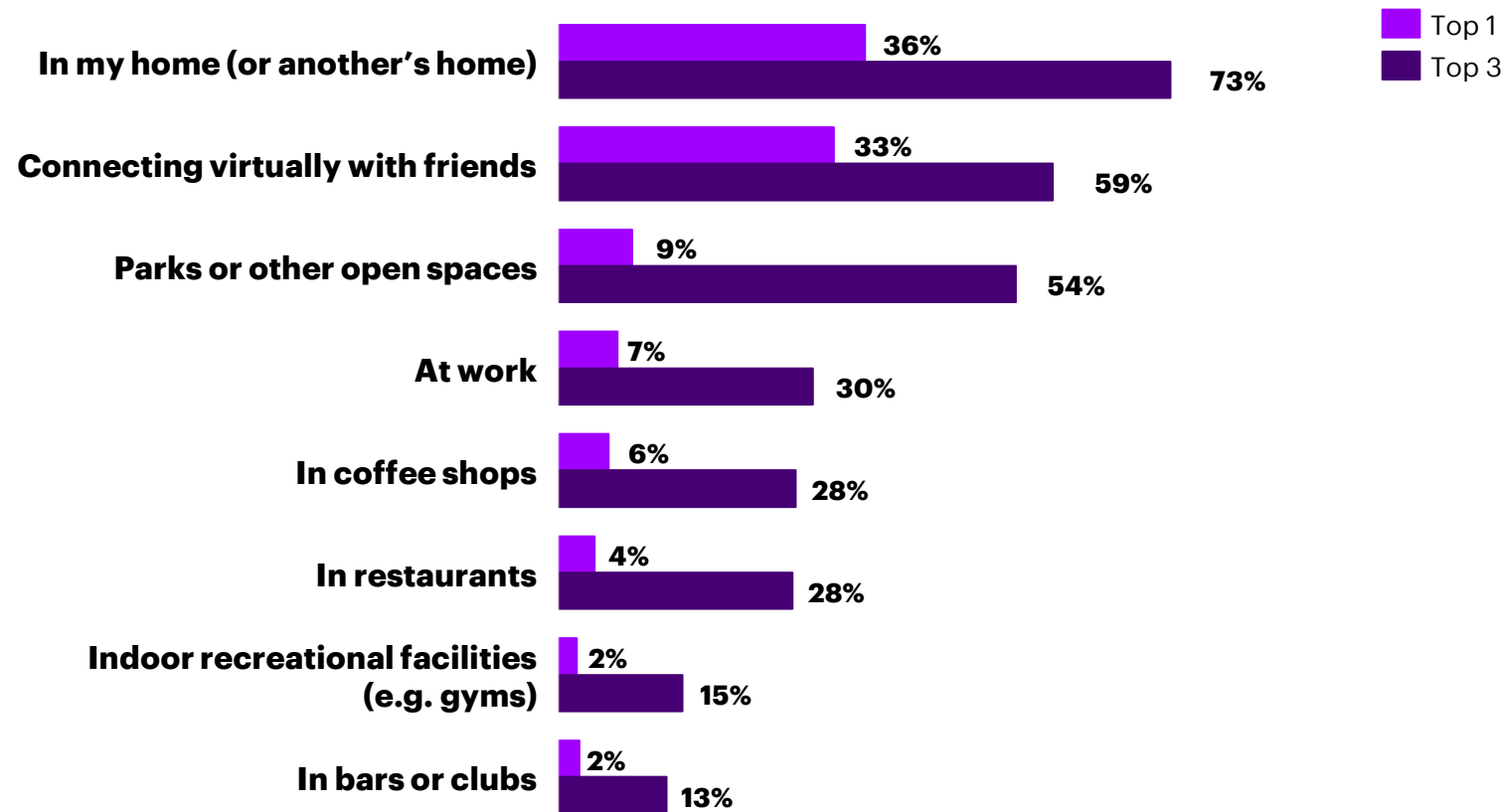
Female, Japan, 18-24

Source: Accenture COVID-19 Consumer Research, conducted 2nd – 8th June

People are still spending less time out

Preferred locations for socialization

Top places consumers anticipate doing most of their socializing in the next 6 months



Source: Accenture COVID-19 Consumer Research, conducted 16th – 22nd June. *Provided that they were open and it was allowed.



[I have] more appreciation for nature, friends, family, and ways to socialize without spending a lot of money. Restaurants will be visited less frequently, as will movie theatres. More home cooked meals and visits around the family dinner table with friends and family.

Female, 70+, Canada



I'll probably contact my family more via FaceTime and do more online activities involving them.

Non binary, 25 31, UK



I don't go out on Saturday night anymore, the thought of arriving in a club and finding it full makes me uncomfortable.

Female, 40 –55, Italy

Home is the hub

69% plan to do most of their socializing at home or virtually

People prefer to spend time socializing in the home and will continue to do so in the coming months. They are changing consumption patterns, connecting more online and seeking new ways to be entertained.

CPG companies must plan and prepare for a shift to at-home occasions for the medium term. What's more, they can seize this opportunity to serve these new social and creative occasions. For instance, offering products that recreate the experience of going out. Creating virtual communities that bring together people with similar interests. Shaping premium virtual experiences that allow people to connect with others and interact with products in more elaborate ways.



Spicing up home occasions

Knorr is helping consumers to address a broad spectrum of in-home cooking needs with new Knorr@Home recipes that also include easy tips for creating restaurant-like meals at home.

To add fun to these home cooking occasions, Knorr also partners with local chef networks, influencers and foodservice partners across the globe to offer foodie inspiration through live streamed cook-along tutorials featuring Knorr's Future 50 Foods and other exciting recipes.

Source: [Unilever](#)

In Brazil, food brand **Yoki** delivered free kits containing popular foods in Sao Paulo to help people celebrate the Festas Junina, in partnership with Rappi.

This was supported by digital tools that helped people to plan parties at home such as a calculator helped consumers determine the right amount of food required along with links to recipes and a platform where people could enjoy traditional games together virtually while maintaining social distancing.

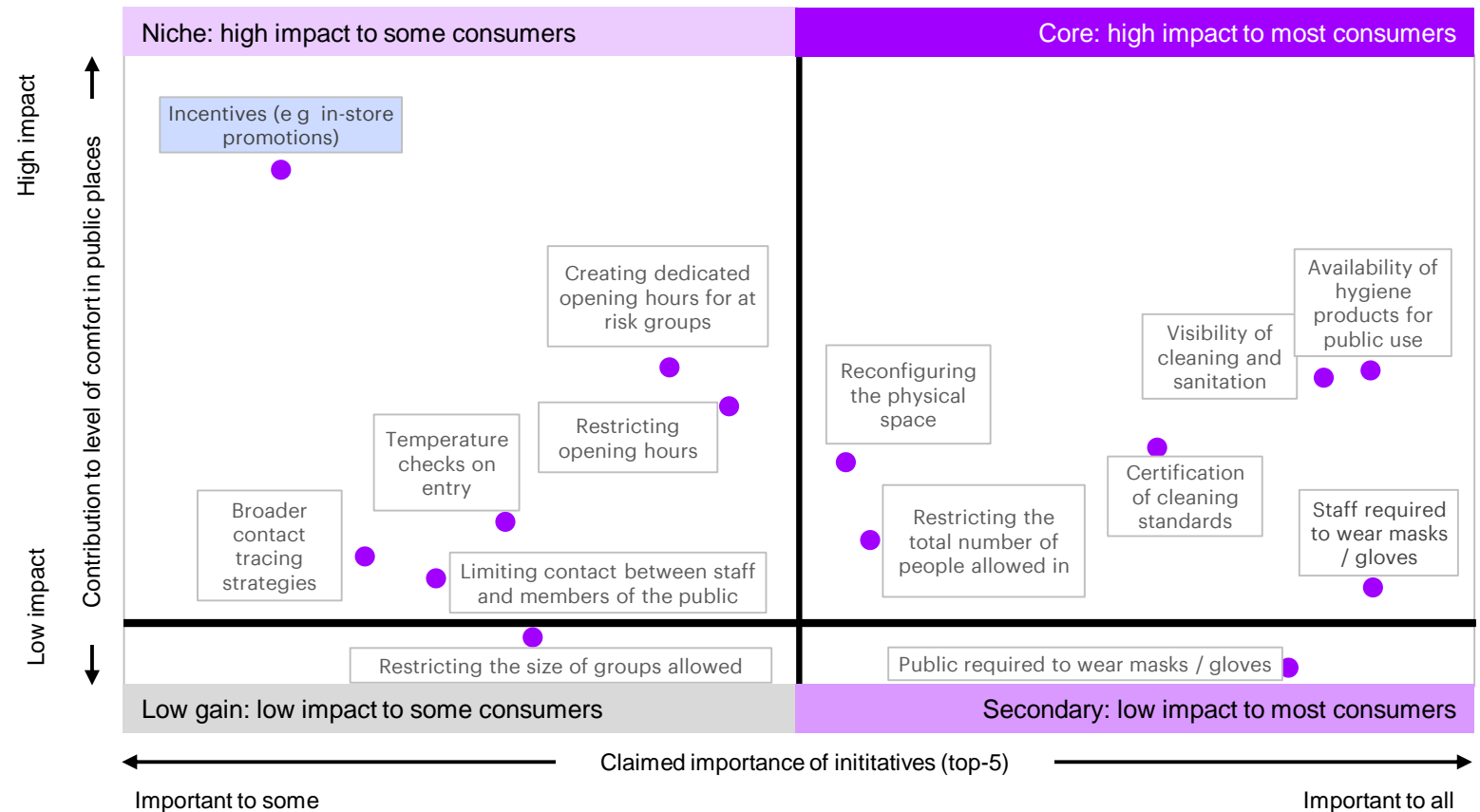
Source: [abc da comunicação](#)

Simple cleaning and hygiene practices remain the most important initiatives for helping the majority of consumers feel comfortable in public places. More complex safety measures are expected by select groups. For example, older consumers place greater importance on physical distancing measures that limit contact, whilst Asian countries are 70% more likely to require temperature checks on entry. CPG companies will need to support their retail customers where necessary with implementing the appropriate initiatives for their consumer base.

Although only 8% of consumers would prioritize incentives, these have the highest impact of any measures in encouraging that specific group back to public places and are particularly appealing for lower income consumers and families. For CPG companies, it will be vital to ensure promotions are targeted at this group versus those who are more likely to spend anyway.

Lure consumers back through the right initiatives

Impact of initiatives in getting consumers comfortable in visiting public places again



Source: Driver analysis by Happen

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Engaging in new ways with consumers

Carlsberg's Adopt a Keg first launched in Denmark during lockdown. The campaign encouraged consumers to scan a QR code on shop bought cans, equating to a virtual keg that they could then trade in for a real beer in a bar or restaurant when they reopened. This initiative was successfully rolled out in a number of markets and has since evolved into further opportunities now that bars have started to open. In Malaysia, Liverpool fans can purchase a virtual 'Champions Keg' which gives them 100 Carlsbergs and two commemorative glasses that can be redeemed and shared at participating outlets with friends by showing a QR code at participating outlets.

Source: [Campaign Brief Asia](#)

Coca-Cola European Partners (CCEP) has been offering customers a range of different support mechanisms: free stock to replace that which has gone out of date, bigger wholesale offers, and operational support to ensure all the mixing and storage equipment is properly sanitized.

Source: [Morning Advertiser](#)*

*Open to change: Coca-Cola's new marketing campaign looks at the opportunity for positive change from the pandemic and will support the pub sector's recovery. Coca-Cola pledges to support pubs in its 'Open Like Never Before' push 30-Jul-2020 By Emily Hawkins. Coca-Cola Great Britain has launched a new campaign, Open Like Never Before, which focuses on the social changes that have occurred during the coronavirus pandemic, encouraging people to find opportunity in the 'new normal'. <https://www.morningadvertiser.co.uk/Article/2020/07/30/What-is-Coca-Cola-Open-Like-Never-Before>

Emerging stronger

The past several months have been an emotional rollercoaster. There is despair. There is hope. Some are longing to move past and move on. Others are trying to rebuild anew and change their lives—using this moment in time to transform the future. As we try to stitch our past and our future, it is impossible to ignore the disruption that has occurred.

People as consumers are thinking, shopping and behaving differently. In many ways, this pandemic has created a window of opportunity in which CPG companies can attract and engage with new consumer segments in innovative ways. Just as people are seeking to change for the better in this new era, so can business. A return to normality should not be the goal for those looking to emerge stronger. This is the time to focus on the possibilities the future holds.



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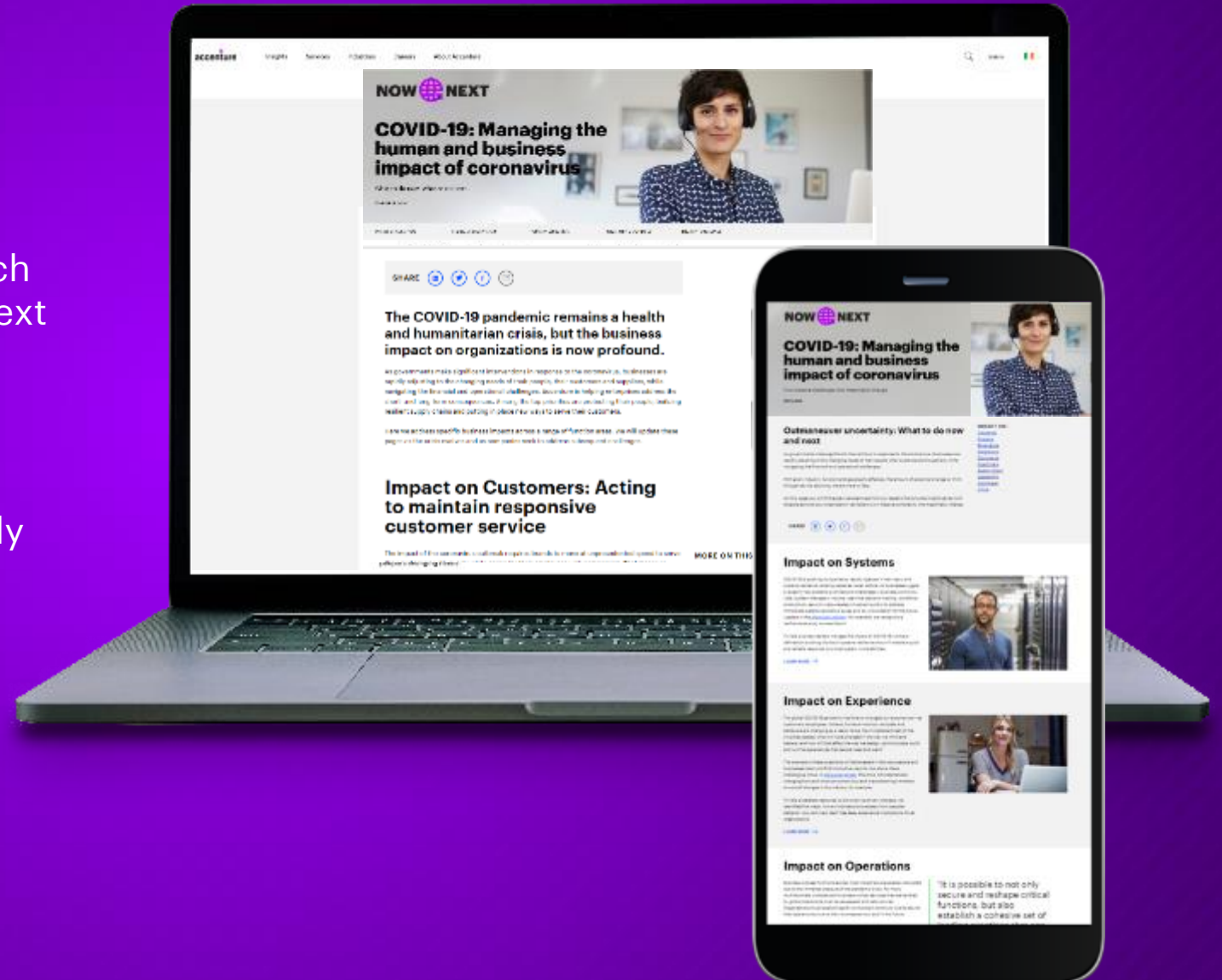
If you need any help or advice in relation to this, please contact:
CVThoughtLeadership@accenture.com (please include the title of this piece in the subject line).

To help our clients navigate both the human and business impact of COVID-19, we've created a hub of all of our latest thinking on a variety of topics.

Each topic highlights specific actions which can be taken now, and what to consider next as industries move towards a new normal.

From leadership essentials to ensuring productivity for your employees and customer service groups to building supply chain resilience and much more, our hub will be constantly updated. Check back regularly for more insights.

[VISIT OUR HUB HERE](#)



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About the COVID-19 Consumer Pulse Research

Accenture’s COVID-19 Consumer Research is monitoring the changing attitudes, behaviors and habits of consumers worldwide as they adapt to a new reality during the COVID-19 outbreak. It also explores which of these changes are likely to have a lasting impact once the crisis is over.

The seventh wave of this survey was conducted during 16th – 22nd June and included 8,852 consumers in 20 markets around the globe. This has been complemented by a series of qualitative consumer studies. This research will continue to be updated to track changes as this situation evolves.

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