

2020
CONSUMER
SURVEY

COVID-19
SECTION

**SOCIAL DISTANCE
SHOPPERS:**

How U.S.
consumers
shop during
the COVID-19
pandemic

KING RETAIL SOLUTIONS



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INTRODUCTION

Retail design firm King Retail Solutions (“KRS”) has revived its annual study to better understand US consumer behaviors and preferences. This year, we are including a supplemental report that focuses on changing shopping habits due to the current COVID-19 pandemic.

This report reflects how the coronavirus has impacted consumer behavior, specifically related to their grocery, dining, and general shopping habits.

One thing is clear: there is no one size fits all approach. The demographic variances, from generation to gender to income, highlight different reactions across the board.

We’ve all experienced the changes at retail establishments, from supermarkets and convenience stores to big box and department stores.

The results of this survey illustrate the changing retail landscape, how shoppers have responded now, and what a "new normal" may look like moving forward.

Our survey focused on 425 adults across the United States with a 6% Margin for Error.



GROCERY SHOPPING FREQUENCY

We are generally shopping less frequently, shifting from bi-weekly (down from 24% to 12%) or weekly (down from 45% to 35%) to every two weeks instead (up from 24% to 36%). The exception is a slight bump on daily shoppers from 3% to 5%. Millennials are the largest demographic that shop daily, both prior to (6%) and during the quarantine (10%). Compared to Gen Xers (3% during both times) and Boomers (1% prior and 2% during).

Shoppers have increasingly chosen to order exclusively online for pickup or delivery, up to 12% from 4% prior to the recommended quarantine.

The differences in generational shopping habits also extend into online shopping, both prior to and during the quarantine, with Millennials having the biggest shift (from 6% to 16%), followed by Gen Xers (5% to 12%), and Boomers (2% to 8%).

When it comes to shopping "exclusively online for pickup or delivery", however, the largest discrepancies in shopping habits are not based on age but on income. Prior to the quarantine, shoppers with incomes under \$25k were the largest demographic (10%) using this shopping method. Shoppers with incomes over \$200k did not use this option at all (0%) prior to the quarantine. During the quarantine, however, they surpass all other incomes and now 22% are doing their grocery shopping exclusively online.

Q1

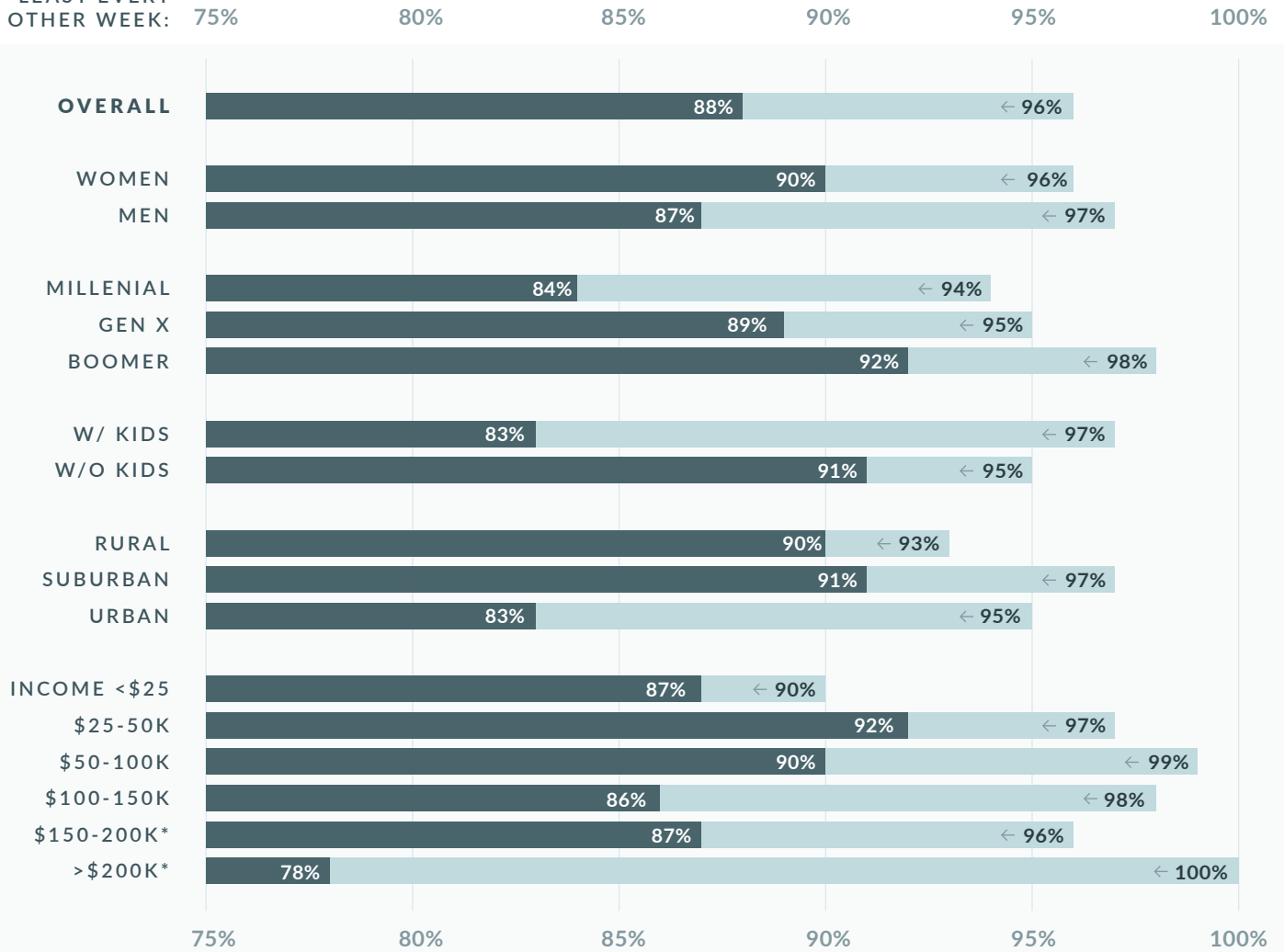
Q2

Prior to the recommended quarantine, how often were you going to the grocery store? **% PRIOR TO QUARANTINE**

During the recommended quarantine, how often are you going to the grocery store? **% DURING QUARANTINE**

SHOWN: Percentage of respondents who reported shopping in-store at least every other week.

SHOPPING IN-STORE AT LEAST EVERY OTHER WEEK:



Respondents chose from the following options: "Every two weeks," "Weekly," "Two or more times per week," "Daily," "I order exclusively online for pickup or delivery."



DINING FREQUENCY

Ordering from restaurants has seen a significant decline. Prior to the quarantine, 81% of consumers ate out at least once every two weeks, with the highest percentage (32%) eating out weekly. Since the quarantine, 39% of consumers reported 'almost never' ordering from restaurants.

The generational differences seen in grocery habits are also reflected in dining habits. Before the quarantine, 75% of Boomers ate out at least twice a week, compared to 89% of Millennials and 80% of Gen Xers. During the quarantine, 41% of Boomers are ordering from restaurants, compared to 80% of Millennials and 67% of Gen Xers.

Quarantined Millennials are ordering from restaurants (80%) more often than pre-quarantined Boomers (75%) and as often as pre-quarantined Gen Xers (80%).

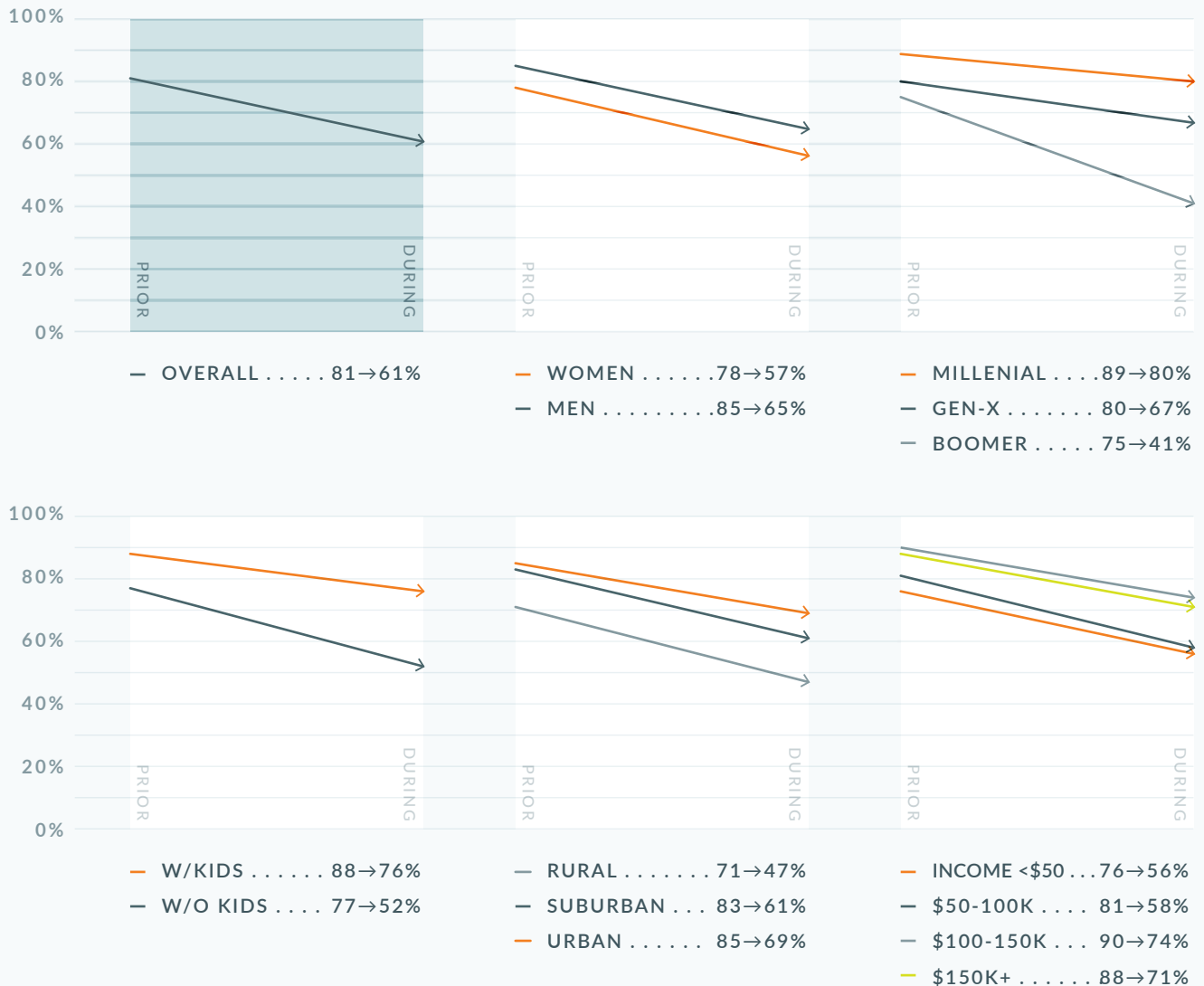
Q3

Q4

Prior to the recommended quarantine, how often were you going to restaurants?

During the recommended quarantine and since most restaurants have changed to takeout only, how often are you ordering food for pickup or delivery?

SHOWN: Percentage of respondents dining/ordering from restaurants **at least every other week** prior to the quarantine, vs. during the quarantine.





QUARANTINE SHOPPING

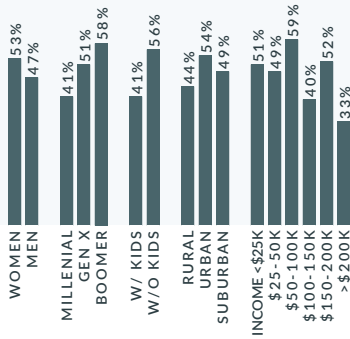
In general, 50% of the respondents answered "Take out food/alcohol" as the largest category where they have spent more money since the quarantine, with Boomers without kids living at home have the largest increase at 60%.

However, consumers with kids living at home (independent of other demographic factors) spent more on entertainment (45%) than they did on the other options. As did Millennials in general, with 47% spending more on entertainment and 41% on take out food/alcohol. Millennials without kids, however, follow the general trend (48% on food/alcohol and 38% on entertainment).

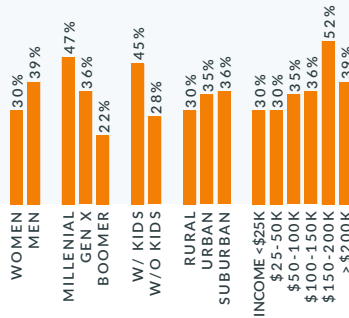
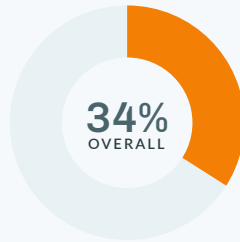
People with incomes over \$200k are fairly even distributed across categories (with the exception of beauty products), with a tie for 1st place (39% each) between electronics and entertainment, as well as for 2nd place (33% each) between take out food/alcohol and musical instruments/lessons.

What types of items are you spending more money on now than prior to quarantine?

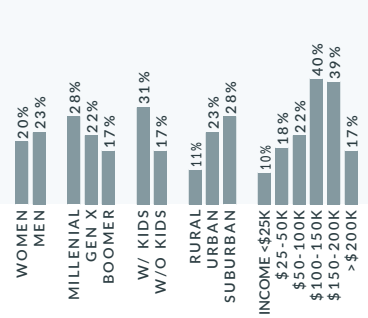
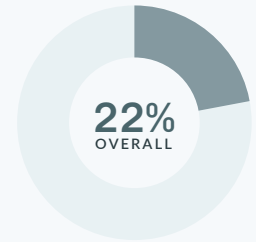
TAKE OUT FOOD/ALCOHOL



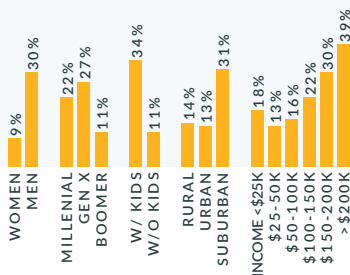
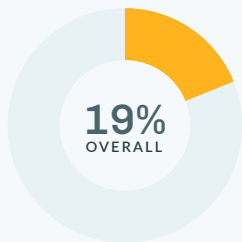
ENTERTAINMENT



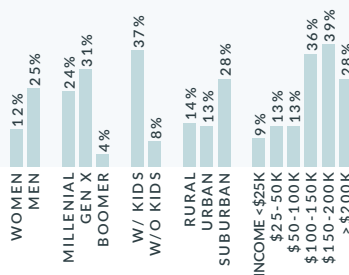
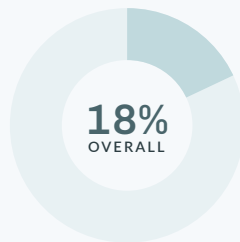
BEAUTY PRODUCTS



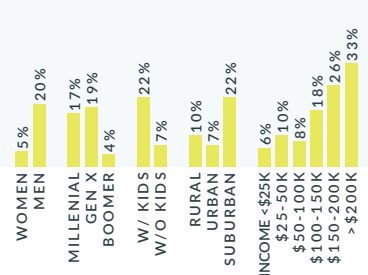
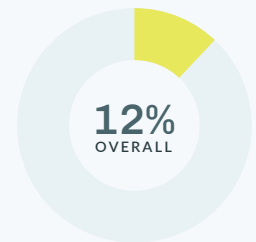
ELECTRONICS



KIDS' ENTERTAINMENT



MUSICAL INSTRUMENTS/LESSONS





SHOPPING SAFETY

In general, sanitized carts were chosen as the most important item (58%), followed closely by available inventory (54%), personal safety items (52%) and limited shoppers in store (50%).

Variations to these priorities are seen in each demographic group.

Women prioritize available inventory (63%) over sanitized carts (62%).

Boomers, in general, also prioritize available inventory (61%) over a two-way second place tie of sanitized carts and limited shoppers in store (56%). Except for Boomers with kids, who prioritize personal safety items (63%).

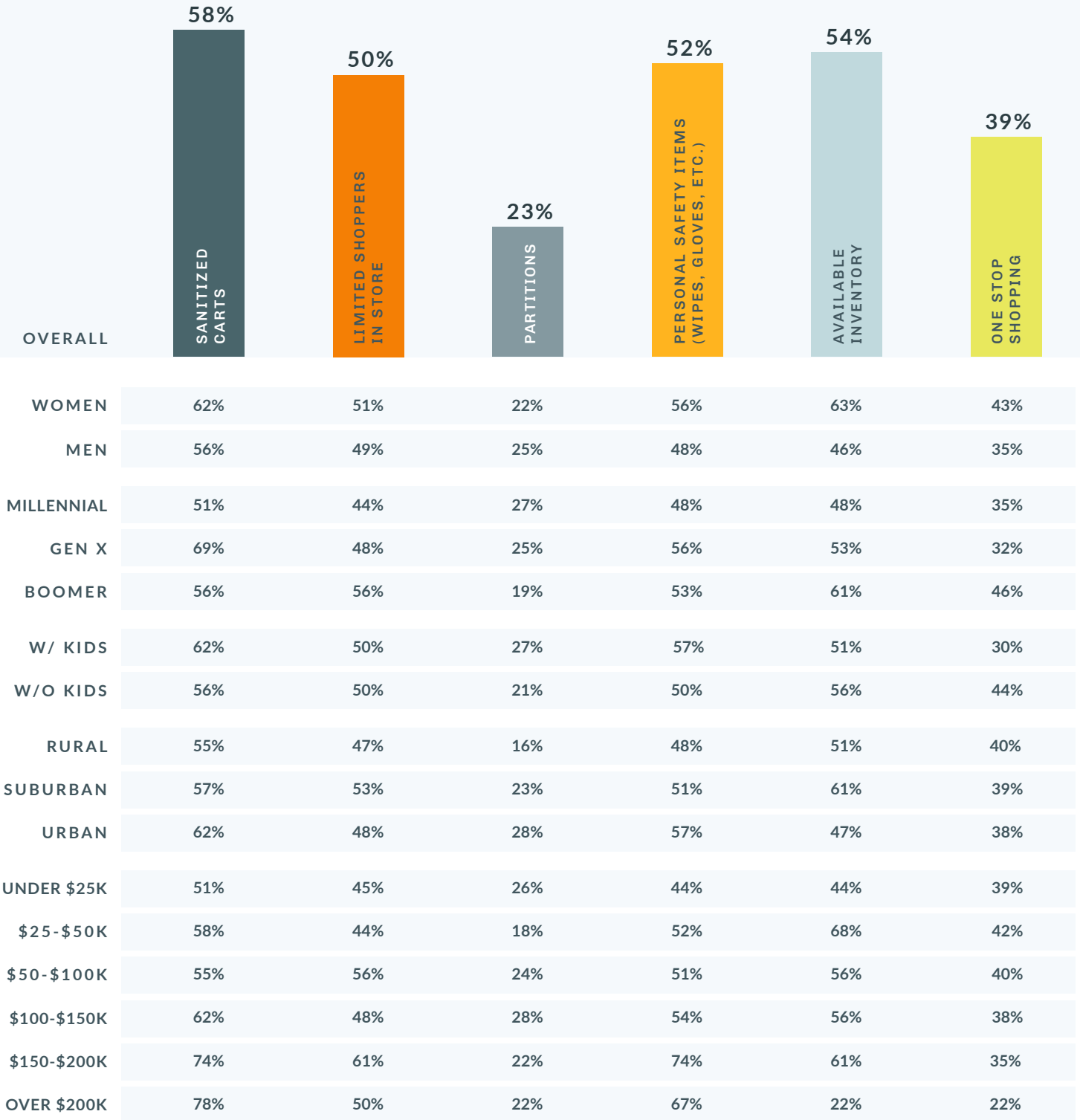
Suburban shoppers also prioritize available inventory (61%) over sanitized carts (57%).

Shoppers without kids consider available inventory and sanitized carts equally important (56%) while shoppers with kids follow the general trend and rate sanitized carts the most important (62%).

Shoppers with incomes between \$25-\$50k also prioritize available inventory (68%) over sanitized carts (58%). Shoppers with incomes between \$50-\$100k are closely distributed in most options, with a tie for 1st (56%) between available inventory and limited shoppers in store, followed closely by sanitized carts (55%) and personal safety items (51%).



What is important to your shopping experience during this COVID-19 crisis?





THE NEW NORMAL

Most respondents (33%) selected that they will ease in but eventually go back to normal after two to three months, followed by "I will go back to normal immediately" (24%).

Some demographics flip these responses, however:

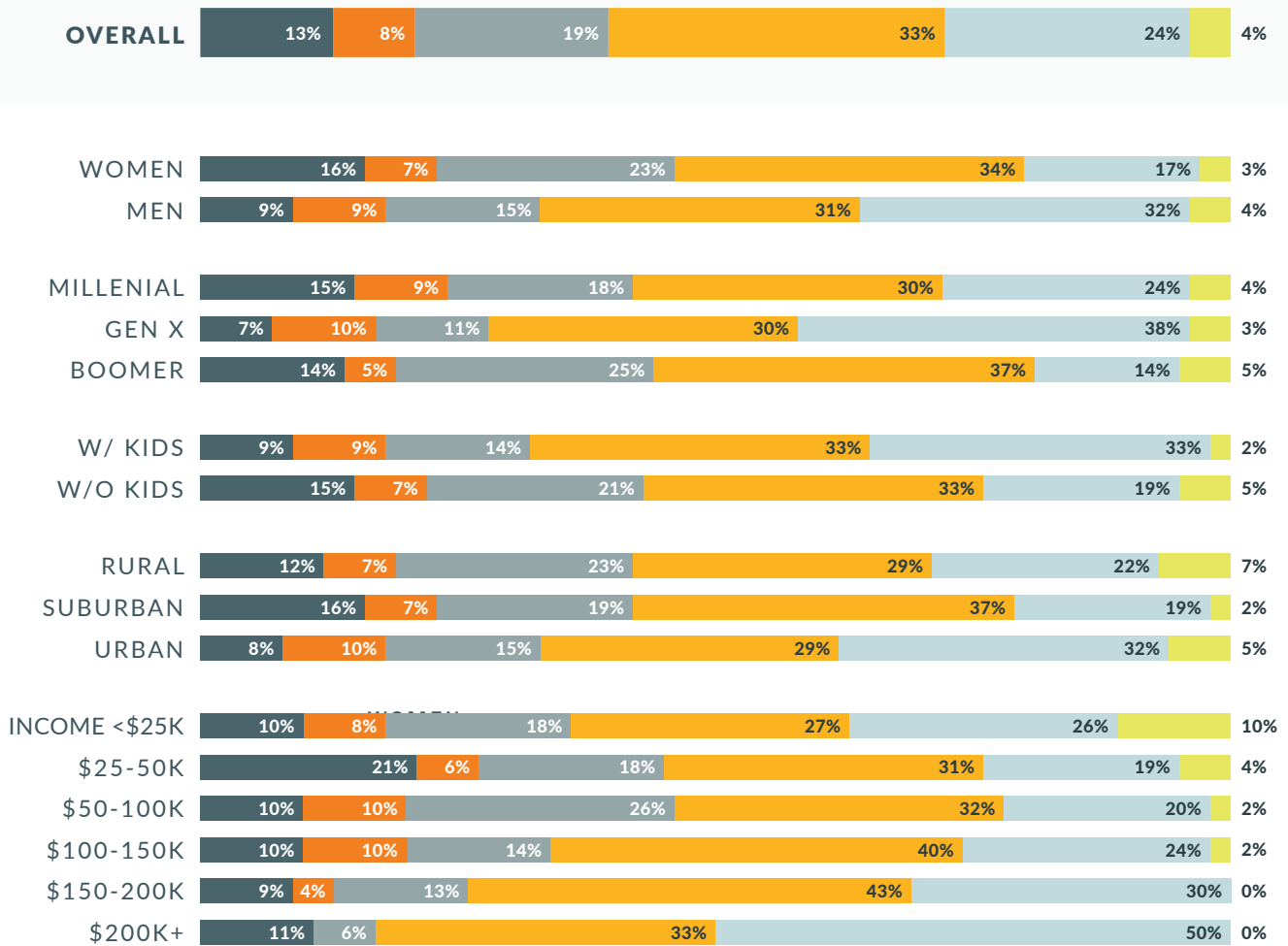
38% of Gen Xers chose "I will go back to normal immediately." For Gen Xers without kids, that percentage jumps to 43%. Gen Xers with kids follow the general response, with the highest number (32%) saying they will ease in but eventually go back to normal after two to three months.

Urban respondents also chose going back to normal immediately (32%) over easing in (29%), as did respondents with income over \$200K with 50% going back to normal immediately over easing in (33%).

Q7

Taking all the changes into consideration, what do you think your shopping habits will look like post-quarantine?

- The way I shop now will be the way I will shop going forward.
- I am waiting for the vaccine and will then go back to normal.
- A combination of how I used to shop and how I shop now.
- I will ease in but eventually go back to normal after 2-3 months.
- I will go back to normal immediately.
- The quarantine hasn't changed my shopping behaviors.



KING RETAIL SOLUTIONS

KRS (www.kingrs.com) has been providing award-winning retail store design, manufacturing, distribution, and installation services to local, national, and global retail clients for over 50 years. In each of these service areas, we are recognized as industry leaders.

For more information on how KRS can help you connect with your customer, make a lasting impression, boost brand image, and drive sales, contact us today:

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