



Capturing moods during a pandemic

1 September 2021:

An omnibus survey in the UK, USA and Mexico

CONFIDENTIAL



Executive summary

- Together with the help of our research partner and the technology platform that provided us with panels, Cint, Conjoint.ly surveyed **700 general population respondents** in each of the **UK, USA** and **Mexico** to understand the impact of a pandemic on consumers' behaviour. We have also compared certain results from the same survey conducted regularly since May 2020 to understand the changes in consumers' behaviour/sentiments during this time.
- This survey was the first time we tested in Mexico, thus trend analysis for this country is not included
- The perceived **importance and impact of sustainability efforts** differs across the **UK, USA,** and **Mexico**, with a focus on **using recyclable packing** and **using renewable resources**. Additionally:
 - Most consumers are **willing to pay at least 10% more** for **sustainably sourced** products.
 - **Avoiding destruction of the natural environment** is the most important aspect of **sustainable sourcing** for consumers.
 - **Manufacturers** are who consumers consider to be the stakeholder most responsible for **ensuring sustainable sourcing**.
 - Consumers in the USA and UK believe that **using recyclable packaging has the most positive impact**. Consumers in Mexico consider **reducing waste emissions** and **using renewable energy sources** to have the most positive impact.
- On general mood of consumers:
 - Feelings of **anxiety, worry and frustration** are **trending downwards in the UK**.
 - USA consumers had a small uptick in anxious feelings from March 2021 but are still trending downwards compared to May 2020. Feelings of worry and frustration are trending downwards.
 - **More Mexican consumers are feeling worried** and report higher levels of concern for **health** and **economic** consequences of COVID-19 as compared to UK/USA consumers.

Executive summary

- On the topic of **income, expenditure, and general economic position**, with the increasing normalisation of life with COVID-19, we are observing:
 - More consumers **expecting with an increment** in income.
 - More consumers are expecting to spend less across all categories (**smaller share of wallet**) and **save/invest** more.
 - **Online purchases** of clothing **increased** since May 2020.
 - Majority of consumers are concerned about inflation, with consumers in Mexico having higher rates of concern than the USA and UK.
 - Consumers have reported a **noticeable increase in prices** for **food, utilities, and fuel** in the past 12 months




Sample characteristics



Consumer profile: We surveyed general population in the UK, USA, and Mexico

Criteria for consumers

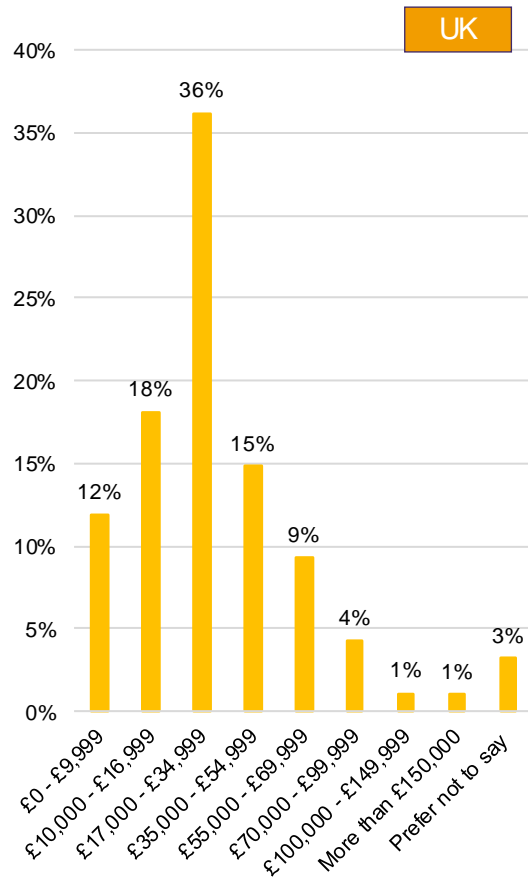
- Located in the UK, USA, and Mexico
- General population
- Surveys conducted from 13-19 August 2021

	UK	USA	Mexico
All responses	total sample size (N: 696) % in sample	total sample size (N: 712) % in sample	total sample size (N: 742) % in sample
 Age			
15-24	13%	16%	24%
25-34	22%	20%	28%
35-44	25%	28%	31%
45+	40%	35%	17%
 Gender			
Male	46%	41%	42%
Female	54%	58%	58%
Other	0%	1%	0%
 Primary grocery shopper			
Primary shopper	77%	73%	76%
Shared primary shopper	21%	19%	18%
Non-shopper	3%	7%	5%
No answer	0%	1%	1%

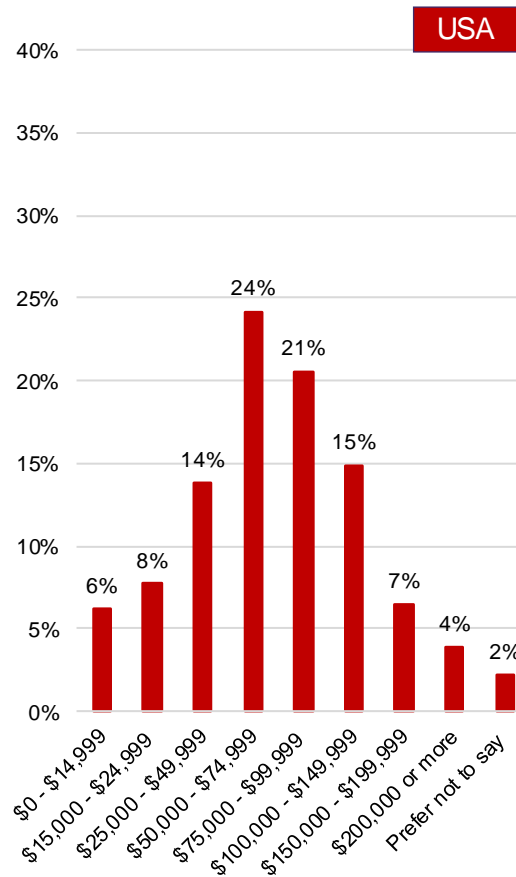
Consumers' pre-COVID-19 incomes are nationally representative

Q: What was your household annual income, before the COVID-19 crisis (before tax)?

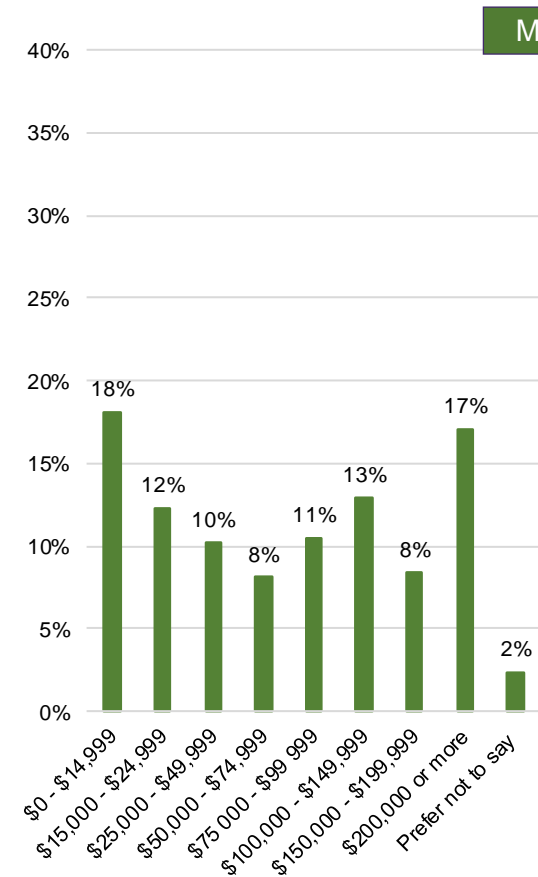
Almost half of UK consumers earn less than £35,000 annually



Over half of USA consumers earn more than \$49,999 annually



Mexico has more consumers on the two ends of the tested income scale

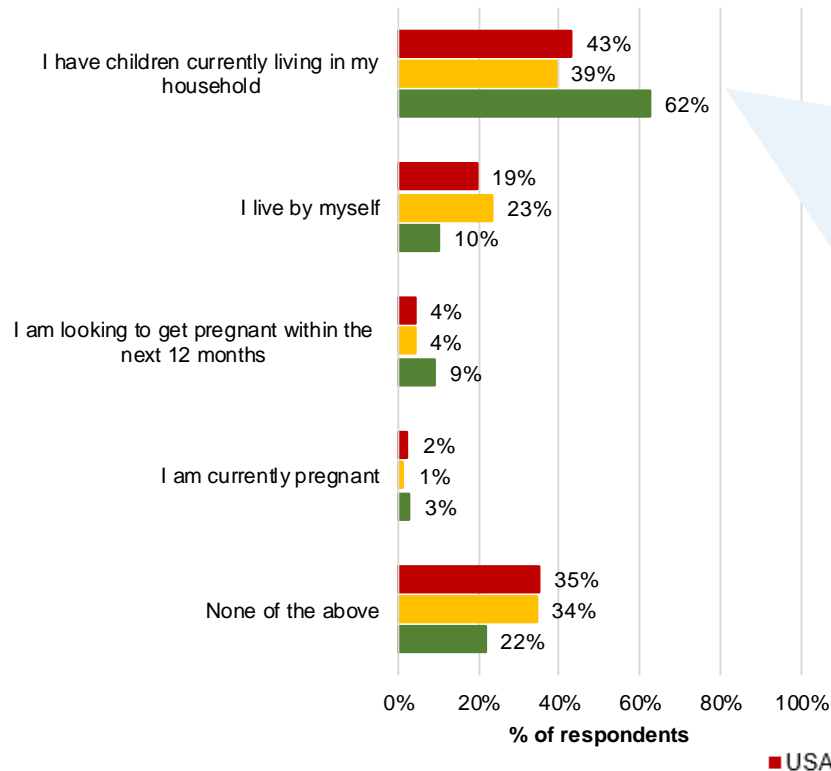


Note: Values represent percentage of respondents in each country

Over 60% of Mexican households have children living in their household, more than UK/USA consumers

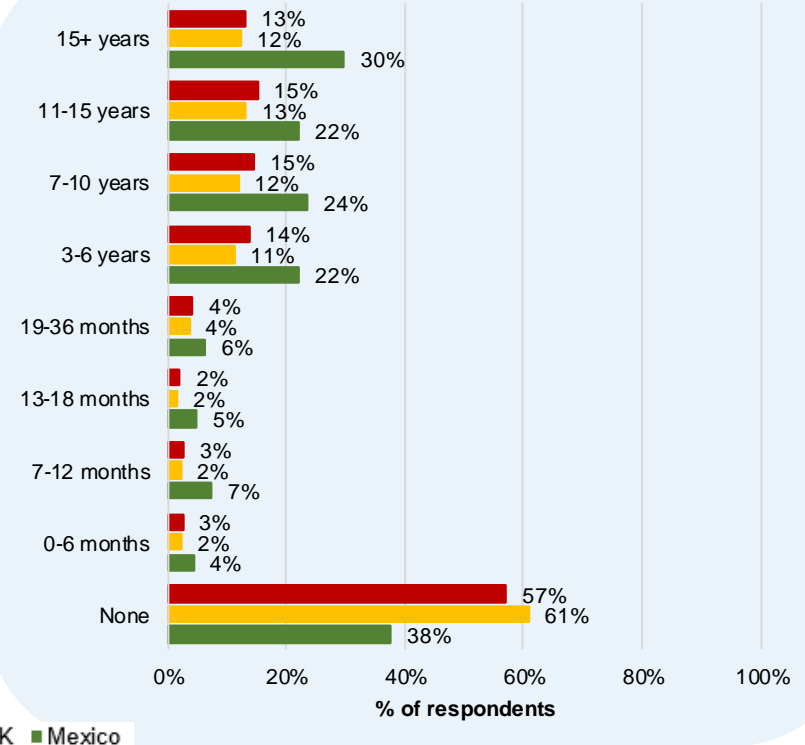
Over 60% Mexican consumers have children living in their household

Q: Which of the following statement(s) applies to you?
Please select all that apply.



The majority of households who have children have children aged 3+ years

Q: Do children in each of the following age groups live in your household? Please select all that apply.



























Note: Values represent percentage of respondents in each country.

Consumption trends



Clothes are the most common online purchase, followed by groceries in UK, shoes in USA, and tech products in Mexico

Q: If you shop online, which of the below do you shop for? (Top 8 choices reported)

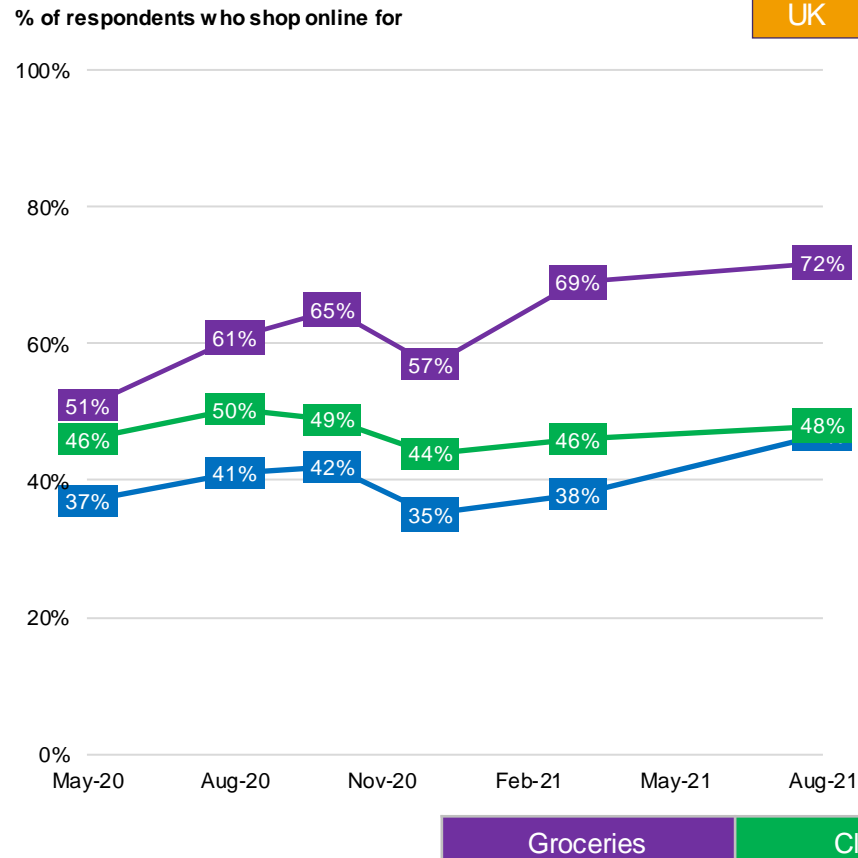
UK	USA	MX
 Clothes 72%	 Clothes 62%	 Clothes 64%
 Groceries 56%	 Shoes 47%	 Tech products 56%
 Shoes 52%	 Groceries 43%	 Food delivery 55%
 Food delivery 48%	 Self care products 42%	 Shoes 54%
 Tech products 47%	 Books 36%	 Self care products 48%
 Self care products 47%	 Tech products 35%	 Groceries 46%
 Furniture 38%	 Food delivery 35%	 Gaming related 36%
 Holiday packages 36%	 Activewear 34%	 Books 36%

Online clothes shopping continue to be on uptrend in the UK. Groceries decreased in USA but remains stable in UK

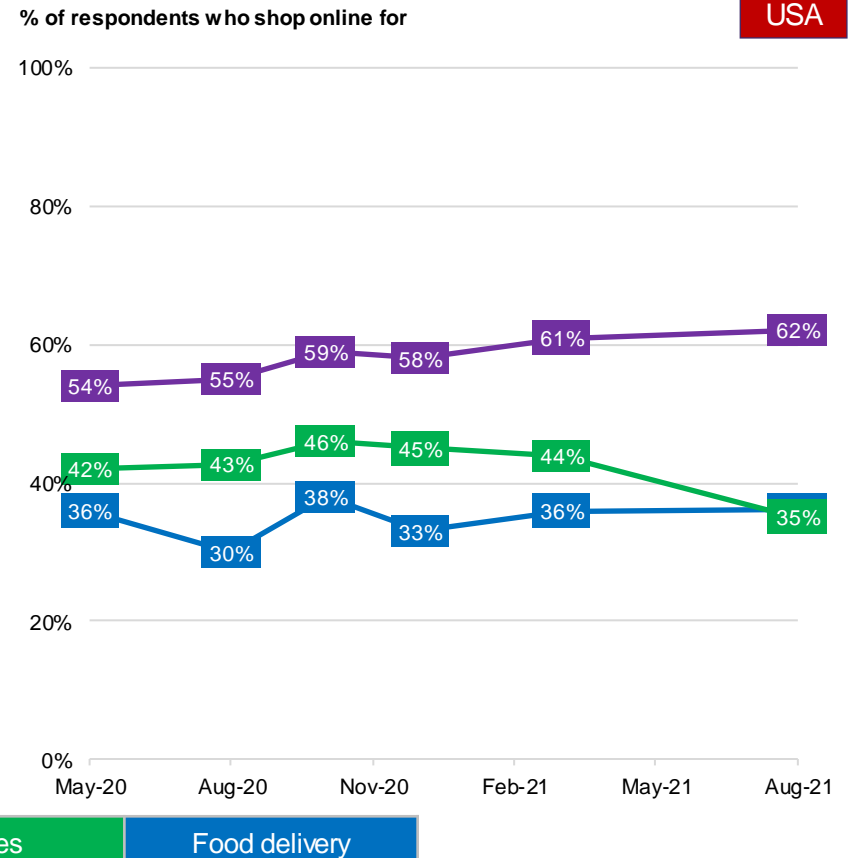
Q: If you shop online, which of the below do you shop for?

Trending data

UK consumers are ordering clothes and food online more



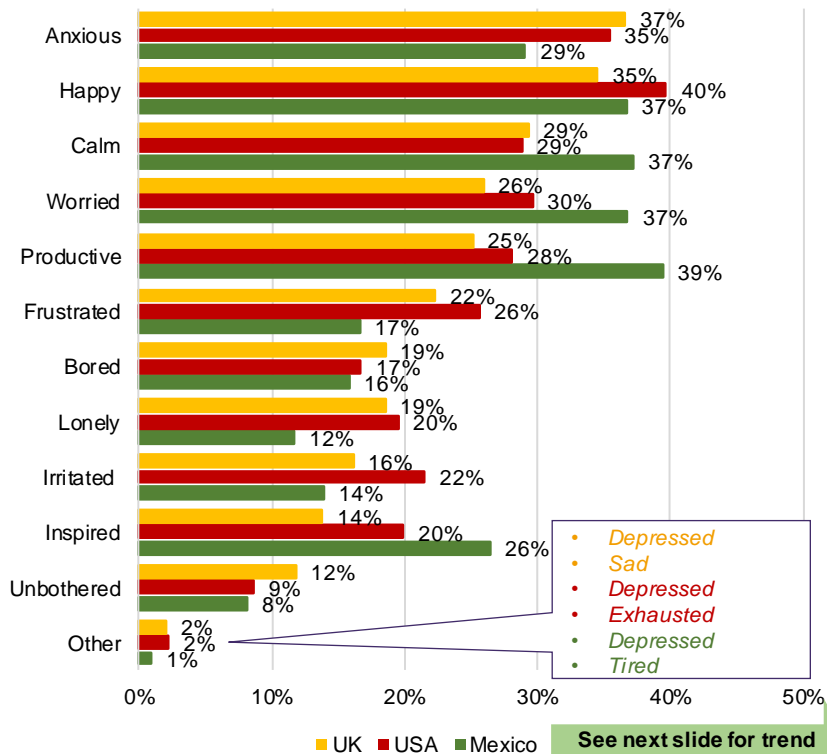
USA are spending less on groceries online



Mexican consumers are more concerned about the economic and health outlook than UK and USA consumers

Mexican consumers more likely to report feeling worried in the past two weeks than in the USA/UK

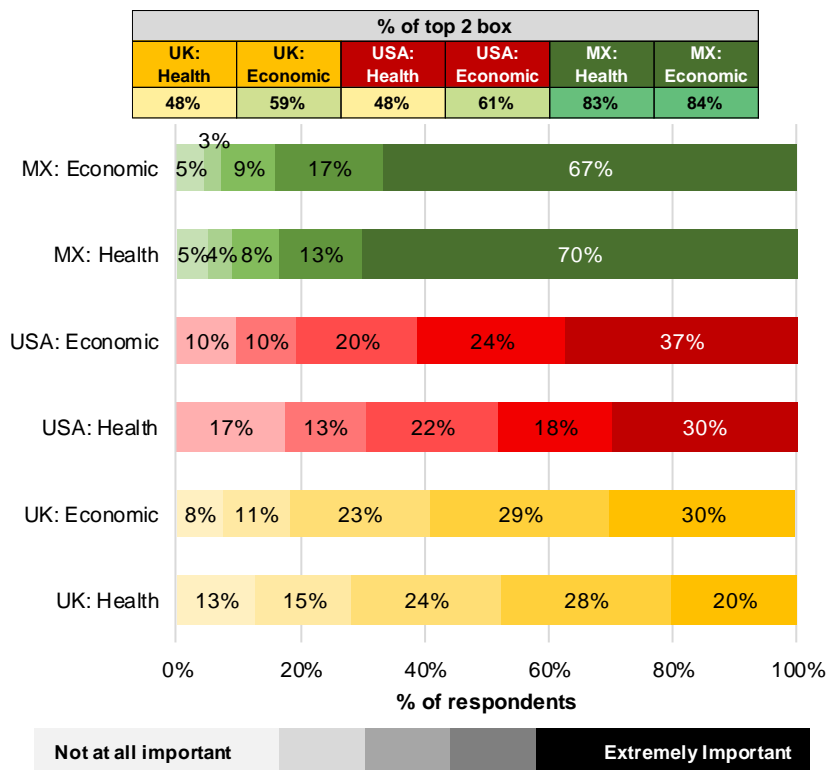
Q: Which of the below is most appropriate in describing how you are feeling in the recent 2 weeks?



... which is reflected by higher levels of concern over economic and health outlooks in Mexican consumers

Q: On a scale of 1 to 5, how concerned are you...

- Health: that you or anyone in your household may contract the COVID-19 virus?
- Economy: about the economic implications (loss of jobs, income, etc.) due the COVID-19 crisis?

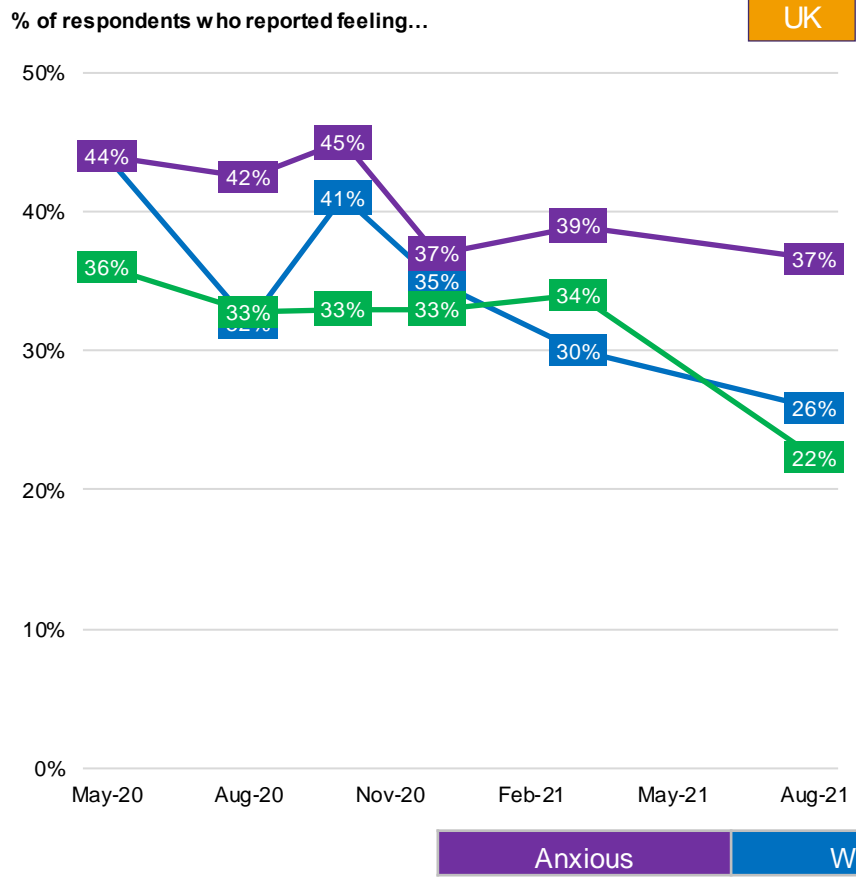


Feelings of worry, anxiety, and frustration appear to be trending downwards in both the UK and USA

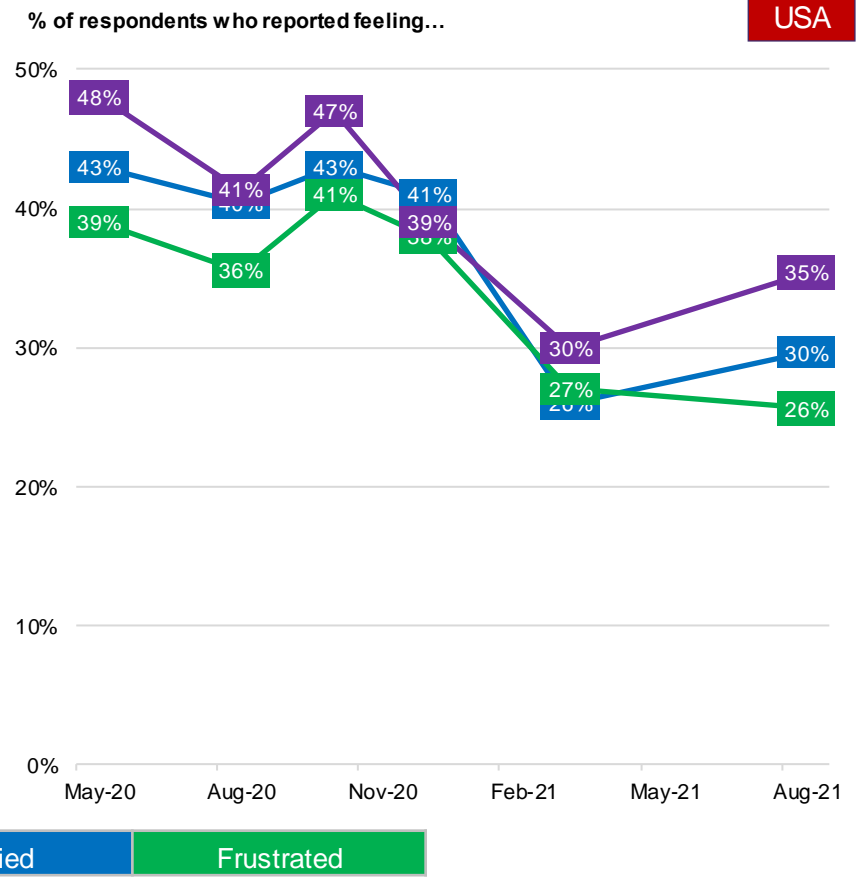
Q: Which of the below is most appropriate in describing how you are feeling in the recent 2 weeks?

Trending data

UK consumers who feel frustrated decreased



There is a small increase in anxious/worried USA consumers, but are overall trending downwards



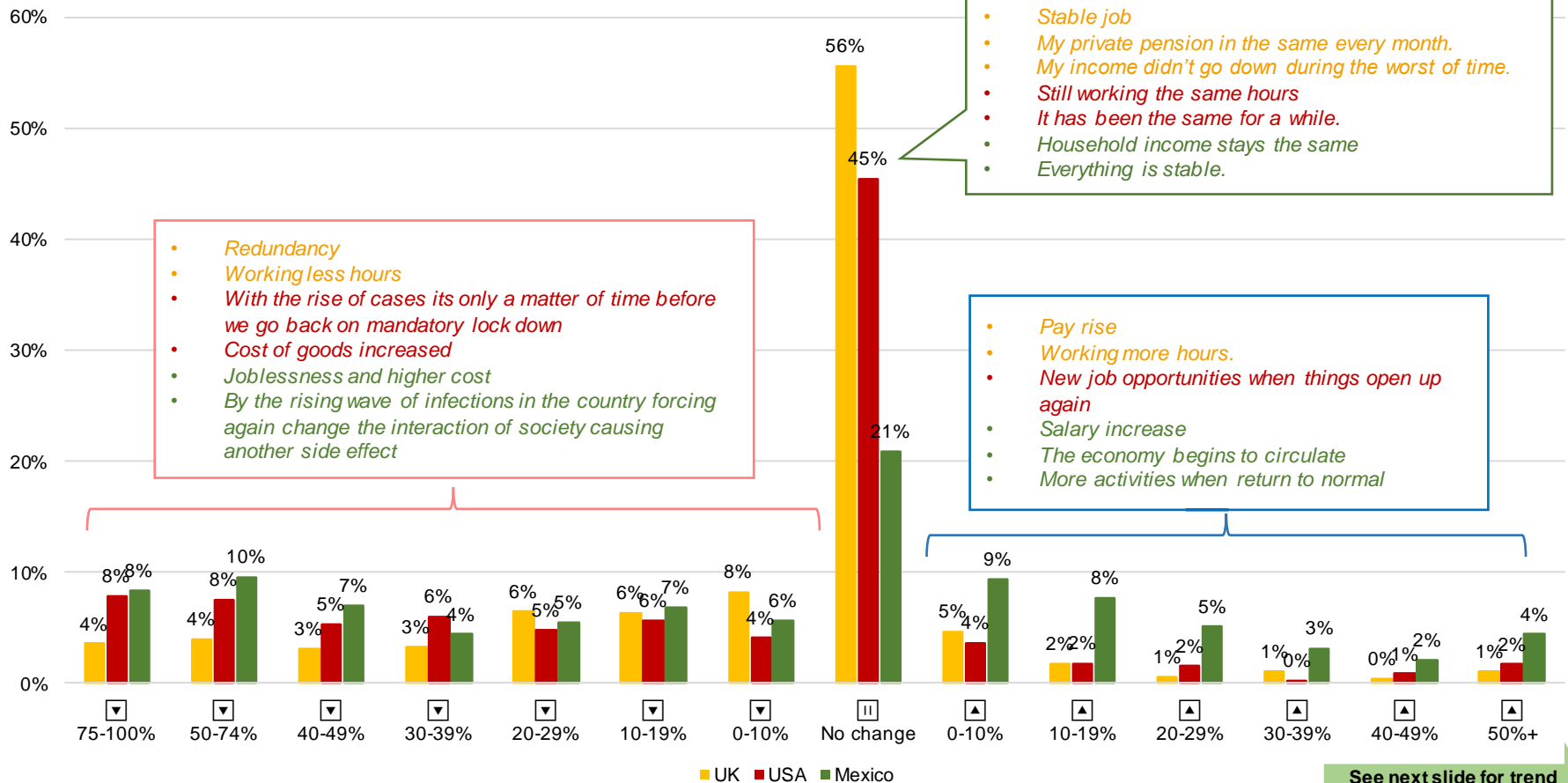
Margin of error: 3 p.p.

Note: Mexico has no trend data as it was added this survey. Values represent percentage of respondents in each country.

Approximate half of UK /USA consumers expect no change to income; Mexico consumers show more uncertainty

Q: Would you expect any change to your current household income in the near future, due to the COVID-19 crisis (including other sources of income, e.g. government support packages, investment portfolio, etc.)? If so, by how much?

% of respondents answering



See next slide for trend comparison

Note: Respondents' answers have been edited for grammatical correctness. Values represent percentage of respondents in each country.

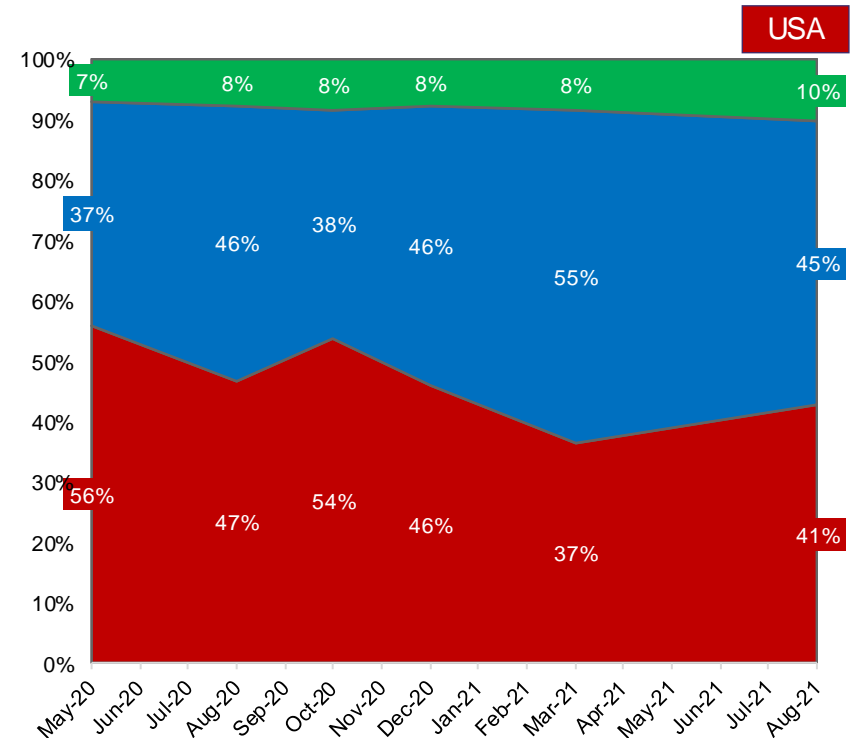
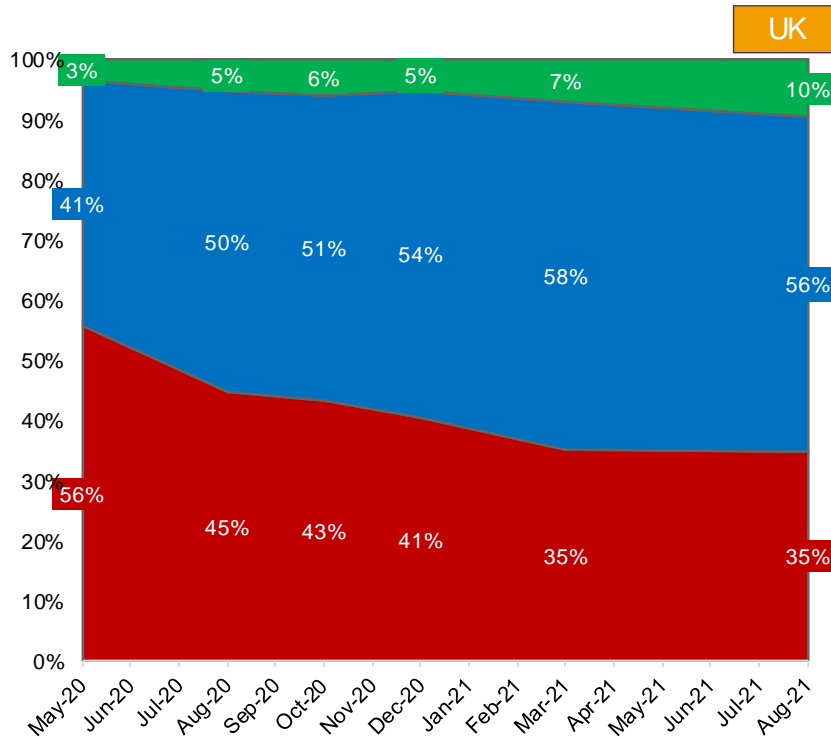
Proportion of UK/USA consumers expecting a decrease in income are trending downwards

Trend comparison

UK consumers who expect an increase in income continue to increase

More USA consumers are now expecting a increase in income

Q: *Would you expect any change to your current household income in the near future, due to the COVID-19 crisis (including other sources of income, e.g. government support packages, investment portfolio, etc.)? If so, by how much?*



Expecting ▲ to income Expect no change Expecting ▼ to income

Margin of error: 10 p.p. for expecting decrease, 4 p.p. for expecting no change and 1 p.p. for expecting increase
 Note: Mexico has no trend data as it was added this survey

Overall, consumers are expecting to spend less across categories, opting for increased savings and investments

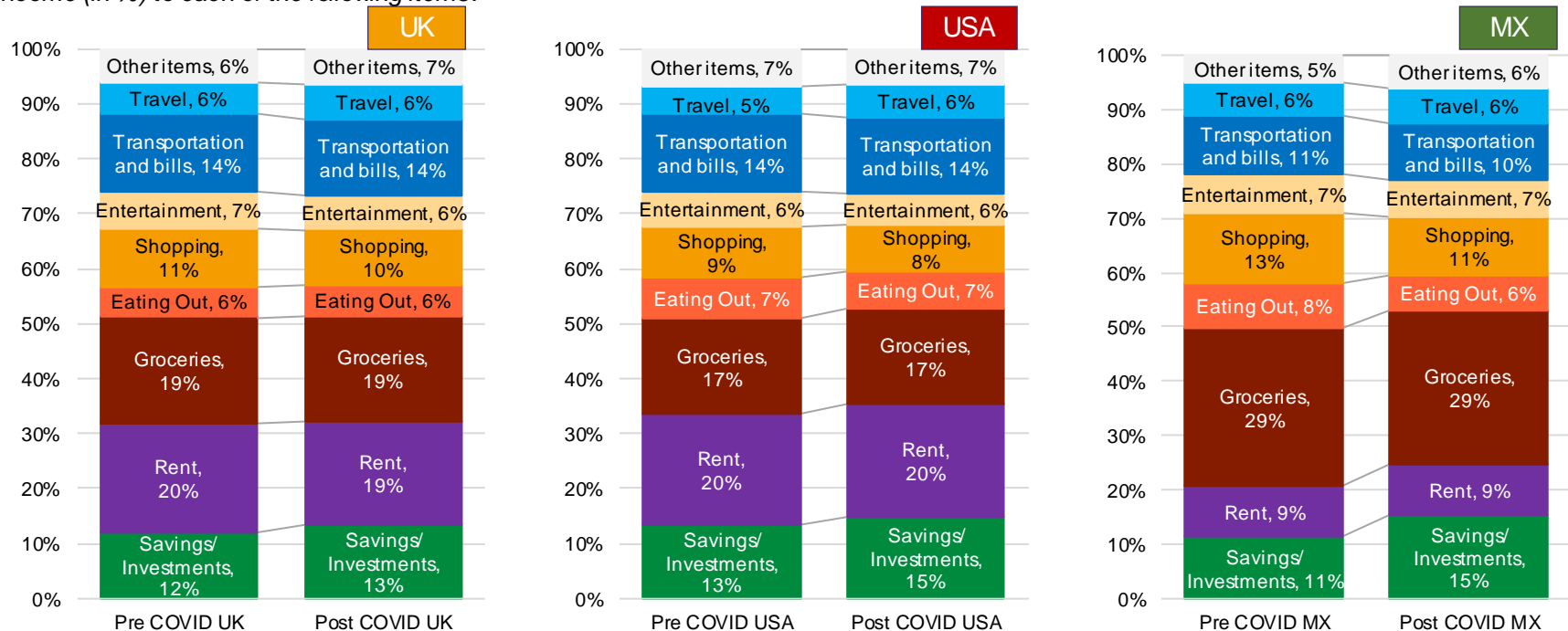
UK consumers expect to spend less on entertainment and increase savings/investments

USA consumers expect to spend less on shopping and increase savings/investments

Mexico consumers would spend less on shopping and eating out and increase savings/investments

Q Pre-COVID: How have you allocated your income (in %) to each of the following items, prior to the COVID-19 crisis?

Q Post-COVID: Thinking about the near future, considering any expected changes in your income, how would you allocate your expected future income (in %) to each of the following items?



See next slide for trend comparison

Note: Values represent percentage of respondents in each country.

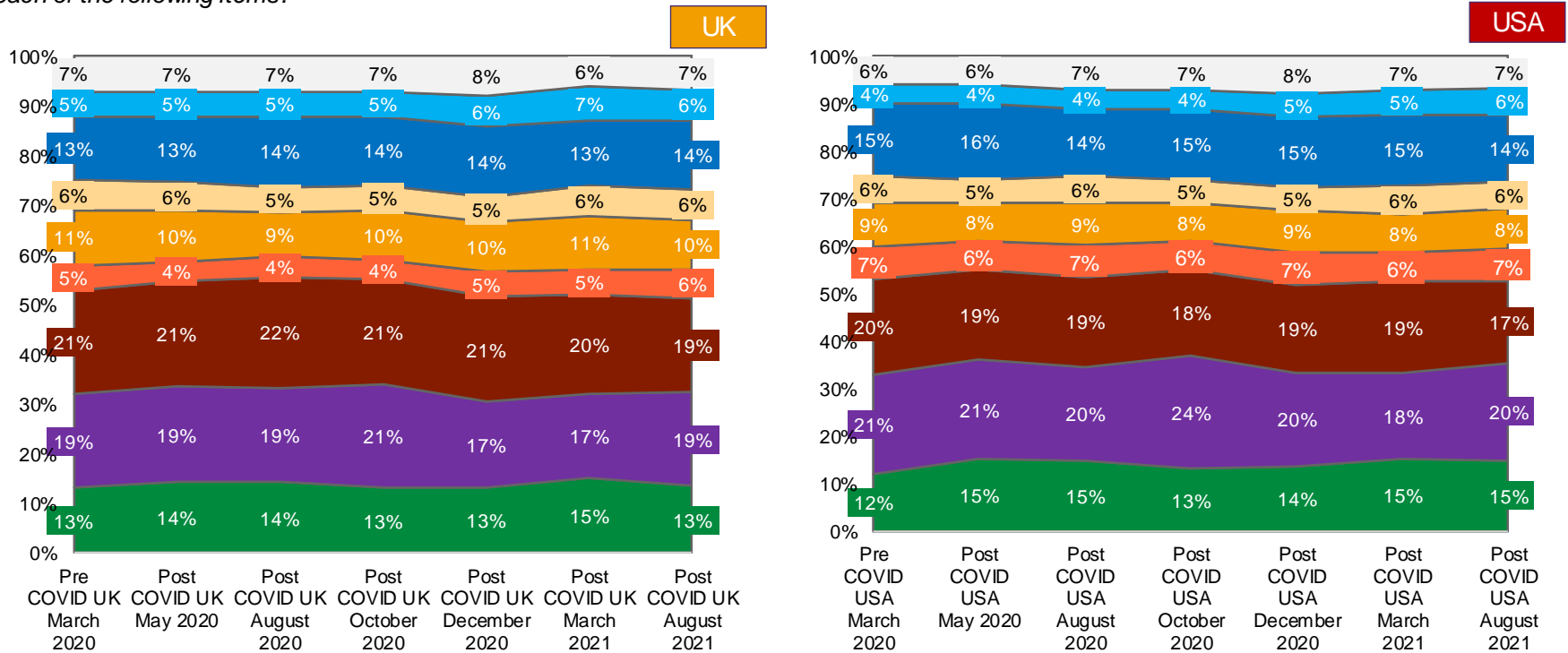
Both UK and USA consumers are expecting to spend more on rent post COVID than in March 2021

Trend comparison

UK consumers are expecting to spend more on eating out, rent, and transportation

USA consumers are expecting to spend less on groceries and more on rent

Q: Thinking about the near future, considering any expected changes in your income, how would you allocate your expected future income (in %) to each of the following items?



Savings/ investments	Rent	Groceries	Eating out	Shopping
Entertainment	Transportation and bills	Travel	Other items	

Margin of error: 1 p.p.

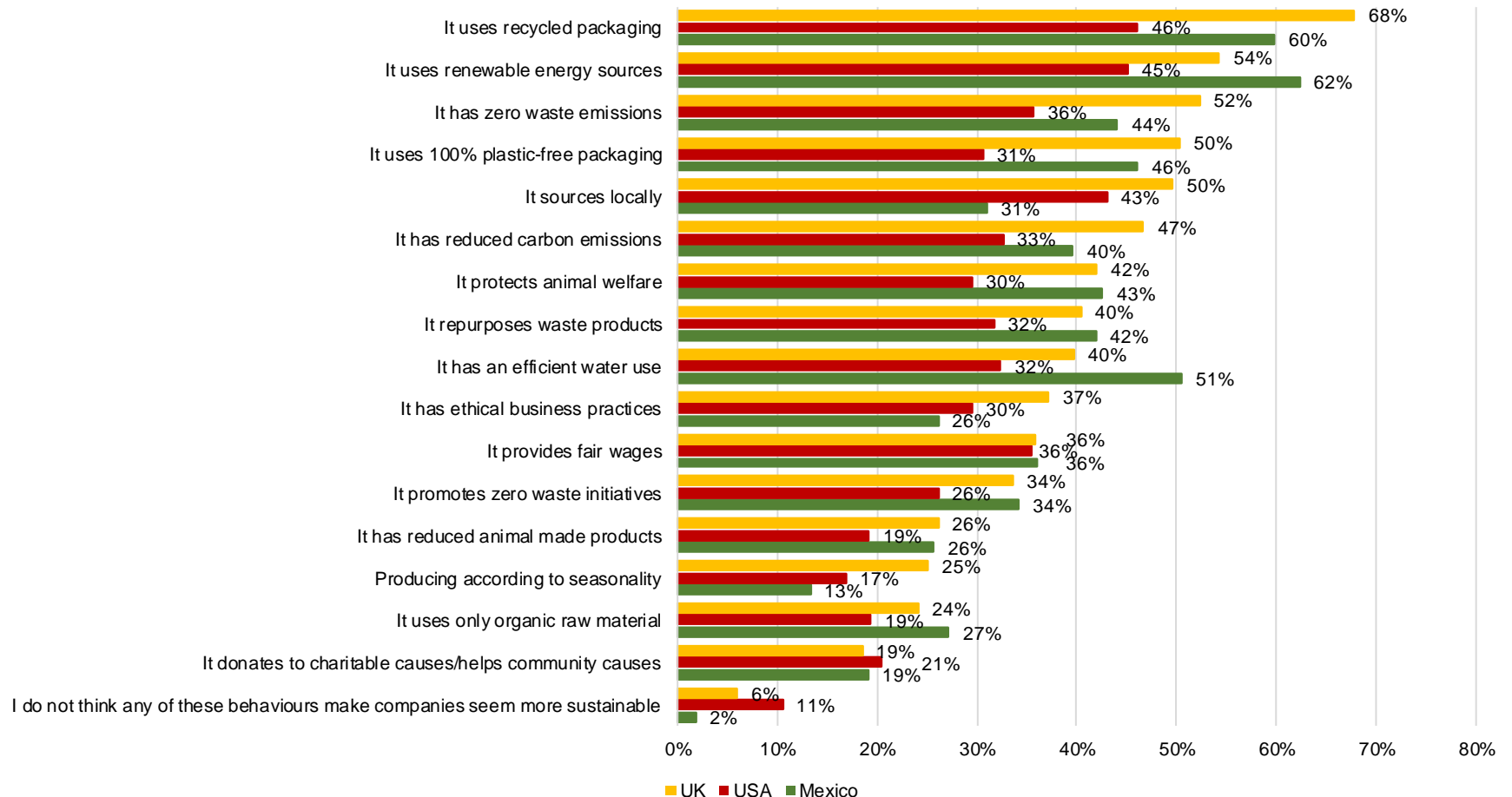
Note: Mexico has no trend data as it was added to this survey. Values represent percentage of respondents in each country.

Sustainability Topic



Using recycled packaging is most widely recognized as a behaviour of sustainable operation

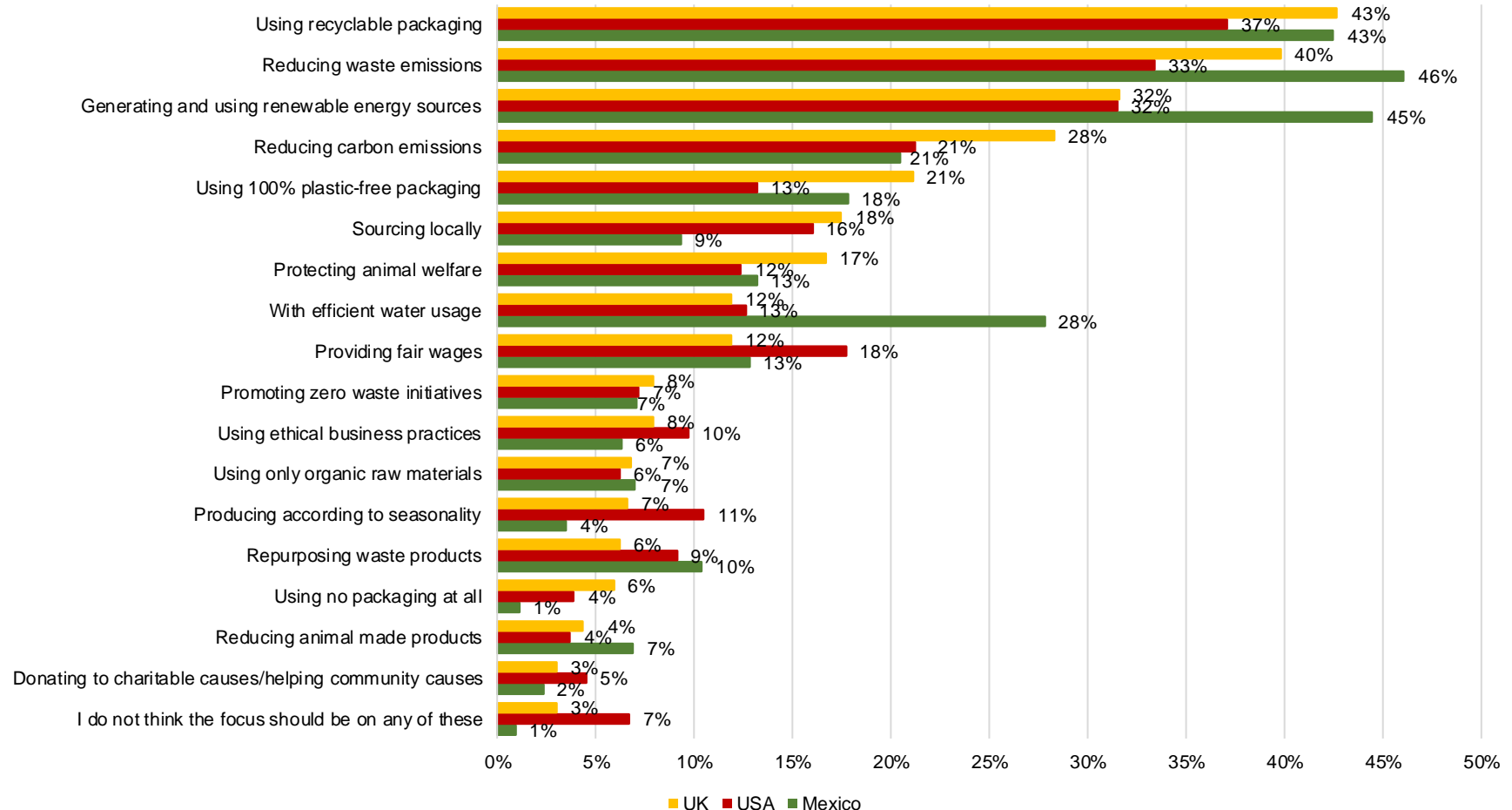
Q: Which of the following actions do you think makes a company seem as though they are behaving in a sustainable way? Please select all that apply.



Note: Values represent percentage of respondents in each country.

UK and USA consumers think that using recyclable packaging have the most positive impact. Mexican consumers emphasize reducing waste emission and using sustainable energy

Q: Thinking about the future of our planet, where do you think the focus of companies should be to have **the most positive impact**? Please select three options from the list below

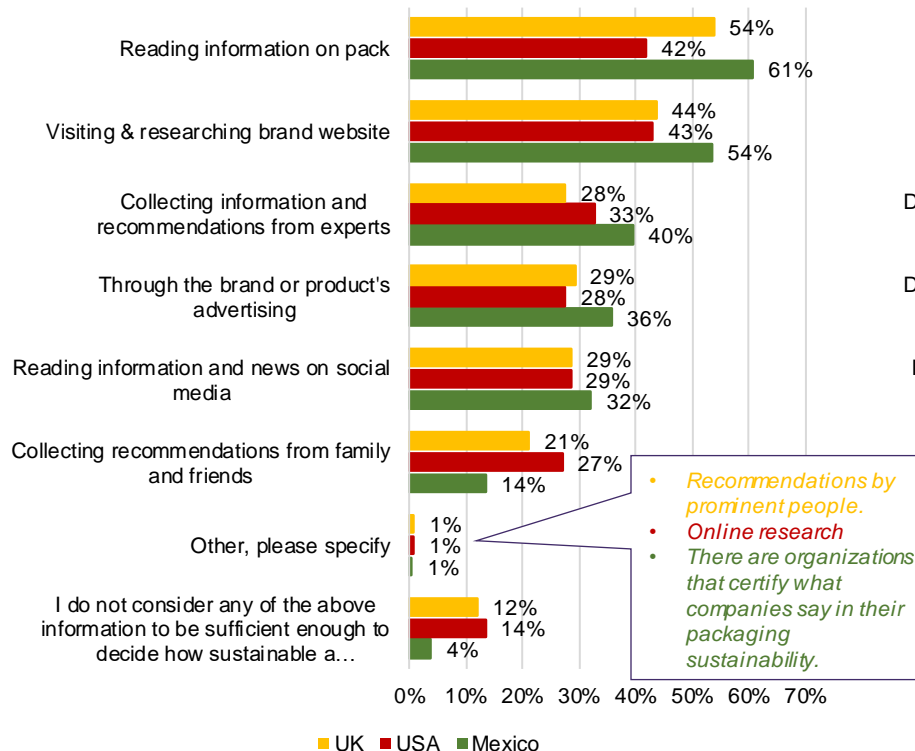


Note: Values represent percentage of respondents in each country.

Consumers mainly rely on packaging information to decide if a brand or product is sustainable

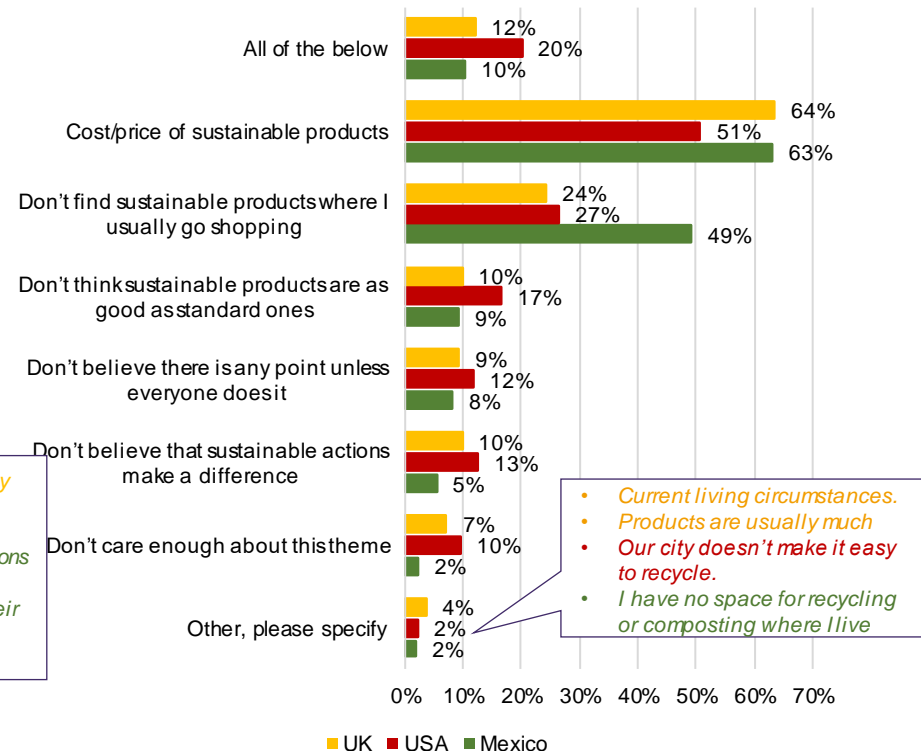
Information on pack has high influence on whether consumers decide that a product is sustainable

Q: How would you decide if a brand or product is **sustainable**?



Cost/price of products is the biggest factor which inhibits consumers from behaving in a more sustainable way

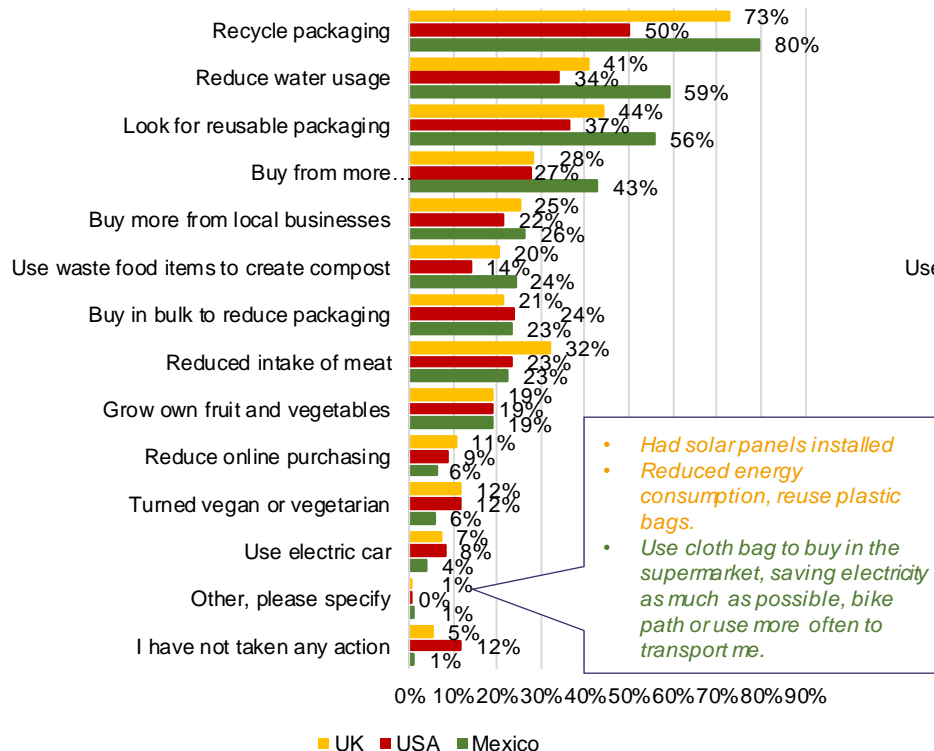
Q: According to your opinion, what **inhibits** you from behaving in a more sustainable way?



Buying recyclable and reusable packaging are the most common ways consumers act sustainably

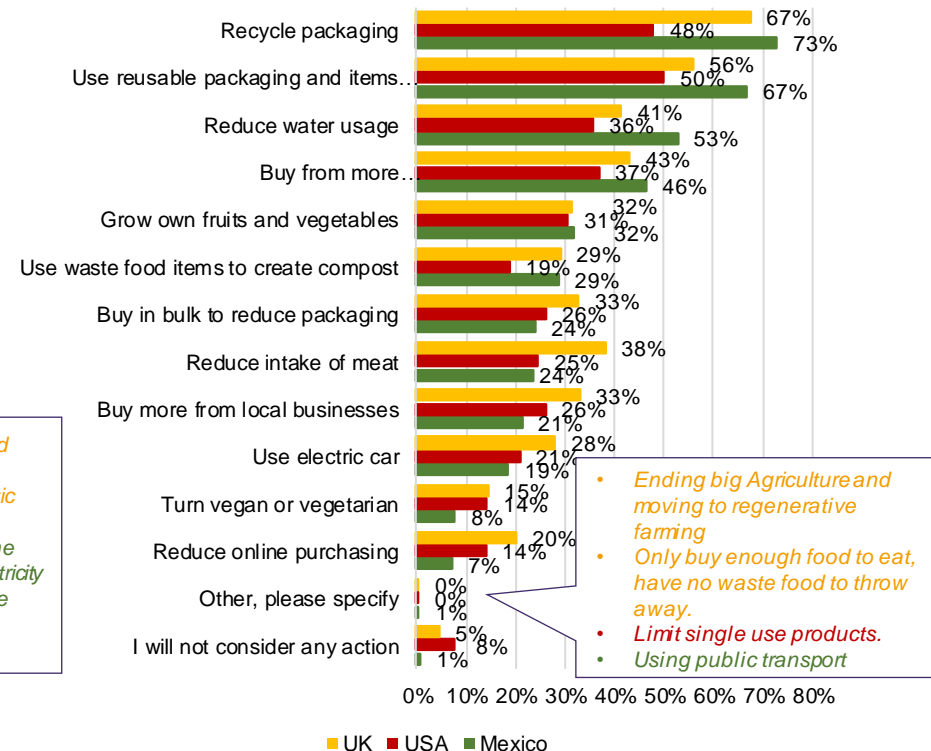
Majority of consumers recycle or use reusable packaging as means of sustainability

Q: Which of the following actions have you taken to help act in a more sustainable way? Please select all that apply.



Recycling and using reusable packaging remains the most popular sustainability action consumers look to undertake in the future

Q: Which of the following actions would you consider in the future to help act in a more sustainable way? Please select all that apply.



Consumer preference for pre-packaged vs unpackaged products is generally unchanged by COVID-19

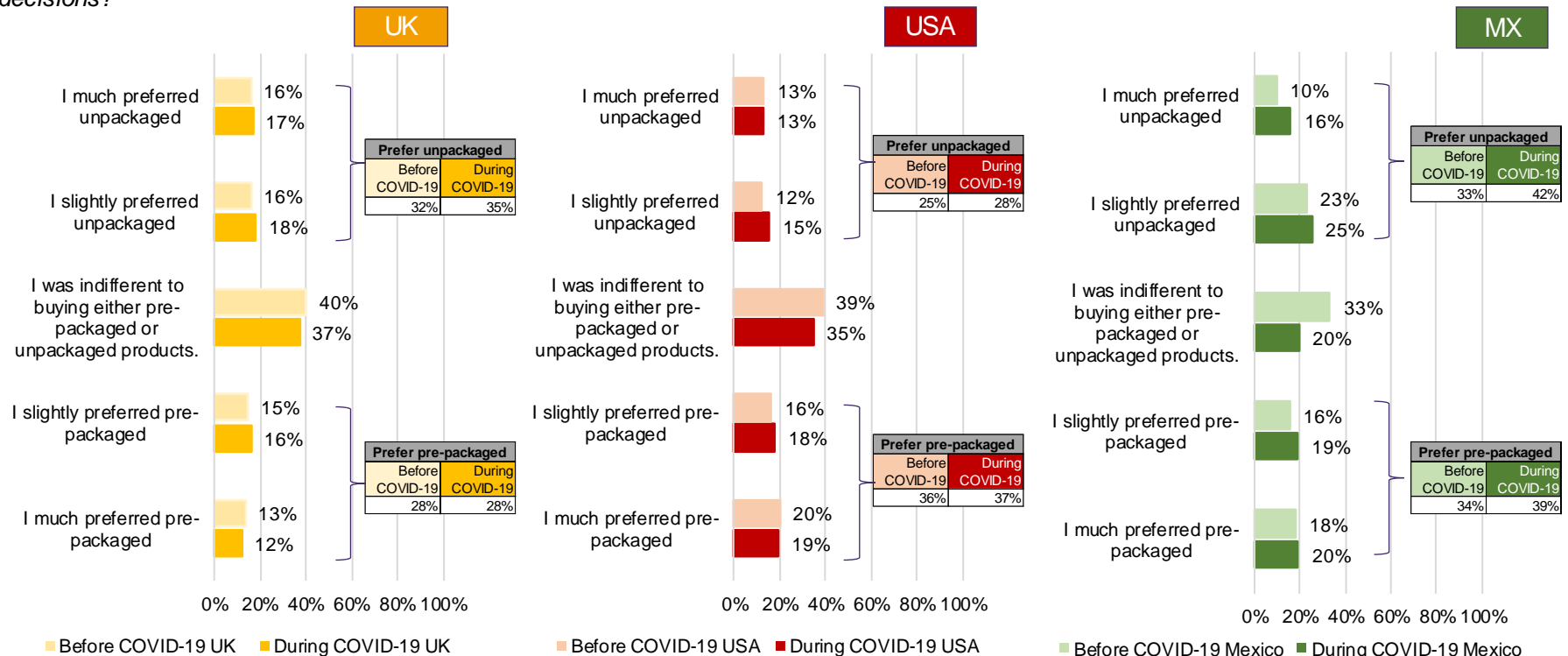
More UK consumers prefer unpackaged products

...but USA consumers prefer pre-packaged products...

.. and Mexican consumers developed stronger preferences after COVID

Q Before-COVID: Before COVID-19 began, how did the choice of pre-packaged vs unpackaged products (e.g. fresh produce) affect your buying decisions?

Q During-COVID: Now, during COVID-19, how does the choice of pre-packaged vs unpackaged products (e.g. fresh produce) affect your buying decisions?



Note: Values represent percentage of respondents in each country.

Consumers share different opinions on pre-packaged products; most believe that recycling household waste is important

Consumers share different opinion on pre-packaged vs unpackaged products

Q: Could you explain your choice of pre-packaged vs unpackaged products before and after COVID-19 began?

UK

- I've never like pre-packaged things, you can't really see what you're getting.
- Pre-packaged feels more hygienic than unpackaged fruit, bread etc
- I have always bought unpacked food if it's available rather than packaged food

USA

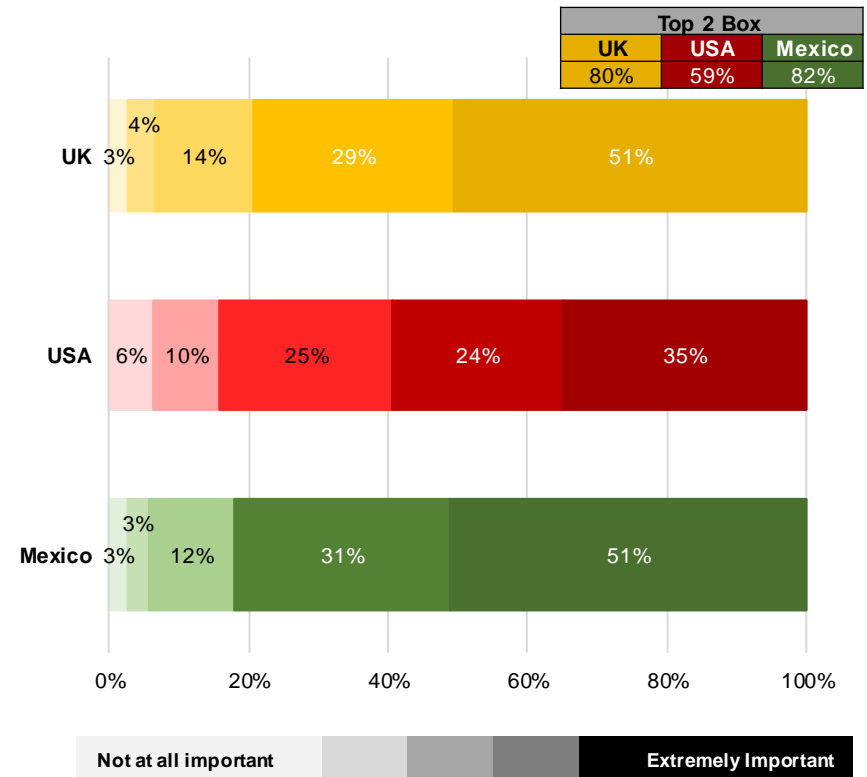
- Pre-packaged is better because people touch and squeeze things in the stores... it is also germ free
- The mass bacteria and germs that could be flying around and all the hands that could have touched it before me.
- Pre packaged products are much more unhealthy

MX

- Because it allows fewer risks of contagion
- In this situation covid packaged products and have a little more health than those who are exposed to the outdoors.

Importance of recycling household waste seen is lower in USA than in UK and Mexico

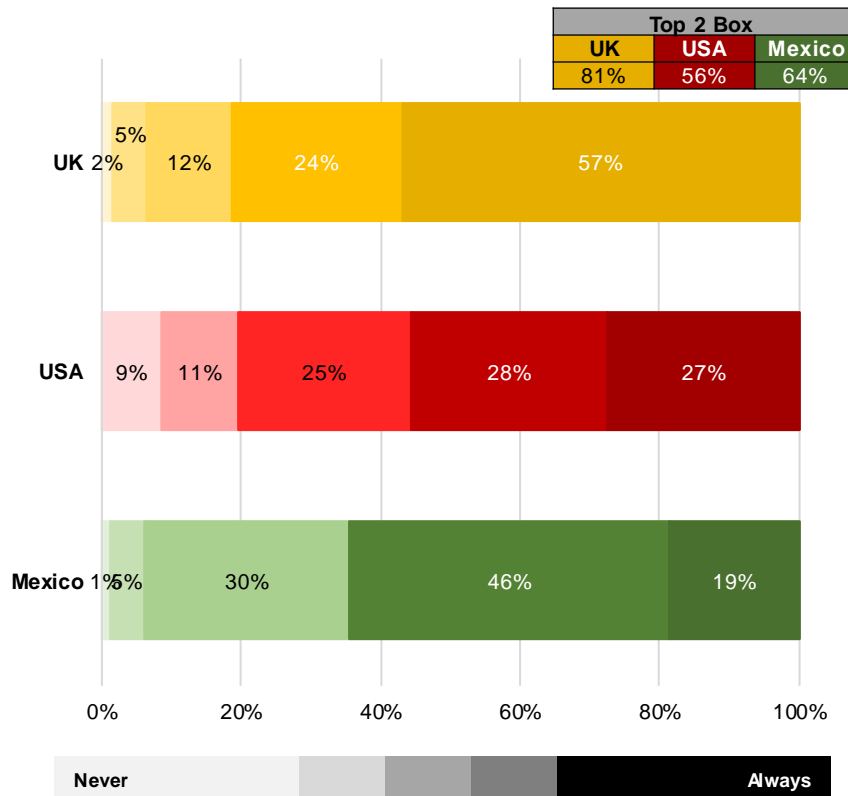
Q: How important is recycling your household's waste to you?



UK consumers generally recycle more consistently than USA and Mexico consumers

UK consumers generally recycle more consistently than USA and Mexico consumers

Q: How **often** do you recycle your household's recyclable waste?



Most consumers recycle to do their part for the environment

Q: What is the reason for your household's recycling frequency?

UK

- *Want to do my bit to boost recycling efforts.*
- *I want to be more environmentally friendly.*
- *I must recycle to be kind to the earth.*

USA

- *Every bit helps if everyone would recycle.*
- *We want to protect the environment as much as we can.*
- *I care about the environment.*

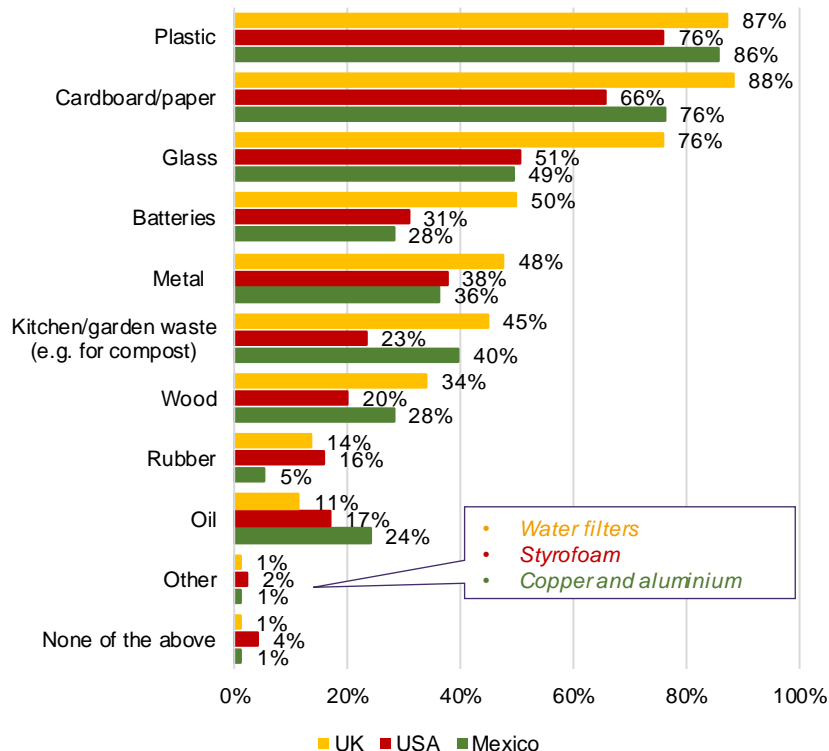
MX

- *Because I like to be aware of my planet and the great harm we are causing.*
- *To save some money and contribute to the care of the local environment.*
- *I like caring for the environment in which we live.*
- *Teach children and raise awareness on them.*

Majority of consumers think it is important that products they buy use recyclable packaging

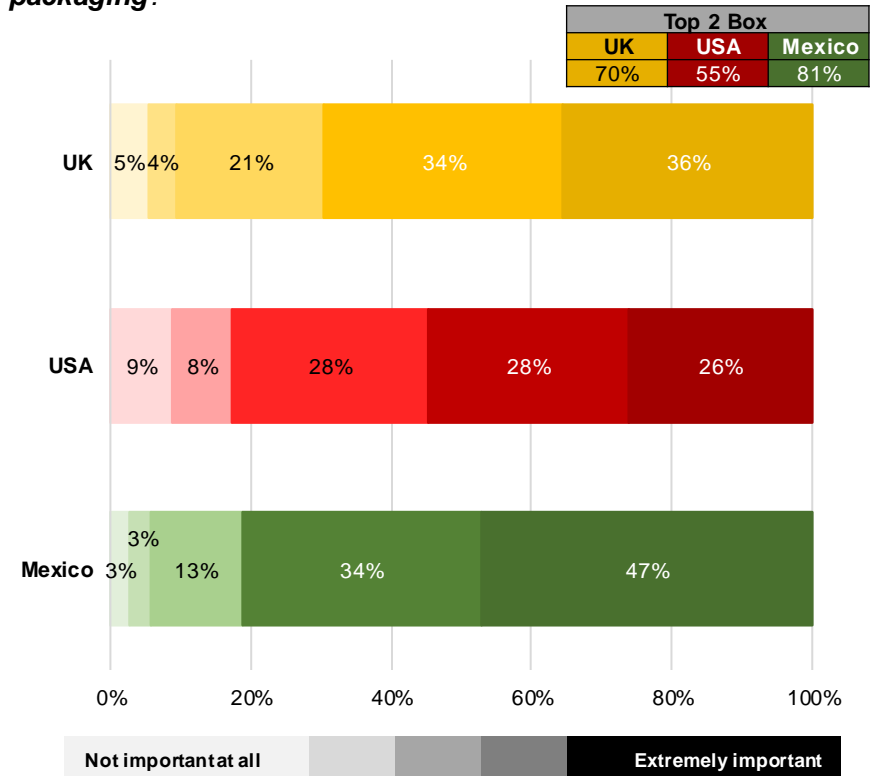
Plastics, cardboard/paper, and glass are most common recyclables

Q: What materials do you recycle in your household? Please select all that apply.



Majority of consumers think it is important that products use recyclable packaging

Q: How important is it that the products you buy use recyclable packaging?



Consumer preference for reusable products increased during COVID-19, with Mexico attaining the highest rate

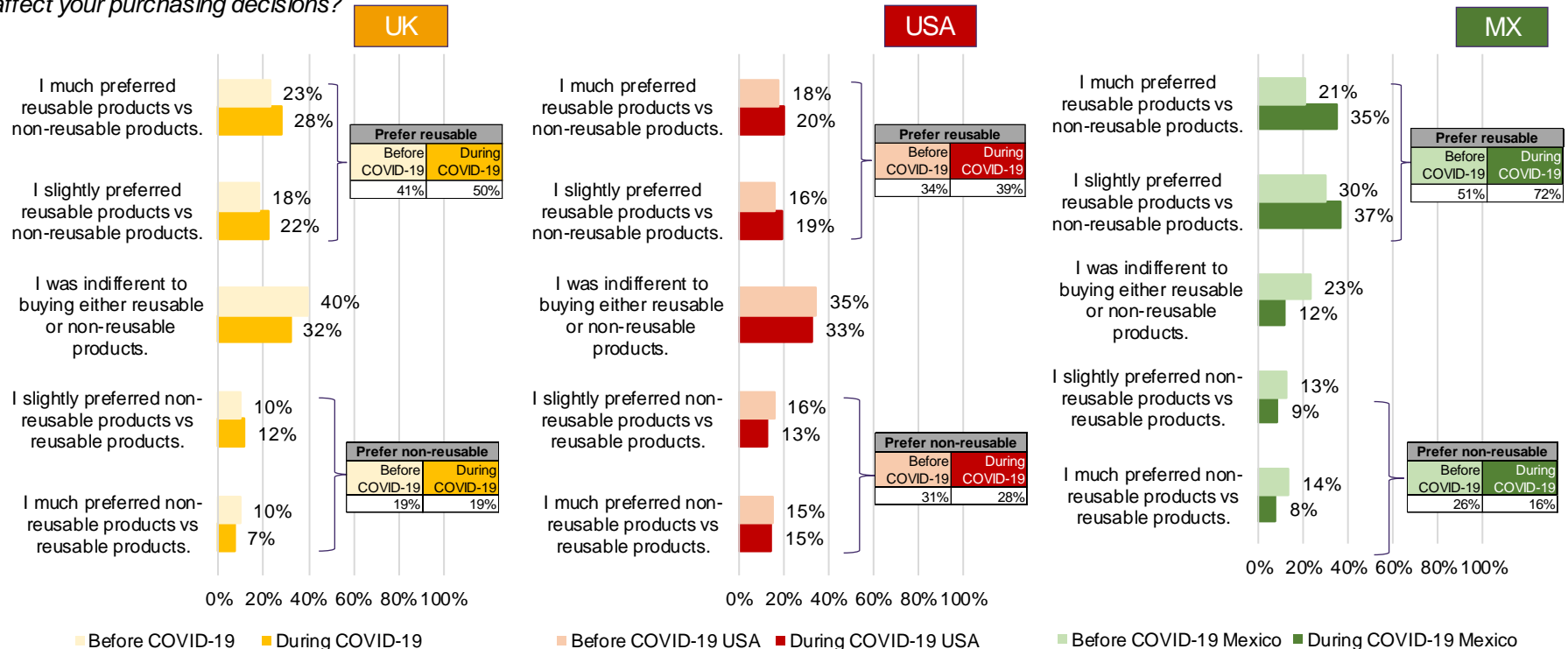
UK consumers who prefer reusable products increased during the pandemic...

...USA consumers shifted from indifference or slight preference for non-reusable packaging...

...and Mexican consumers showed the largest shift towards reusable products

Q Before-COVID: Before COVID-19 began, how did the option of refillable/reusable products (e.g. refillable hand wash dispenser) vs non-reusable affect your purchasing decisions?

Q During-COVID: Now, during COVID-19, how does the option of refillable/reusable products (e.g. refillable hand wash dispenser) vs non-reusable affect your purchasing decisions?



Note: Values represent percentage of respondents in each country.

Most consumers use refillable/reusable products due to environmental and cost-saving reasons

Q: Could you explain your choice of refillable/reusable products vs non-reusable before and after COVID-19 began?

UK

- *It is better for the environment*
- *Refillable items are too expensive compared to prefilled*
- *I always preferred reusable products because they make the world better with less materials being wasted*
- *I don't like refills as they are too messy and inconvenient, I much prefer to buy products that are non-reusable but fully recyclable.*

USA

- *It is more efficient and better for the environment and I make less trips to the grocery store.*
- *Less packaging helps reduce trash from the landfills.*
- *I would much rather purchase reusable products because it's better for the environment.*
- *I have always preferred reusable products as they are the most inexpensive option and just the right thing to do.*

MX

- *It is much better reusable as well as helping the environment and home economy*
- *In this way better care of the environment and have things to use it in another way for household tasks*
- *I'm interested in protecting the environment and that the reuse materials that are generated by consumption is to reduce waste production*

Sustainable Sourcing



No shift in source of first exposure to sustainable sourcing in USA/UK. Social media is largest source for Mexico

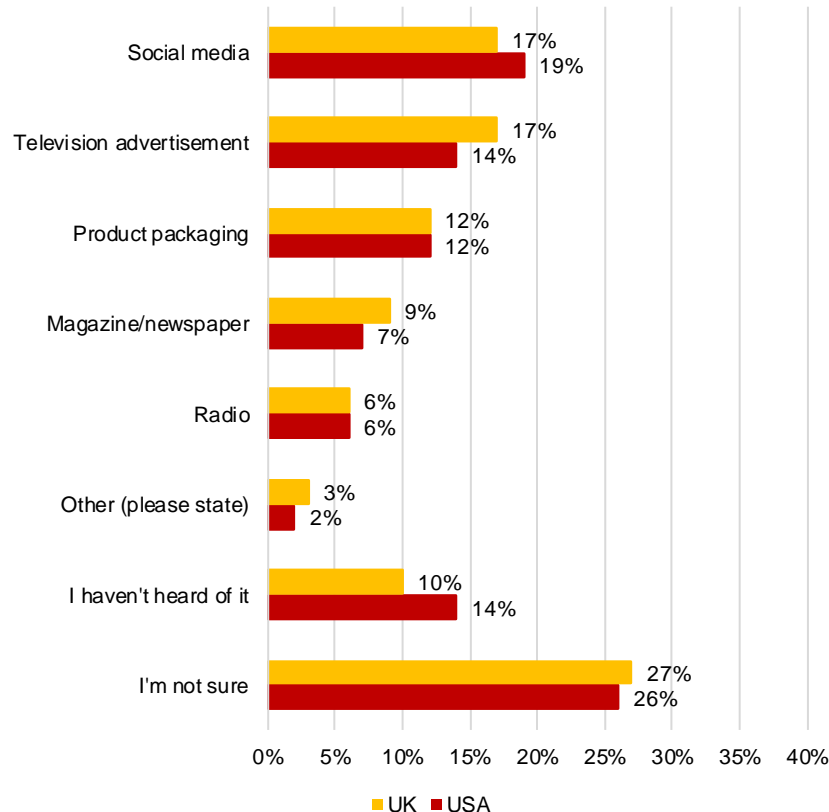
Q: How did you first hear about the concept of 'sustainable sourcing'?

Trend comparison

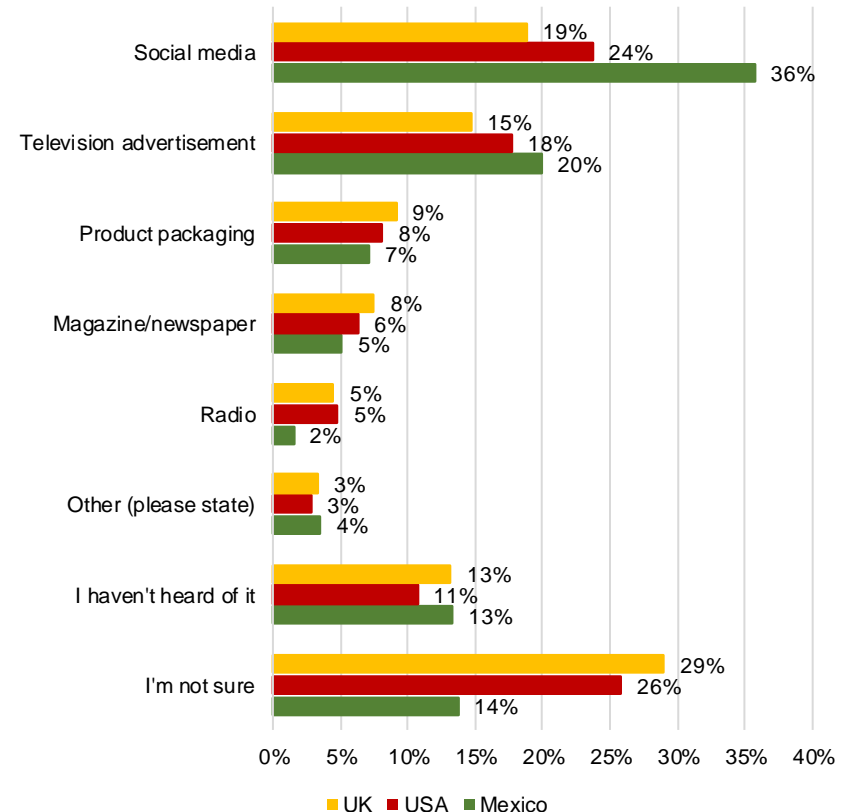
UK/USA consumers don't remember where they first heard of sustainable sourcing

While most consumers in Mexico learned of it through social media or television ads

December 2020



August 2021

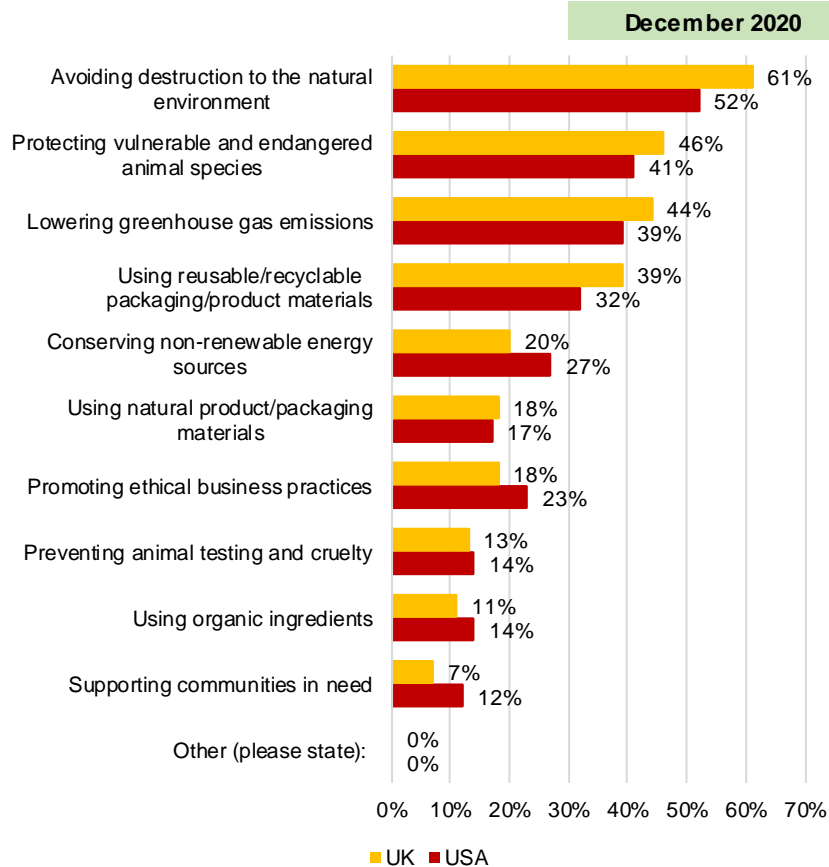


Consumers rate not damaging the environment to be the most important aspect of sustainable sourcing

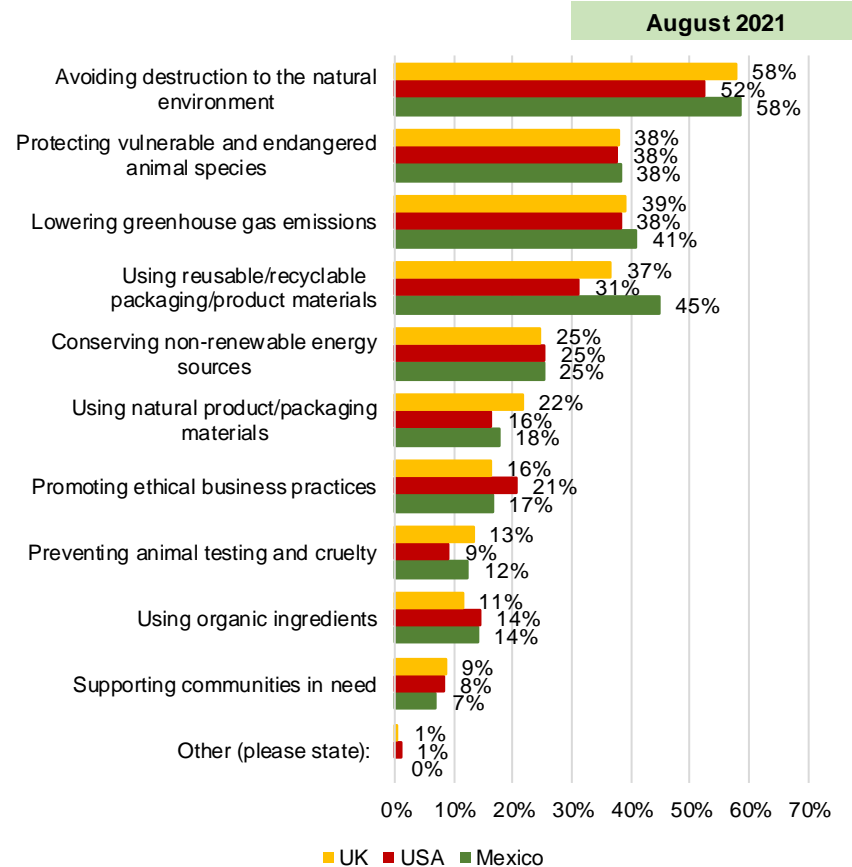
Q: What are the most important aspects of sustainable sourcing when it comes to Consumer Packaged Goods? Please choose up to 3 responses.

Trend comparison

UK and USA consumers rate not damaging environment to be most important



The trend continues in August 2021, Mexican consumers rated the same to be most important



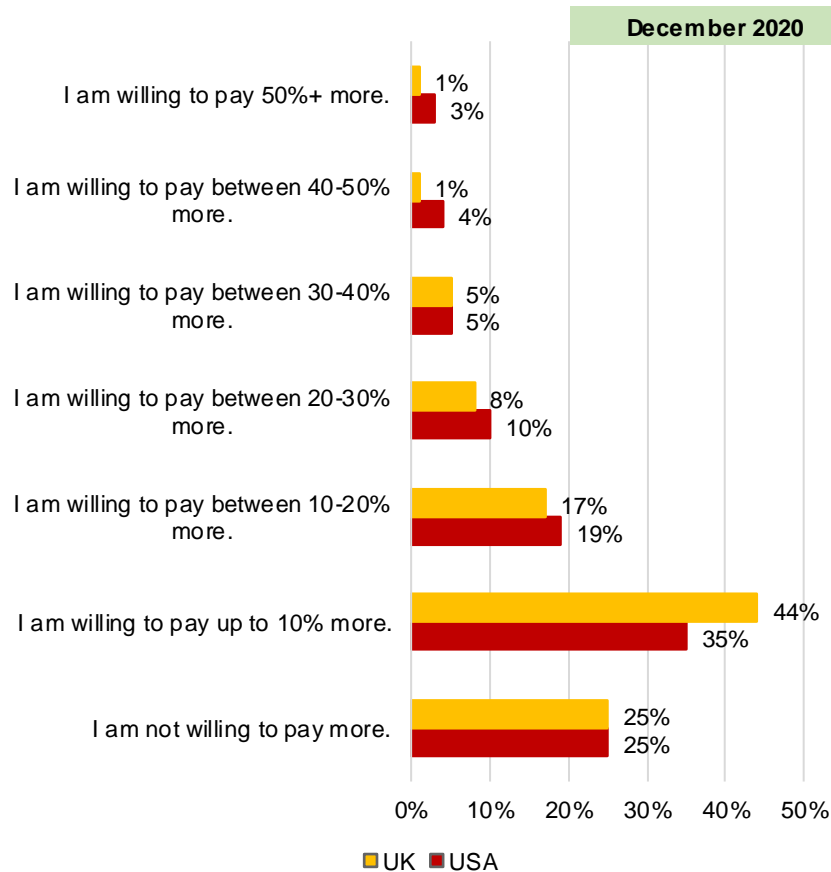
Margin of error: 3 p.p.
Note: Values represent percentage of respondents in each country.

Majority of respondents would not pay more than 10% for sustainably source products

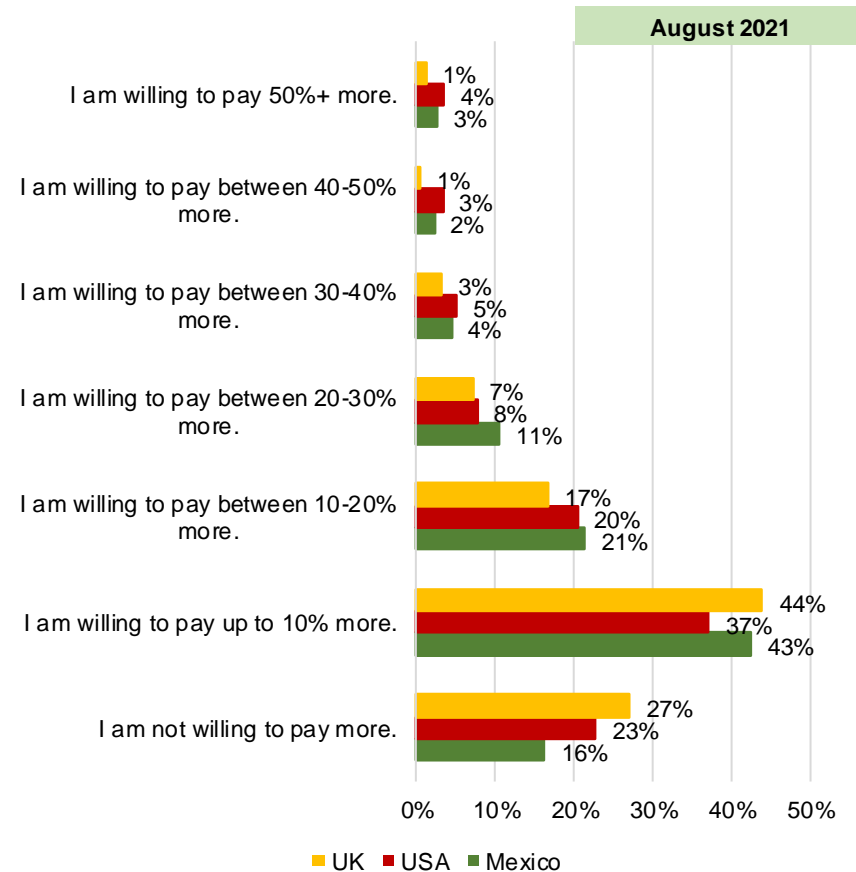
Trend comparison

Q: How much more would you be willing to pay for a product that is sustainably produced?

In December 2020, majority of consumers would not pay more than 10% more for sustainably sourced products



The trend continued in August 2021



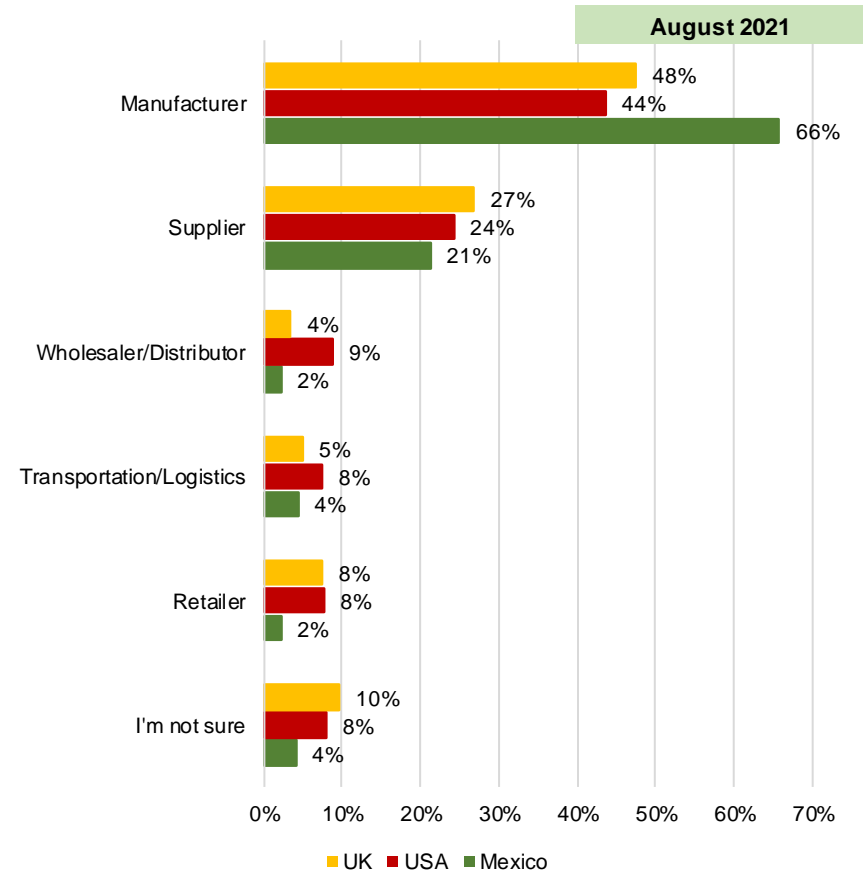
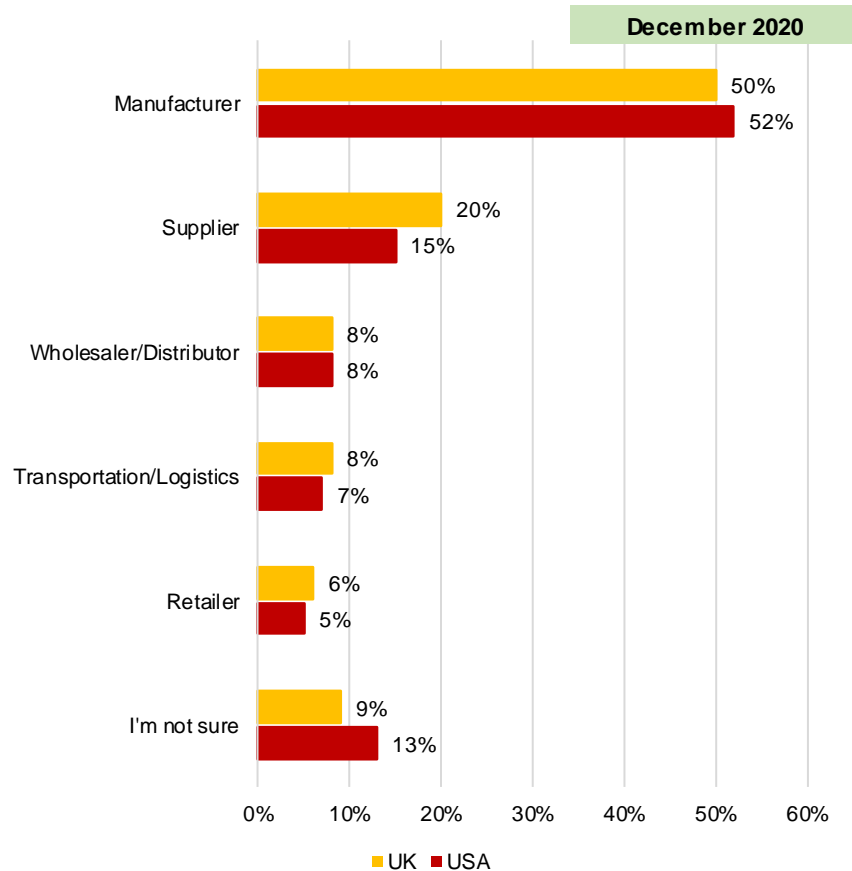
Manufacturers are deemed most responsible for ensuring sustainable sourcing of products

Q: Which of the following stakeholders do you believe should be most responsible for ensuring the sustainable sourcing of Consumer Packaged Goods?

Trend comparison

In December 2020, about half of consumers think the manufacturer is responsible for sustainable sourcing

The trend continues in August 2021, with more Mexican consumers holding this sentiment



Margin of error: 3 p.p.
Note: Values represent percentage of respondents in each country.

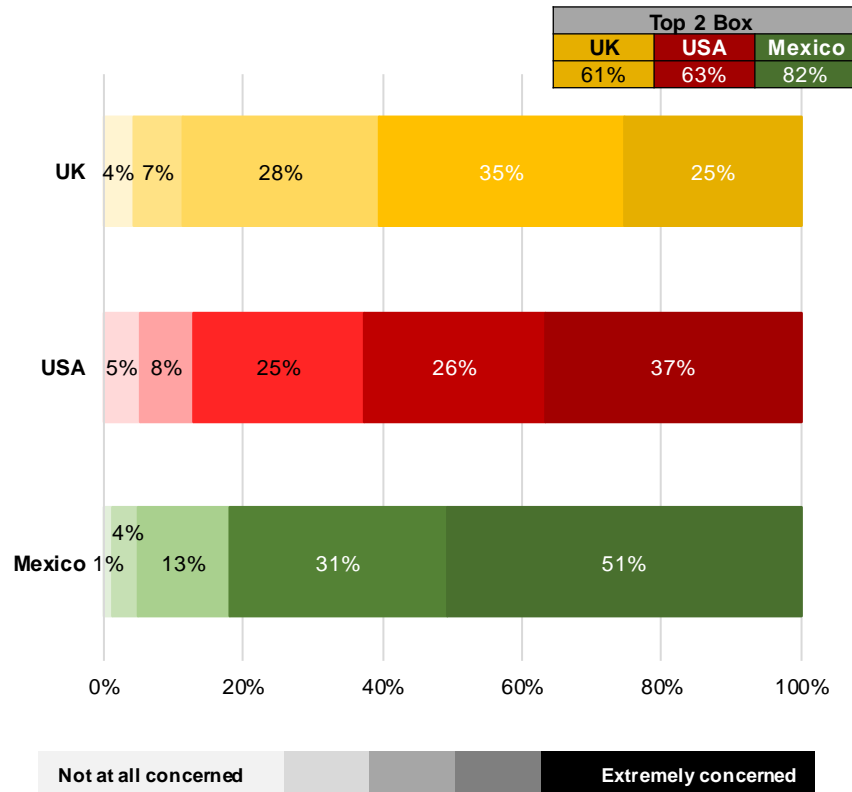
Economy & Inflation topic



Vast majority of consumers are concerned with inflation, with concern in Mexico being the highest

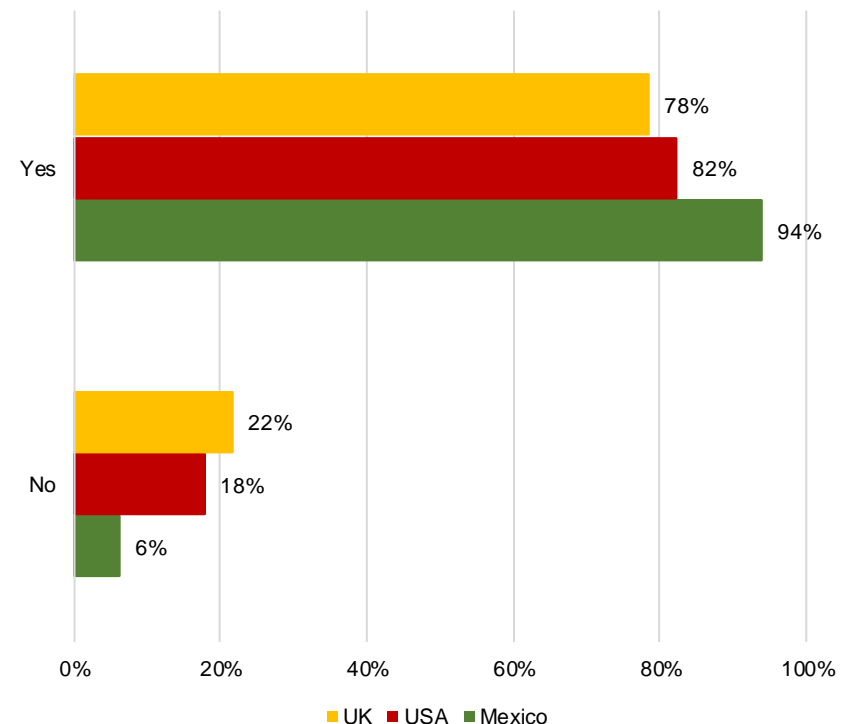
Majority of consumers are concerned with inflation, with Mexico being the highest

Q: On a scale from 1 to 5, how concerned are you about inflation?



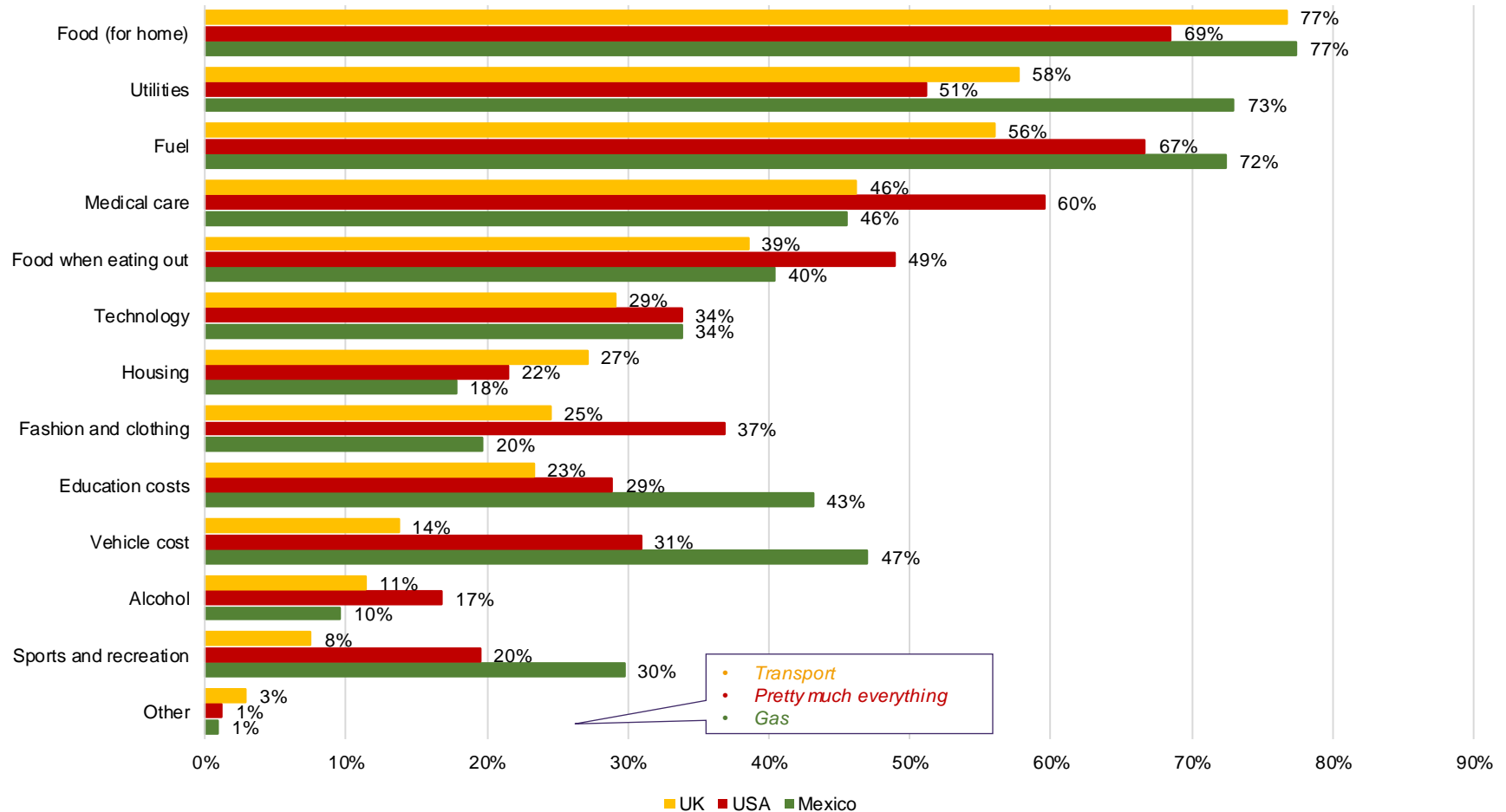
Over 75% of consumers have noticed an overall increase in the prices of goods and services

Q: Within the last 12 months, have you noticed an overall increase in the prices of goods and services?



Food prices are most noticeably increased in the past 12 months. Utilities and fuel prices also increased.

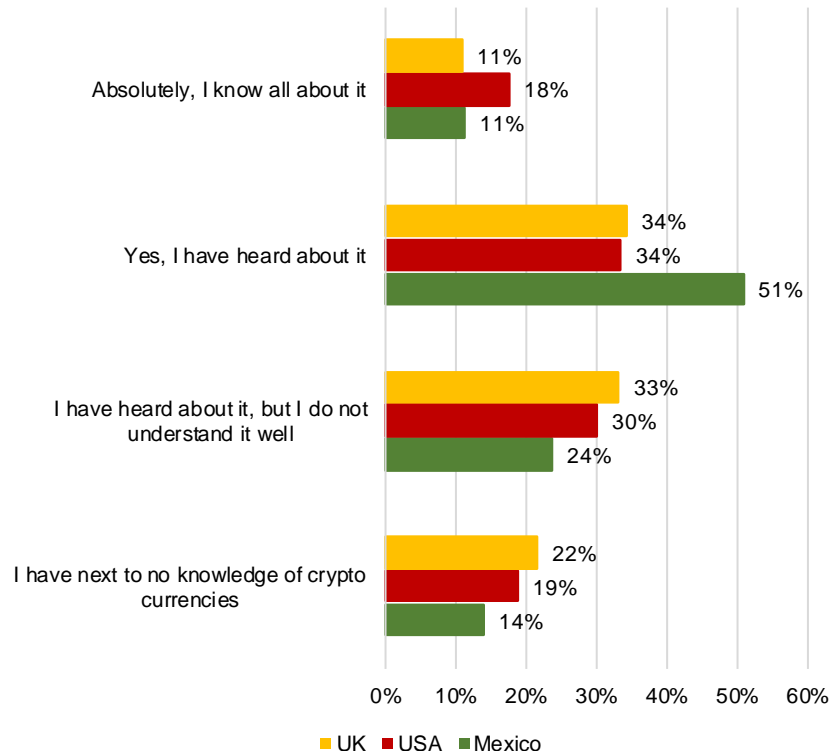
Q: In which of these sectors have you observed an increase in prices within the last 12 months?
Please select all that apply.



Majority of consumers in all countries have heard of cryptocurrency, but few profess a deep understanding of it

USA consumers have a higher rate of very knowledgeable consumers than UK/Mexico

Q: Are you familiar with cryptocurrency?



Consumers are most familiar with Bitcoin within the realm of cryptocurrency

Q: Which of the following terms are you familiar within the realm of cryptocurrency? (Not shown to consumers with no knowledge of cryptocurrencies)

