COVID-19 Shopper Tracker Research Report

First released: October 2020

Aviation House. 125 Kingsway, London WC2B6NH United Kingdom

melody part of smp

Research methodology

Objective:
To understand and track the impact of the COVID-19 outbreak on UK shopper attitudes and behaviours

Methodology:
Online survey completed in 3 waves: during lockdown, coming out of lockdown and post lockdown

Sample:
Nationally representative UK adult sample

Survey in-field dates (sample size):

Wave 1:
April 3rd - 6th 2020
(N=2009)

Wave 2:
May 27th - 29th 2020
(N=2009)

Wave 3:
Aug 14th - 18th 2020
(N=2031)

melody

Summary findings

Shopper and spending habits

Online vs. high street:

Greater numbers of people were shopping in stores less frequently

26% > **33%**

April *August*

35 - 44 yr olds

most likely to have bought products online that they previously bought on the high street (30%), followed by over 55s (28% Aug, up from 7% May)

Over 55s

most likely age group to say they will continue to shop online for products previously bought on the high street

Overall habits:

Greater numbers of people were doing less shopping of any type

26% > **20%**

August *May*

People saying they don't think any new shopping habits will be maintained post-coronavirus dropped from

40% > **19%**

April *August*

23% of Over 55s

stated their new shopping habits will not be maintained post-coronavirus (down from 37% in April).

melody

Summary findings

Shopper and spending habits

Amazon:

The percentage of people shopping more often on Amazon increased from

19% > **29%**

April *August*

25% of over 55s

(up from 12% May) have increased how often they shop on Amazon.

People saying their **increased frequency of shopping on Amazon** would continue post-coronavirus

20% > **17%** > **12%**

August *May* *April*

Spending habits:

3months average time people believed their spending would return to previous levels (May).

However,

19% **believed their spending might not or will never return to previous levels.**

XX%

Post lockdown, as the UK entered a recession, **discount codes were the most cited incentive** for encouraging people to continue spending on non-essential purchases.

Over 55s

most likely age group to say they intend to reduce spending on non-essential purchases regardless of incentives (23%).

melody

Summary findings

Home delivery and working form home

Home delivery:

In August **19%** of people agreed they used ecommerce more because they were less likely to miss a delivery.

27% of people preferred to buy from retailers who provide **Click and Collect** as an option.

24% of people stated they were using | open to subscription delivery services (outside of Amazon).

23% **of people agreed they will try Amazon Fresh**, with 19% agreeing they would consider using Amazon Fresh as their main grocery provider.

Working from home:

Of those working at home (who didn't previously),

20% **were shopping less** because of working at home, while

19% **were shopping more**

16% had bought home office equipment,

12% had bought items for the background of video calls and

10% had bought clothing specifically for video calls.

Younger people

<34 were the most likely to have bought new items for the background of video calls or clothing specifically for video calls.

Summary findings

Retailer attitudes and return to physical stores

Retailer attitudes:

During lockdown **Tesco**, **ASDA** and **Amazon** were the brands people believed they were most likely to buy more from in the future due to their response to coronavirus.

44% of respondents said they wouldn't miss any of the retail brands currently in administration (August).

33% of respondents said they would miss Debenhams. No other brand was close to being missed as much, with most having 10% or less of respondents saying they would miss them.

58% of Over 55s were the most likely to say they won't miss any of the retail brands currently in administration.

Return to physical stores:

Coming out of lockdown social distancing, limits on number of customers in-store and **hand sanitiser in-store were the most frequently mentioned safety | cleaning measures wanted** for return to non-essential retailers.

Over 55s were the most likely to want the top 4 safety | cleaning measures for a return to non-essential retailers.

By August **supermarkets** were viewed as doing the best job on **Coronavirus health and safety (60%)**, followed by **Garden Centres (22%)** and **High Street Stores (20%)**.

Summary

Conclusions

New online shopping behaviours are now becoming habits, which seem unlikely to revert post COVID-19. These new habits are developing across age groups, with particularly significant shifts towards online seen in over 55s. Amazon has seen a significant increase in frequency of shopping across all age groups. This highlights the need for brands to invest in making their products easier to find and easier to buy online.

However, the shift to online needs to be put into the broader context where **greater numbers of people are doing less shopping of any type** (May to August). This suggests that after an initial surge in May as lock-down eased (over April), the tough economic realities started to set in through August.

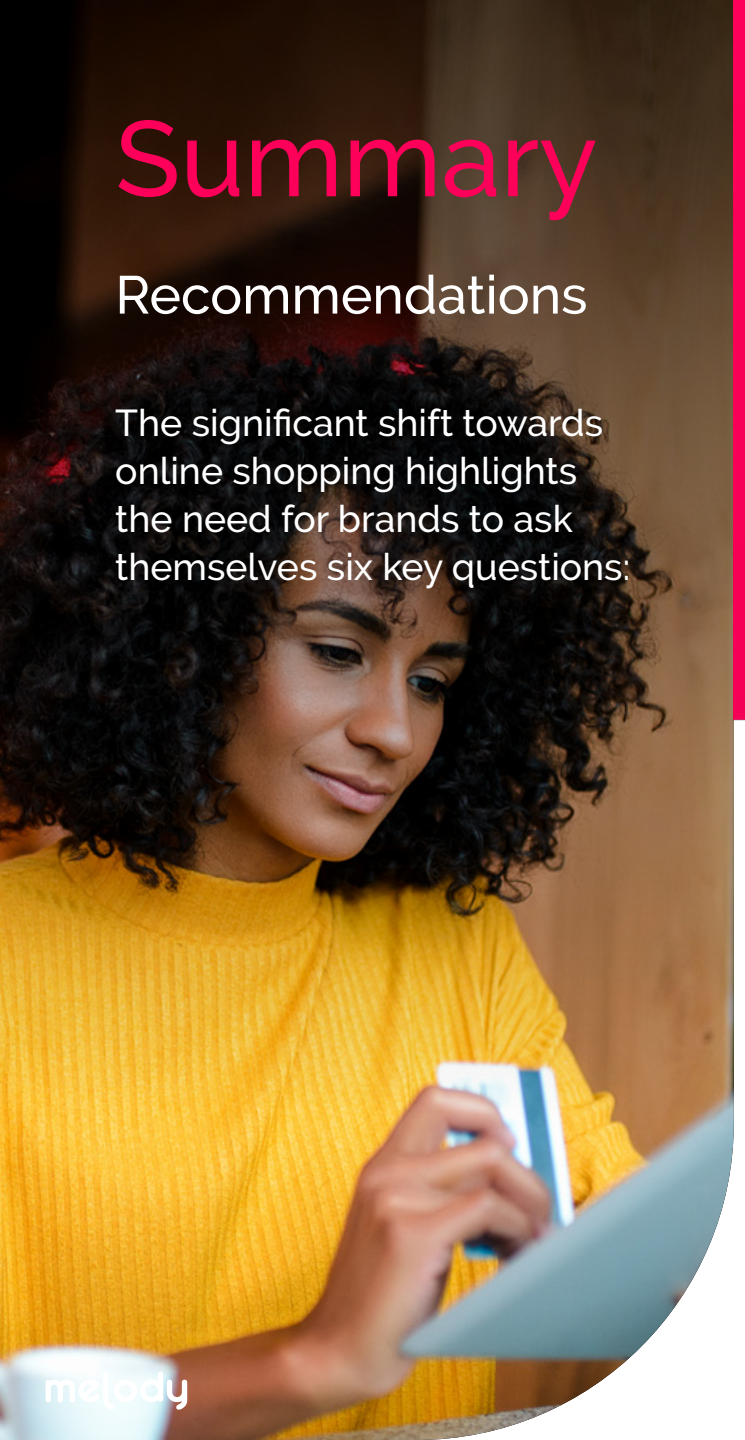
Being at home more often or working from home is changing our shopping habits, with greater numbers of people using online shopping because they're less likely to miss a delivery. This should inspire both ecommerce retailers and brands to innovate around home delivery solutions, both around what is offered and solutions for not being at home.

There appear to be very few people who say they'll miss the retailers who currently look like they will disappear, suggesting the outbreak of COVID-19 is only accelerating the existing trend for those retailers, rather than creating it. **Interestingly the least sentimental group are those over 55, who are readily shifting their purchase habits online.**

Summary

Recommendations

The significant shift towards online shopping highlights the need for brands to ask themselves six key questions:



Customer insight:
Have you mapped your customers' purchase journey(s) this year? For example, is your brand meeting the needs of 55+ online shoppers?

Review retail and marketplace ecommerce purchase channels:
Does your brand have the right presence, in the right channels and are you investing enough to win where growth is happening? e.g. Amazon, Just Eat, Ocado and Tesco.

Ecommerce media review:
Are you using ecommerce media to efficiently acquire and convert customers through search, retailer media and paid social?

Audit your ecommerce content:
Are your product pages, A+ content and brand stores assisting search and converting customers?

Direct-to-Consumer (D2C) and emerging digital purchase channels:
Is your brand creating commerce experiences that enable customers to purchase directly or trial new ways to purchase? e.g. Instagram stores, shoppable content and voice ordering?

Data & Analytics:
Do you have access to the data analysis, tools and reporting needed to uncover insights that drive growth?

Detailed findings

melody

Shopping habits

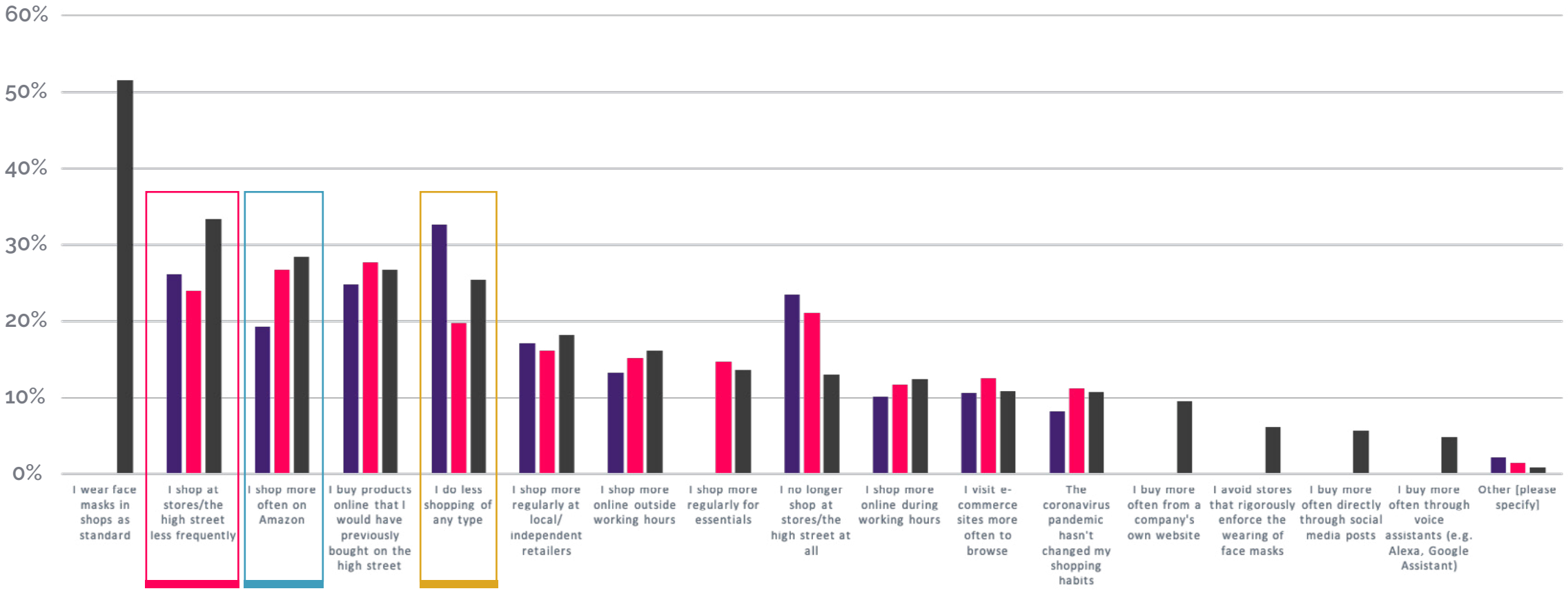
melody

Greater numbers of people were shopping at stores / the high street less frequently; up from 26% (April) to 33% (August).

The percentage of people shopping more often on Amazon increased from 19% (April) to 29% (August).

Greater numbers of people were doing less shopping of any type in August (26%) than May (20%).

Shopping habits changed by coronavirus



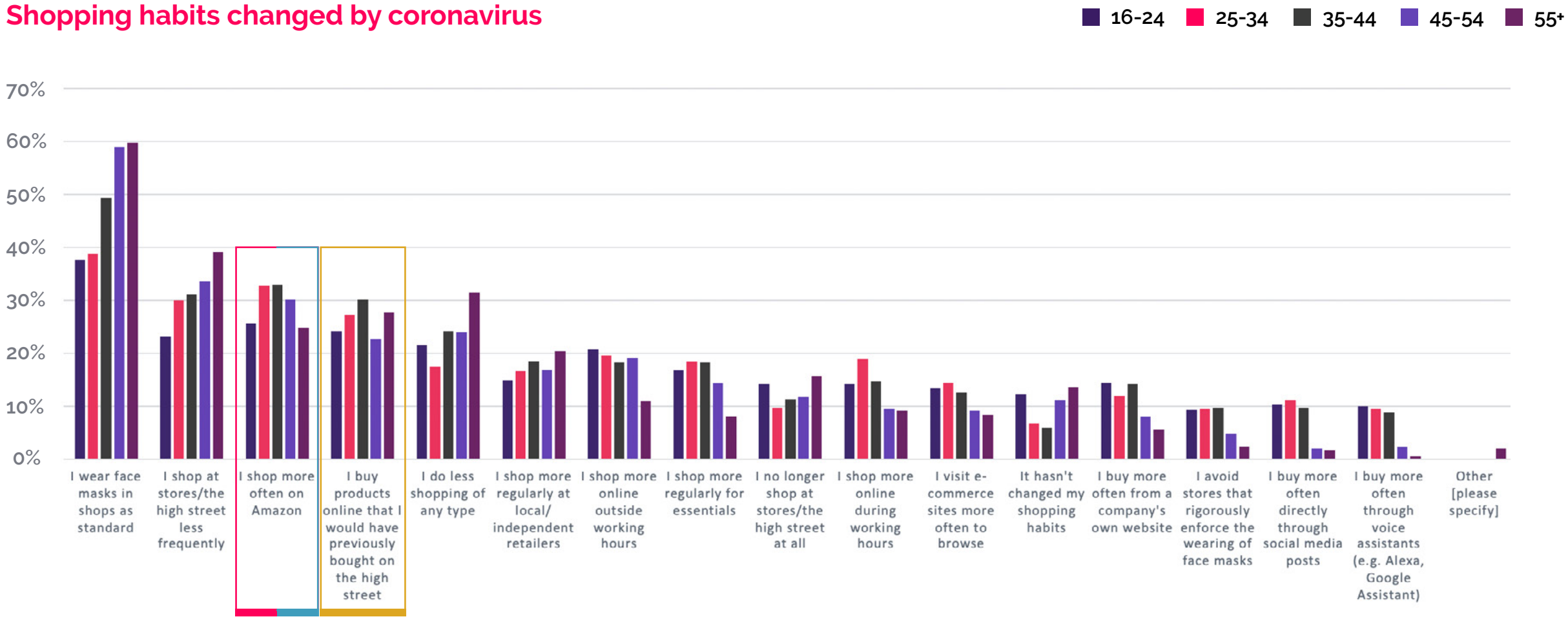
Q1. How has the coronavirus pandemic changed your shopping habits? (Tick all that apply)
Note: I shop more regularly for essentials not included in Wave 1
N=2004 (Wave 1: April) / N=2009 (Wave 2: May) / N=2031 (Wave 3: August)

25–44yr olds are the most likely to have increased how often they're shopping on Amazon (33%).

25% of over 55s (up from 12% in May) have increased how often they shop on Amazon.

35–44yr olds are the most likely to have bought products online that they previously bought on the high street (30%), followed by over 55s (28% in Aug up from 7% in May).

Shopping habits changed by coronavirus

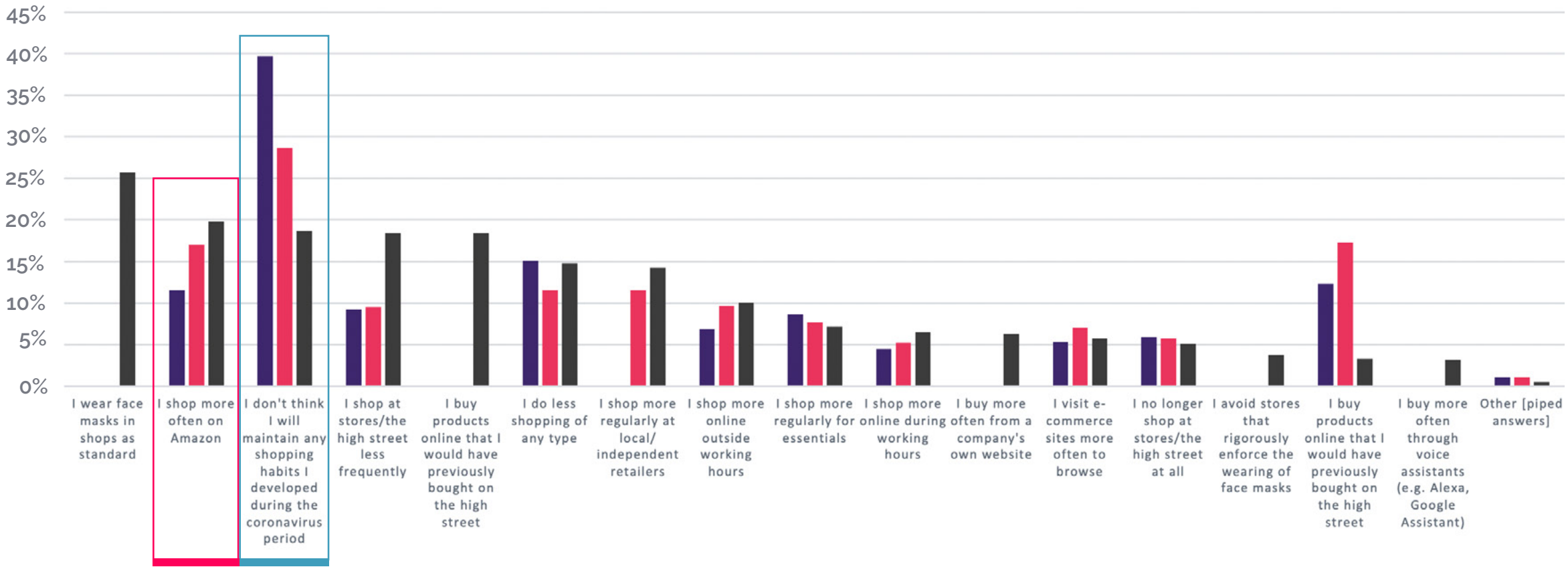


Q1. How has the coronavirus pandemic changed your shopping habits? (Tick all that apply)
N=2009 (Wave 3: August): 268 (16-24) / 337 (25-34) / 318 (35-44) / 348 (45-54) / 760 (55+)

People saying they thought their increase in frequency of shopping on Amazon would continue post-coronavirus was higher in August (20%) than May (17%), or April (12%).

People saying they don't think any new shopping habits will be maintained post-coronavirus dropped from 40% (April) to 19% (August).

Shopping habits changed by coronavirus - will be maintained



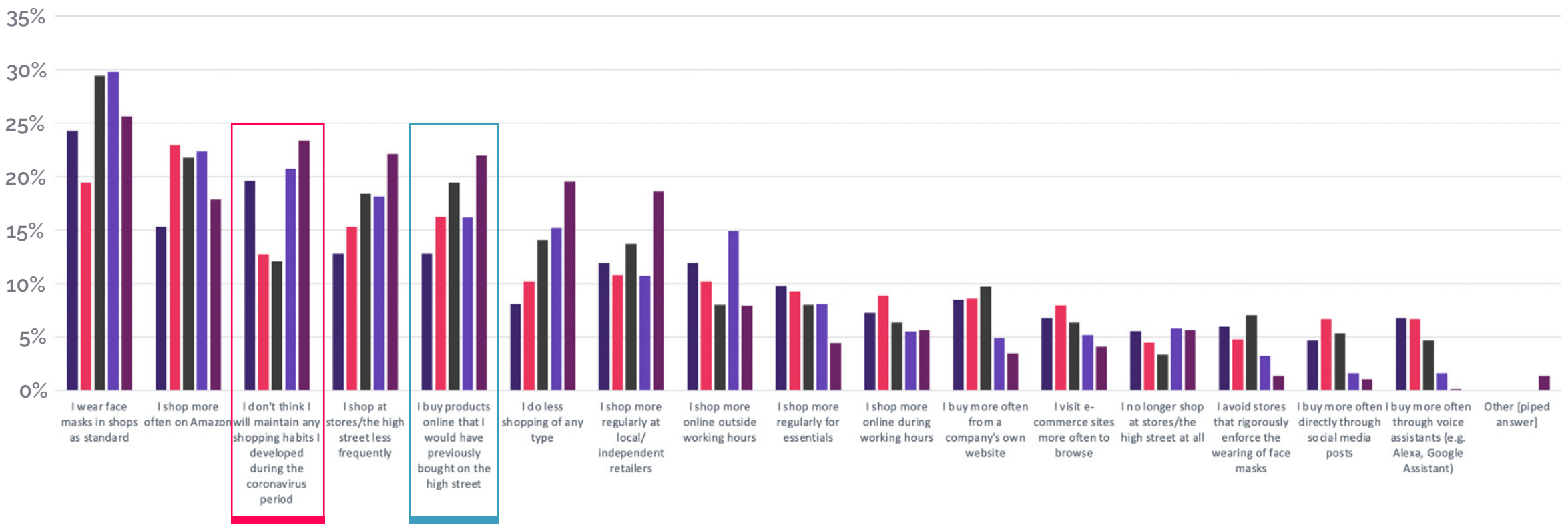
melody

Q2. Which shopping habits that you developed during the coronavirus period do you think you will maintain when things get back to normal? (Tick all that apply).
N= 1838 (Wave : April) / N=1784 (Wave 2: May) / N=1813 (Wave 3: August)

By August 23% of over 55s stated that their new shopping habits will not be maintained post-coronavirus (down from 37% in April).

Over 55s are the most likely age group to say they will continue to shop online for products previously bought on the high street.

Shopping habits changed by coronavirus - will be maintained



Q2. Which shopping habits that you developed during the coronavirus period do you think you will maintain when things get back to normal? (Tick all that apply).
N=1813 (Wave 3: August)

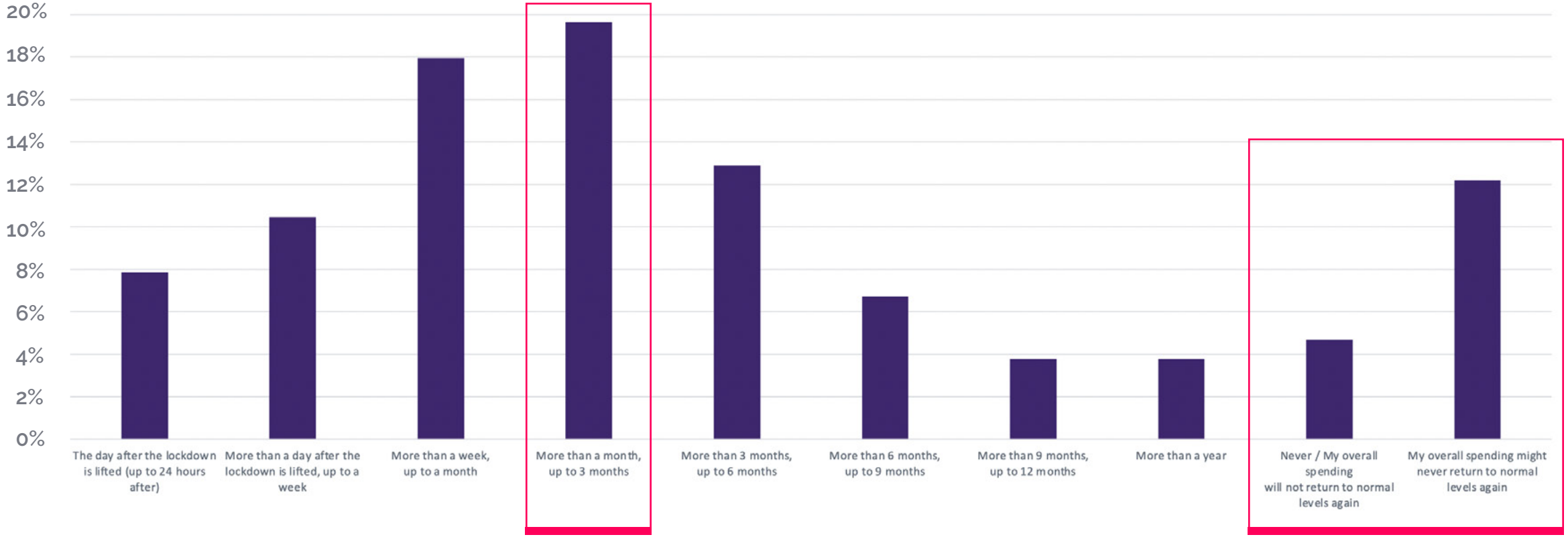
Spending habits

melody

Coming out of lockdown (late May) the average time people believe they would return to their previous spending levels was 3mths. However, 17% believed their spending might not or will never return to previous levels.

Average months (mean): 2.99

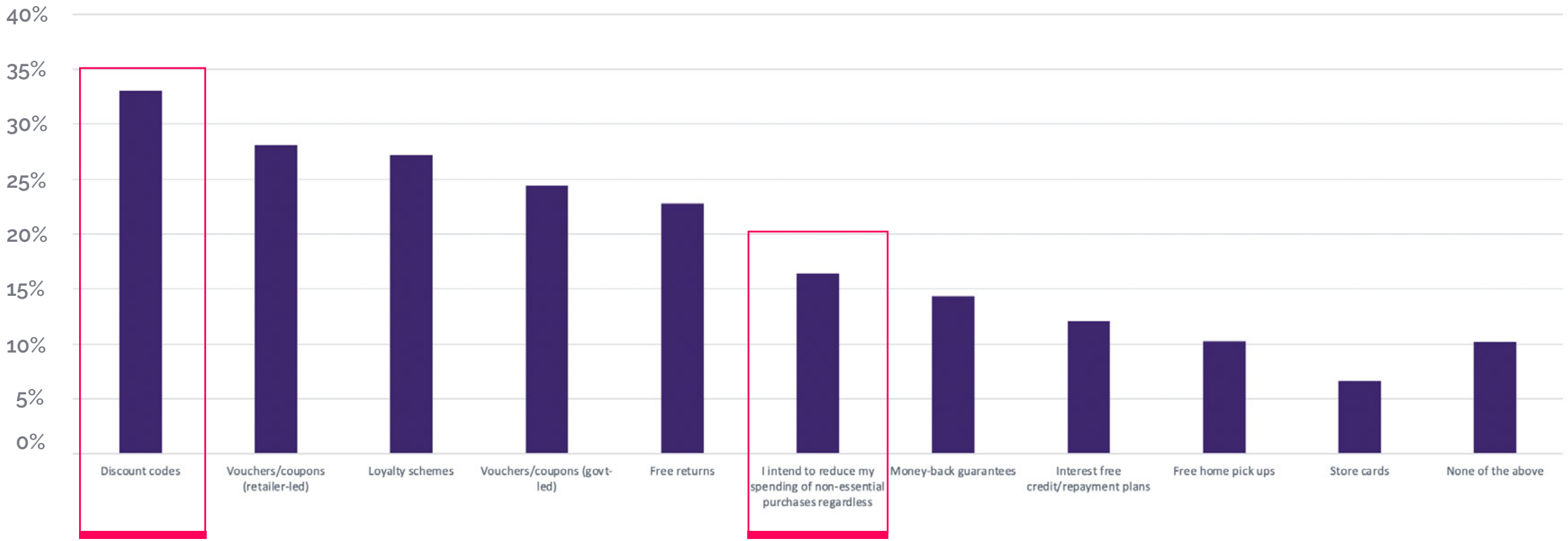
Time needed, after lockdown is lifted, to return to normal spending levels



Q3. After the lockdown is lifted and stores re-open, when do you think your overall spending in physical stores | the high street will return to normal (i.e. pre-lockdown) levels? N=2009 (Wave 2: May)
Mean in months: 2.99 (excluding 'Never' and 'My overall spending might never return to normal levels again')

Post lockdown, as the UK entered a recession, discount codes were the most cited incentive for encouraging people to continue spending on non-essential purchases. Only 16% of people intended to reduce their non-essential purchases regardless of any incentive.

UK recession - what will encourage spending to continue on non-essential purchases

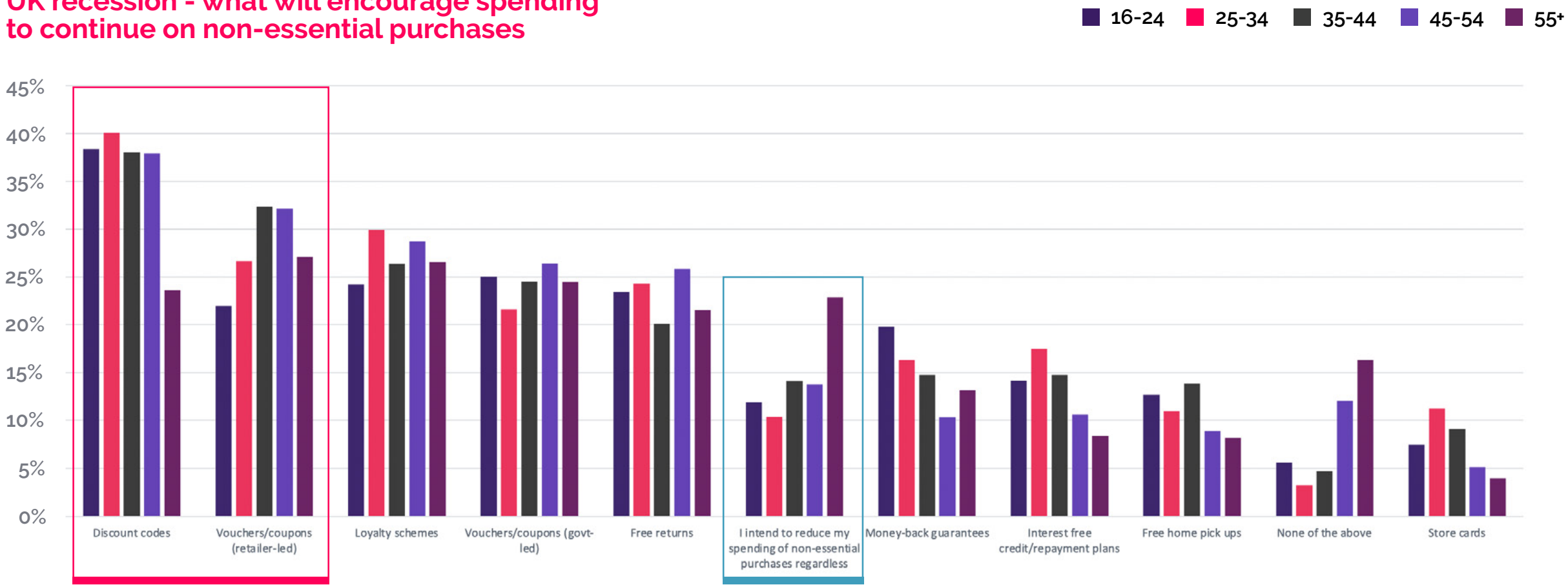


Q3. As the UK economy enters a recession, what, of the following, would encourage you the most to continue spending on non-essential purchases (on- and offline)? (Choose up to three) N=2031 (Wave 3: August)

Discount codes are the most cited incentive for 16-54yr olds. For over 55s vouchers / coupons (retailer-led) were the most cited incentive.

Over 55s are the most likely age group to say they intend to reduce spending on non-essential purchases regardless of incentives (23%).

UK recession - what will encourage spending to continue on non-essential purchases



Q3. As the UK economy enters a recession, what, of the following, would encourage you the most to continue spending on non-essential purchases (on- and offline)? (Choose up to three) N=2031 (Wave 3: August)

Home delivery

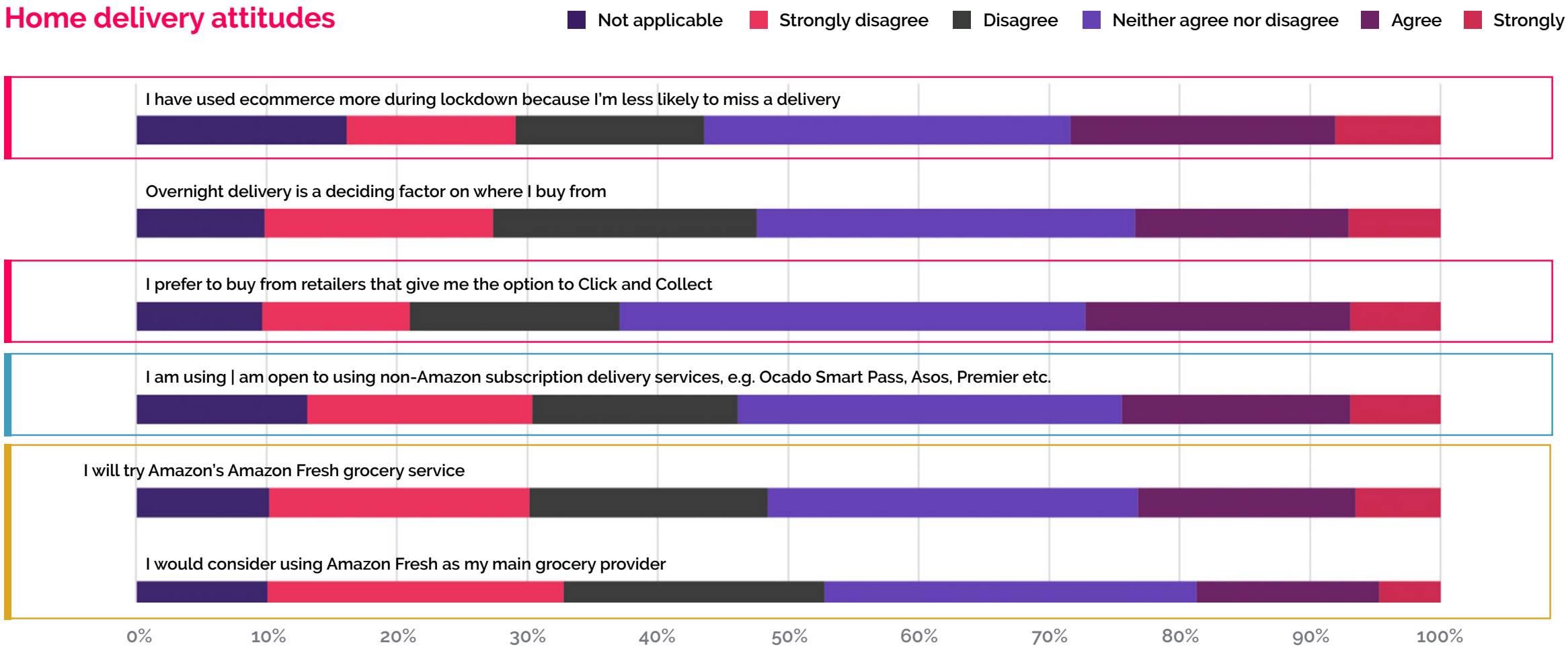
melody

In August 28% of people agreed that they used ecommerce more because they were less likely to miss a delivery & 27% of people preferred to buy from retailers who provide Click and Collect as an option.

24% of people stated they were using | open to subscription delivery services (outside of Amazon).

23% of people agreed that they will try Amazon Fresh, with 19% agreeing that they would consider using Amazon Fresh as their main grocery provider.

Home delivery attitudes



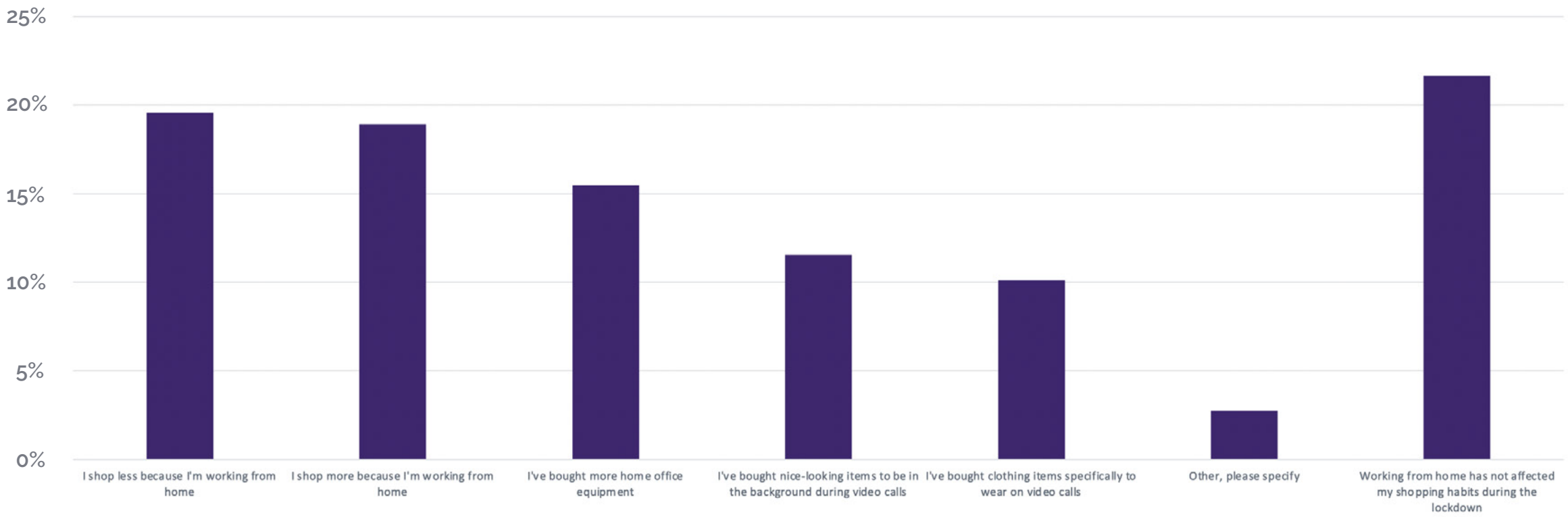
Q6. Home delivery has grown fast since lockdown began, so please indicate to what extent you agree or disagree with the following statements? N=2031 (Wave 3: August)

Working from home

melody

Of those working at home (who didn't previously), 20% were shopping less because of working at home, while 19% were shopping more.
16% had bought home office equipment, 12% had bought items for the background of video calls and 10% had bought clothing specifically for video calls.

Impact of working at home on shopping habits



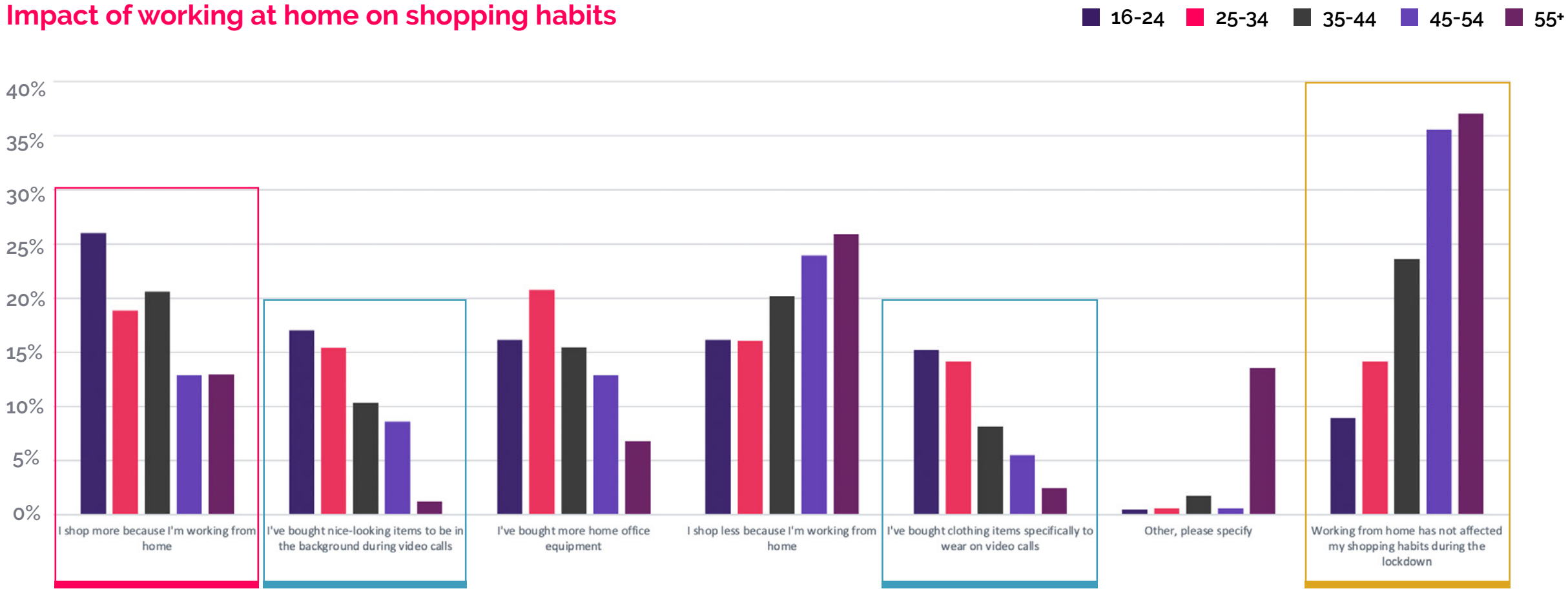
Q5. How has working from home affected your shopping habits during the lockdown? (Tick all that apply)
N=912: Only those who are now working from home (exc. always worked from home, not working from home, unemployed (Wave 2: May)

16-44yr olds were the most likely to shop more because they were working from home.

Younger people (<34) were the most likely to have bought new items for the background of video calls or clothing specifically for video calls.

Those 45+ were the least likely to have changed their shopping habits due to working from home.

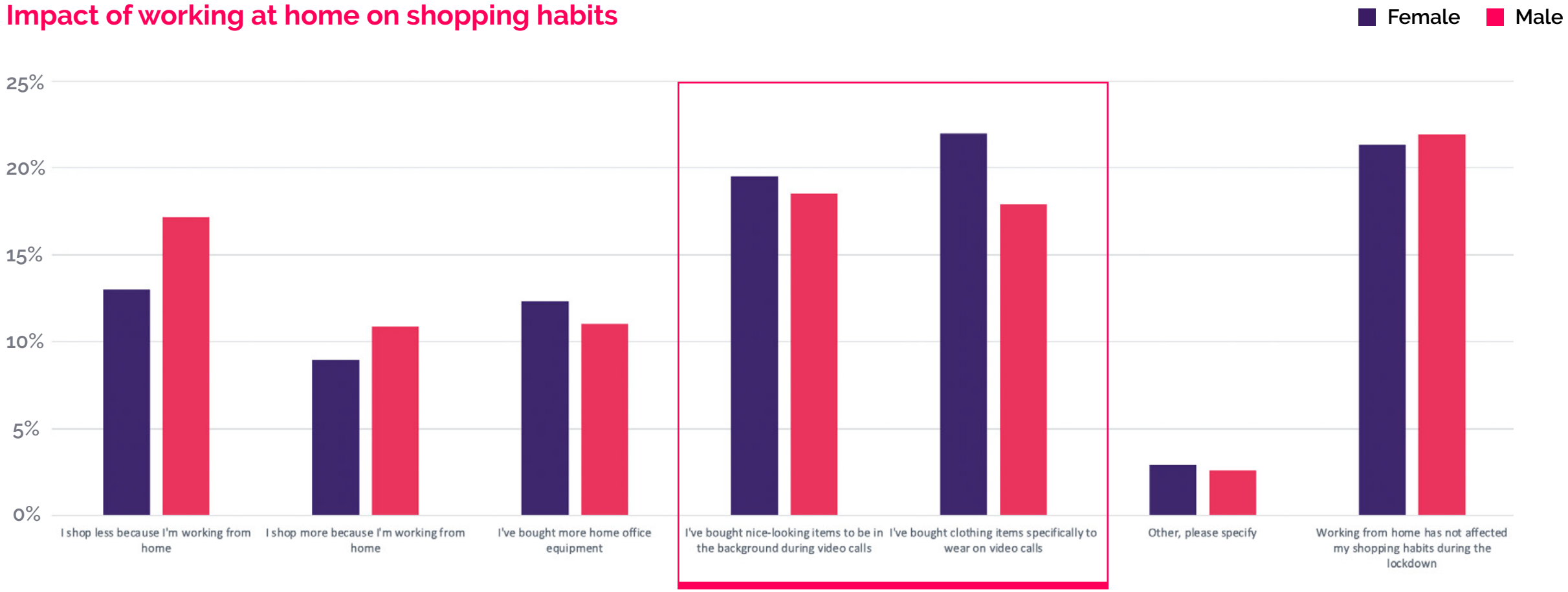
Impact of working at home on shopping habits



Q5. How has working from home affected your shopping habits during the lockdown? (Tick all that apply)
N=1009: Only those who are now working from home (exc. always worked from home, not workin from home, unemployed (Wave 2: May)

Females were more likely to have bought clothes specifically for video calls, while similar levels of both males and females had bought items for the background of video calls.

Impact of working at home on shopping habits



Q5. How has working from home affected your shopping habits during the lockdown? (Tick all that apply)
N=1009: Only those who are now working from home (exc. always worked from home, not working from home, unemployed (Wave 2: May)

Retailer attitudes

melody

During lockdown Tesco, ASDA and Amazon were the brands people believed they were most likely to buy more from in the future due to their response to coronavirus.

Sports Direct and Wetherspoons were the brands people believed they were most likely to buy less from in the future.

Brands more likely | less likely to be bought in future due to their response to coronavirus

More likely to buy in the future | Less likely to buy in the future

I don't think I am likely to buy more of any brands in the future because of their response to the coronavirus: 49.7% I don't know: 16.2%

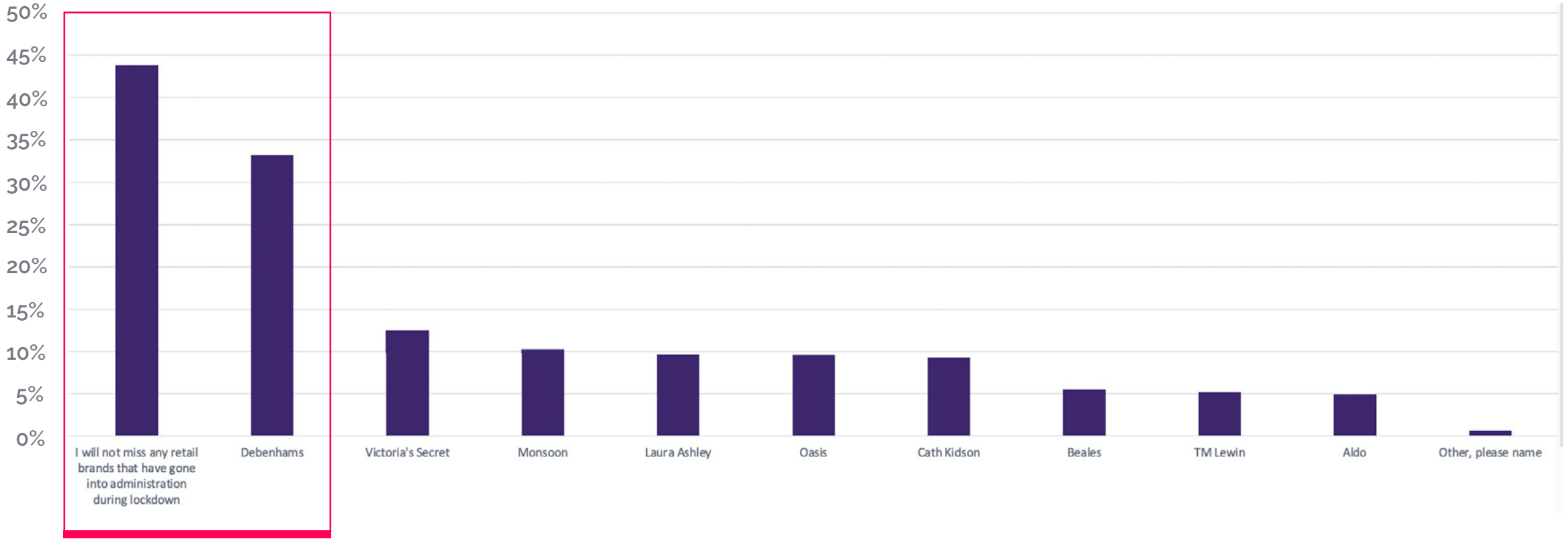
I don't think I am likely to buy less of any brands in the future because of their response to the coronavirus: 55.2%
I don't know: 21.5%

melody

Q5. Which brand(s), if any, do you think you are most likely to buy more of in the future because of their response to the coronavirus? Think of up to three brands and type in your answer
Q6. Which brand(s), if any, do you think you are most likely to buy less of in the future because of their response to the coronavirus? Think of up to three brands and type in your answer
N=2002 (Wave 1: April)

44% of respondents said they wouldn't miss any of the retail brands currently in administration (August). Debenhams was the brand which will be missed most, with 33% respondents saying they would miss them. No other brand was close to being missed as much, with most having 10% or less of respondents saying they would miss them.

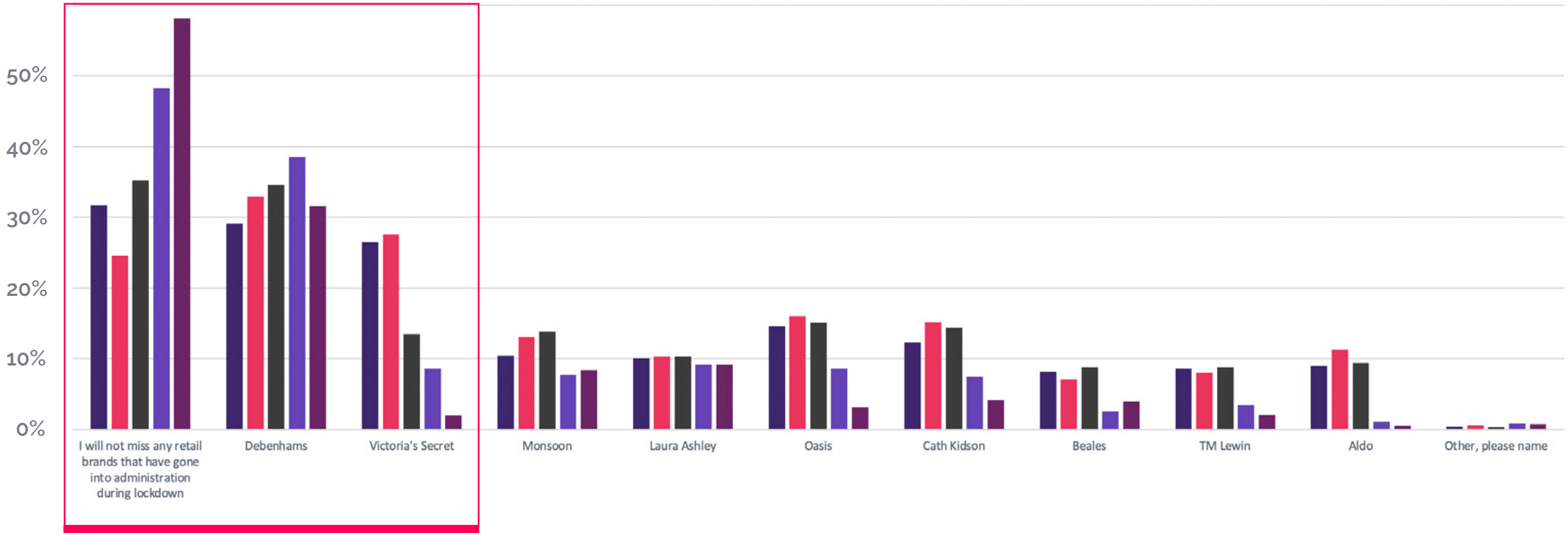
Brands in administration – which will be missed most



Q4. Which retail brands that have gone into administration during lockdown will you miss the most? (choose up to three)
N=2031 (Wave 3: August)

Over 55s were the most likely to say they won't miss any of the retail brands currently in administration (58%).
Debenhams will be most missed by 35-54yr olds. With younger shoppers missing both Debenhams and Victoria's Secret.

Brands in administration – which will be missed most



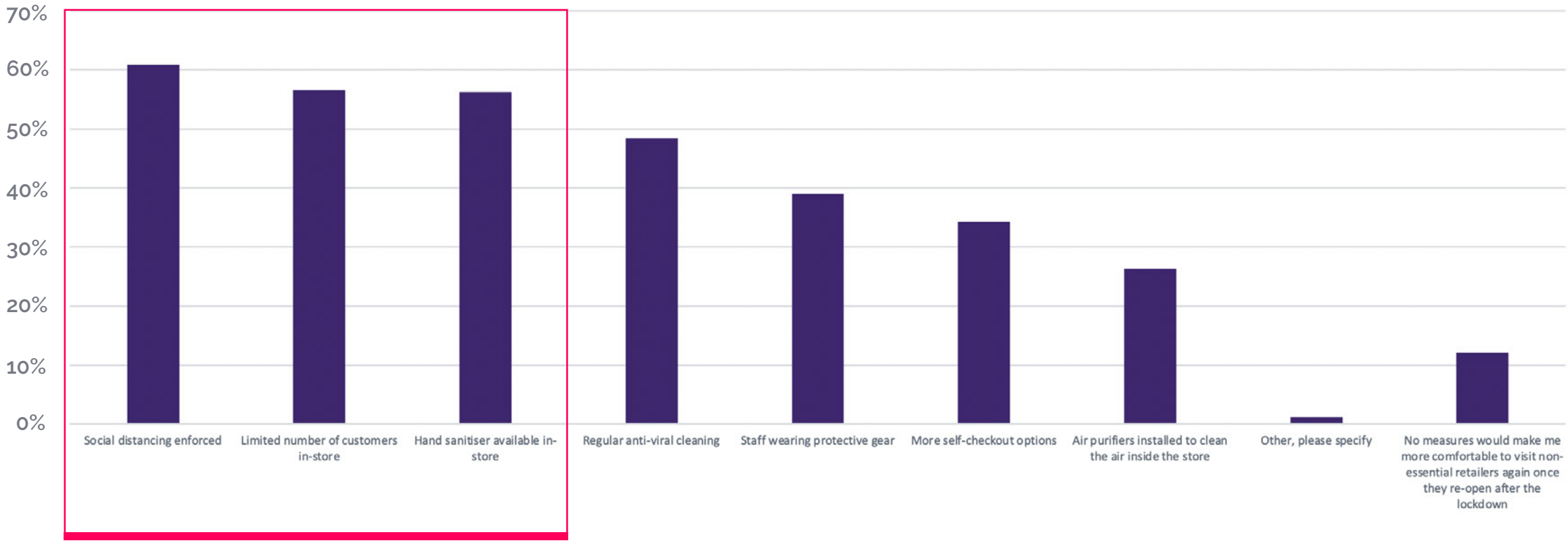
Q4. Which retail brands that have gone into administration during lockdown will you miss the most? (choose up to three)
N=2031 (Wave 3: August)

Returning to physical retail

melody

Coming out of lockdown social distancing, limits on number of customers in-store and hand sanitiser in-store were the most frequently mentioned safety/cleaning measures wanted for return to non-essential retailers.

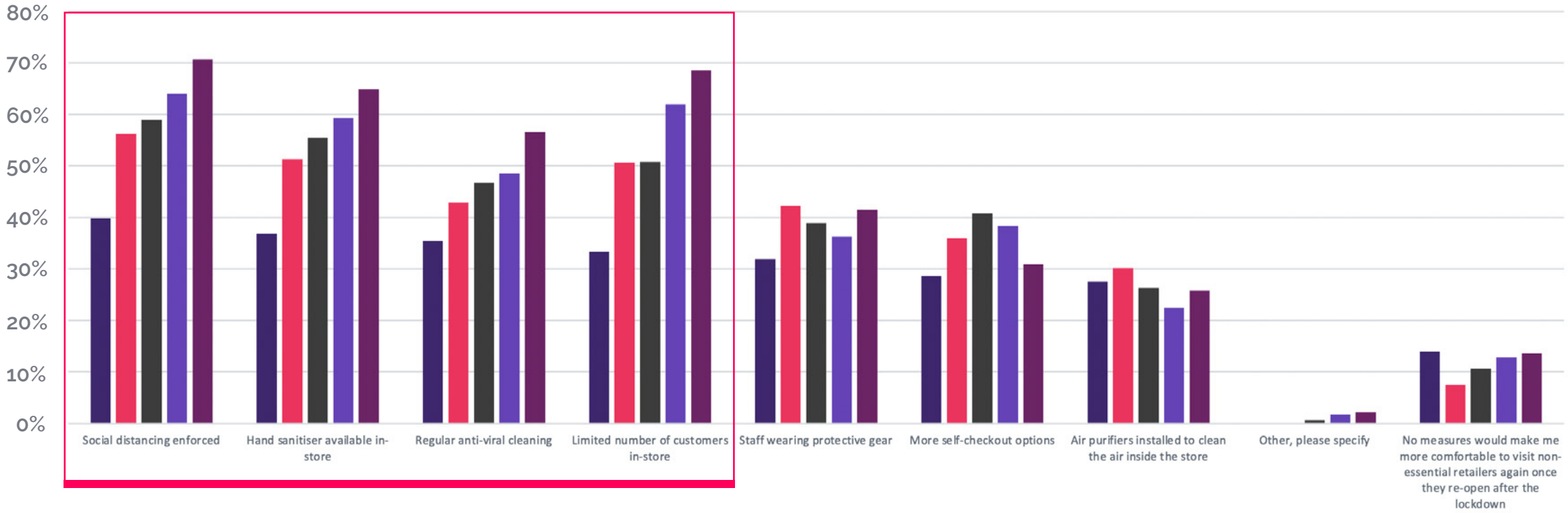
Safety / cleaning measures wanted for return to non-essential retailers



Q4. Which measures, if any, would make you more comfortable to visit non-essential retailers (e.g. DIY, furniture, fashion, consume electronics) again once they re-open after the lockdown? (Tick all that apply) N=2009 (Wave 2: May)

Over 55s (followed by 45-54yr olds) were the most likely to want the top 4 safety/cleaning measures for a return to non-essential retailers.

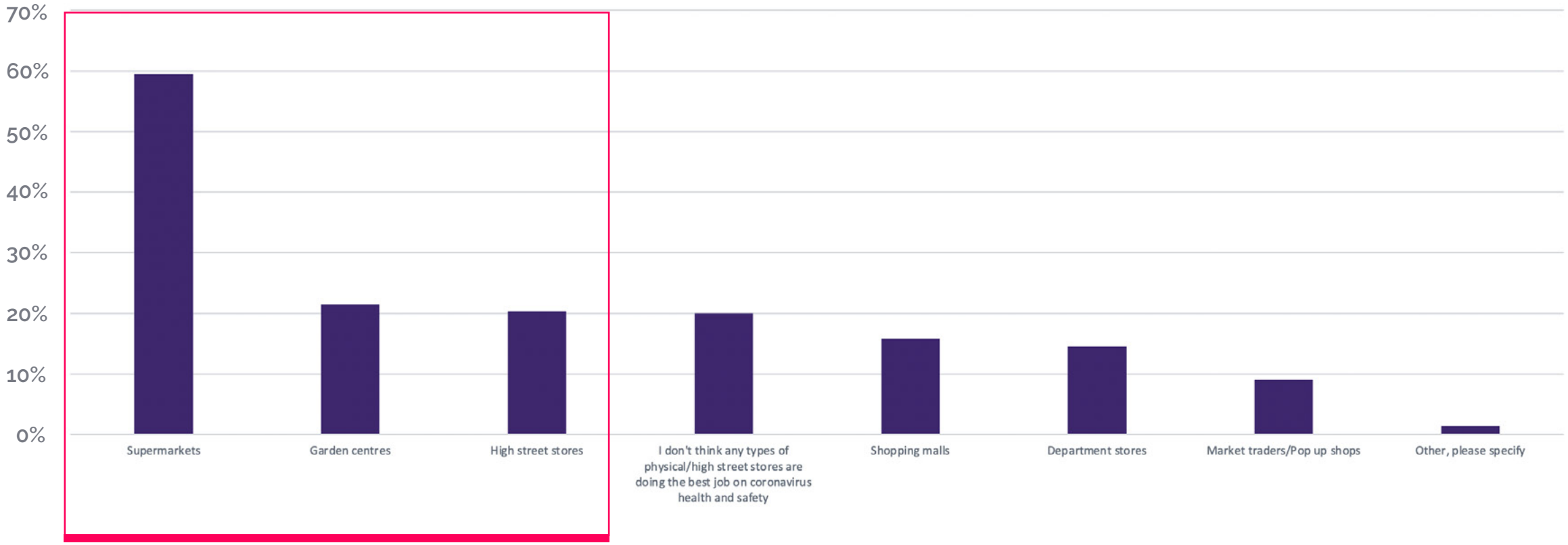
Safety / cleaning measures wanted for return to non-essential retailers



Q4. Which measures, if any, would make you more comfortable to visit non-essential retailers (e.g. DIY, furniture, fashion, consumer electronics) again once they re-open after the lockdown? (Tick all that apply) N=2009 (Wave 2: May)

By August supermarkets were viewed as doing the best job on Coronavirus health and safety (60%), followed by Garden Centres (22%) and High Street Stores (20%).

Type of physical / high street store doing the best job on Coronavirus health and safety



Q5. Which type of physical/high street store is doing the best job on coronavirus health and safety? (choose up to three)
N=2031 (Wave 3: August)

Introducing Melody

The UK's only independent Shopper Agency to be on Amazon's Solution Provider Network

amazon global selling | Solution Provider Network

melody

Introducing Melody

Melody is a global Amazon specialist agency, an appointed Amazon Solution Provider Network agency and a member of the independent agency group - smp.

As part of the Solution Provider Network, we have access to Amazon local, regional and head-office stakeholders to help us deliver leading solutions for our Clients.

One of only a select few agencies regularly invited to the global leadership conferences at Amazon HQ in Seattle to help shape the future of gaining better brand coverage and ROI.

Why Melody

Our clients' products ranked no.1 and no.2 best sellers (non-Amazon) on Cyber Monday 2019 in the UK

An Amazon Beta Test agency; we test new Amazon functionality with key brands

Our SEARCH strategy is referenced as 'best practice' within Amazon presentations

We run Amazon initiatives across EU5, North America and India

We work directly with Amazon DE to deliver content and search pilots for their vendors

We hold weekly update meetings with Amazon London

We work directly with Amazon Account Managers across Europe and North America

Melody's Amazon services

amazonadvertising

Account Management

Whether you're new to the Amazon marketplace, or are already selling on the platform, we can streamline your Amazon experience. We'll deliver a bespoke campaign built around best-in-class product pages with optimised content, keyword and media strategies to maximise SEO, highly targeted, focused advertising and optimal catalogue creation.

Sponsored Advertising

Our Sponsored Ads services (formerly AMS) will deliver a bespoke, unified strategy across your entire business

Performance Marketing

By constantly monitoring targeting metrics and analysing regional insights and marketplace comparisons, we can adapt our campaigns to boost their performance.

Data Analytics & Strategy

The structured analysis of Amazon sales data is key to any campaign. So, our innovative, highly-trusted proprietary platform enables our experts to fully support your team to optimise the sales levers that monetise your pages.

Enhanced Brand Content

We know what it takes to differentiate your brand on Amazon. To give your products greater stand out, we use our proven, five step industry-leading process to enhance content and bring your story to life, showcasing products in a more detailed, believable way to increase trust and drive engagement and conversion.

Brand Stores

With an expertly designed storefront and superior content, we can bring your brand and product portfolio to life, engaging audiences, increasing trust and driving conversion.

Our results

We generated projected sales of $109.2m for our clients on Amazon in 2019

28x

ROAS - Black Friday | Cyber Monday 2019*

$7.1m

Our spend on Amazon in 2019*

18.2x

ROAS – Christmas 2019*

melody

thank you

Aviation House,
125 Kingsway, London
WC2B 6NH
Tel: +44 (0)203 923 4750

melody.agency

melody part of smp