SURVEY:
CPG E-COMMERCE & PROMOTIONS

2022

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CURRENT ECONOMIC PERCEPTIONS & EXPECTATIONS

SECTION 1

The consumer price index rose 7.9% over the past 12 months, which set a 40 year high for the CPI.[1] With high inflation continuing to impact consumers, we explored current consumer sentiment.

The survey found that over half of respondents felt positive about their current economic situation. However, sentiment about the economy varied widely by income level and gender.

Source: (1) www.cnbc.com/2022/03/10/cpi-inflation-february-2022-.html

PERSONAL ECONOMIC SITUATION

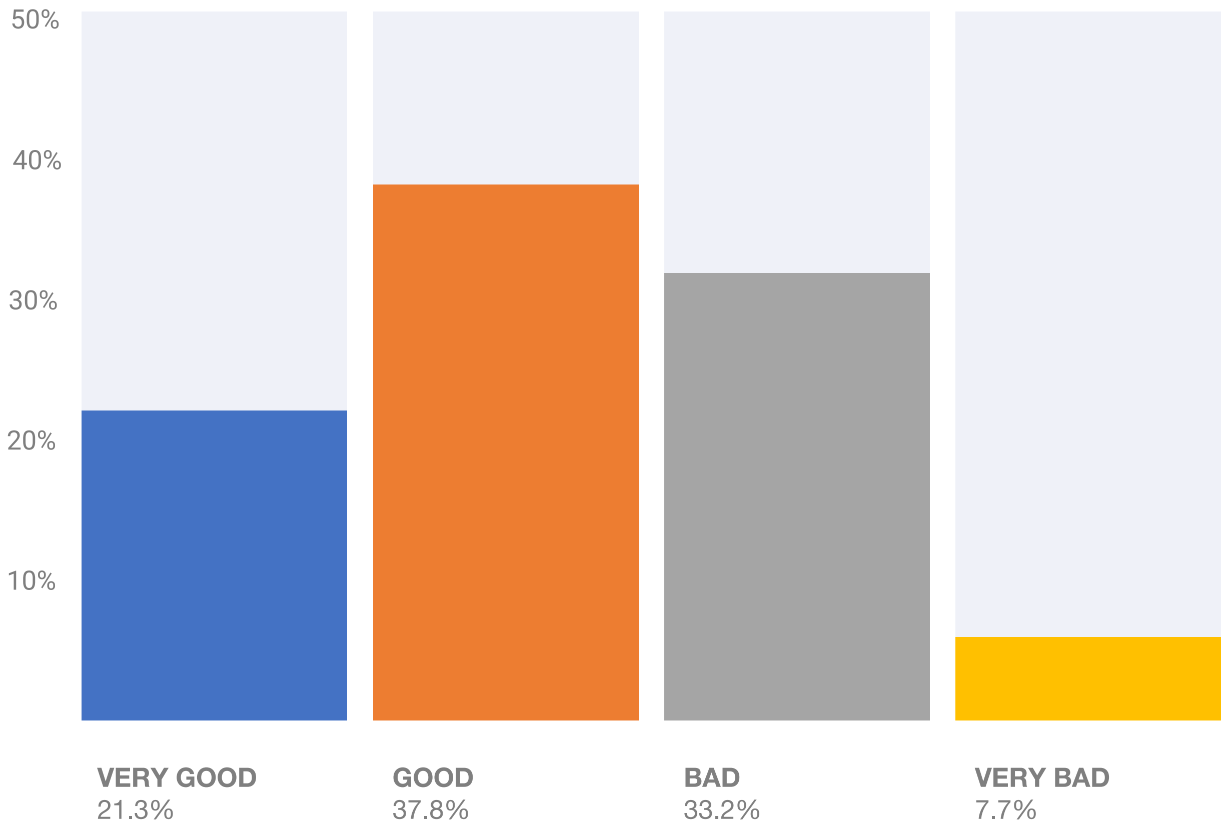
59.1%

More than half of respondents reported feeling *Very Good* or *Good* about their personal economic situation.

40.9%

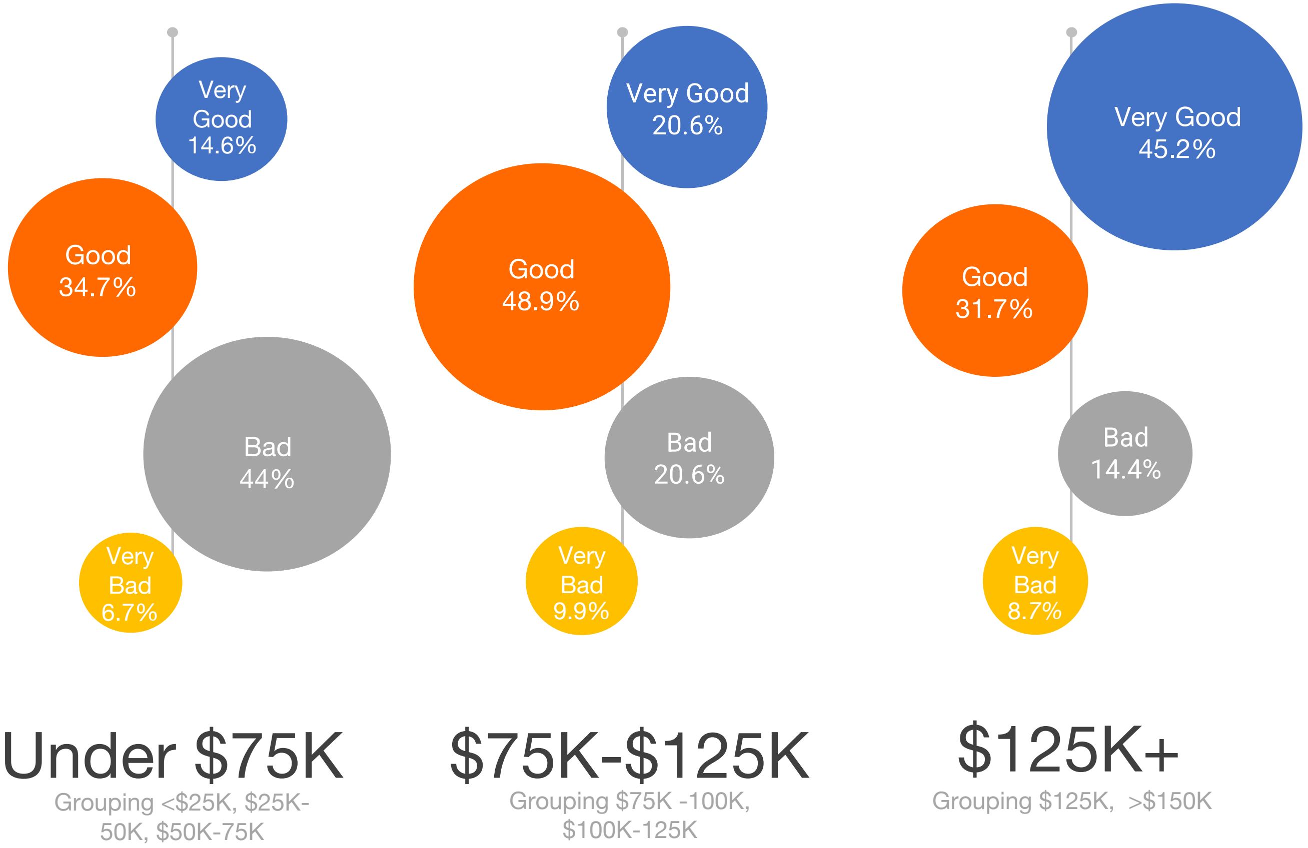
While not the majority, a significant number of respondents felt negative about their economic situation.

Q: How do you feel about your personal current economic situation?



PERSONAL ECONOMIC SITUATION BY INCOME

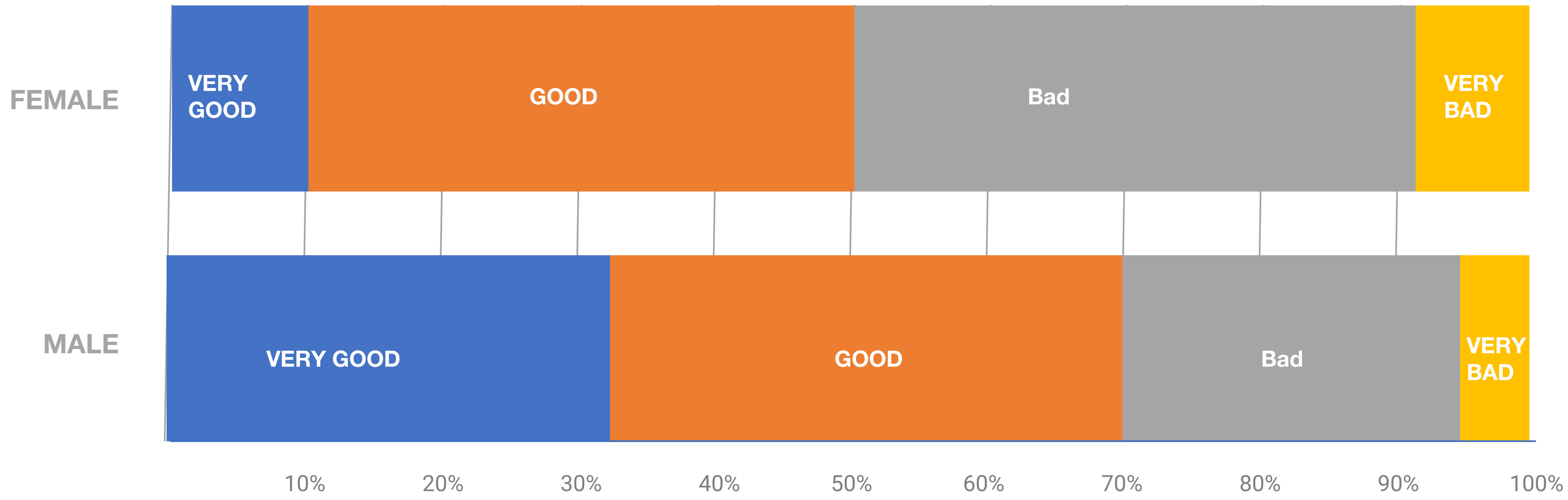
Key Finding: Not surprisingly, higher-income respondents are more likely to report feeling positive about their current economic situation.



PERSONAL ECONOMIC SITUATION BY GENDER

Key Finding:

Male respondents felt more optimistic about their own personal economic situation vs. women.
Over 30% of men reported feeling *very good* vs. just 10% of women reporting the same high-level of economic certainty.
Conversely, 40% of women felt *bad* about their own situation, while just 24% of men reported feeling similarly.



6 MONTH ECONOMIC OUTLOOK

39.7%

When asked “over the next 6 months, what do you expect to happen with the general economy,” over 39% of respondents felt that things would get better.

While overall the outlook is positive, about as many consumers expect the economy to stay the same. Almost ¼ of respondents believe things will get worse.

Q. Over the next 6 months, what do you expect to happen with the general economy?

6 MONTH ECONOMIC OUTLOOK BY INCOME

Key Finding: As HH income rises – so does positive sentiment about the general economy!

Under $75K
Grouping <$25K, $25K-50K, $50K-75K

$75K-$125K
Grouping $75K -100K, $100K-125K

$125K+
Grouping $125K, >$150K

CHANGES IN SHOPPING HABITS IN 2022 & WHAT'S DRIVING THEM

SECTION 2

Because of current inflation and higher prices, we sought to understand how this was impacting shopping habits. We asked respondents about their willingness to trade down to other brands/products, as well as their openness to shopping at new retailers.

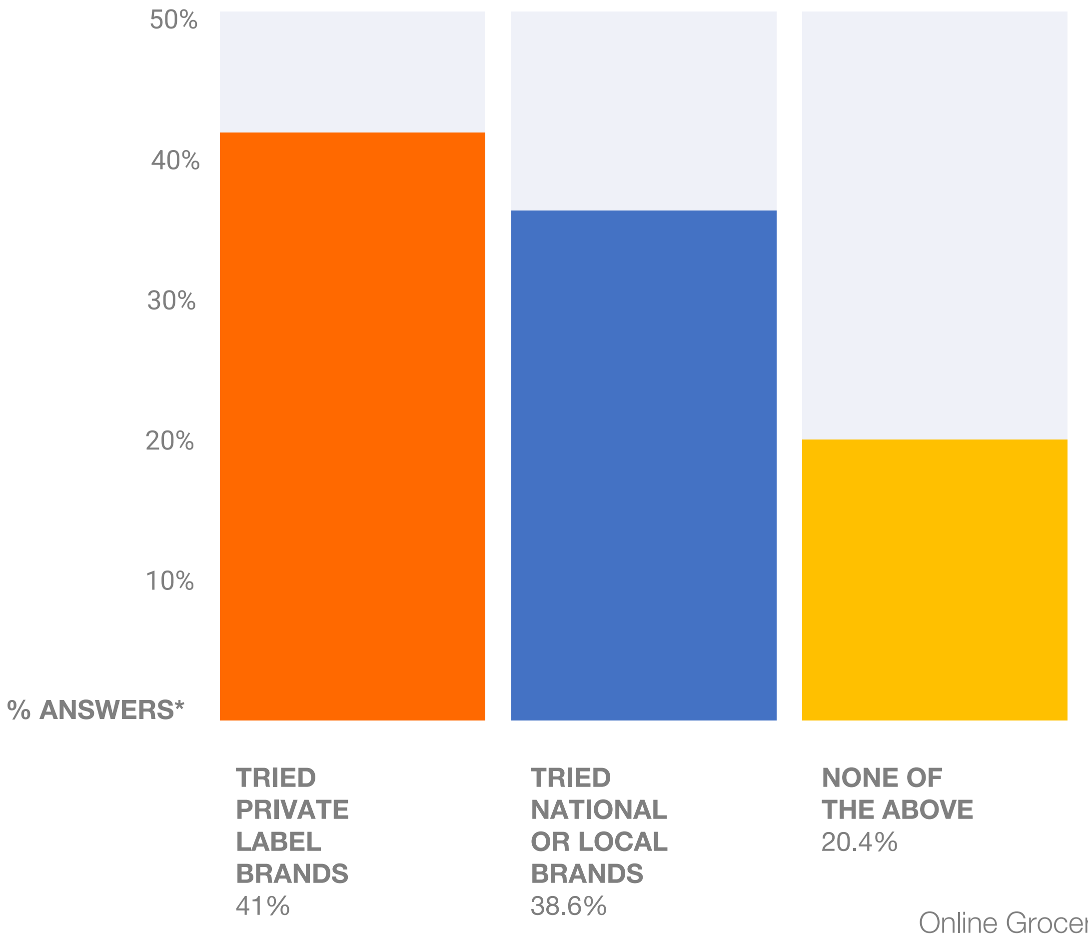
While sales/discounts spurred some of the trial, the desire to try something new for fun was also very strong. The main reason respondents tried a new store? Convenience (even more so than saving money)!

CONSUMERS ARE TRYING NEW PRODUCTS

Q: Over the past 3 months, have you made any of the following changes in your PRODUCT CHOICES for grocery or personal care items (*please choose all that apply*)?

Only 20% of respondents reported not making a change to their personal care/grocery product choices in the past 3 months.

Similar numbers of consumers switched to to private label and national or local brands.



* Percent (Answers) is calculated by dividing each answer count by the total counts collected.

WHY ARE CONSUMERS TRYING NEW BRANDS?

Respondents reported that the main reasons they tried new brands was because of the availability of sales/coupons, as well as to try something new and for fun.

Q: If you tried new brands, what was the driving reason?

33.2%	25.4%	17.7%	12%	11.3%	.4%
Because there was a sale/rebate/ coupon	To try something new for fun	The product just seemed really interesting	The product seemed more in line with my values	My current products were out of stock	Other

** Percent (Respondents) is calculated by dividing each answer count by the total unique respondents.*

NEW PRODUCT TRIAL BY GENDER & INCOME

Key Findings: Women and lowest-income respondents were more likely to try new brand products to *save money.* While higher-income respondents and men were more likely to have tried something new *for fun and because it seemed interesting*.

37.6% 34.9%

SALE/COUPON

38.3% 27.3%

TRY SOMETHING NEW/ FOR FUN

NEW PRODUCT TRIAL IS LIKELY NOT DRIVEN BY OOS

Key Findings: Even with record-high OOSs in many areas/categories, <12% of new product trial was reported as driven by OOS, across all ages, genders and income levels.

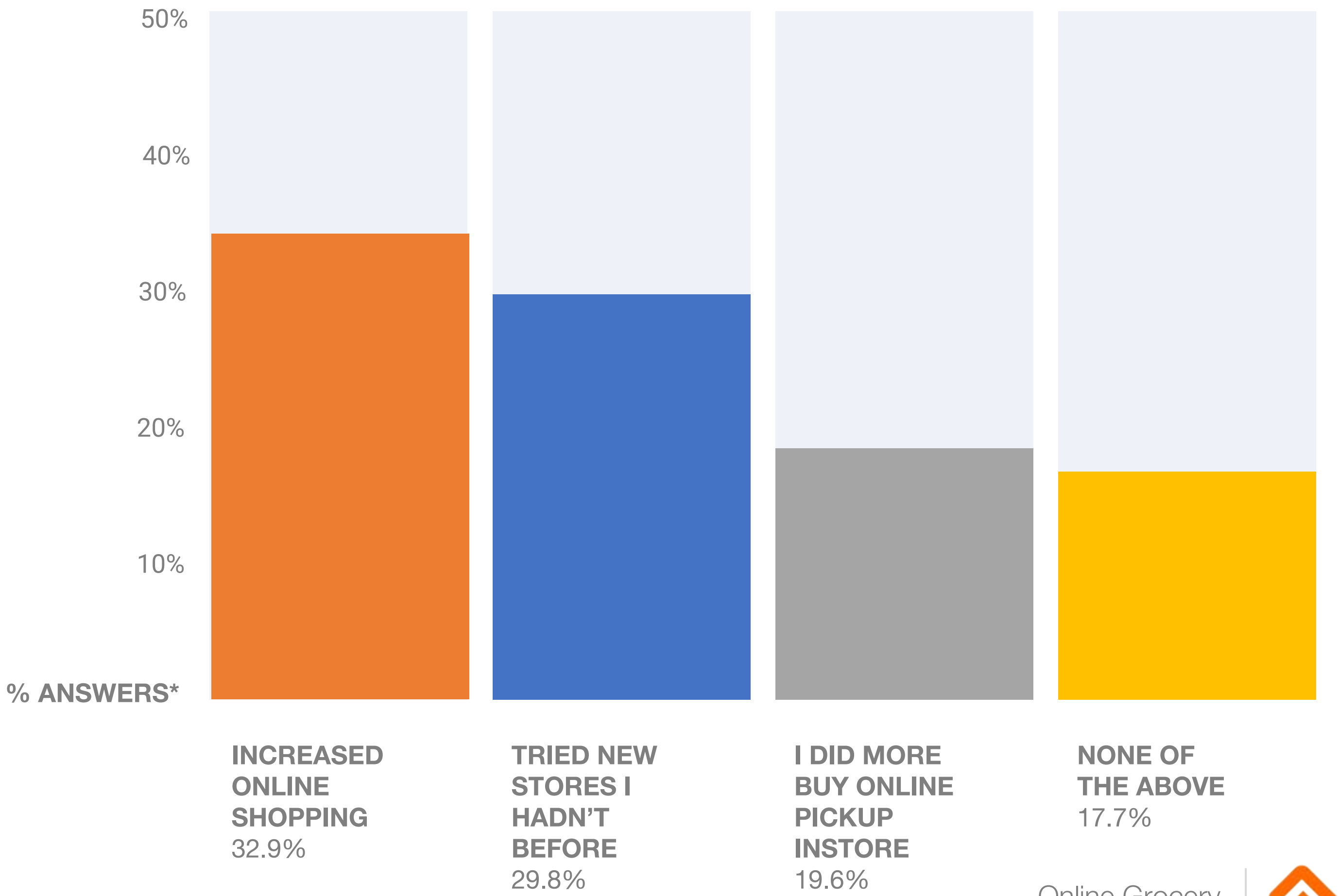
Image Source: Pexels

CONSUMERS ARE TRYING NEW WAYS TO SHOP

50%+ Increasing Online Shopping

Over 30% of respondents increased their online shopping, and almost an additional 20% used more buy online and pickup in store. Consumers are continuing to move online for their grocery and personal care shopping!

Q: In the past 3 months have you shopped in different STORES for groceries or personal care items (*select all that apply*)



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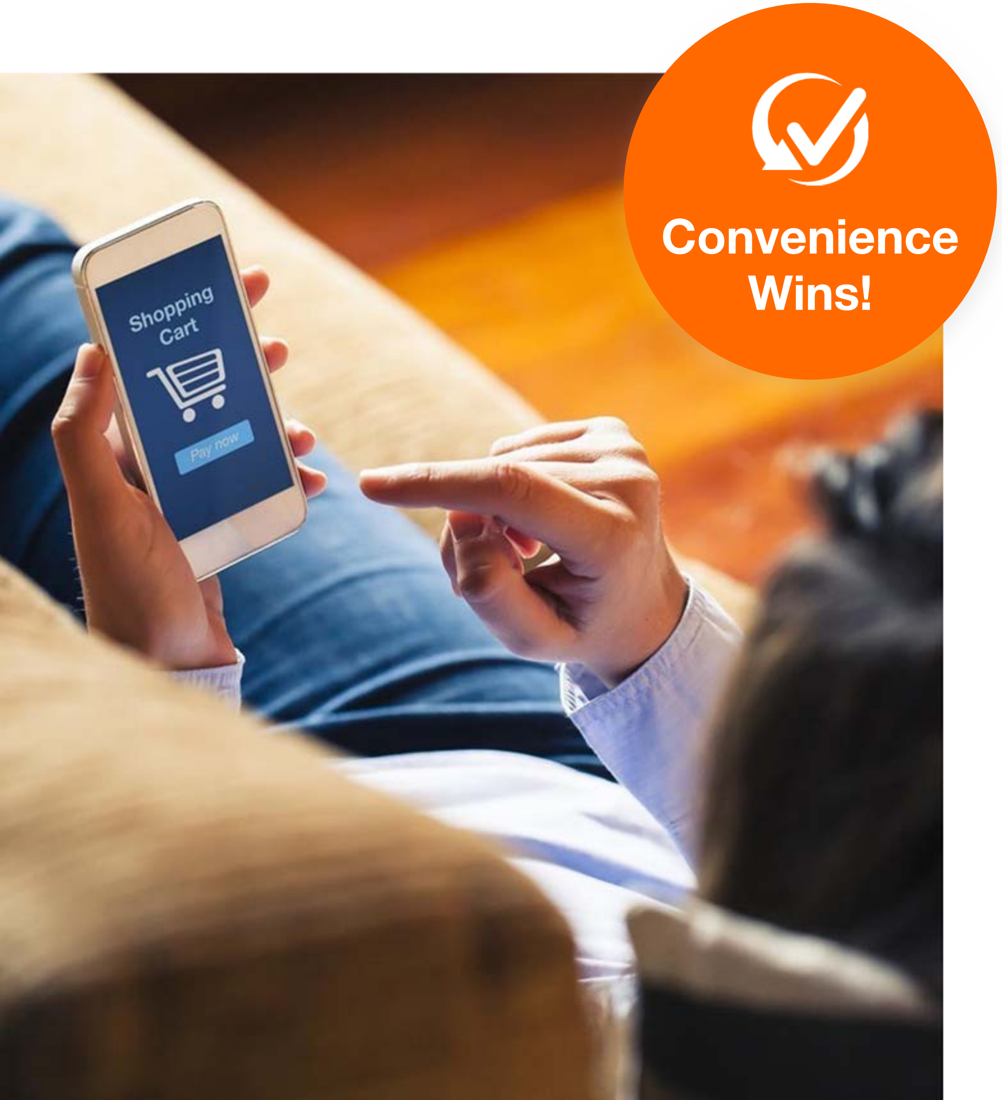
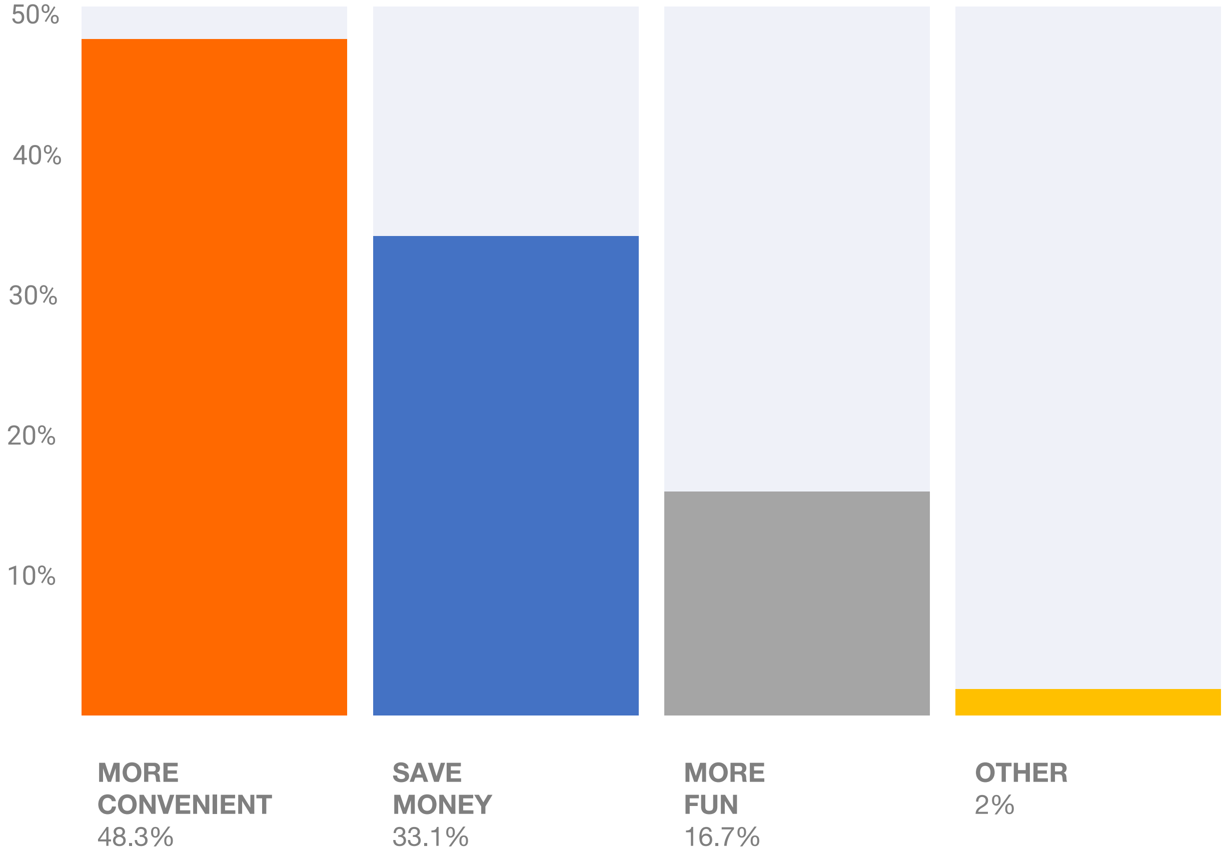
WHY THE SHIFT IN STORES?



Q: What was the main reason for this shift?



EXPECTED FUTURE SHOPPING HABITS AND DRIVERS

SECTION 3

Respondents reported expecting to use a mixture of in-store, buy online/pickup in-store and online only shopping. In fact, over 40% of respondents said they will continue to use a combination of in-store and online over the next 6 months. Online-only shoppers continue to grow and is much more prevalent among higher income individuals.

SHOPPING IN-STORE VS. ONLINE

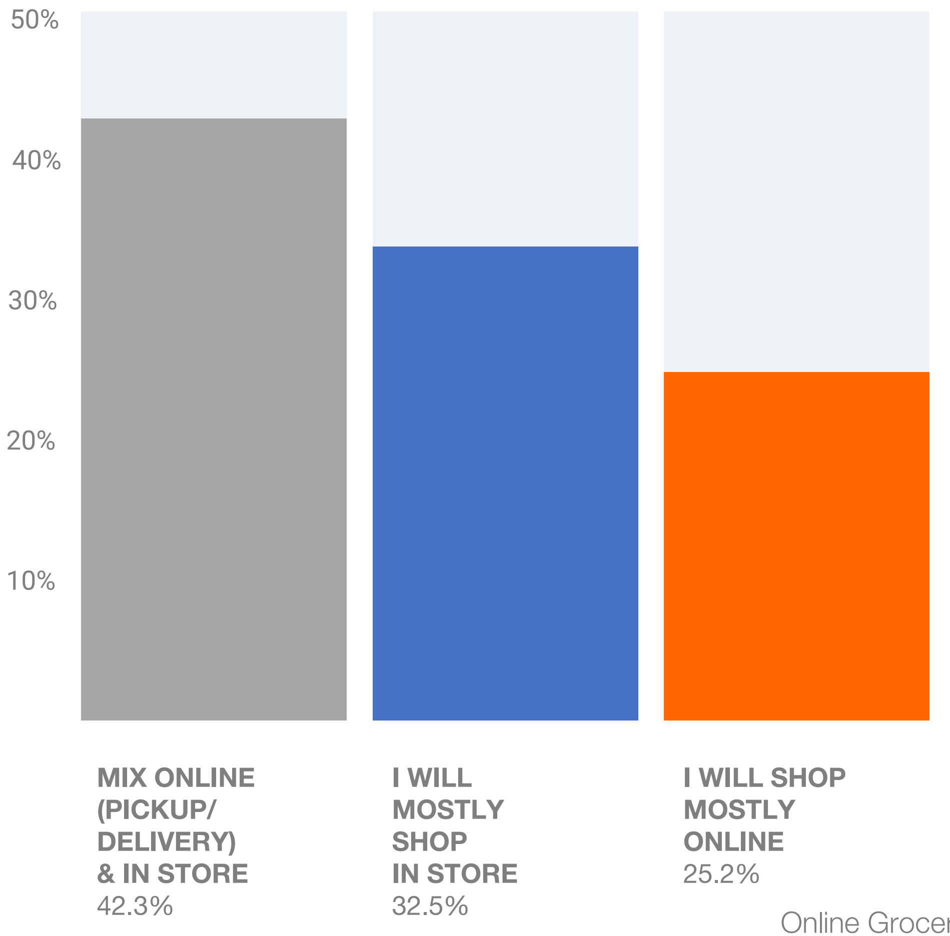
42.3%

Of respondents expect to mix their shopping: in-store, as well as a mix of pick up and delivery. With convenience being a main driver of choosing, this is no surprise that consumers are shopping where it is easiest that day/time for them.

1/4

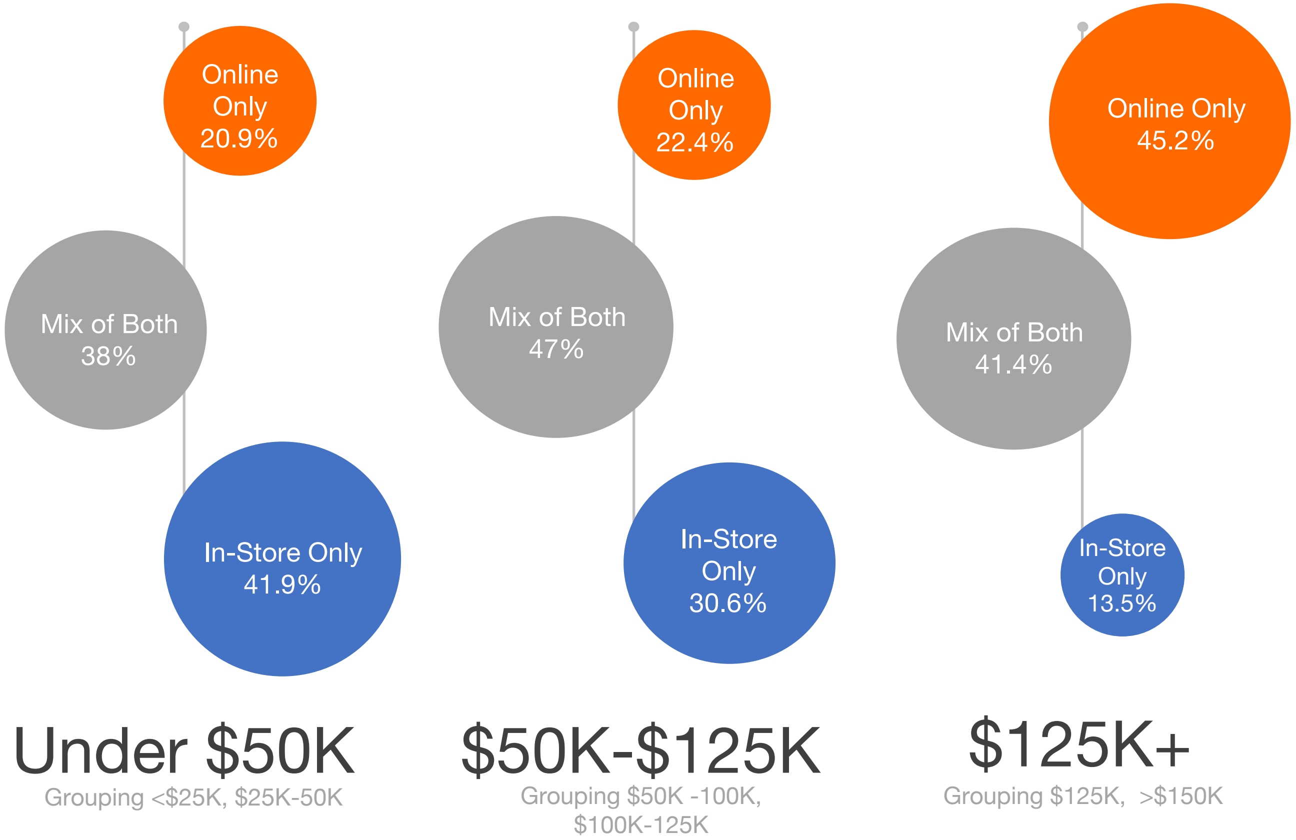
A quarter of respondents reported that they will be shopping mostly online over the next 6 months.

Q: How will you be shopping for groceries or personal care items over the next 6 months?



SHOPPING IN-STORE VS. ONLINE BY INCOME

Expected grocery and personal care shopping habits are significantly different by income level, ***with lower-income respondents expecting to shop in-store, and higher-income expecting to shop online***.



EXPLORATION OF “SAVINGS” BEHAVIORS: TRADE-OFFS, PROMOTIONS & TRIGGERS

SECTION 4

With inflation driving higher prices, we wanted to understand how important savings and discounts were to respondents’ current shopping habits. We also sought to understand the preferred method of receiving the savings.

Savings, including coupons and discounts, are important to shoppers, with over 75% using some sort of promotion while shopping every week. The preferred method to receiving the savings varies by income level and age.

CONSUMERS USE A VARIETY OF SAVINGS OPTIONS

Consumers are using a variety of ways to save, including a mix of coupons, discount codes, in-store promotions and savings apps.

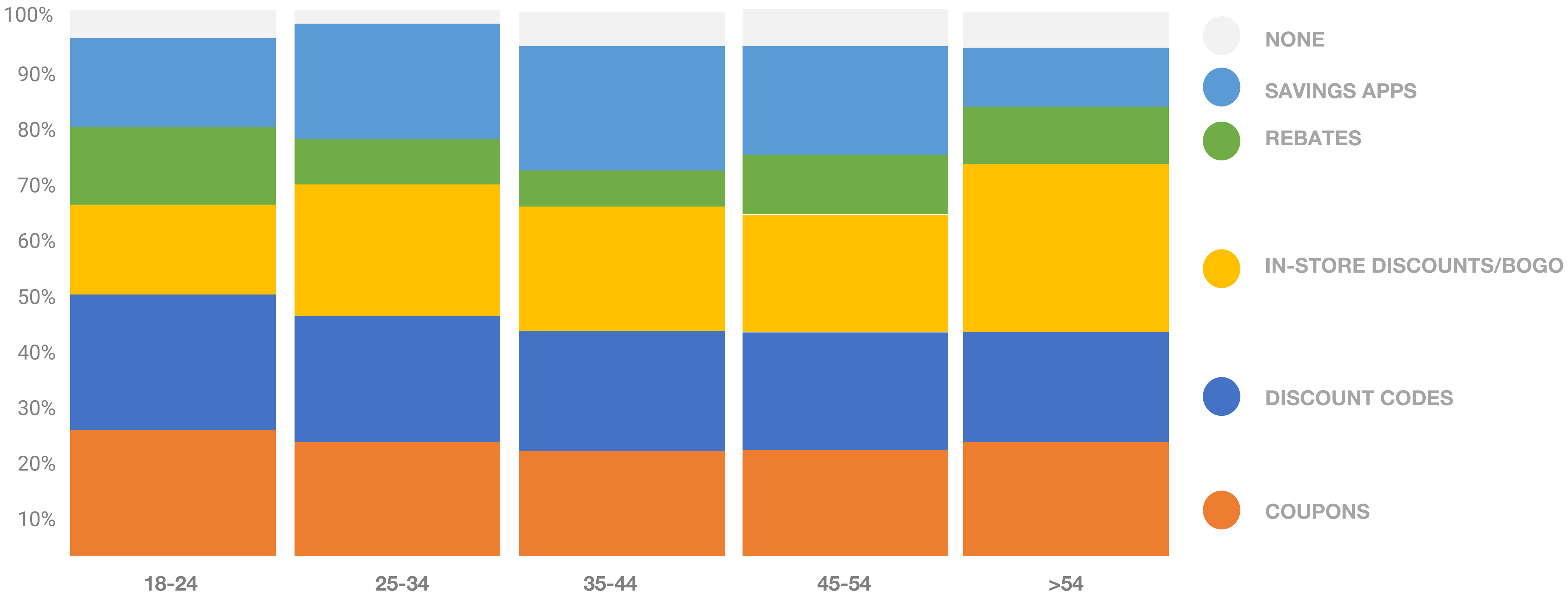
Q: Which of the following do you ever use (*select all that apply*)?

59.7%	53.8%	54.8%	47.3%	29%	8.5%
Coupons	Discount Codes	In-Store Advertised Coupons	Savings Apps	Rebates	None of the Above

** Percent (Respondents) is calculated by dividing each answer count by the total unique respondents.*

SAVINGS & OFFERS BY AGE

Key Findings: 18-24 year olds are the highest users of coupons and discount codes. Notably, only 8.5% of consumers report using no promotional tools at all. Also, Savings App usage is highest among 25-44 year olds. The survey also showed that higher-income respondents used Savings Apps more than other income groups.



IMPORTANCE OF COUPONS/DISCOUNTS

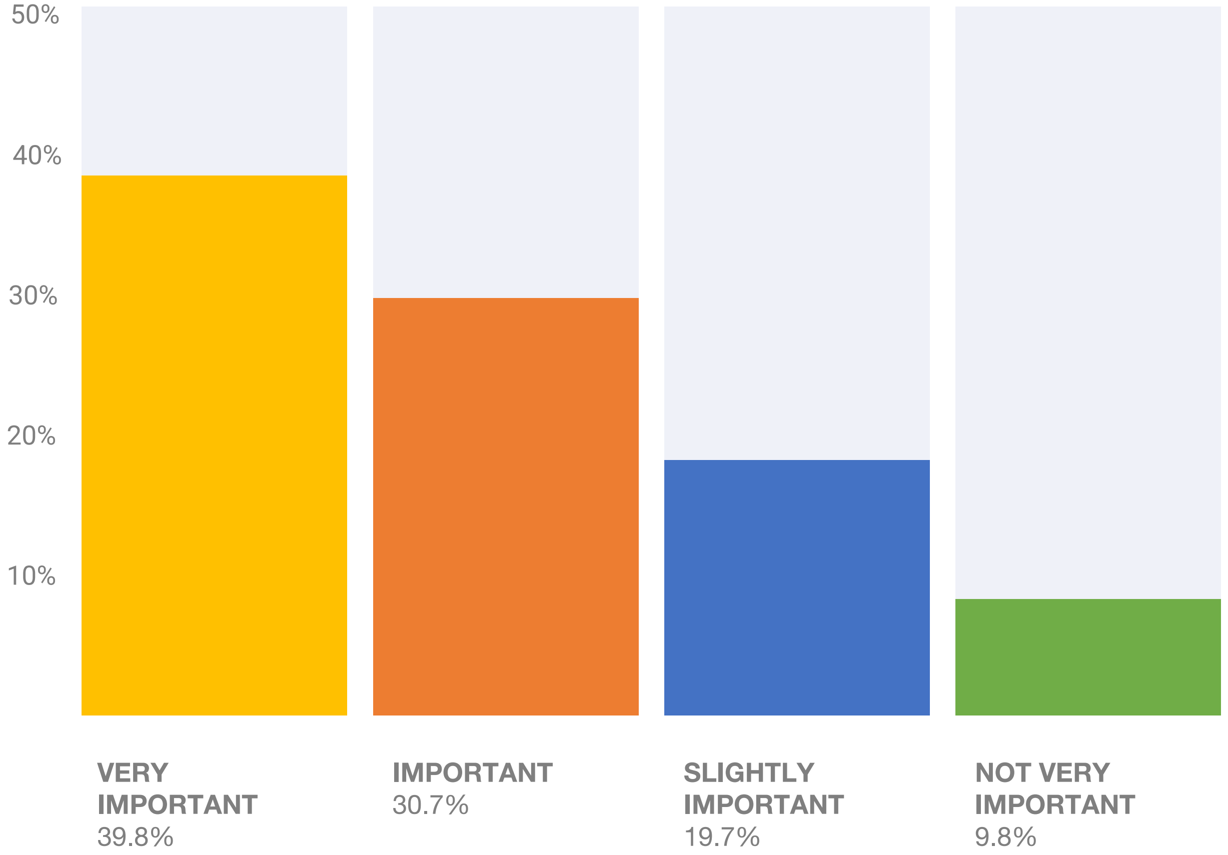
Q: How important to your shopping experience is the availability of coupons and/or discounts?

70%+

Over 70% of respondents reported that availability of coupons and/or discounts is very important or important to their shopping experience.

<10%

Less than 10% of surveyed individuals said that promotion availability wasn't very important to their shopping experience.



FREQUENCY OF COUPON/PROMOTION USE

35.9%

Over 35% of respondents said that they use coupons/promotions EVERY TIME they shop.

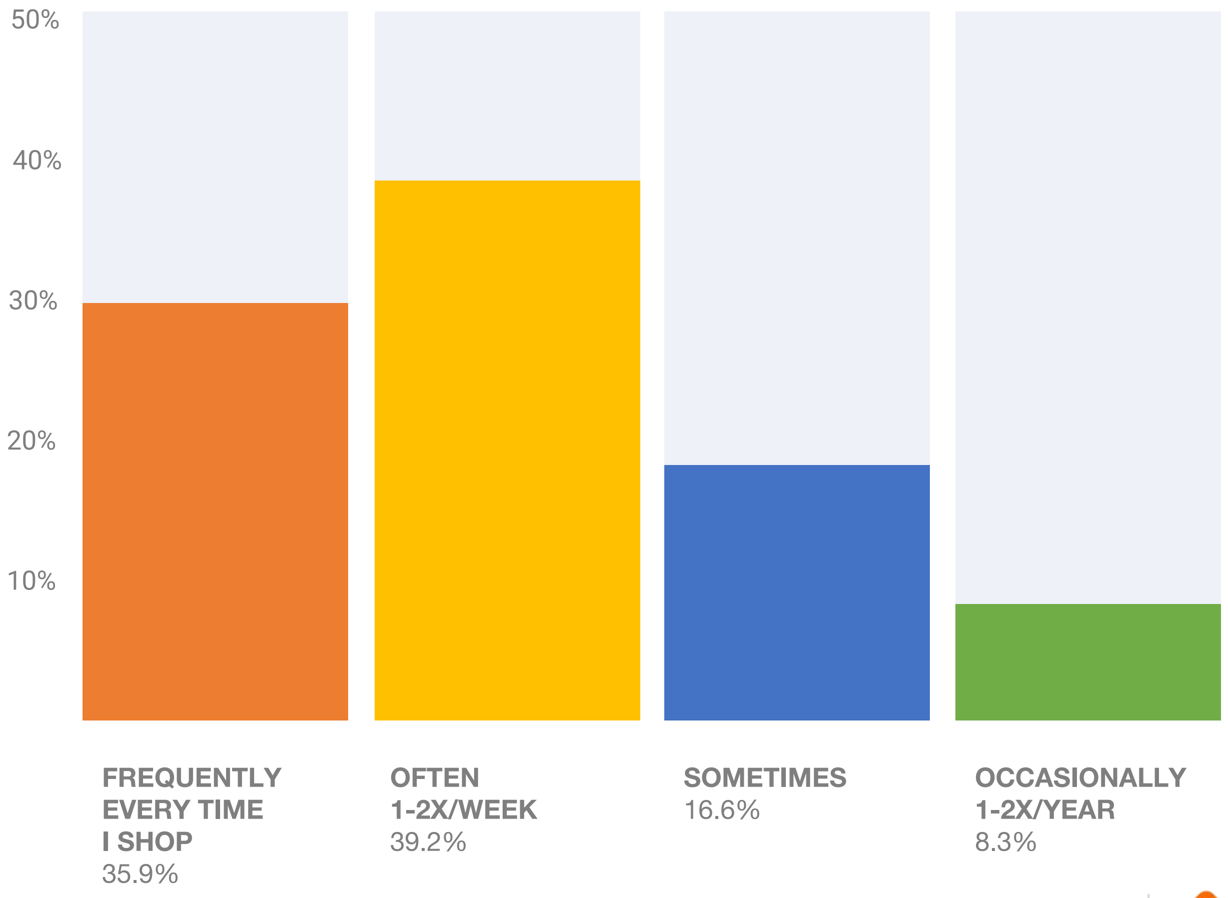
39.2%

An additional 39% said that they use coupons and promotions 1 to 2 times per week.

= 75%+

Use Coupons/Promotions WEEKLY!

Q: How often do you use coupons/promotions when you are shopping?



MANY SHOPPERS ARE WILLING TO TRADE DOWN TO SAVE

Respondents said they were willing to switch to a different brand within a majority of surveyed categories. They were least likely to be willing to trade down on beer, wine and alcohol.

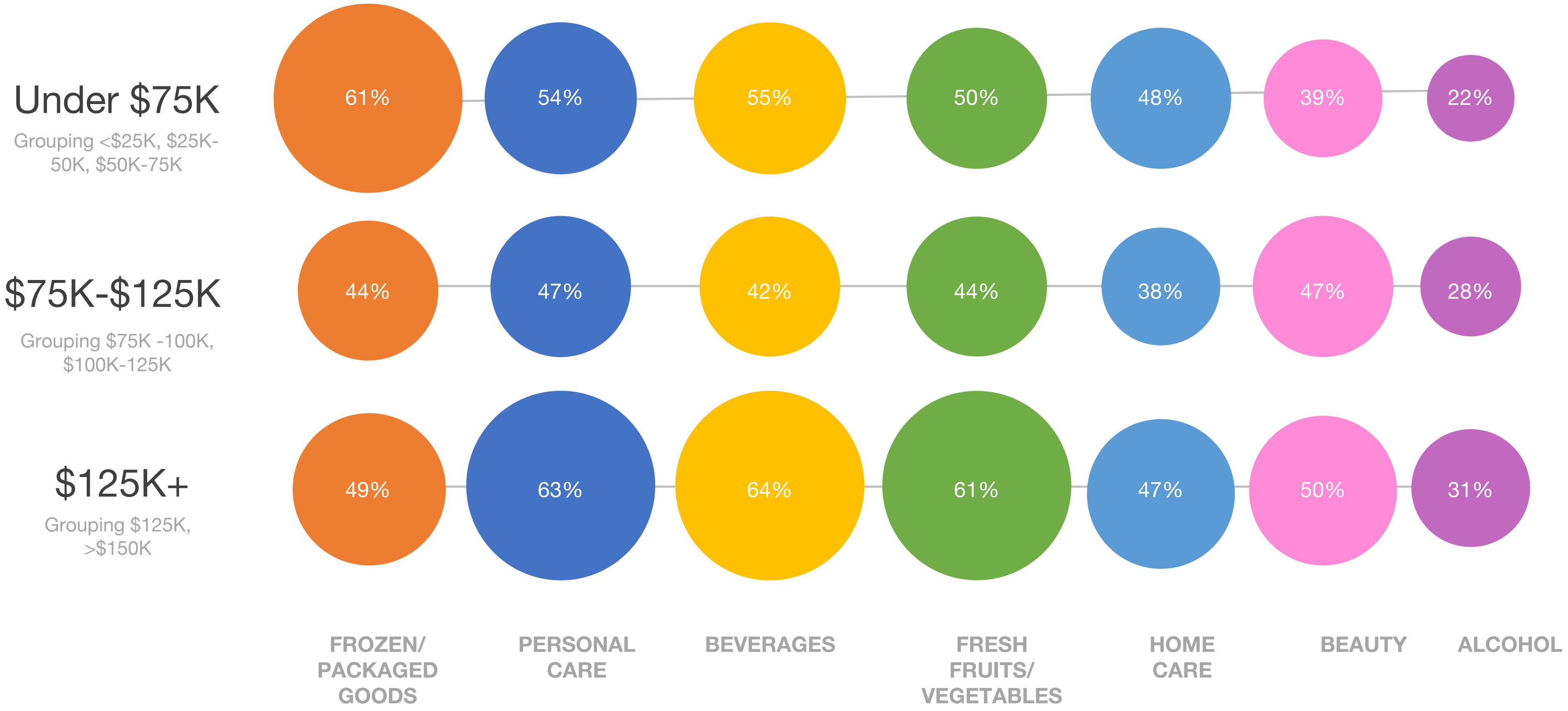
Q: When shopping for groceries or personal care items, in which categories are you willing to switch to a different brand in order to SAVE MONEY (*select all that apply*)?

54.3%	53.7%	53.5%	50%	45.5%	41.7%	25%
Frozen Meals/ Packaged Items	Personal Care	Beverages	Fresh Fruits & Vegetables	Home Care	Beauty	Beer/Wine /Alcohol

** Percent (Respondents) is calculated by dividing each answer count by the total unique respondents.*

TRADING BRANDS TO SAVE MONEY BY INCOME

Key Finding: It's interesting to note that the highest income consumers (HH income $125K and higher) reported being *more* willing to switch to save money than the lowest income consumers (HH <$75k), across a majority of categories.



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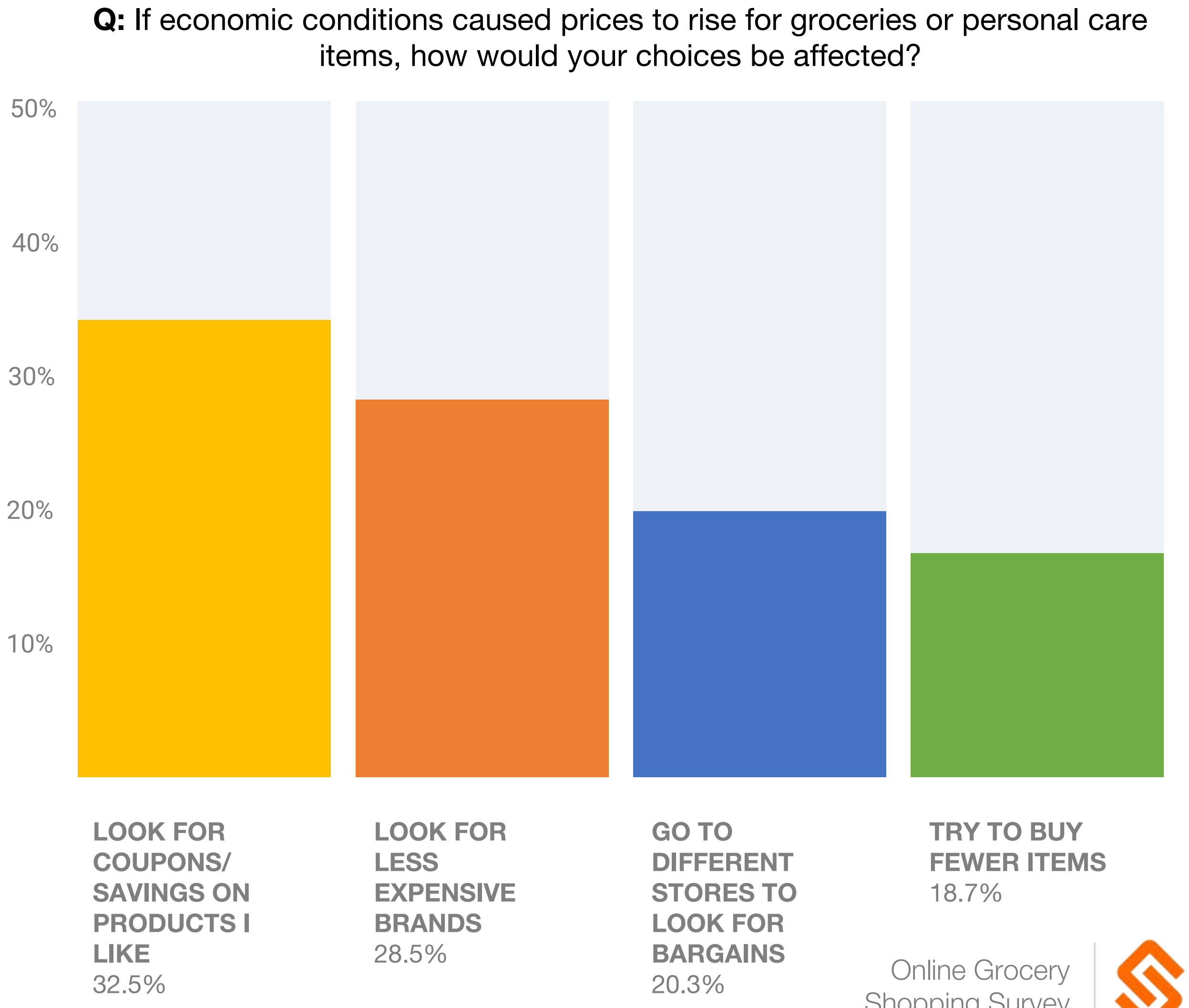
Online Grocery Shopping Survey

smart commerce

ECONOMIC IMPACT ON CONSUMER CHOICES

Across all income levels and genders, respondents would prefer to seek out coupons, rather than switching brands or buying less.



SUMMARY

Given inflation and rising prices at the store, economic outlook varies based on income level, with lower income respondents feeling more hard-hit, and less encouraged by the current economy.

Consumers are willing to try new stores (with convenience being the biggest motivator to trial) and new products (motivated by savings and new experiences). There is a growing habit of a blended shopping experience that includes in-store, online, pick-up and delivery.

Additionally, saving tools - are universally important to today's shoppers, with 75% of respondents using savings tools on a WEEKLY basis!

Methodology:
Sample size: 600, United States

Age: 18+
Female: 52.00%,
Male: 48.00%
Survey period: March 19/20 2022

Note: Responses were collected through a polling software that works within a network of apps to offer appropriate non-cash incentives in exchange for response to the survey. The panel may be more likely to engage with online tactics since the survey was completed through an app network.

WANT TO KNOW MORE?
WANT TO ADD QUESTIONS TO THE NEXT SURVEY?
GET IN TOUCH WITH US!

SALES@SMARTCOMMERCE.CO