COVID IMPACT ON SHOPPING FOR QUALITY ACROSS PRODUCT & SERVICE CATEGORIES

(August 2022)

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Category buyers have disproportionately increased their spend in wellness products, energy drinks and baby products compared to before COVID.

The **categories where consumers are now spending less than other others** involve non-essentials (travel, entertainment, eating out, clothing) as well as categories that are the strongest hit by inflation (e.g., gas).

When we look across the 24 product categories in our study, they generally follow the same pattern for how buying habits have changed.

- Half of category buyers are now **buying the same amount at the same quality** as before COVID
- 1 in 5 **are buying less at the same quality**
- Only a small percentage (6%) are **buying less but at higher quality** (premiumization)

For the 10 service categories assessed (e.g. gas, entertainment, eating out, movies, travel, etc.), consumers are more likely to be cutting back on both frequency of purchases as well as spend each time.

HOW SPENDING HABITS HAVE CHANGED SINCE BEFORE COVID

(Among category buyers; showing categories which over-index vs. the total of 34 categories)

Now Spending MORE

BABY PRODUCTS	PLANT-BASED ALTERNATIVES	ENERGY DRINKS	WELLNESS SERVICES	WELLNESS APPS
32%	24%	24%	24%	21%

Now Spending the SAME

HOUSEHOLD PAPER PRODUCTS	PET FOOD	PERSONAL CARE PRODUCTS	DAIRY PRODUCTS	COFFEE	FINANCIAL INVESTMENTS
64%	63%	62%	61%	60%	56%

Now Spending LESS

TRAVEL	ENTERTAINMENT	EATING OUT/TAKE OUT	GAS FILL-UPS	COSMETICS	GENERAL CLOTHING
58%	56%	53%	52%	45%	44%

THE TRADE-OFF IN QUALITY AND SPEND FOR PRODUCTS VS. SERVICES

	AVERAGE OF 24 PRODUCT CATEGORIES*
Less but at higher quality	6%
Less and at the same quality	19%
Less and at lower quality	8%
More at higher quality	5%
More at the same quality	8%
More but at lower quality	3%
The same amount at the same quality as before COVID	51%

*Category average of 24 products (some of which are shown in the spending habits changes above and others which will be shown in more granularity in a subsequent infographic to be released).

	AVERAGE OF 10 SERVICE CATEGORIES**
Less often but spending more each time	11%
Less often and spending about the same each time	16%
Less often and spending less each time	18%
More often and spending more each time	7%
More often and spending about the same each time	7%
More often and spending less each time	2%
The same frequency and spend as before COVID	39%

**Category average of 10 services (some of which are shown in the spending habits changes above and others which will be shown in more granularity in a subsequent infographic to be released).

For additional insights from this study or to find out about our overnight solutions, please email bernie.malinoff@element-54.com or juliann.ng@element-54.com

MARU/BLUE Omnibus of 1545 Canadian respondents (nationally representative), June 2022