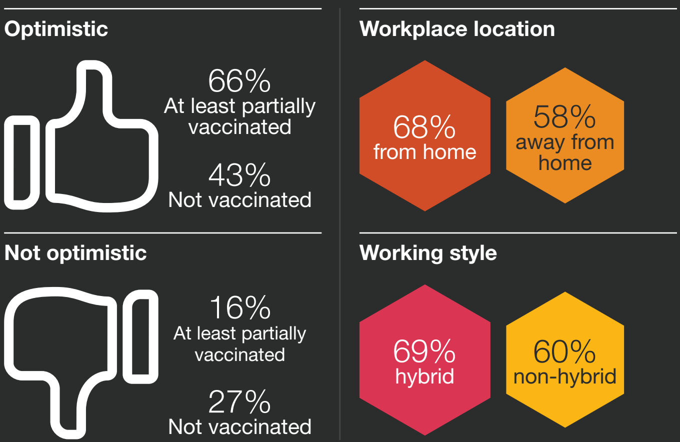
A time for hope: Consumers’ outlook brightens despite headwinds

Highlights from PwC’s December 2021 Global Consumer Insights Pulse Survey

Vaccination status and flexible workstyle influence consumer optimism

More than 60% of consumers are optimistic about the future, particularly those who are vaccinated and have flexible working arrangements.

Exhibit 1: Impact of vaccination status and workplace location and style on optimism



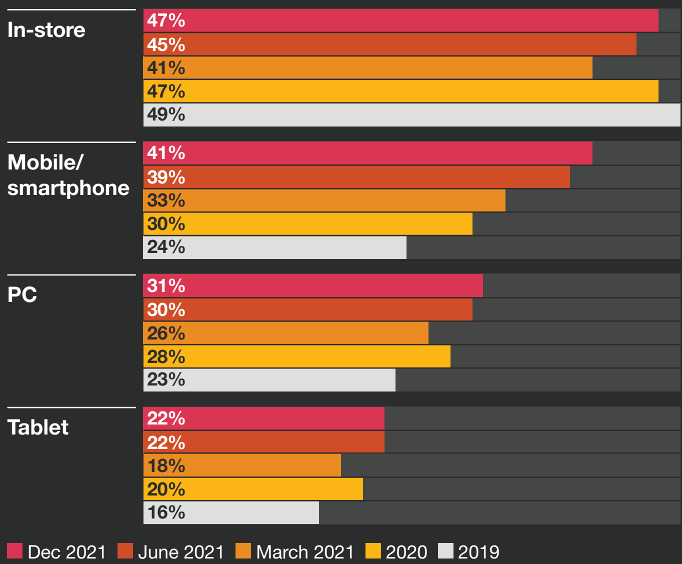
Question: Considering your country’s current COVID-19 situation, how optimistic are you about the future?
Bases: At least partially vaccinated (7,123); not vaccinated (1,311); all respondents who are employed (7,047); working from home (2,738); working away from home (2,671); hybrid (2,988); non-hybrid (3,901). Hybrid means able to work in any location.
Note: 2% prefer not to say.
Source: December 2021 PwC Global Consumer Insights Pulse Survey

It’s important for business leaders to note the factors influencing optimism that they can affect, such as flexible work and vaccination. Workplace policies that facilitate health and well-being will not only help companies rewrite the social contract with their people but could also create activity and spending that yield business benefits.

Smartphone shopping is at an historic high

Shopping via mobile/smartphone continues to grow, while in-store shopping has recovered to pre-pandemic levels.

Exhibit 2: Primary ways consumers do their daily and weekly shopping



Question: In the past 12 months, how often have you bought products (e.g., clothes, books, electronics) using the following shopping channels?
Note: Not including grocery. 2020 data to be treated with caution, as different sampling approach used. Year of data relates to year of publication (e.g., March 2021 data collected in late 2020, published in March 2021).
Source: December 2021 PwC Global Consumer Insights Pulse Survey

To succeed in a digital world, companies will need to take advantage of technology to advance their own mission by investing in the differentiating capabilities that allow them to deliver on their purpose. Filling their new place in the world might require them to shed old business models, assets and beliefs about value creation.

Data privacy is key to consumer trust

Consumers have become more protective of their personal data over the past six months, and data security has a far greater impact on trust than any other factor.

Exhibit 3: Factors that most affect consumers’ trust in brand
Respondents answering ‘to a great extent’ or ‘to some extent’

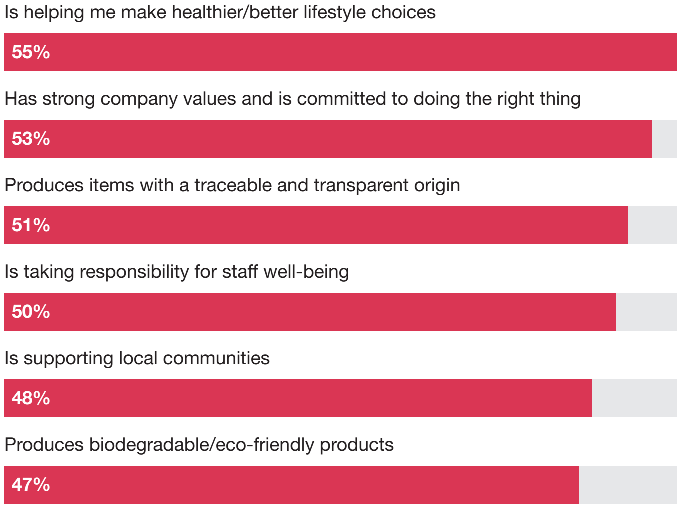
Question: Thinking about a brand that you regularly buy products/services from, to what extent do the following impact how much you trust the brand?
Base: All respondents (9,370).
Source: December 2021 PwC Global Consumer Insights Pulse Survey

Our survey shows that using customer data to personalise experiences is less likely to help build trust with customers than using data to ‘get the basics right’ and personalise discounts and recommendations. And although ESG issues are important to consumers, when it comes to trust, factors that have a more obvious, direct effect on consumers matter most. Businesses can build a system of privileged insights, but only if the value they offer in exchange resonates with consumers and consumers trust them to keep their information secure.

Consumers care more about sustainability than ever before

More than half of respondents say they are more eco-friendly than they were six months ago. And almost half of respondents consciously consider factors related to sustainability when making purchasing decisions.

Exhibit 4: How often consumers consider sustainability factors
Respondents answering 'most of the time' or 'all of the time'



Question: Before considering/making a purchase with a retailer, how often do you consciously consider the following factors? The retailer you are purchasing from...
Base: All respondents (9,370).
Source: December 2021 PwC Global Consumer Insights Pulse Survey

Consumers today describe themselves as increasingly eco-friendly. It's intriguing that those who work from home show more interest in sustainable shopping. It could be because at-home workers tend to be more white-collar and affluent, with more financial freedom to be selective in their purchasing choices.

But price and convenience still matter most

Consumers still prioritise price and convenience when shopping in store or online.

Exhibit 5: Top ways shoppers shop

Online:

69% Actively seeking the best deal

56% From retailers that provide an efficient delivery or collection service

42% For eco-friendly/ sustainable products

In-store:

68% Actively seeking the best deal

58% From a variety of retailers to meet my needs

42% For eco-friendly/ sustainable products

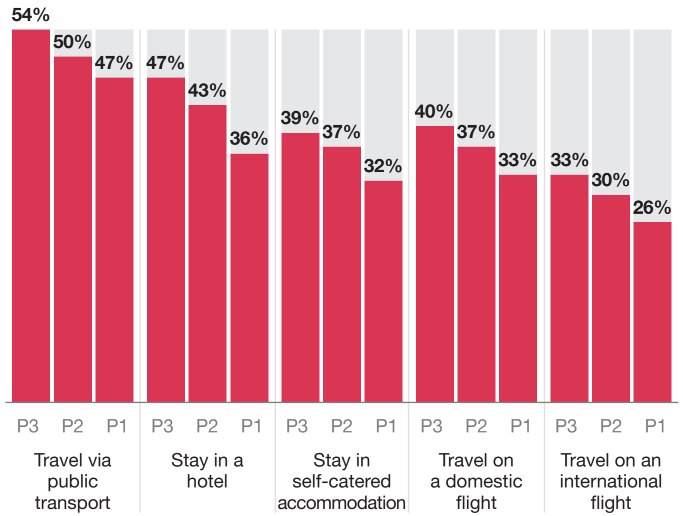
Question: Considering your general shopping behaviour in physical stores or online, please indicate how often you are shopping in the following ways.
Note: Figures are based on those who stated 'always' or 'very frequently.'
Base: All respondents (9,370).
Source: December 2021 PwC Global Consumer Insights Pulse Survey

Consumers care about ESG factors, but when stacked up against the basics of price and convenience, ESG fades in importance. Consumer businesses need to take these statistics to heart. Products can't be only either affordable and easy to get or sustainable; they have to be both.

Consumers are venturing out more

Respondents are more likely to be venturing out of their homes for travel-related activities than they were six months ago.

Exhibit 6: Consumer attitudes about travel
Respondents answering 'very likely' or 'likely'



Question: In the next six months, how likely are you to...
Base: All respondents P1 = March 2021 (8,738); P2 = June 2021 (8,681); P3 = December 2021 (9,370).
Source: December 2021 PwC Global Consumer Insights Pulse Survey

Nesting habits formed during the pandemic will likely stick to some degree, but our research shows a notable uptick in out-of-the-home activities. We'll likely see a hybrid home/away-from-home lifestyle re-emerge. It's important to note that even when venturing out, almost half of respondents indicate that they like to shop locally. This highlights both the effects of the pandemic and the ever-important influence of convenience.

Contacts

Sabine Durand-Hayes
Global Consumer Markets Leader
PwC France
sabine.durand@pwc.com

Myles Gooding
Global Advisory Consumer Markets Leader
PwC Canada
myles.gooding@pwc.com

Harry Doornbosch
Global Consumer Markets Tax Leader
PwC Netherlands
harry.doornbosch@pwc.com

Melissa Palmer
Global Consumer Markets Assurance Leader
PwC US
melissa.palmer@pwc.com

Neil Sutton
Global Consumer Markets Deals
PwC Hong Kong
neil.w.sutton@hk.pwc.com