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MARKETING

Long-term remote work may have implications beyond the pandemic

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A shift to remote work implies a shift in consumer behavior. Image credit: Neiman Marcus

By NORA HOWE

The COVID-19 pandemic forced organizations around the world to quickly adapt to a new remote reality in the largest work-from-home shift ever. The State of Remote Work Report from Owl Labs examines everything from how companies are handling guidelines for telework to how the work-from-home movement affects lifestyle decisions and consumer behavior.

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For the fourth annual State of Remote Work report, Owl Labs partnered with the leading remote analytics firm, Global Workplace Analytics. Survey data was collected during June and July 2020, from 2,025 full-time workers in the U.S. between the ages 21 to 65 at companies with 10 or more employees.

Home as the center of one's world

As the coronavirus suddenly and swiftly spread across the U.S., many white-collar workers including employees of many luxury brands shifted to remote work essentially overnight. Conference room meetings became video calls and business suits became loungewear.

In this new world of video-conferencing and working from home, affluent consumers are looking for ways to stylize their homes to wow clients and bosses (see story).

Almost 70 percent of respondents are currently working from home, and those who have made the switch do not want to return to the office according to Owl Labs.

Working from home has its own set of challenges, and many affluents are looking to upgrade their space. Image credit: Knight Frank

During COVID-19, most industries were forced into a work-from-home or work-from-anywhere approach. After the switch, 123 percent more employees want to permanently work remotely after COVID-19.

Early data has shown that one in five Americans has relocated due to COVID-19 and many companies have recently gone on record with a newly-adopted work-from-anywhere or hybrid teams approach.

Many employees are leaving high rent prices behind and upsizing their city apartments to three-bedroom houses in suburbia, completing shifting their lifestyles due to working remotely. According to Owl Labs, one in two people would move if they were able to work from home all or most of the time.

While many would prefer to work from home, the new structure has presented some challenges. One in five people report working more during COVID-19, according to the survey.

Working from home has contributed to overworking and brought new considerations to light for remote employees. On average, remote employees report working an additional 26 hours each month during the COVID-19 crisis.

A majority of respondents would be happier working from home after COVID-19. Image credit: Unsplash

In order to combat these challenges, companies from the luxury travel sector have begun offering "workcation" deals and packages to help consumers relieve their stress and focus on wellness after being restricted to an exclusively home-based life (see story).

Additionally, the need for professional apparel and cosmetics decreased in the early months of the pandemic as loungewear and casual appearance increased due to lockdown restrictions. According to the survey, 44 percent did not find it necessary to get dressed up for a video meeting and are saving an average of $479.20 per month during the pandemic.

A shift in affluent consumer behavior

As the effects of the COVID-19 crisis continue to unfold, consumers are shifting where they invest their money and emotional energy.

The pandemic put many things into perspective and luxury female buyers have realized how life can become fragile, according to a report from Spark. Recently, though, women have been starting to browse and buy again.

During the first few months of the pandemic, retailers saw an increase in spending on athleisure apparel, baking and cooking materials and home decor. Now, women have shifted their spending since the early days of COVID-19

and are buying casual dresses and luxury sneakers, booking at-home private chefs and investing in real estate and art (see story).

Similarly, new data from personalization software platform Qubit shows categories including luxury and fashion have seen their online visits and revenues rebound from the start of the pandemic while others have stabilized after dramatic surges.

"Affordable luxury" was one of the categories hardest hit at the start of the pandemic.

From April 2020 to September 2020, online visits are now up 82.39 percent and revenues are up 122.66 percent. Compared to September 2019, visits for affordable luxury are only down 3.54 percent for the year while revenue is actually up 11.68 percent year-over-year.

The upswing can be partially attributed to an easing of lockdown restrictions, as consumers return to socializing outside of their homes and remote work (see story).

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