

RETAIL

Shopper psyches shifting post-pandemic behaviors: Kantar

July 26, 2021



Saks Fifth Avenue was one of the few major luxury retailers to get 360-degree retail right. Image credit: Saks Fifth Avenue

By SARAH RAMIREZ

Fallout from the COVID-19 pandemic continues to impact consumers' mindsets and behaviors.

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According to new research from **Kantar**, consumer concerns about health and the economy remain dominant in the United Kingdom, France and Spain. However, each country is experiencing its own shopper trends and behaviors making it difficult for marketers trying to create a "one-size-fits-all" approach.

"The majority of the shoppers, especially in the U.K. and Spain, expect brands and retailers to carve an active role in the economic growth, but also to boost their own purchasing power," said Lionel Germain, global LinkQ premium solutions director at Kantar, Paris, in a webinar on July 21.

Kantar's findings are based on 25,000 online interviews and focused on fast-moving consumer goods (FCMG).

Shopper psyches

Since the start of the pandemic, consumers in the three markets have been spending more on goods as well increasing their spending and frequency of online shopping.

While both French and Spanish shoppers' FMCG spend grew by 8 percent year-over-year, average online spend growth jumped by 89 percent in Spain to France's 45 percent. Online shopping frequency in Spain increased 49 percent compared to 32 percent in France.



Online shopping has grown during the pandemic. Image credit: Depop

The U.K. consumers increased FMCG spending by 12 percent, while average online spend increased 59 percent and frequency grew by 44 percent.

These changes were spurred by more time at home, as well as continued store closures and restrictions on in-store shopping.

Levels of optimism also vary across countries, with consumers in Great Britain and Spain more optimistic about short- and long-term outlooks than their French counterparts.

Consumers also intend to change their shopping habits, although they have varying reasons to do so.

More than half of U.K. shoppers, 59 percent, cited enjoyment as the leading factor influencing purchasing decisions while 32 percent of French consumers cited low prices and promotions.

Kantar also segmented respondents into four shopper psyches, based on shared experiences and beliefs resulting from the pandemic: the safe established, the realists, the defying and the vulnerable.

Meet the shopper psyches

	The Safe Established	The Realists	The Defying	The Vulnerable
WORKING STATUS AFFECTED	5%	17%	26%	31%
FACED INCOME DROP	6%	15%	26%	46%
EXPECT FUTURE WORKING SITUATION CHANGE	5%	17%	26%	31%
EXPECT FUTURE INCOME DROP	1%	11%	18%	35%
OPTIMIST	71%	64%	81%	36%

New shopping psyches based on Kantar research

The safe established consumers were the least likely to see their working status or income negatively impacted by COVID-19. They tend to be older, retired and have more disposable income and 71 percent are generally optimistic about the future.

Only the defying consumer is more optimistic, with 81 percent of shoppers in this segment remaining optimistic despite the pandemic's challenges. More than a quarter of these consumers saw their work status impacted and dealt with income drops, and 18 percent anticipate future income drops.

Luxury applications

Understanding shopper psyches is important for marketers, as consumer confidence fuel spending on goods and experiences, including at luxury price points.

According to Agility's 2021 Asian Millionaire report, countries in the region are seeing higher luxury spending as

economies continue recovering from the COVID-19 pandemic.

A large share of millionaires in Asia are confident their disposal income will stay the same or increase in the coming year, with millionaires in China, India and Taiwan showing the highest rates of optimism. Many Asian millionaires are also embracing a more personal view of luxury and are gravitating towards more sustainable brands ([see story](#)).

Similarly, European respondents in Kantar's survey saw increased interest in shopping locally and sustainably.

Luxury brands are taking note, with brands and retailers such as Gucci, Alexander McQueen and Mytheresa invest in online consignment and rental platforms. By shifting toward a circular economy, the fashion industry could eliminate waste, overproduction and pollution ([see story](#)).

"The defining priority for consumers will be for online, and their lead is related to convenience," said Kantar's Mr. Germain. "They want to save time and find everything in one place, whereas for the reality, the actions will be more qualitative and focused on sustainability, better quality."

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