

Welcome to your October Consumer Digest where we unpack the continued return to normal, highlight some recent customer trends around finances, SNAP, supply chain implications, and hear from our customers on their suggestions for shopping online.

We encourage you to treat this as you do your morning news: read it over coffee, discuss it with your teams, use it as a reference in your current work. Feel free to reach out to your 84.51° contact with questions or feedback!

Included this month:

- **Trends:** A look at financial stressors, SNAP impact, out-of-stock implications and Thanksgiving plans
- **Omni-channel:** Consumer attitudes, plans and pain points

Cautiously Optimistic: U.S. COVID Update¹

219M

of people with at least one dose

189M

of people fully vaccinated

77%

% of pop. (12+) with at least one dose

67%

% of pop. (12+) fully vaccinated

169

7-day case count per 100K people

10.5M

of people who have received a booster shot

U.S. Milestones

- All three U.S. COVID-19 vaccines are now available for booster shots now that the FDA has authorized those by Moderna and J&J.²
- Dr. Fauci says ability for parents to be vaccinated combined with low risk of transmission outside makes it safe to trick-or-treat outdoors.³
- Pfizer and BioNTech submitted an emergency request to the FDA for authorization of a 2-dose COVID vaccine in children ages 5 to 11.⁴

Global Milestones

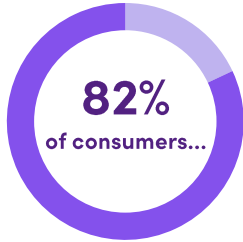
- WHO establishes a new advisory group to identify the origin of COVID-19 and be better prepared for future outbreaks.⁵
- Starting November 1st, fully vaccinated international travelers to Sydney, Australia will no longer have to quarantine.⁶

SOURCES: 1) CDC, "COVID Data Tracker" October 18, 2021; 2) NPR, "The FDA authorized Moderna and J&J COVID vaccine boosters," 2021; 3) NYTimes, "Go out there and enjoy Halloween' Dr. Fauci says", 2021; 4) NBC News, "Pfizer asks FDA emergency authorization... kids ages 5-11", 2021; 5) NPR "WHO launches a new group to study the origins of the coronavirus", 2021; 6) CNN, "Australia's biggest city to end COVID-19 quarantine for international travelers" 2021;

October Trends⁷: What's on Consumer's Minds?

Consumers are feeling financial stress as they head into the holiday season with rising food prices as a key driver and budgets focusing on "the basics." Consumers plan to stock up on essentials and Thanksgiving is getting closer to normal.

TREND #1: Feeling pre-holiday financial stress



...feel that groceries are more expensive this month than last, overwhelmingly in Meat/Seafood.

41% said they are uncomfortable with finances given the upcoming holiday season.

Price is most important to shoppers when grocery shopping, followed by quality, freshness and items being in-stock.

SNAP BENEFIT INCREASE

Starting in October, SNAP benefits increased 25%, the largest in the program's history.

Of households that recognized their SNAP benefits were increasing, 92% of them said they would spend it on Meat/Seafood, followed by Produce at 77% and Frozen Food at 61%.

Meat/Seafood and Frozen are categories where, in general, SNAP households over-index on spend compared to total households.

TREND #2: Out-of-Stocks lead to stocking up

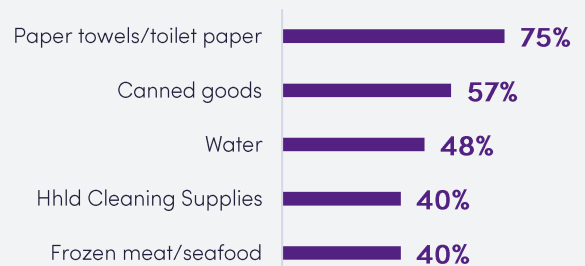
With supply chain issues continuing, we asked consumers what they do when an item is out of stock...



When it comes to stocking up on items, 75% of those surveyed said that paper towels/toilet paper are the top choices followed by non-perishable canned goods, water and cleaning supplies.

Items that aren't considered as stock up items are health/beauty care, snacks/candy and beverages.

"Must Have" items when supply is low



SOURCE: 7) 84.51° Consumer Pulse Survey, October 2021

Omnichannel Shopping⁷

Customers continue to shop multiple channels and have suggestions to make online shopping and pickup a better overall experience.

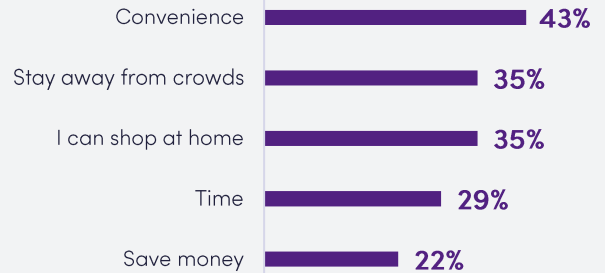


- The top reasons why customers shop online relate to convenience and safety.
- 68% of shoppers say that they will continue to shop online the same amount in the future, 16% say they will shop more online in the future, and another 16% will shop less online in the future.

Listening In: Customer Verbatims on Omnichannel⁸

"I'm at the store... I'm checking in. I'm expecting groceries to be dropped off to the car – and I want that to happen within five minutes, at the most. Keep me informed by saying, "Oh hey! The person's walking to your car." Give me some sort acknowledgement that the order was received and that the store is coming out to deliver it to my car." – *Louis G.*

Why shop online?



84.51°

"A grocery store could send out a text message letting you know exactly what time my food would be ready, give me details on my person delivering the food to my car and a list making sure that everything was checked off." – *Allison R.*

"Frazzled employees who are understaffed and disgruntled. Not enough parking spots and a long wait for groceries." – *Sarah E.*

Shoppers feel pain points related to picking up groceries ordered online. Retailers have an opportunity to improve communications including instructions and signage.

Thanksgiving Plans⁷

- 62% of shoppers are planning to celebrate Thanksgiving with the same amount of people as last year, 15% with more people than last year, and 12% claim to be gathering with less.
- When it comes to meals, 85% are looking forward to a traditional Thanksgiving meal cooked at their home or someone else's and 7% plan to eat at a restaurant.
- Those meals will be purchased in-store, with 68% making the trip in-store rather than ordering online, and 70% of shoppers are planning to spend the same amount this year.

Nearly 70% will be shopping in store for Thanksgiving this year



SOURCES: 7) 84.51° Consumer Pulse Survey, October 2021 8) 84.51° Qualitative Consumer Research Community, Sept. 2021

How to Make Customers' Lives Easier



Deliver a customer-centric and seamless experience for hybrid shoppers, as customers plan to leverage both e-commerce and in-store throughout the holidays.



Help people indulge and connect this holiday season through food. Provide recipes and promotions for traditional entrees, with easy clean-up.



Help price-sensitive shoppers by delivering value across promotions, packaging and education, for existing products & innovation, as inflation and stress increase.



Prepare for increased, early demand for stock-up items, with adjusted holiday promotions and merchandising. Follow up with relevant recipes to leverage stocked pantries.

Interested in Learning More?

84.51° Insights leverages first-party customer data from nearly 60M households to provide shopper science, analytics and strategy, giving you unparalleled business knowledge and customer intelligence. Our insights products will help you better understand the shopper's path to purchase, then empower you to build and execute the most comprehensive and personalized customer-centric strategies. Reach out to your [84.51° partner](#) or Insights@8451.com to see how we can help.

FINANCIAL STRESS

Use 84.51° Stratum to understand how Price Sensitive or SNAP consumers shop your categories or products.

Complete Custom Behavioral Analytics among these groups to understand impact to your products.

Use Consumer Research to ask consumers how these impacts may change their behavior due to finances.

OUT OF STOCKS

84.51° Stratum can help track the impact to your brand due to possible Out of Stock issues.

A Migration Analysis is an in-depth look at where your shoppers are and where they are going, as this movement can be triggered by Out of Stocks.

Use Real-Time Insights to dive into consumer's path to purchase and propensity to walk away if their products are Out of Stock.

HOLIDAYS

84.51° Stratum helps you understand how your consumer behavior changes during peak holiday time periods, including other items found in the basket.

Recall & Perceptions can be used to understand the impact of your holiday in-store campaign and whether it resonates with consumers.

OMNICHANNEL

84.51° Stratum Modality Insights provide unrivaled breadth and scale for behavioral e-commerce analytics.

Use 84.51° Clickstream Insights to understand how shoppers build their baskets online.

Use Consumer Research to further understand how motivations change as consumers move from in-store to e-commerce shopping.