



shoppercentric

The Age of Uncertainty

Shocks and Switches: but what Sticks?

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“The Evolution of Shopper Behaviour: How to Engage Shoppers in a New Retail Future.”

Looking to the future, it is natural to reflect on notable ‘events’ in the past that help shape it

1996



2008



2019



Time

What we hadn't predicted ...

Looking to the future, it is natural to reflect on notable 'events' in the past that help shape it

1996



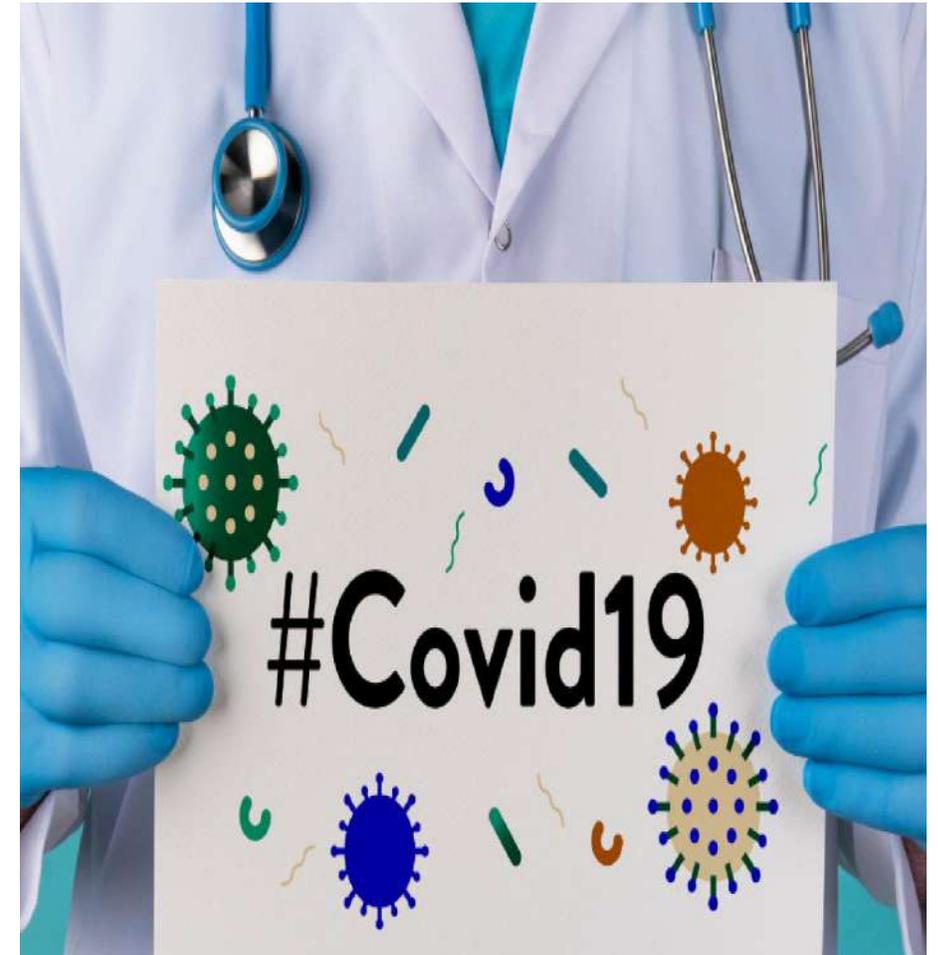
2008



2019



Time



Europe 2020

Not all effects of COVID19 are lasting





Shopper Adaptation Monitor

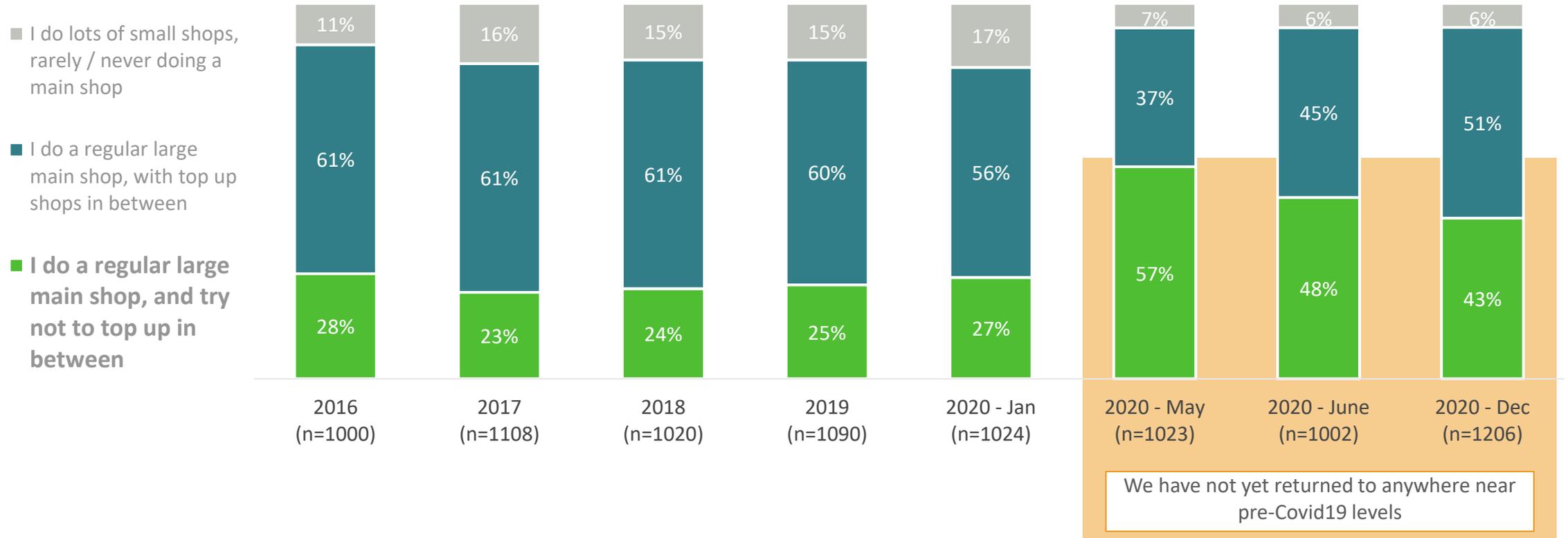
Longitudinal qualitative study:
20 adults, weekly 30-minute interviews

Quantitative study:
3 Nat Rep waves of 1,000 shoppers



With vast changes to consumer drivers and restraints, shopping mission profiles have completely turned around (reversing a 20+ year trend)

Shopper Missions Trends



SO WHAT: Getting what you need in one main shop requires thought and planning. Qualitatively, shoppers told us how much more planned they were, and how list-writing behaviours have increased (both on-line and shopping in the store)



Most bricks and mortar stores have lost more customers than they have gained

During lockdowns

1 in 3 Stopped or avoided using a retailer



Q7. Reasoning for avoiding chosen shop/online retailer Base = All Respondents. Wave 2 (n=329)

1 in 4 Tried a new retailer for the first time ever

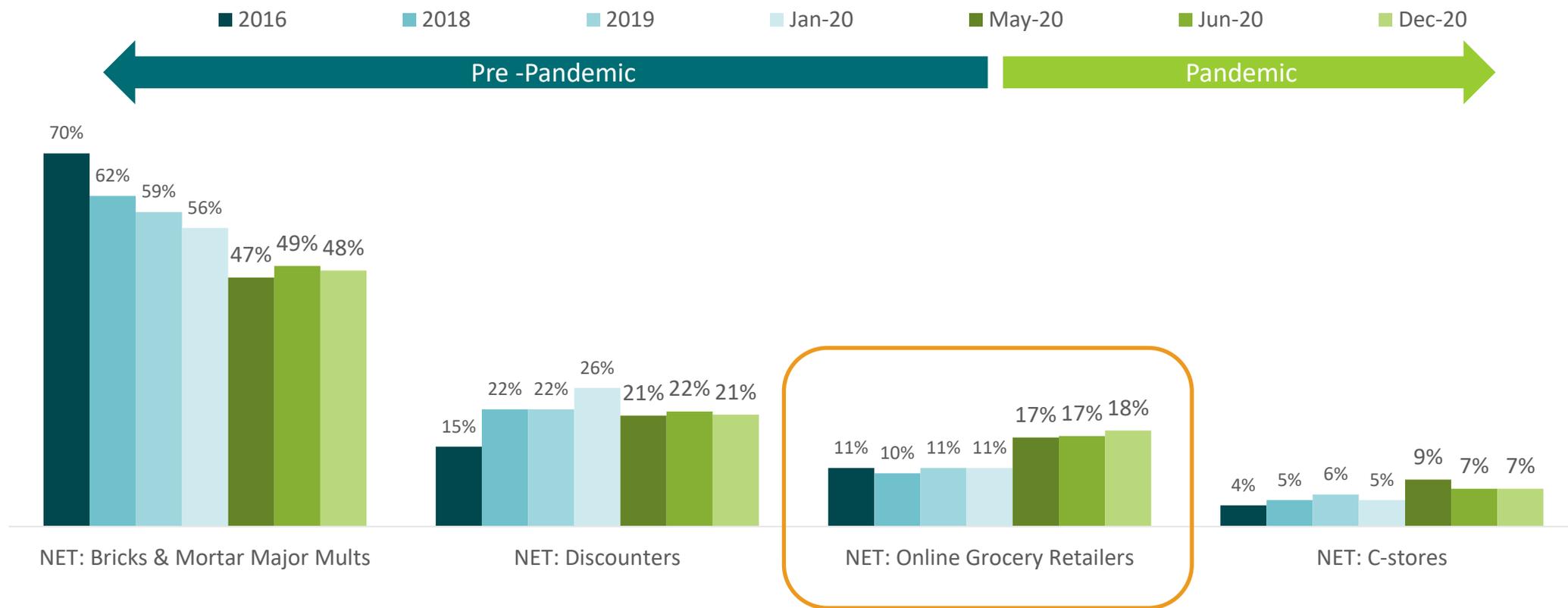


2/3^{rds} of those who started shopping online for the first time ever, say they will shop there more often in the future

SO WHAT: Shoppers have been exposed to different shopping environments and have had the ability to compare experiences. Loyalty might not be what it was



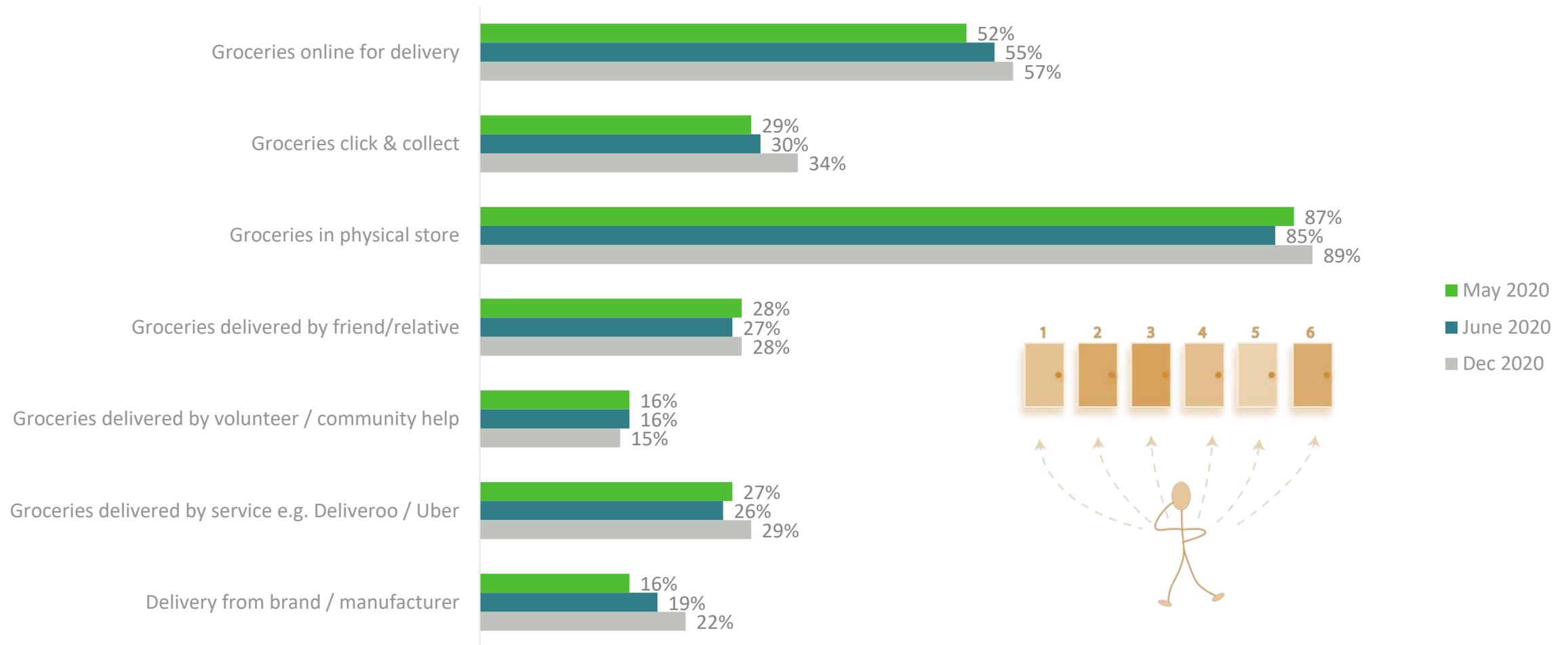
Main Stores are visited less often (larger baskets) however, more is also being bought on-line. Convenience stores have bridged the gap between larger one-off shops and historic perpetual top ups



SO WHAT: Channel shifts are well documented but their (newer) role or the challenges that new experiences bring highlight more than ever the role of channel in brand planning. For example, convenience plays more of a community role



Lockdown restrictions created a real shock to shopping behaviour, and the changes continue to stick beyond the period of strict restrictions



SO WHAT: Touchpoints for Brands have evolved. How much has brand investment changed to address this?



Sustainability Challenges

Sustainability
Paradox:
More knowledge
= more confusion

- Plastic Free vs. recyclable?
- Biodegradable vs compostable?
- No wrapping vs less food waste?
- Organic vs local?
- Plastic bag vs paper bag?
- Vegan superfoods with air miles?
- Organic produce wrapped in plastic?
-and what about clothing????!



Covid19 conflicts:
Single use
= good use!



SO WHAT: Shoppers are aware of their single-use sins (masks, sanitiser bottles, gloves), but want to be safe not sorry, for the time being

Some very pertinent themes, right now.



Consumer Fragility



Mental wellbeing is a concern for almost all



Shopper Anxiety



A need for **shopping etiquette** due to high levels of judgment looks set to continue



Brand Support



A brand opportunity to showcase **core values** not just product values

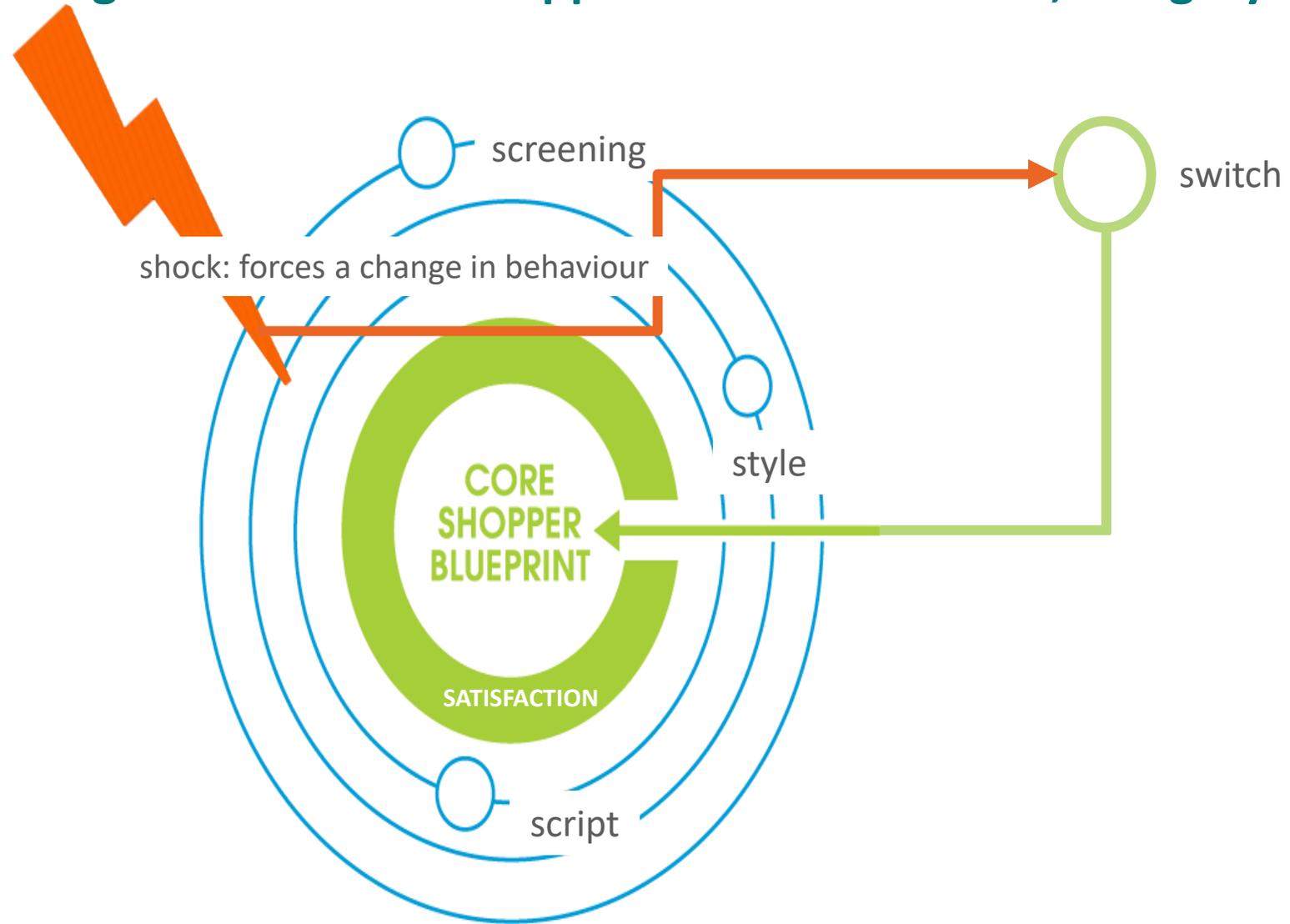


Retailer Cooperation



A retailer opportunity to forge **mutual respect** and deepen loyalty

Our 6S behaviour change model has wide application across brand, category & innovation



SO WHAT: This model was created not just to conceptualise behaviour but to understand 'stickiness'. By understanding the pathways that touchpoints can affect behaviour we are better placed to know what we are trying to influence

6S Model – System 1

Identifying what is more sticky

System 1

Screening

Naturalistic Decision Making

Much of what we do is a product of patterns and routines, not active choices. We screen out many options before we even become conscious of them

Styles

Predispositions, Behavioural Signatures

These influence how we shop and are a great basis for segmentation: the personality we take on when we visit a store (this changes store to store!)

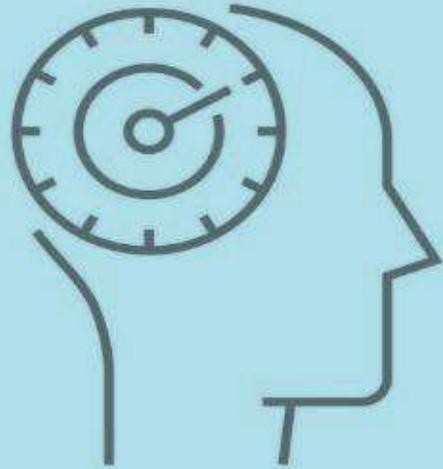
Scripts

Sequences of Behaviour, Plans of Action

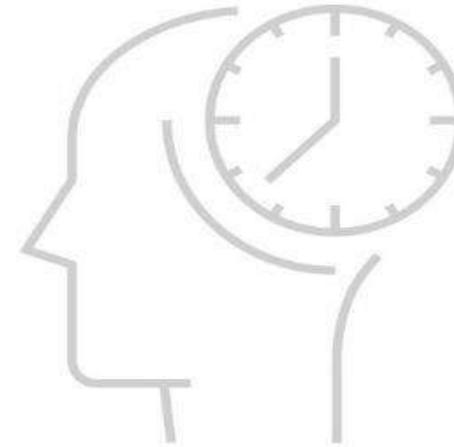
Describing expected behaviours, e.g. making a shopping list and behaving in store as people would expect

SO WHAT: designing our work around the model enables us to predict what is more likely to be sticky in areas where change has been seen or where new is being introduced where there has been recent change

Hardwired Decisions create: Enable Screening, Styles and Scripts to develop



SYSTEM 1
Fast Thinking



SYSTEM 2
Slow Thinking

6S components

Screening

Styles

Scripts

Switching

Sticking

Shock

Shock

A SHOCK is a jarring Event that prompts deliberation:
moving us out of System 1 into System 2

6S Model

System 1

Screening

**Naturalistic
Decision
Making**

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Scripts

**Sequences of
Behaviour,
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Action**

Describing expected behaviours, e.g. making a shopping list and behaving in store as people would expect

System 2

Switching

**A Change in
Purchasing
Behaviour**

Typically brought about by shocks that prompt a System 2 consideration, and a change in Style, or Script, or both

Sticking

**The Extent to
Which Change
Endures**

The salience, urgency and extent of ingraining determine how sticky a Switch becomes

SO WHAT: designing our work around the model enables us to predict what is more likely to be sticky in areas where change has been seen or where new is being introduced where there has been recent change

Sitting behind many of the motivations for changing shopper behaviour are heightened levels of anxiety driven by fear of infection / transmission, uncertainty and financial changes & fears

Uncertainty



Nuanced messages that vary by Country Scientists & Politicians

Underlying Anxiety



There remains a level of anxiety, centred around past experience of interruption

Burying heads in the sand

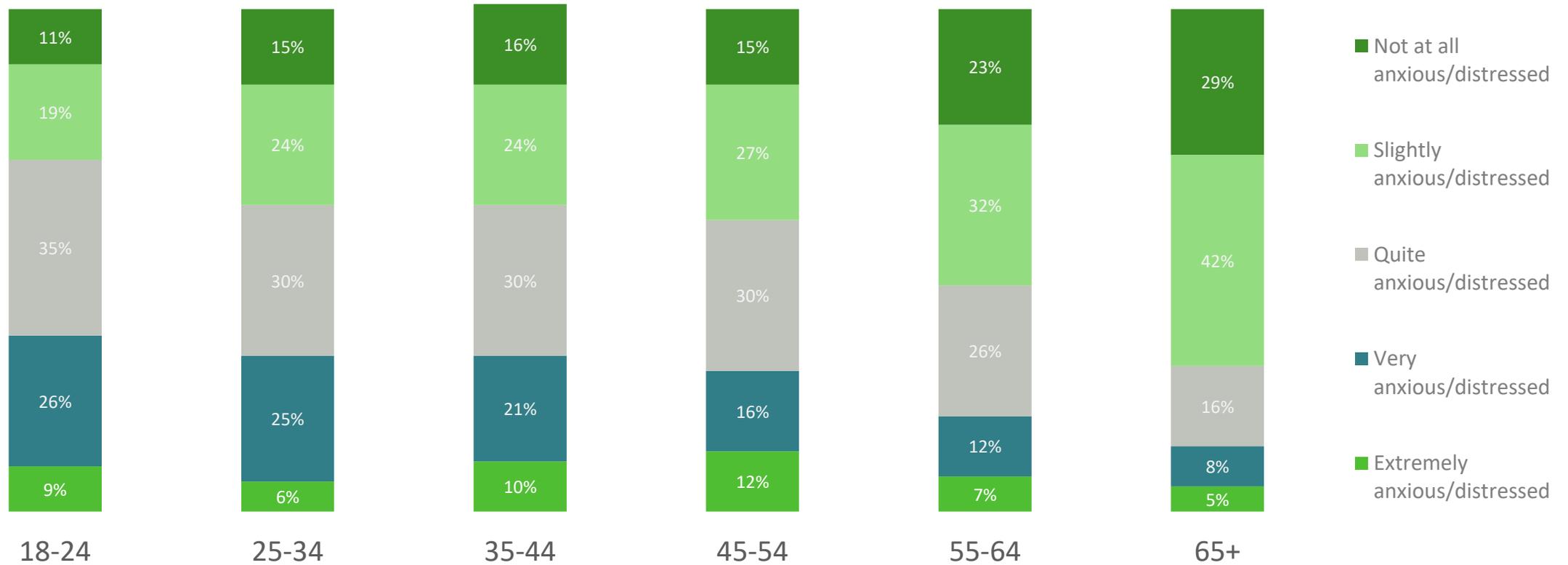


Shoppers are reluctant to think (ahead) about recession. Although once distant shocks are becoming personal for some.

SO WHAT: People are taking more and more personal responsibility for their protection and how much they flourish when they step out into stores and public spaces – possibly a symptom of poor leadership at a national and global level ‘it’s up to me now’

A significant difference in anxiety by age

Anxiety levels by Age – Dec 2020

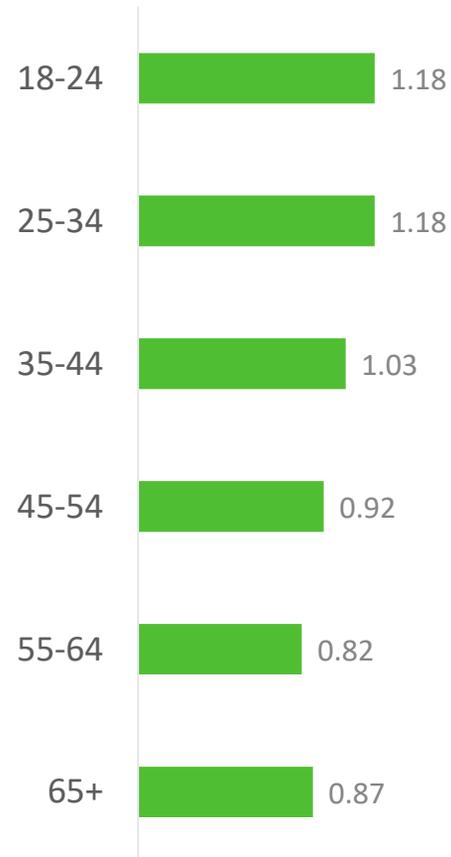


Q30: Please rate how you CURRENTLY feel about everything at the moment.
Base = All Respondents

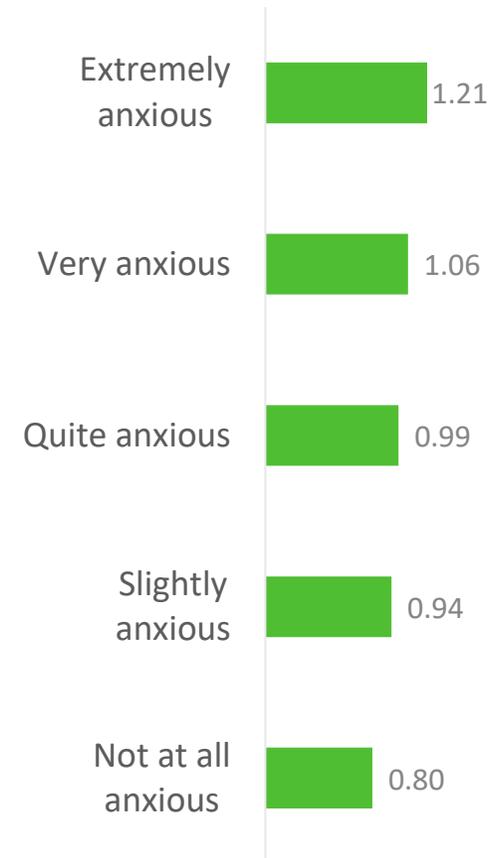
The average number of retailers visited goes against what we might have expected given stated stress levels – instead the more anxious groups are spreading their shopping across retailers and channels

Indexed # stores visited for grocery items per month – Dec 2020

By Age

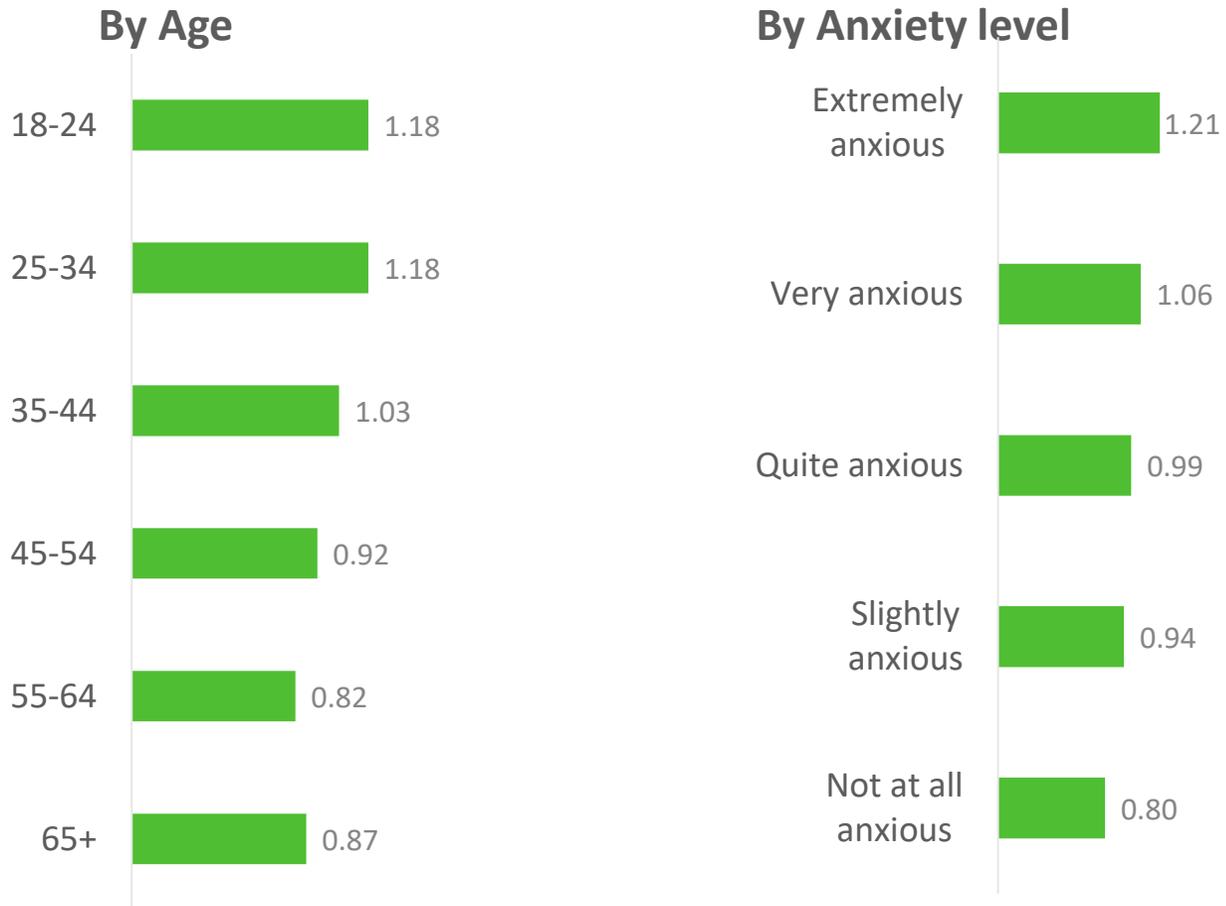


By Anxiety level



The average number of retailers visited goes against what we might have expected given stated stress levels – instead the more anxious groups are spreading their shopping across retailers and channels

Indexed # stores visited for grocery items per month – Dec 2020



Anxiety accentuates the importance of “getting it right”

OOS / Substitutions simply increase anxiety levels

Leading to the need to fulfill the shopping mission...it can easily be a crisis if I can't get the red pepper...an anxiety induced Script change

6S examples in a nutshell

The Shock

- *OOS*
- *Unavailable slots*
- *Restricted opportunities to shop*
- *Restricted choice of shops (externally or self imposed)*
- *Reliance on the familiar is no longer a solution*

6S examples in a nutshell

Reappraisal of Styles and Scripts

- *No more top up shops on way home from office*
- *No more shopping together*
- *Greater need for planning (shopping lists?)*
- *Drive to reduce waste*

6S examples in a nutshell

Switching

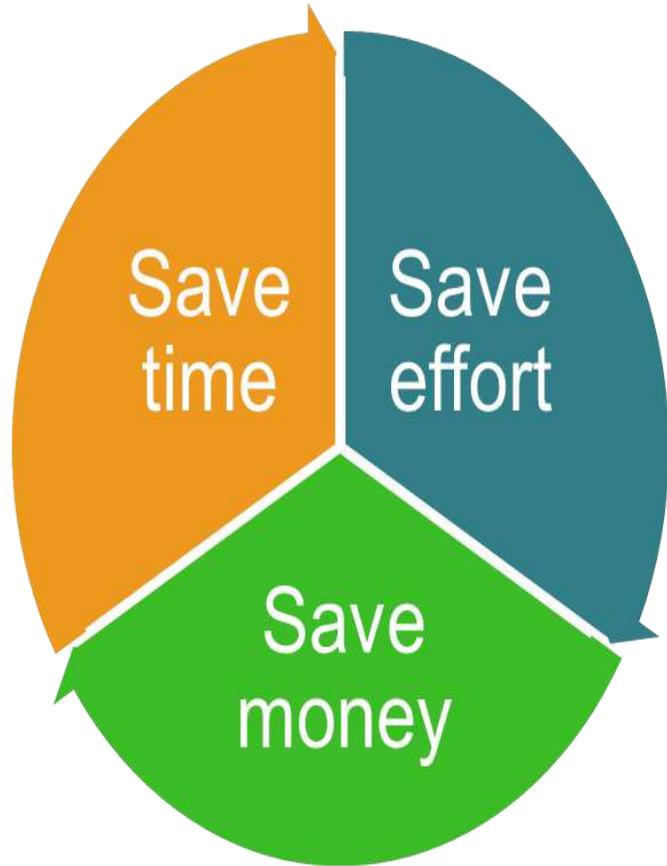
- *Deliberative (System 2) attempts to resolve effects of the Shock (online shopping, visiting local stores, click & collect)*
- *Many not satisfactory*
- *Seeking new Styles & Scripts that reduce cognitive load (help me back to System 1)*

6S examples in a nutshell

Sticking?

- ***Satisfactory Switches are stickier:***
 - ***Direct salience***
 - ***Low cognitive load***
 - ***Easily & meaningfully implemented***
 - ***They could be cheaper without compromising value equation***

As Brand owners, the fundamentals do not change if you desire to win with shoppers



Effort = cognitive load



Thank you!

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