# Industry Report - CPG

This report dives into the most current market trends, shifts in consumer shopping behaviors, price sensitivity, and brand affinity.

2022

# Summary findings

## Market Trends

Concern over inflation and gas prices is high, increasing price sensitivity among U.S. adults. Nearly all had noticed increases at the grocery store in April. Meat products were where adults saw the sharpest increases. Regarding rising gas prices, three out of four U.S. adults are spending less on other things.

Price is not the only concern. Supply chain issues are also causing worry and are directly impacting consumer purchases. Half of U.S. adults say they are making fewer purchases because of supply chain issues.

## Brand Sentiment

Brand sentiment varies significantly by generation, as well as political affiliation. Older generations and right-leaning adults are more likely to think that brands should stay away from social issues.

Brand loyalty is driven by quality, but this has been trending down since the pandemic. Service, price, and convenience are all trending up.

Price used to be the primary reason for purchasing a different product, but this is also shifting. The supply shortage is forcing many to try other or store brands.

## Shopper Traits & Trends

Market conditions, most notably inflation, have consumers expecting to spend more on groceries, personal care, and household items in the next month.

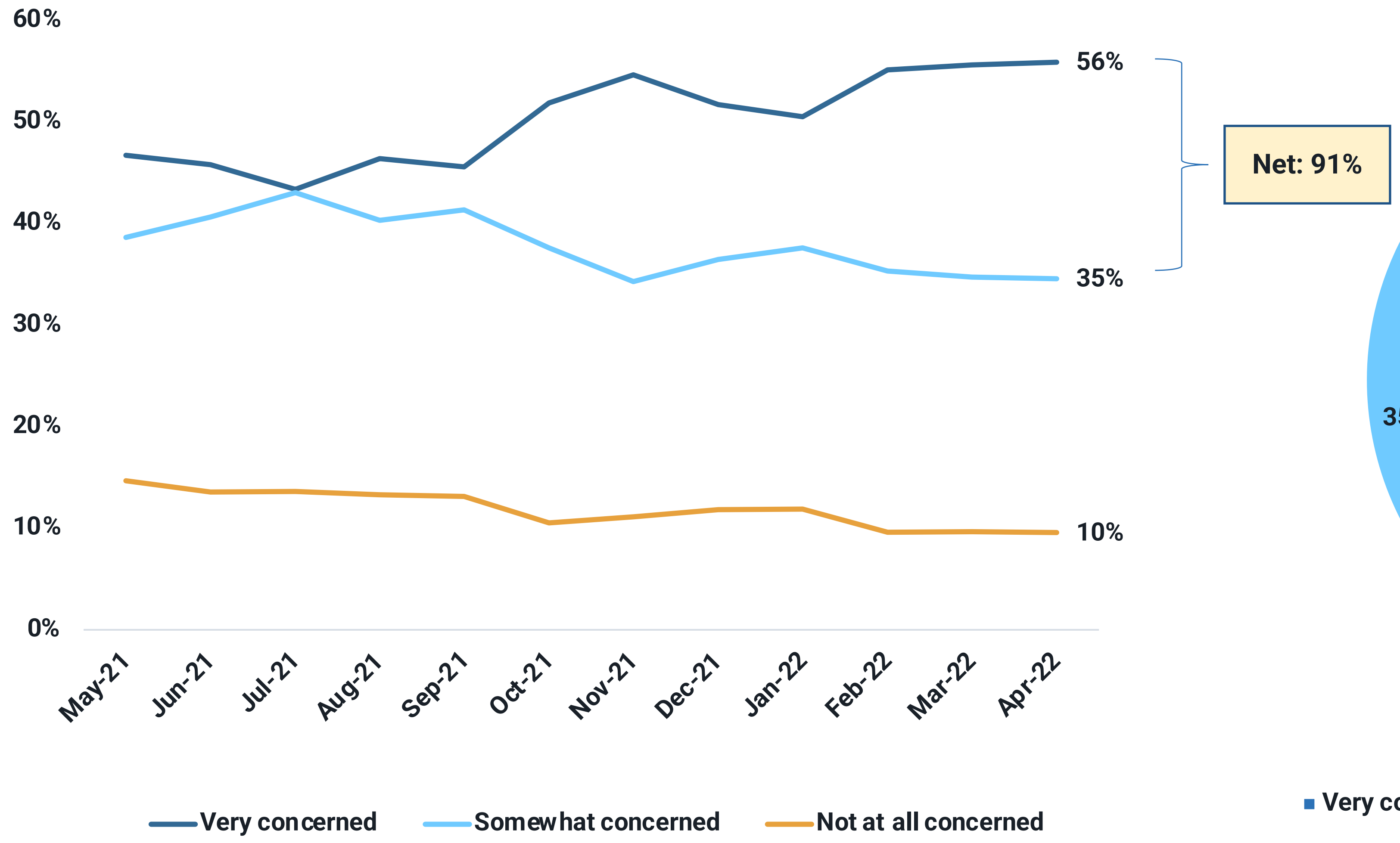
These conditions have seemingly impacted consumers' positions on purchasing environmentally friendly products as well. Whether this is due to supply shortages, higher prices, or simply consumers being more concerned with other things, our data shows that most shoppers do not prioritize purchasing these products.

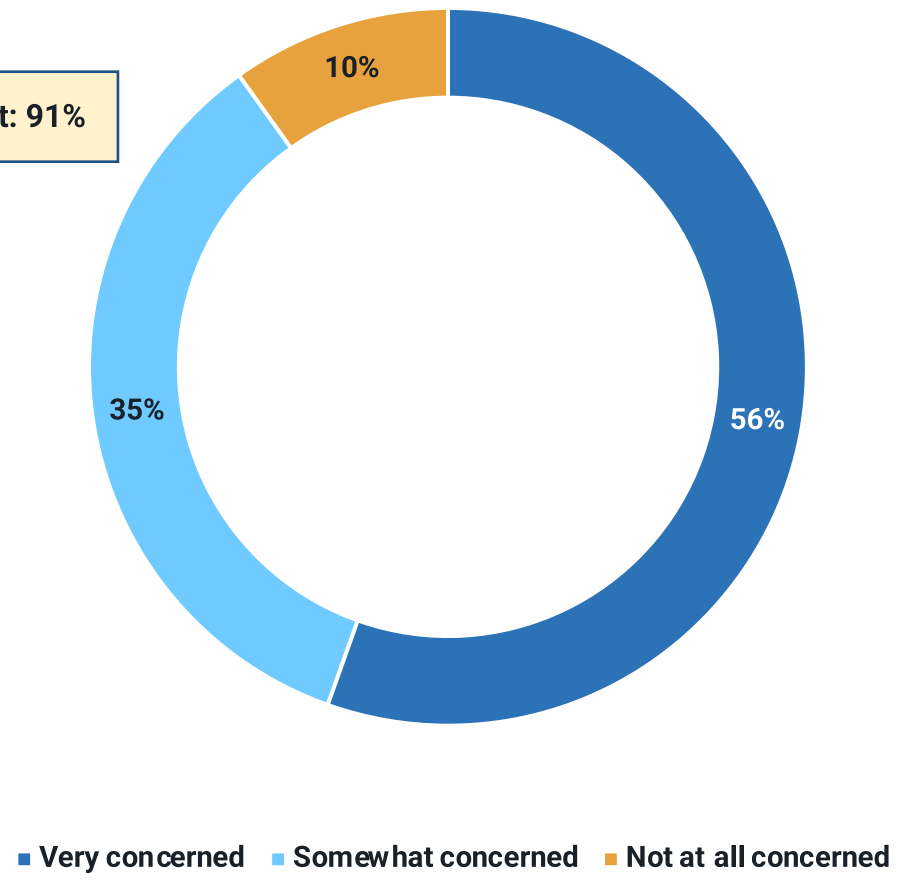
Shoppers think both price and brand are important, but price still matters more, and this has been ticking up each week. The importance of brand is highest when shopping for food.

Over the past few years, there has been a significant shift in online vs. in-store shopping, which escalated during the pandemic.

# Market Trends

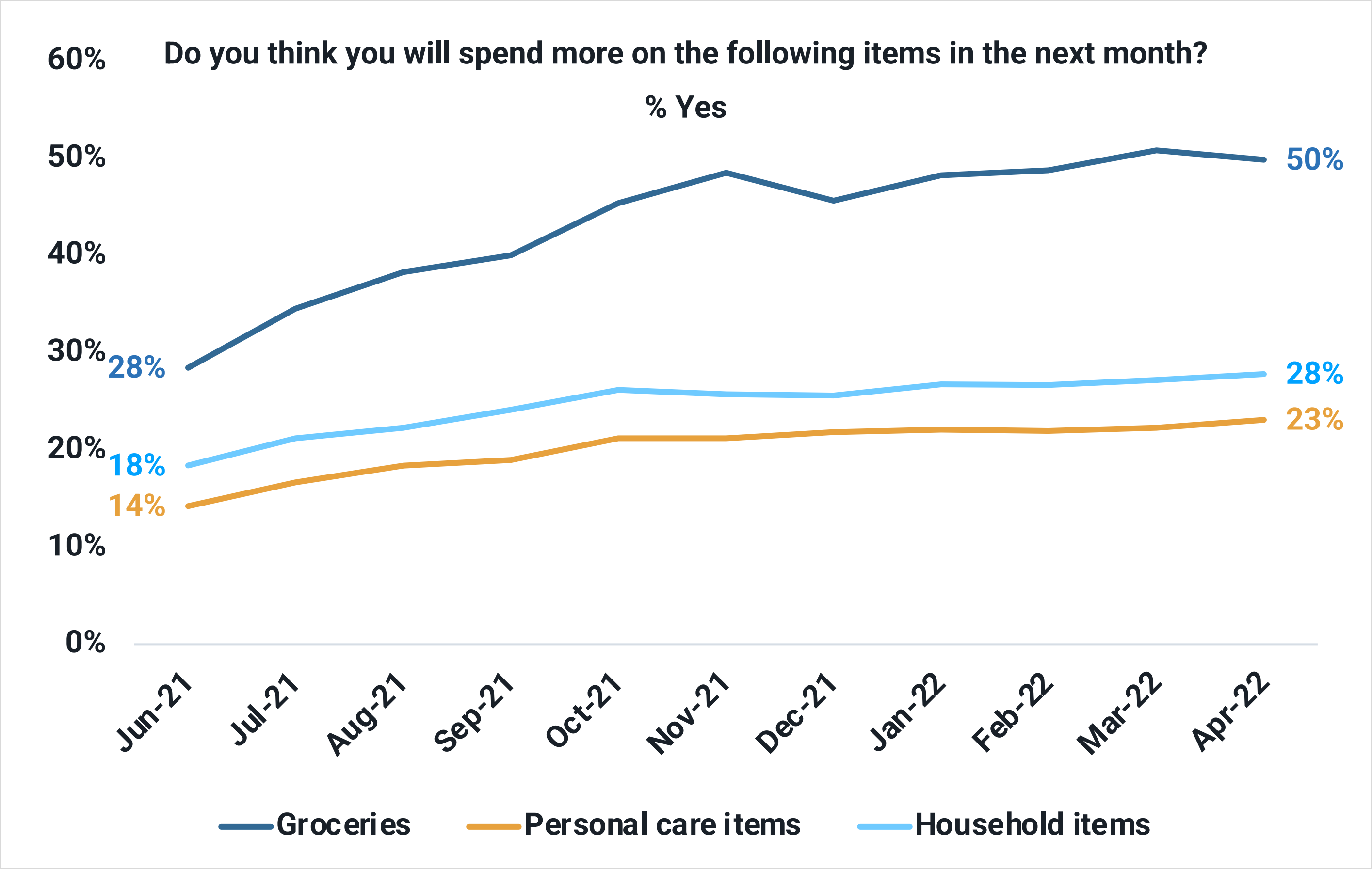
# 9 out of 10 U.S. consumers are concerned with inflation.




186,631 responses from 05/12/2021 to 04/30/2022 weighted by U.S. Adults

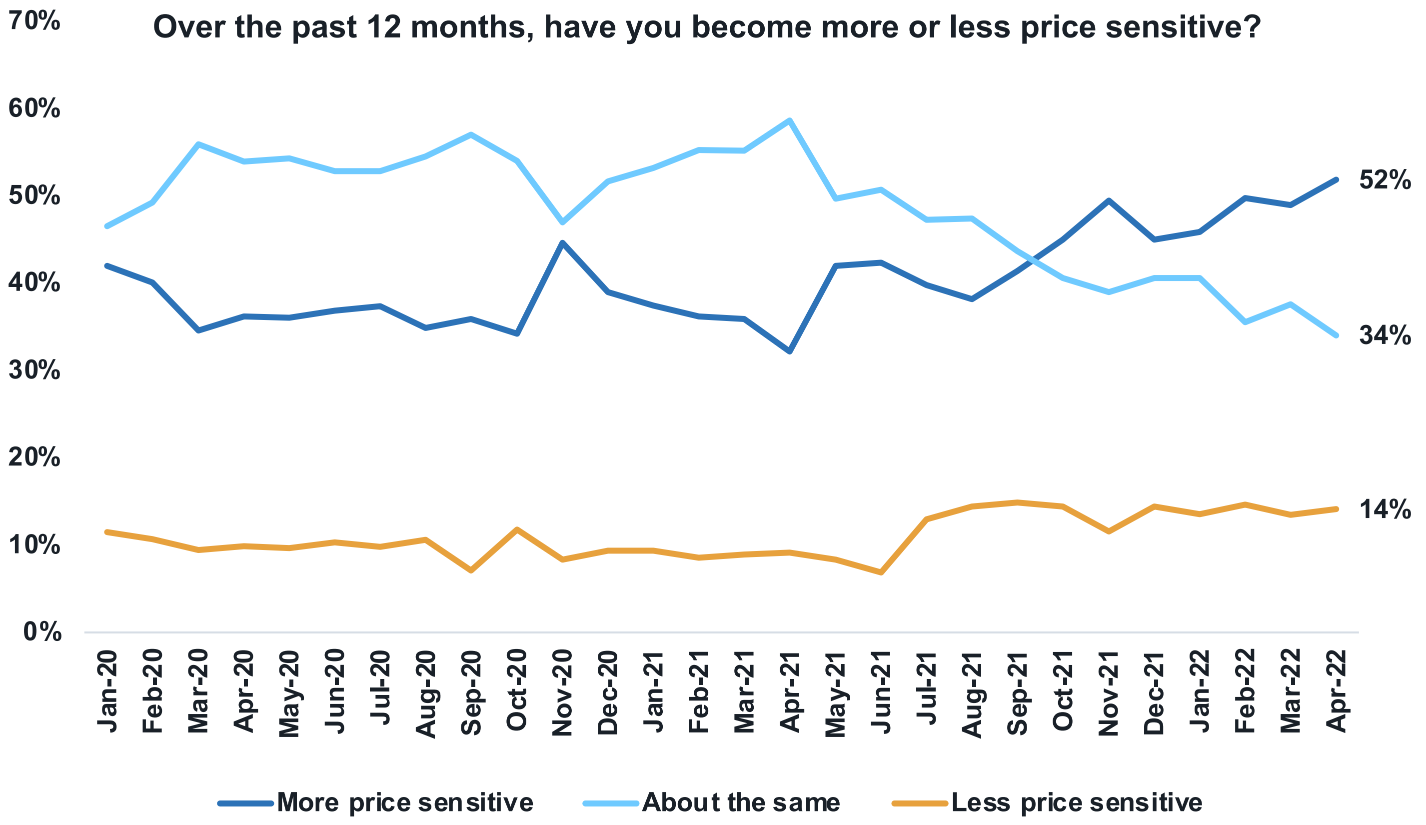
# With inflation soaring, U.S. adults plan to spend more on groceries, personal care, and household items.

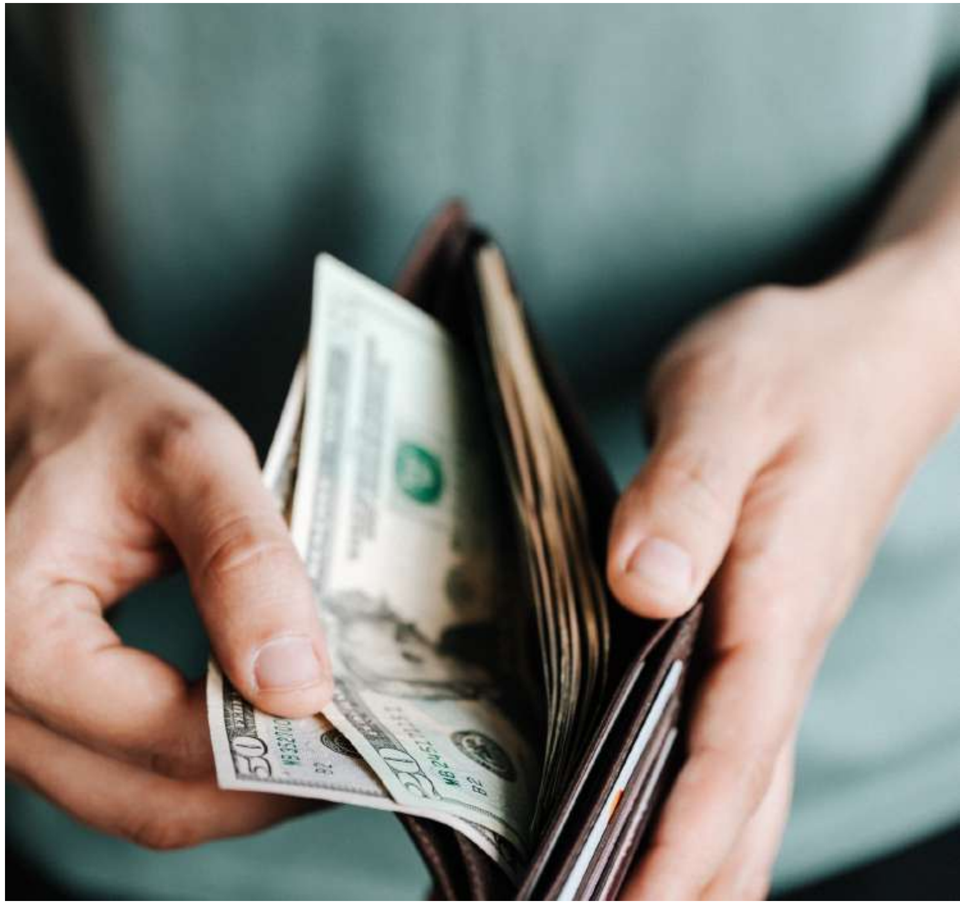



530,466 responses from 06/29/2021 to 05/11/2022, weighted by U.S. Adults

# Price sensitivity is at an all-time high since January 2020.

With concern on inflation being so high, it is not surprising that consumers are becoming much more price sensitive.



165,473 responses from 01/01/2020 to 04/30/2022 weighted by U.S. Adults

# 94% of U.S. adults noticed price increases at the grocery store in April.

| Have you noticed prices increase on any of the following items at the grocery store as of recently? | U.S. Adults % Yes |
|---|---|
| Meats | 73% |
| Dairy products | 64% |
| Produce | 63% |
| Frozen foods | 54% |
| Non-perishable | 54% |
| Other | 27% |
| I rarely/never grocery shop | 5% |
| I haven't noticed any price increases | 6% |


6,508 responses from 04/01/2022 to 04/30/2022 weighted by U.S. Adults

# 8 out of 10 Americans are also expressing concern over supply chain issues.

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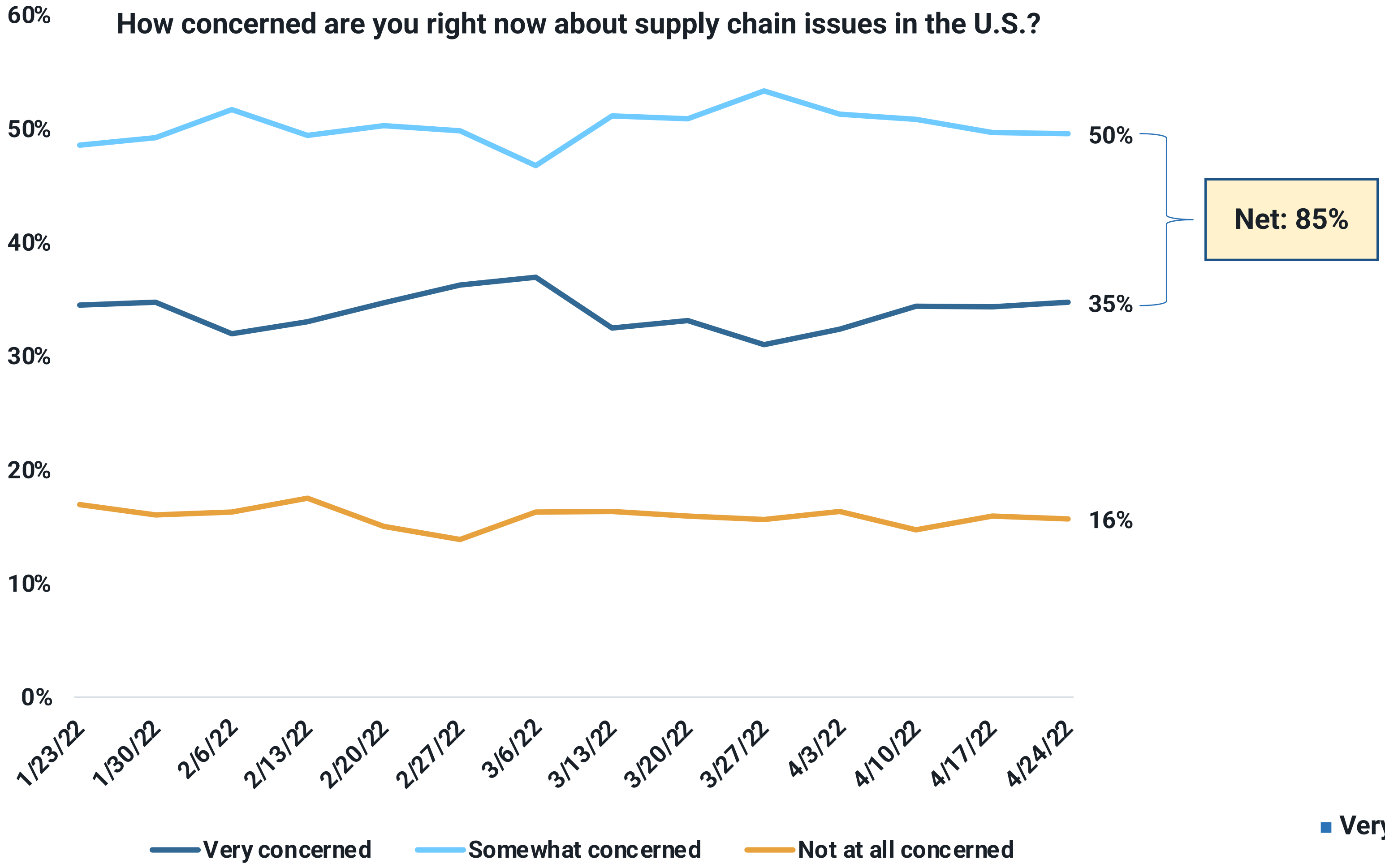
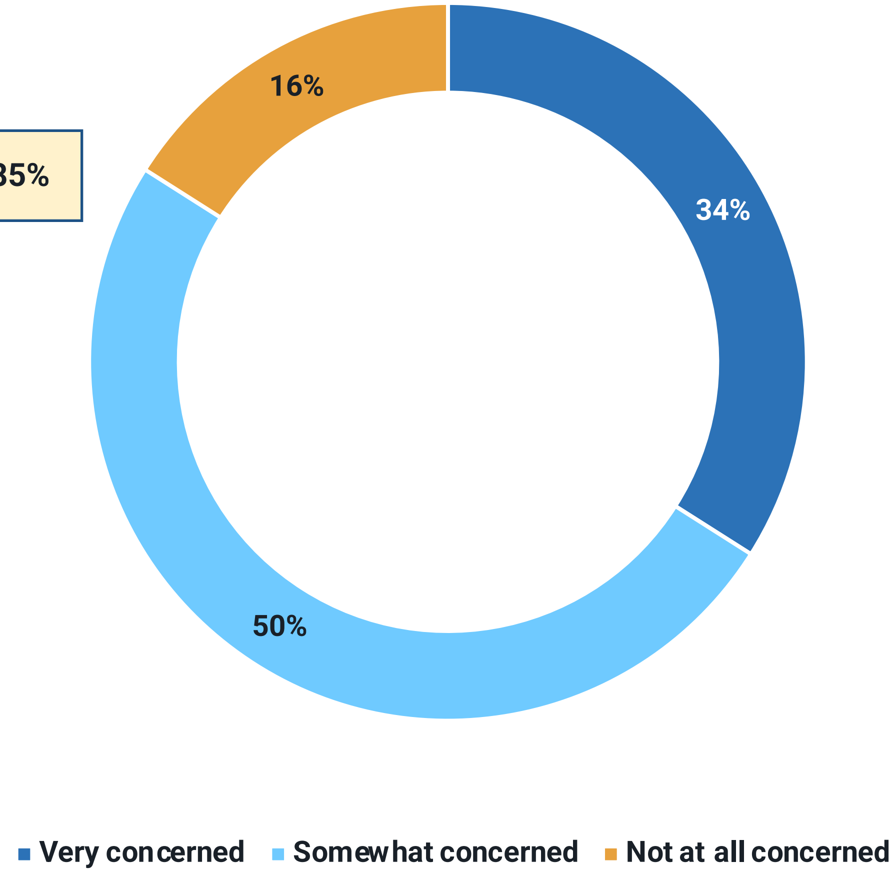
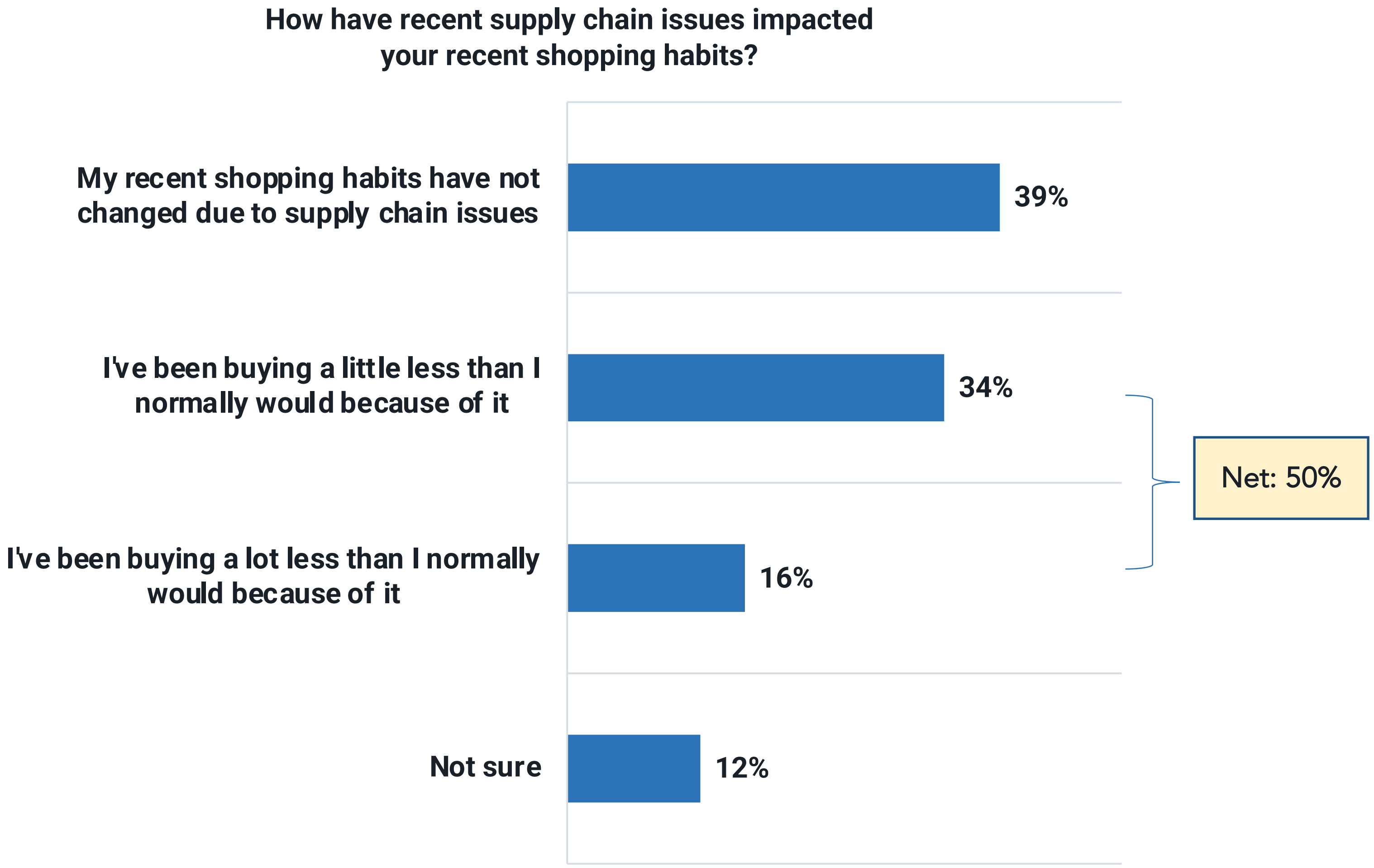



25,493 responses from 01/24/2024 to 04/30/2022 weighted by U.S. Adults

# Limited or low supply has had a direct impact on consumer buying, half are purchasing less than usual.




6,441 responses from 04/01/2022 to 04/30/2022 weighted by U.S. Adults

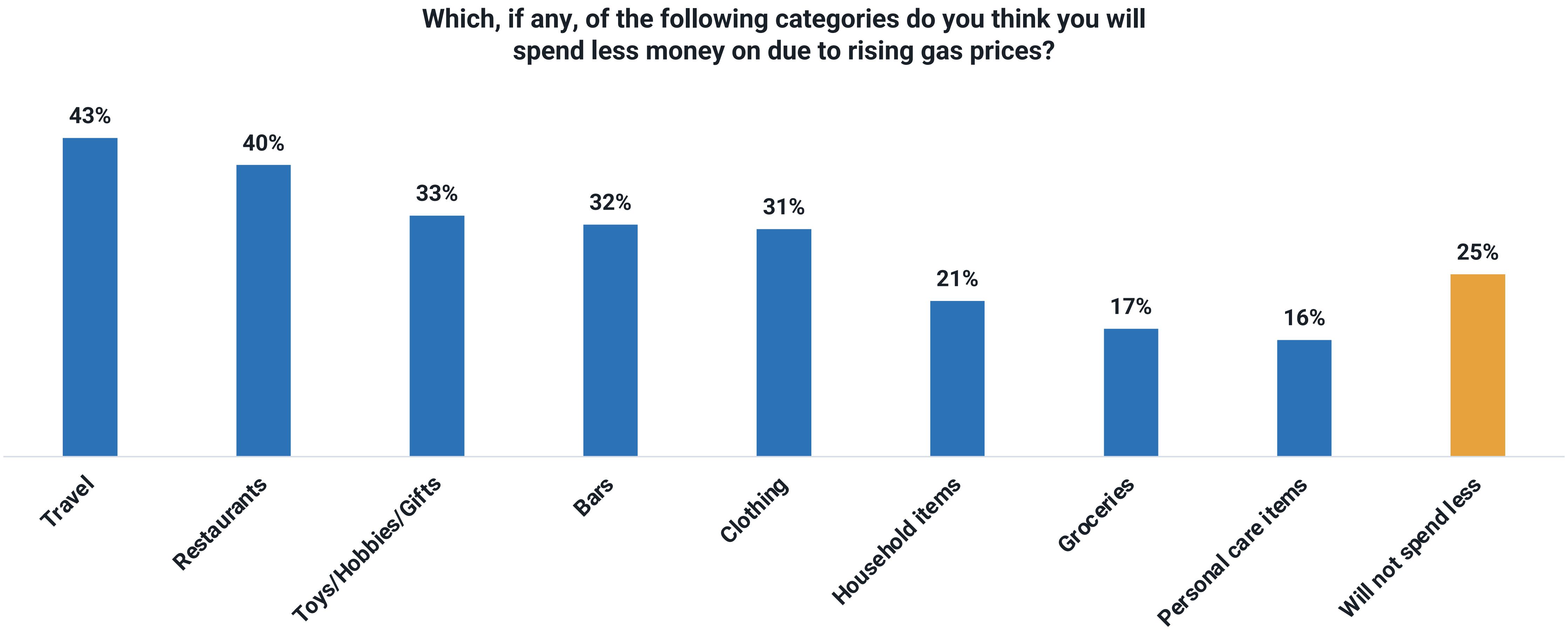
In the past month, how many times have you gone to purchase something only to find out that it was sold out (or there was limited supply) due to product shortages/supply chain issues?

| | |
|---|---|
| 1-2 times | 35% |
| 3-4 times | 21% |
| 5+ times | 16% |
| I haven't experienced this | 28% |

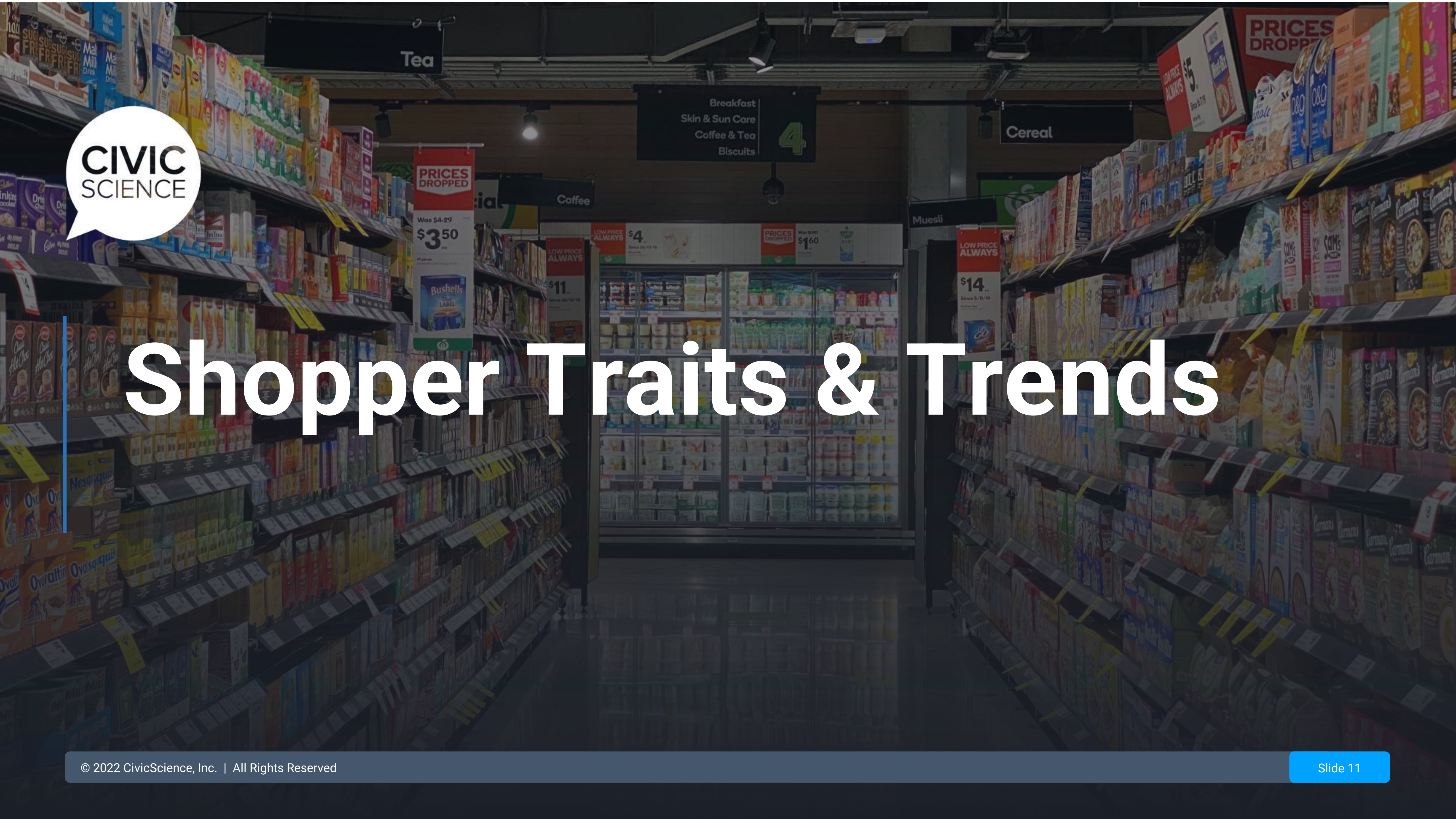
5,373 responses from 04/01/2022 to 04/29/2022

# Rising gas prices have also impacted consumer spending.

Three out of four U.S. adults are spending less on other things due to rising gas prices. Travel and restaurant spending is often cut back first, while groceries and personal care items are least impacted.




6,652 responses from 04/01/2022 to 04/30/2022 weighted by U.S. Adults

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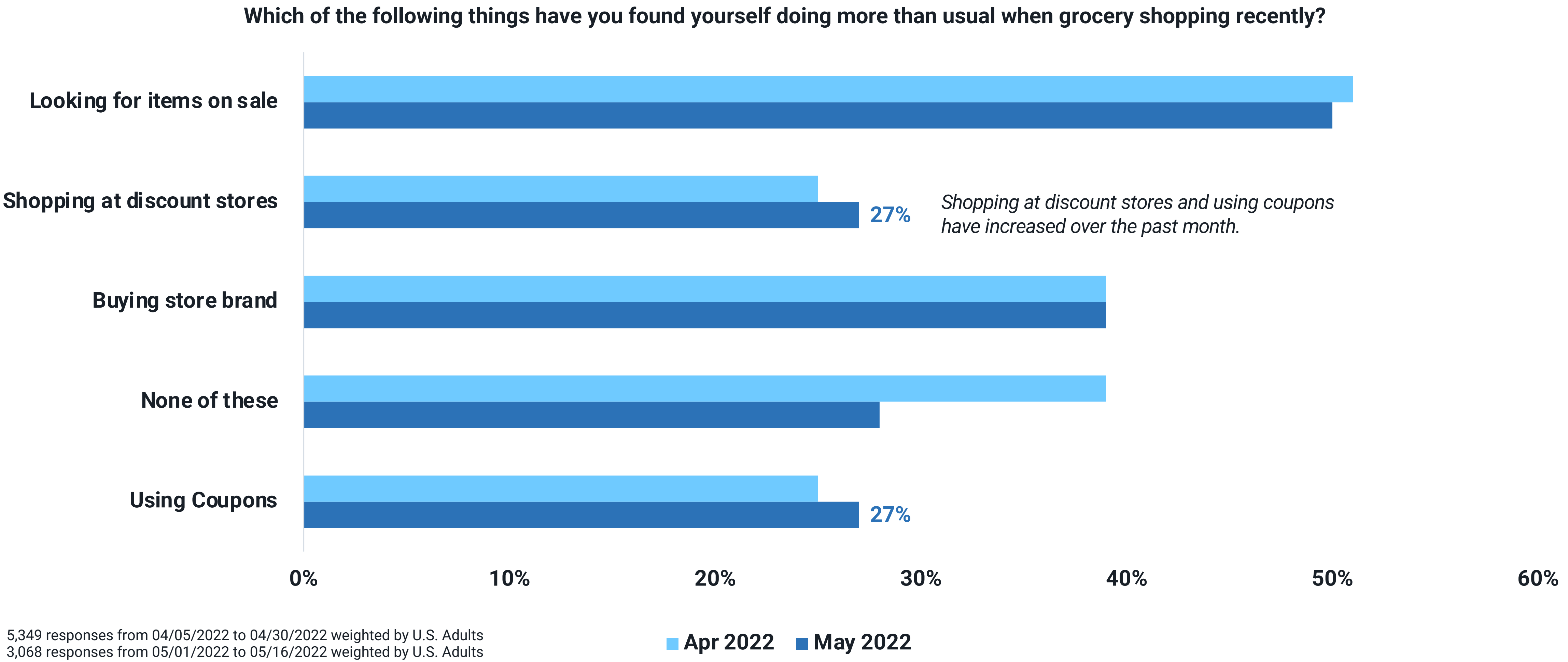
# Shopper Traits & Trends

# In response to market conditions, consumers are grocery shopping differently, most notably looking for items on sale.

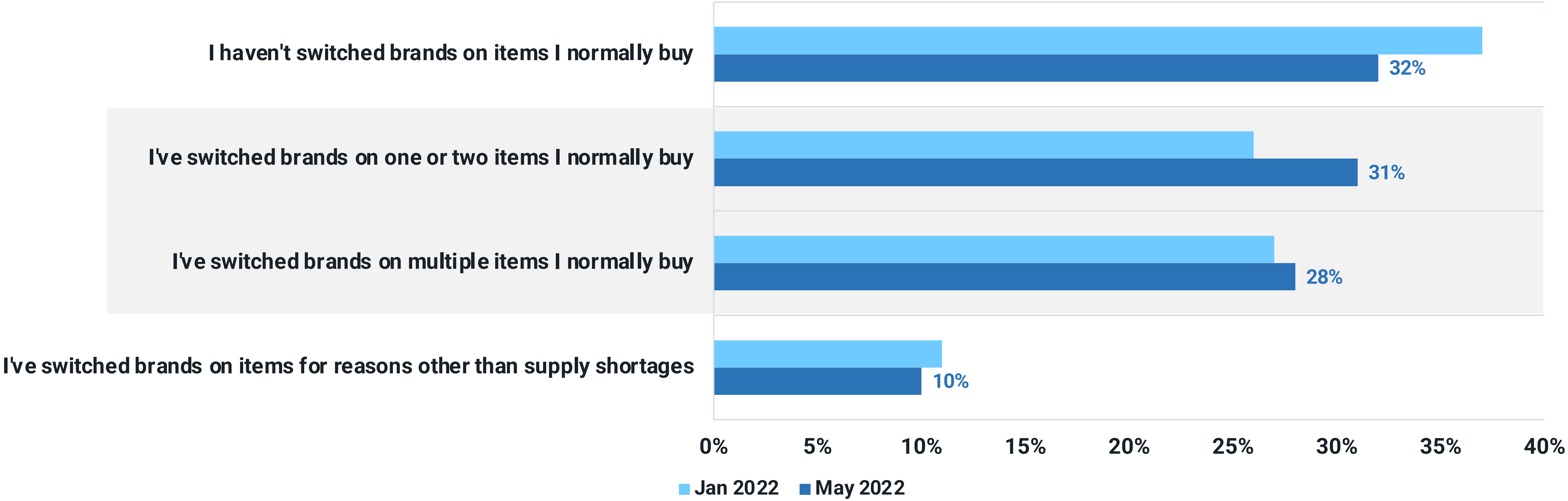



5,349 responses from 04/05/2022 to 04/30/2022 weighted by U.S. Adults
3,068 responses from 05/01/2022 to 05/16/2022 weighted by U.S. Adults
Rebased among grocery shoppers

# Over half have switched brands on food/grocery items that they would normally buy due to supply shortages and stocking issues.

**What best describes how supply shortages and stocking issues have impacted your recent purchases of the brands of food/grocery items you normally buy?**

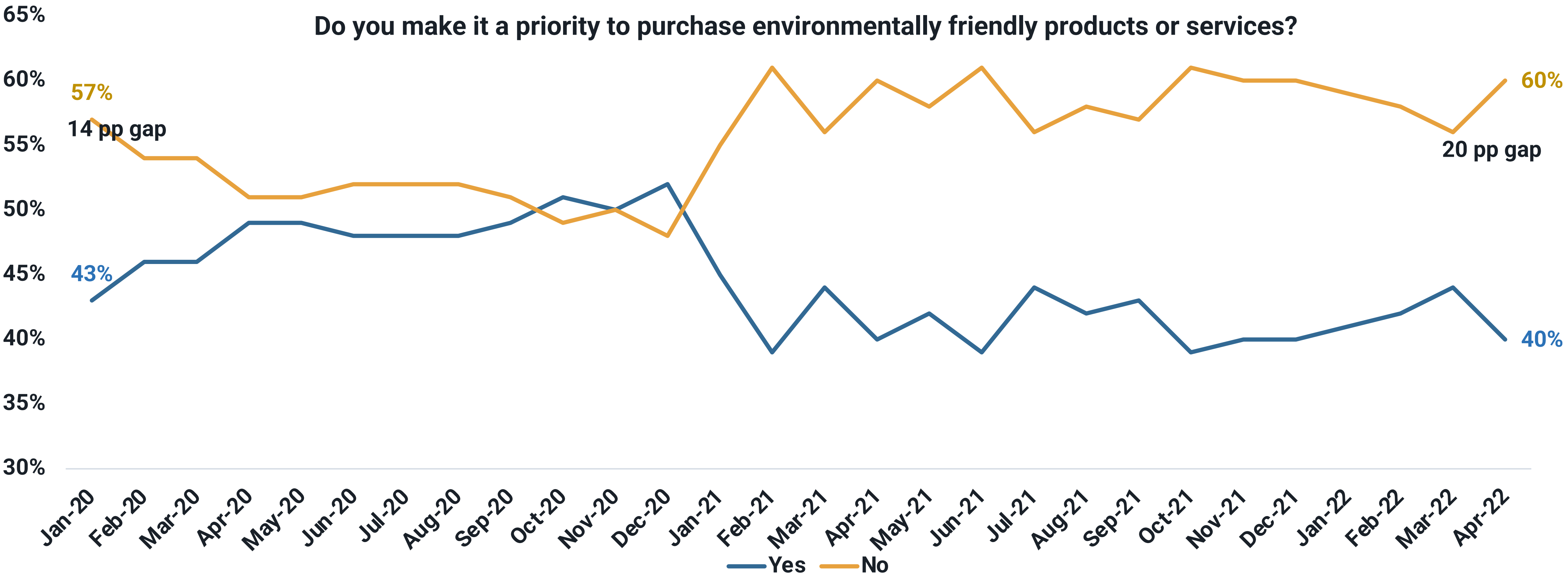
***Among those that chose items based on brand***




1,682 responses from 01/16/2020 to 01/16/2022 weighted by U.S. Adults
1,743 responses from 05/16/2020 to 05/16/2022 weighted by U.S. Adults
Rebased to exclude "Does not apply" and "I don't typically choose food/grocery items based on brand"

# Market conditions appear to have impacted consumers' position on purchasing environmentally friendly products.

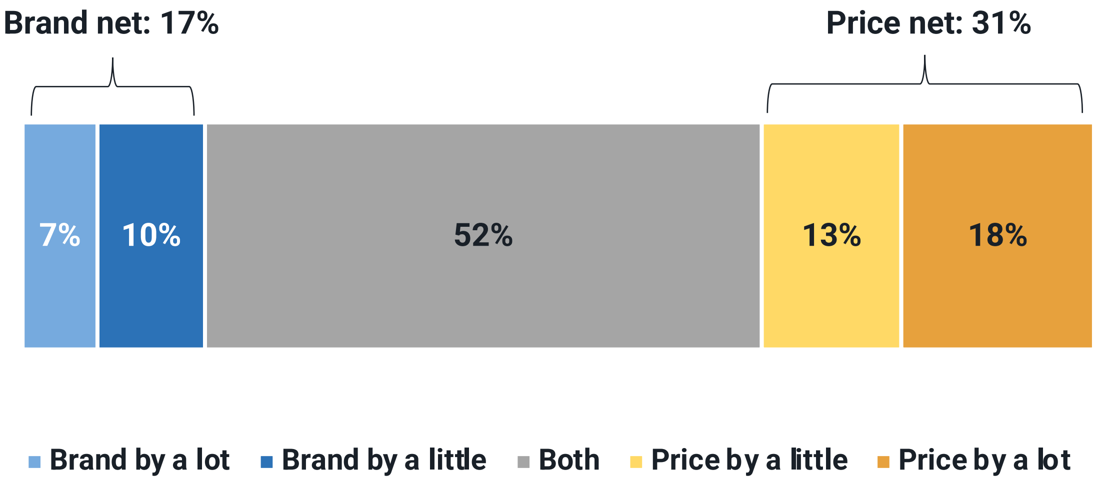
Supply shortages, higher prices, or shifts in concerns could explain the change in consumers prioritizing environmentally friendly products.




536,714 responses from 01/01/2020 to 04/30/2022 weighted by U.S. Adults

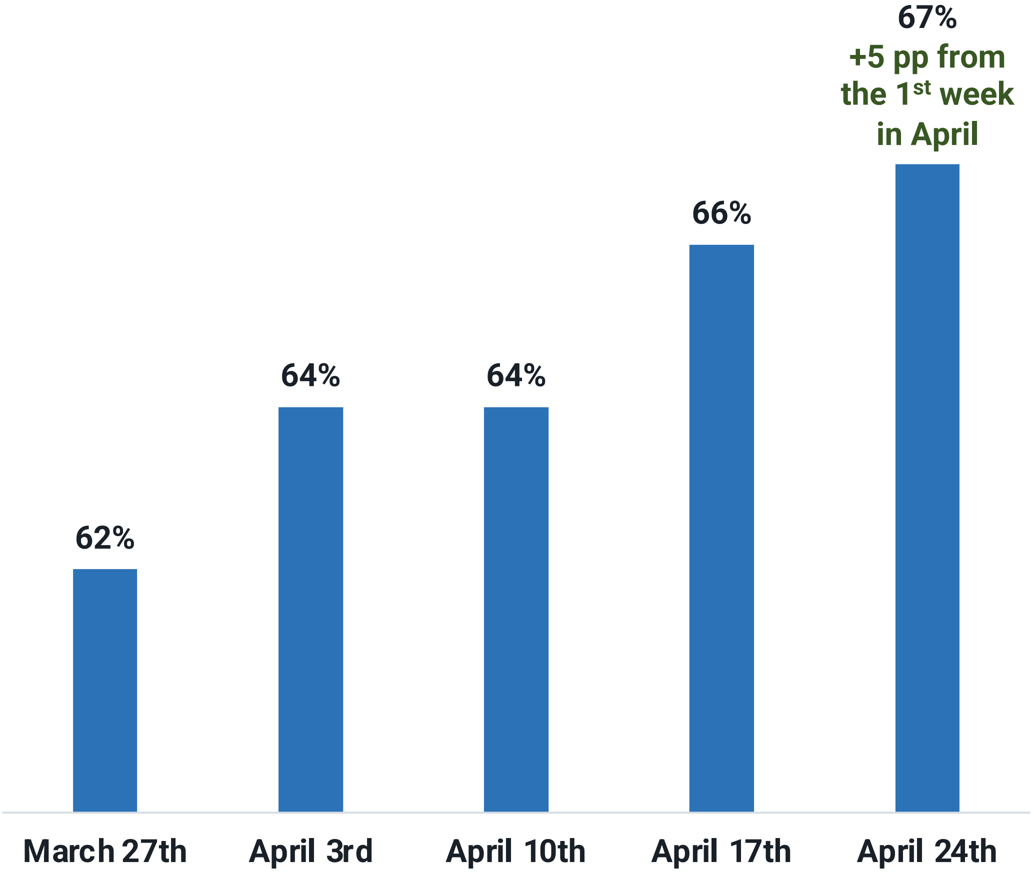
# Both price and brand are important to U.S. adults when shopping, but concern over cost is steadily ticking up.

When shopping, what is more important to you: brand or price?




18,936 responses from 04/01/2022 to 04/30/2022 weighted by U.S. Adults

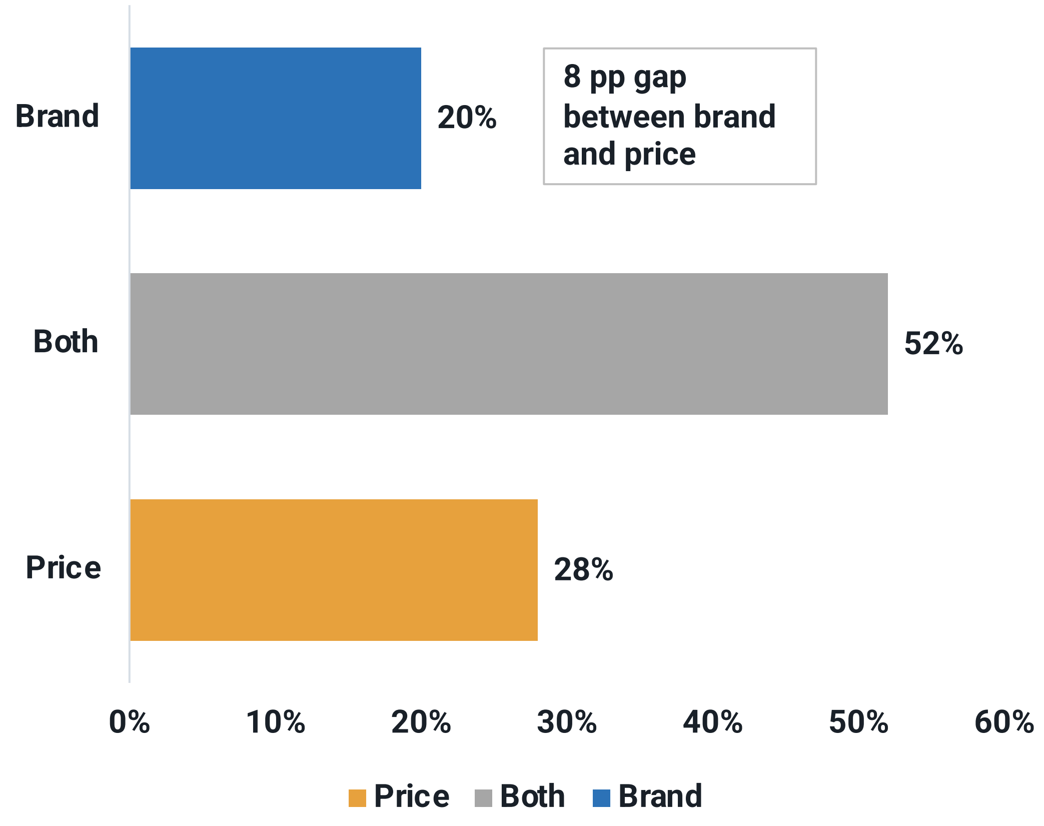
% of U.S. adults that say PRICE is more important
REBASED EXCLUDING BOTH




9,068 responses from 04/01/2022 to 04/30/2022 weighted by U.S. Adults

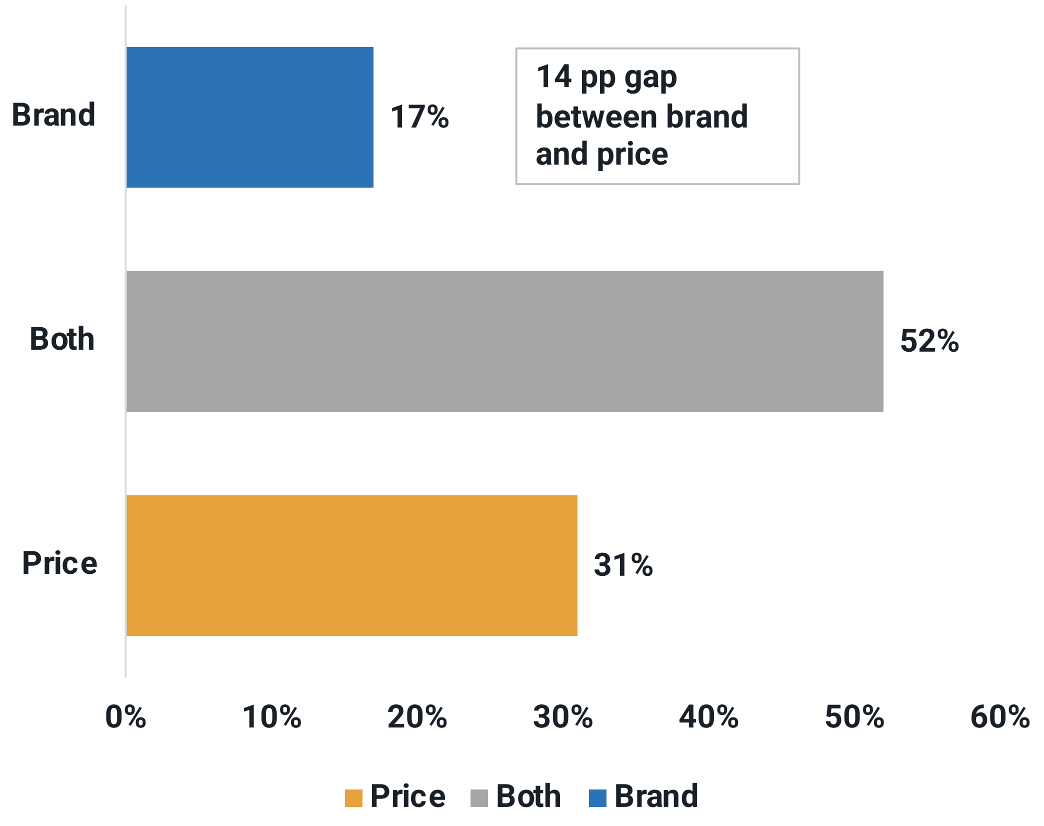
# The importance of brand is highest when shopping for food.

When shopping for FOOD, what is more important to you: brand or price




19,342 responses from 04/01/2022 to 04/30/2022 weighted by U.S. Adults

When shopping, what is more important to you: brand or price



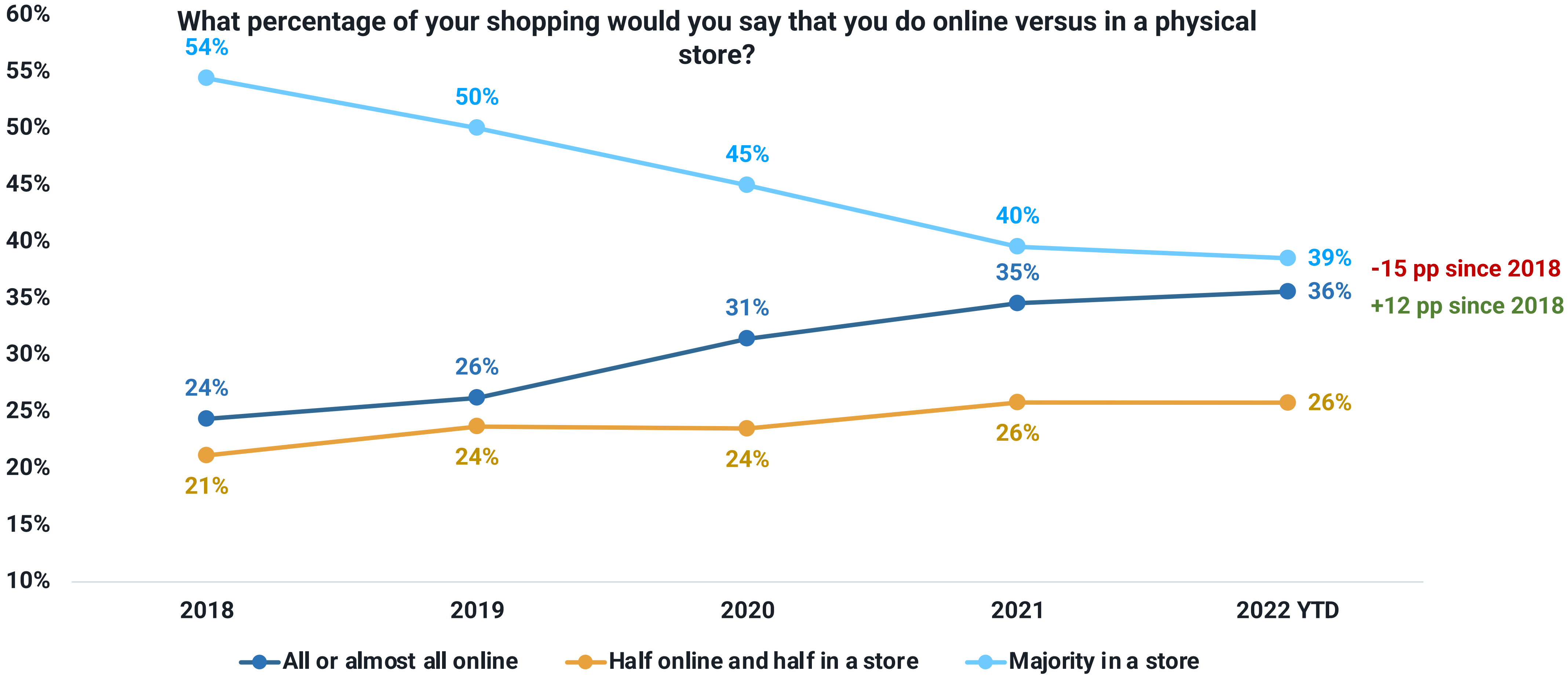

19,064 responses from 04/01/2022 to 04/30/2022 weighted by U.S. Adults

# Household decision-makers are more likely to be women aged 35-54 who are online shoppers and brand loyalists.

| | | | Who makes most of the household and/or children's purchases for your home? | | |
|---|---|---|---|---|---|
| | **Attribute** | **Value** | **I make most or all of them (n=11,529)** | **I make very little or none of them (n=7,314)** | **INDEX** |
| Demographics | Gender | Male | 35% | 64% | 55 |
| | | Female | 65% | 36% | 181 |
| | Age Group | 18 - 34 | 25% | 35% | 71 |
| | | 35 - 54 | 36% | 29% | 124 |
| | | 55 or older | 39% | 36% | 108 |
| | Parental Status | Parent | 39% | 33% | 118 |
| Shopping Habits & Behaviors | Early Adopter | Yes | 29% | 23% | 126 |
| | Tells Others About New Brands | Yes | 43% | 36% | 119 |
| | More Important When Food Shopping | Brand | 22% | 17% | 129 |
| | Shopping Online vs. In Stores | Majority online | 40% | 28% | 143 |
| Media Consumption | Primary Way of Watching TV | Online streaming | 33% | 29% | 114 |
| Health & Wellness | Personal Health Assessment | Very healthy | 78% | 68% | 115 |
| | Buys Organic Food | On a regular basis | 12% | 8% | 150 |

**Note: Yellow highlighted cells indicate an index over 120**

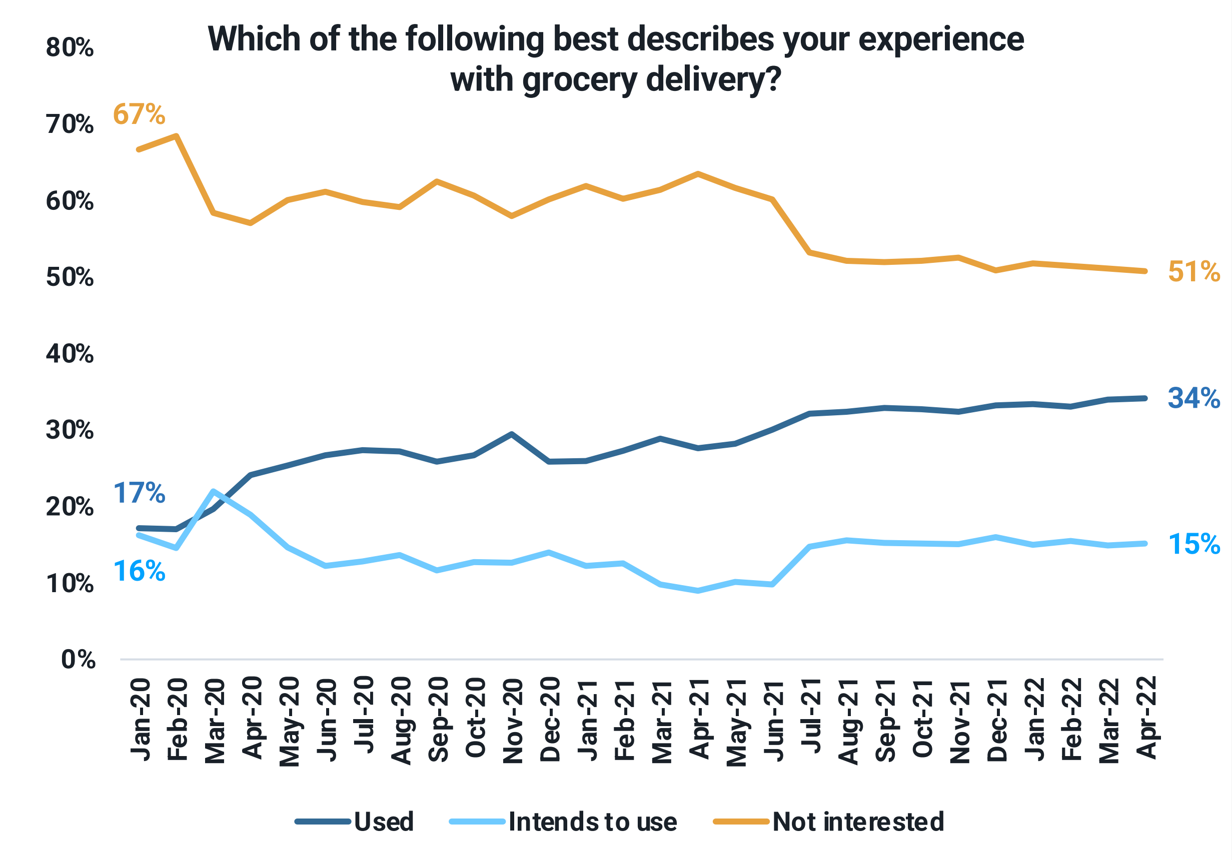
# Shopping behaviors have been changing for a while, but the pandemic rapidly escalated the shift to more online.

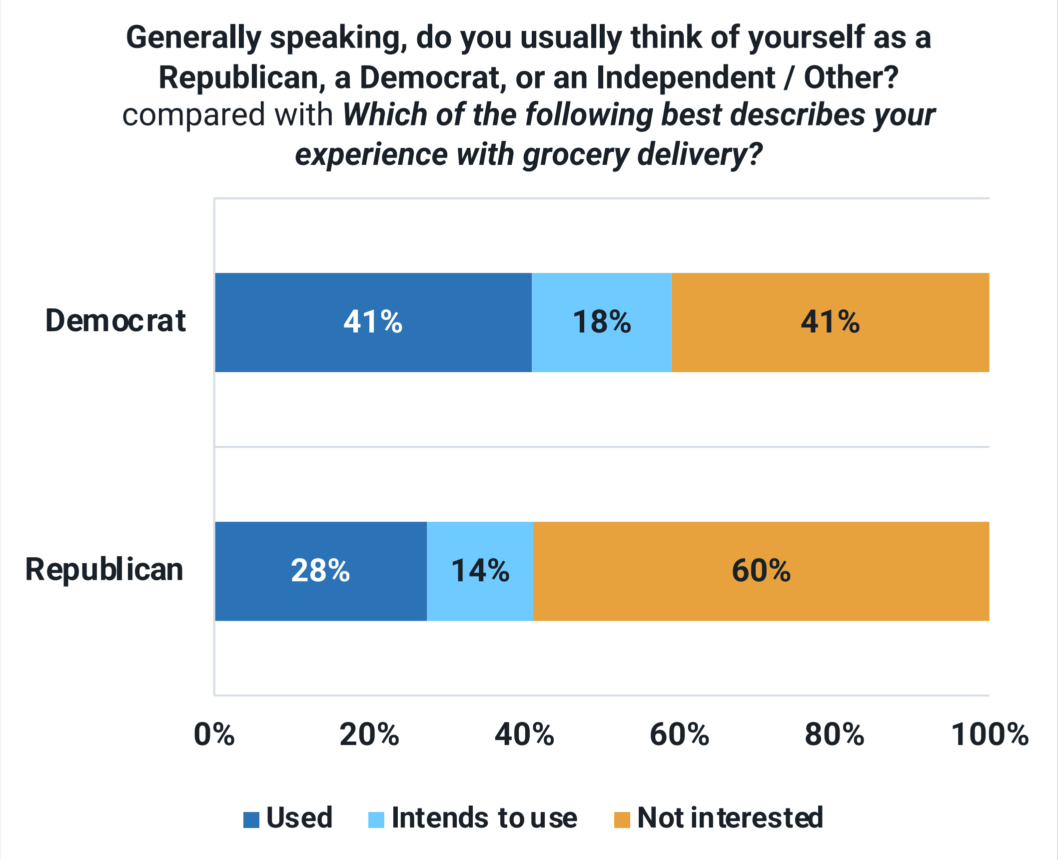



620,890 responses from 01/01/2018 to 04/30/2022 weighted by U.S. Adults

# Online grocery shopping grew quickly due to the pandemic and has remained stable, but interest varies significantly by political affiliation.

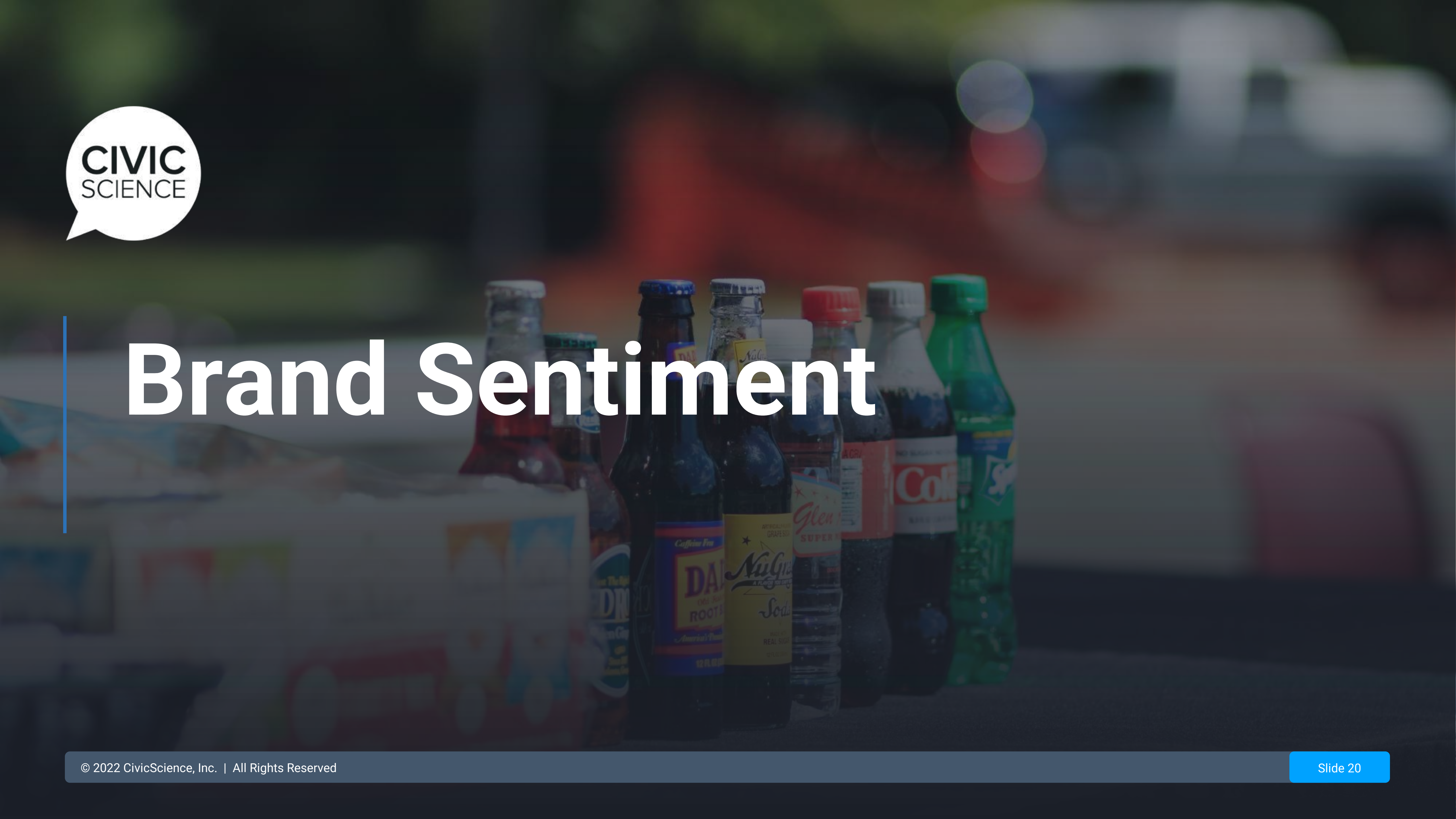
Republicans have been more comfortable shopping in stores throughout the pandemic, which is most likely why fewer have used and plan to use online grocery shopping.




577,990 responses from 01/01/2020 to 04/30/2022 weighted by U.S. Adults. Rebased excluding. "never heard of"

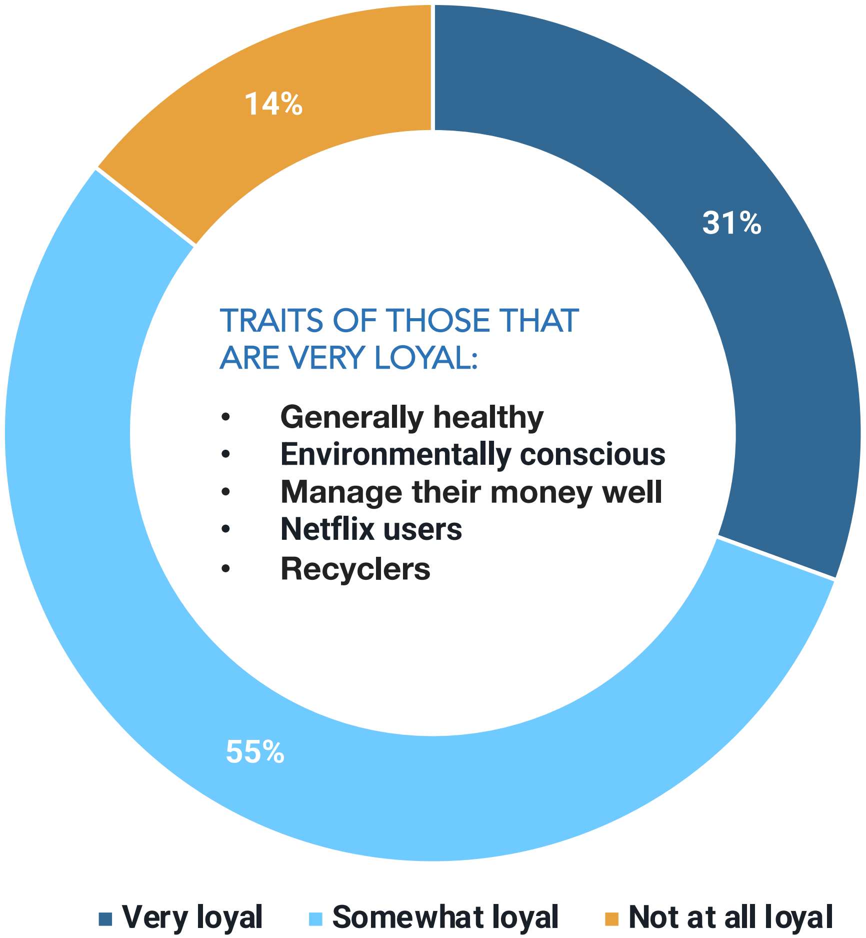
5,574 responses from 04/01/2022 to 04/30/2022 weighted by U.S. Adults. Rebased excluding. "never heard of"



# Brand Sentiment

# Nearly a third of U.S. adults consider themselves brand loyalists.

## How loyal are you to your favorite brands?




| Attribute | Value | Very Loyal | Not at all loyal |
|---|---|---|---|
| Gender | Male | 45% | 53% |
| | Female | 55% | 47% |
| Age Group | 18 - 34 | 29% | 42% |
| | 35 - 54 | 35% | 31% |
| | 55 or older | 36% | 27% |
| Income Level | High Income | 33% | 28% |
| Residential Area | Suburbs | 43% | 35% |
| Parental Status | Parent | 42% | 32% |
| Marital Status | Married | 48% | 38% |

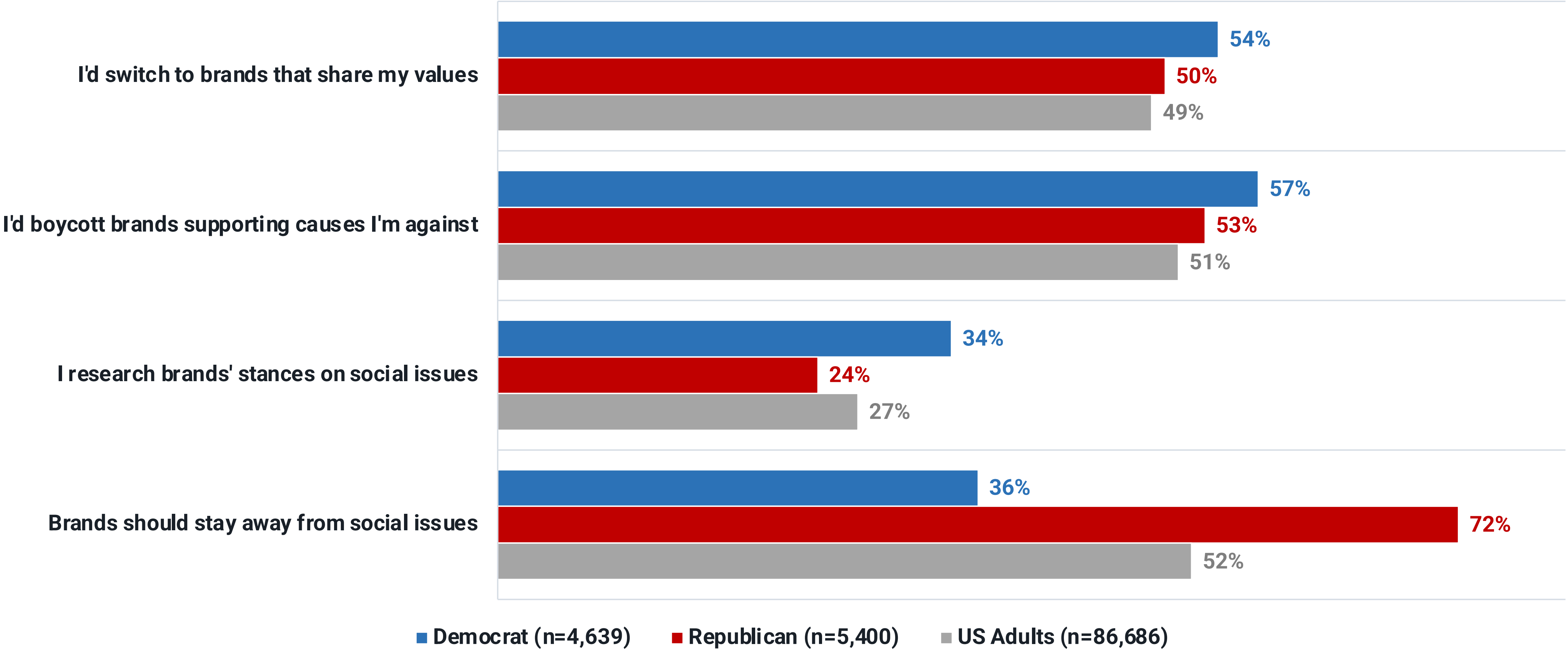
19,373 responses from 04/01/2022 to 04/30/2022 weighted by U.S. Adults

# Brand sentiment varies significantly by generation.

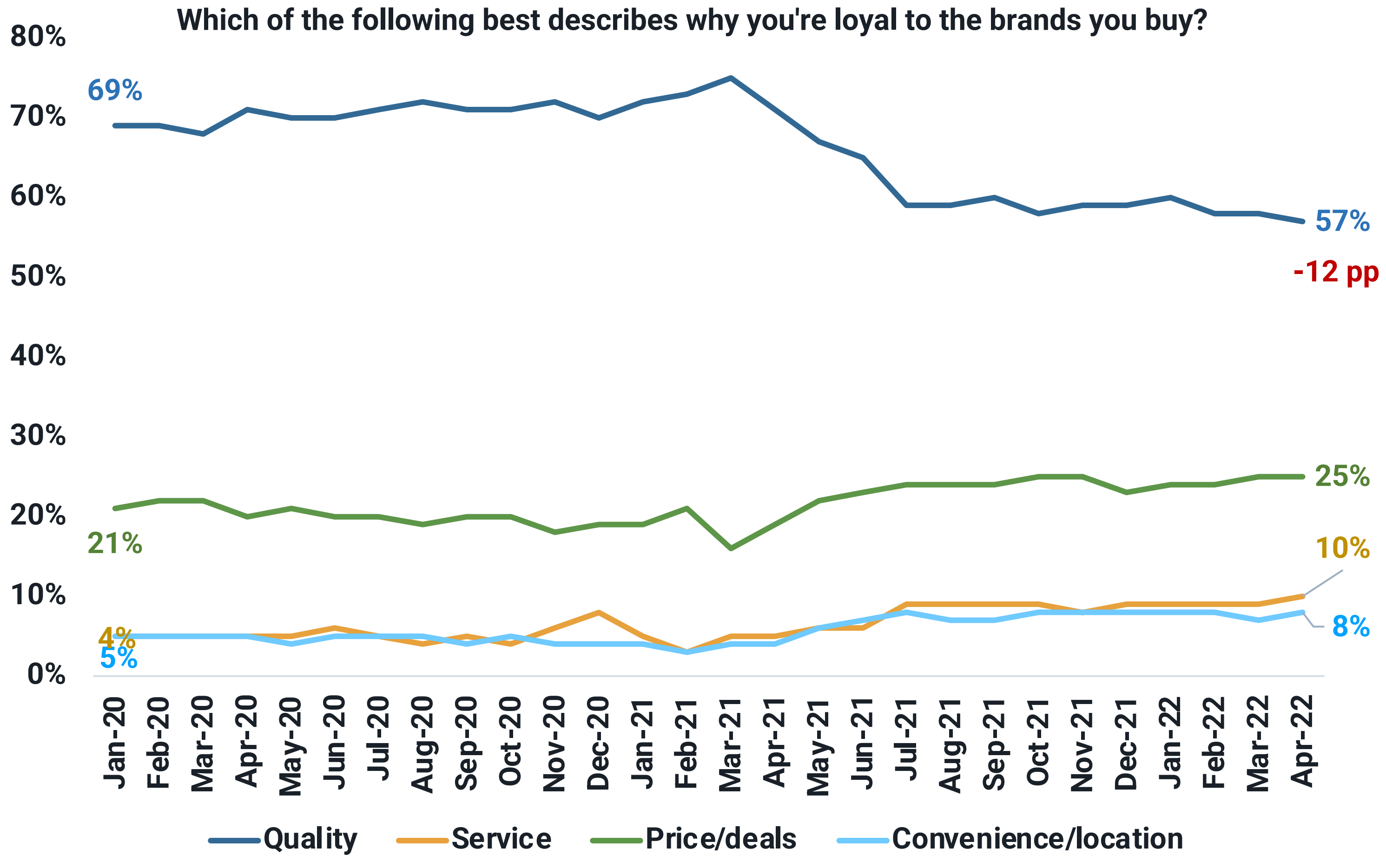
Older generations want brands to align with their values and are much more likely to boycott brands that support causes they are against. Younger adults are more willing to accept brands, even if they disagree on causes. They also don't agree that brands should stay away from social issues.

| % that agree with the following statements: | Gen Z | Millennial | Gen X | Boomer | Silent | U.S. Adults |
|---|---|---|---|---|---|---|
| I'd switch to brands that share my values | 37% | 39% | 54% | 52% | 45% | 49% |
| I'd boycott brands supporting causes I'm against | 30% | 38% | 62% | 62% | 54% | 51% |
| I research brands' stances on social issues | 29% | 25% | 28% | 27% | 18% | 27% |
| Brands should stay away from social issues | 32% | 43% | 59% | 63% | 69% | 52% |

# While both political parties want brands to align with their values, Republicans think brands should stay away from social issues



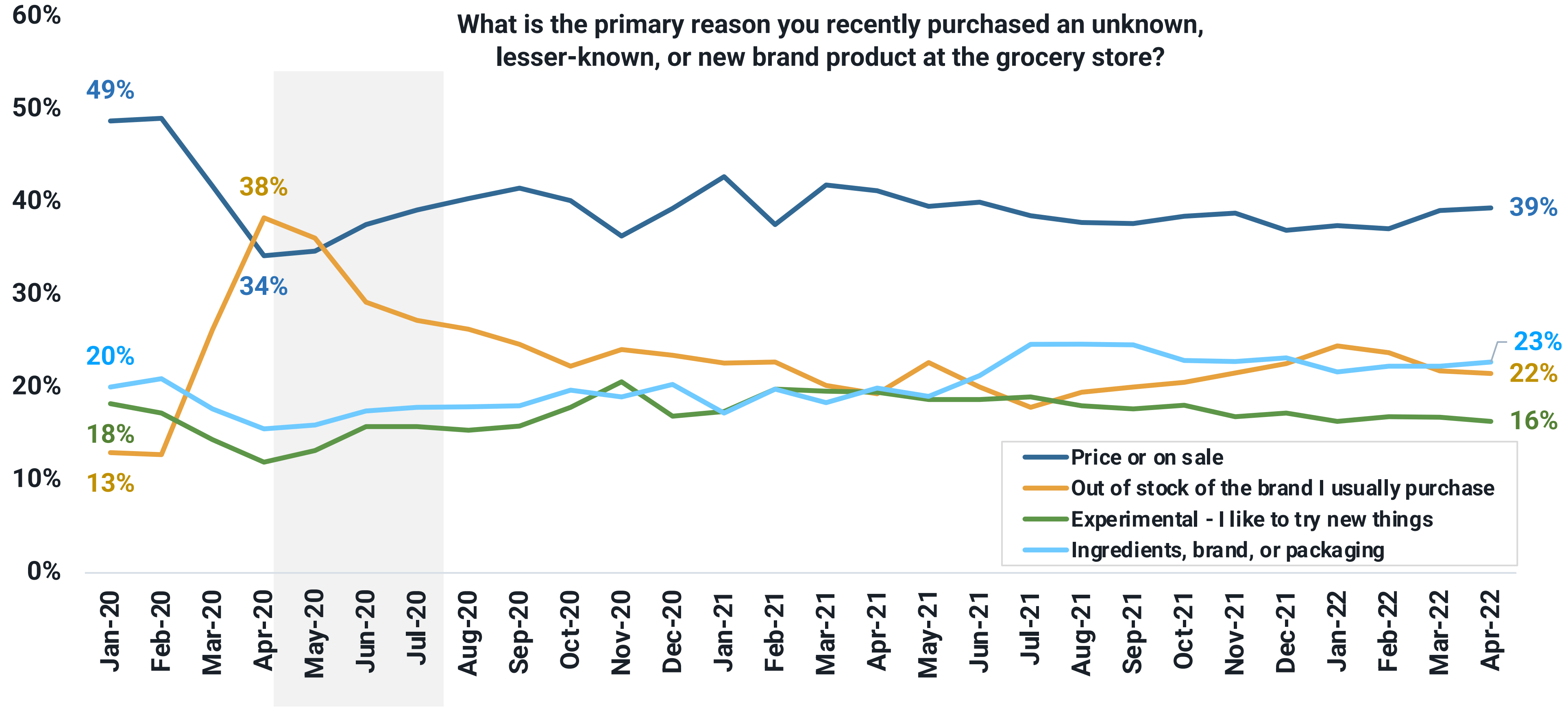
# Brand loyalty is still driven by quality, but this has been shifting since the start of the pandemic.




332,805 responses from 01/01/2020 to 04/30/2022 weighted by U.S. Adults

# In another post-pandemic shift, the gap between price and supply is closing as the primary reason for trying another brand.

Supply issues that emerged at the beginning of the pandemic are lessoning, but there is still a clear problem that persists. Pre-pandemic, the gap between price and supply was 36 percentage points, it is currently 17.




546,671 responses from 01/01/2020 to 04/30/2022 weighted by U.S. Adults

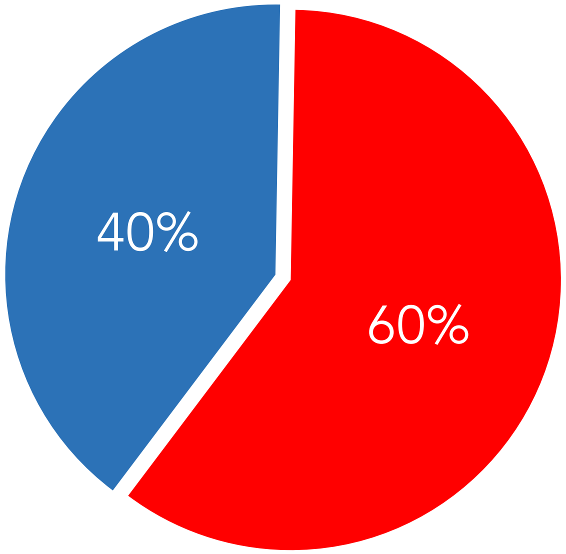
# Are you a Coke or Pepsi person?

Every brand has its own unique consumer, and our data can help identify those distinguished demographic and psychographic traits.

**Those who favor Pepsi (40%) are more likely to:**

- Favor restaurants with lower prices and eat most often at fast-casual restaurants
- Be fans of TV documentaries
- Be fans of travel, home, and cooking TV shows
- Attend sporting events regularly
- Be 18-34 years old
- Live with their parents

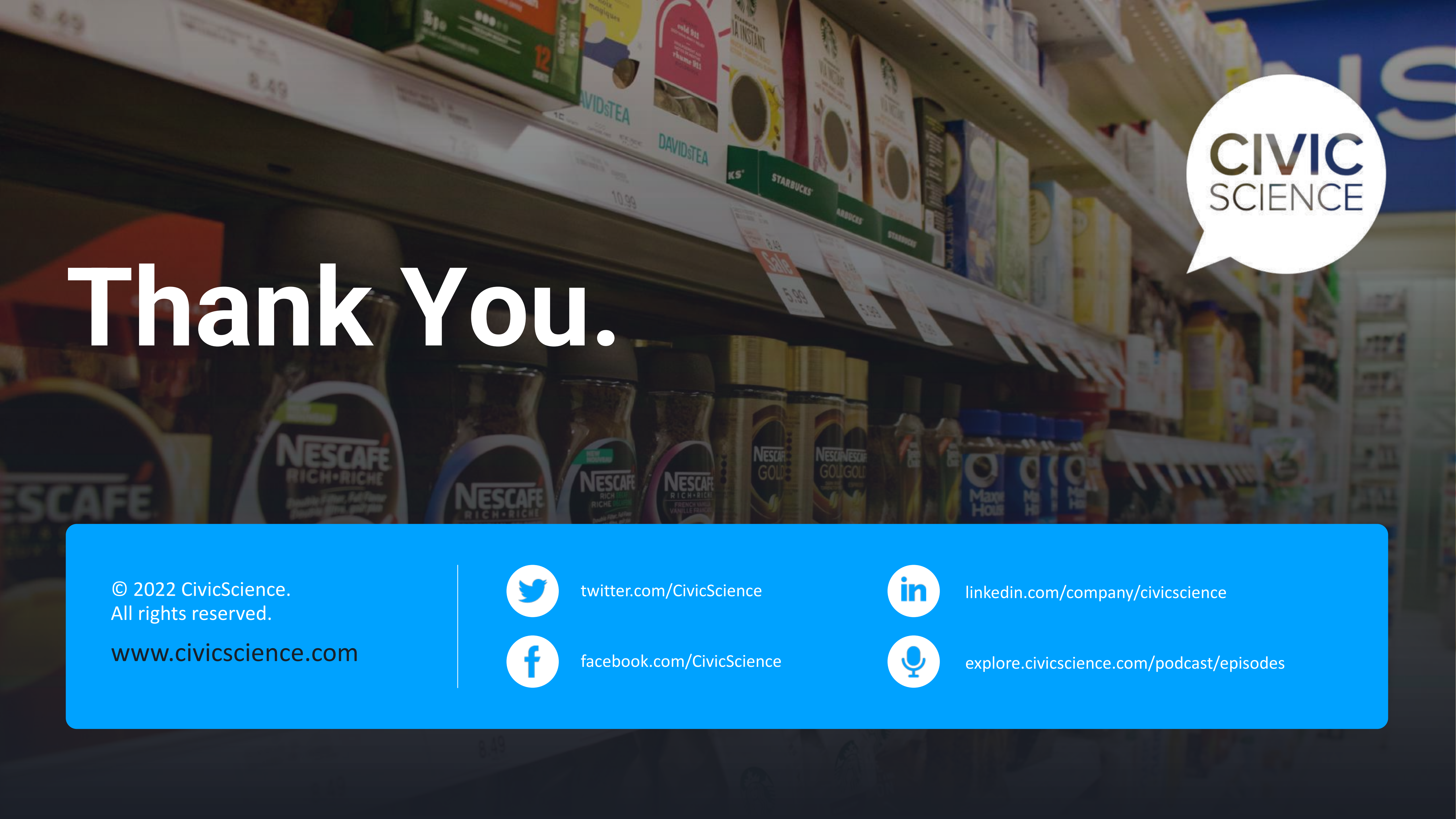
**Which do you prefer, Pepsi or Coke?**




**Those who favor Coke (60%) are more likely to:**

- Buy environmentally friendly products
- Be addicted to their digital devices
- Frequently bank online
- Be college graduates
- Earn $100K+ per year
- Be 35-54 years old
- Primarily watch TV by streaming
- Be most influenced by ads on the internet

Prefer Coke (n=248,611), Prefer Pepsi (n=159,832) weighted by U.S. Adults




# Thank You.



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# The CivicScience Intelligent Polling Platform and Methodology

We've pioneered a new method of "always-on" quantitative online research that can capture representative samples all day, every day.

## OUR DATA SOURCING

We source our data through partnerships with hundreds of online and mobile content publishers. For them, the integration of our polls and quizzes improves on-site engagement time and provides audience detail unavailable elsewhere. We aggregate all the response data into our centralized platform.

## OUR COLLECTION PROCESS

Our quizzes and polls are non-intrusively embedded in a website's content experience and serve a short set of diverse questions designed to keep respondents engaged. If they choose, respondents can continue to answer a seemingly endless series of fun quizzes and engagement questions as well as custom and syndicated research questions.

## OUR RESPONDENTS

Our data is reliable and organic because our polls are 100% voluntary and respondents are kept anonymous, even to us. They enjoy voicing their opinions and seeing aggregate results presented back to them. Because we collect large response volumes on a national scale, we can deliver representative samples that can be segmented and analyzed in many ways.

## OUR ANALYTICS

As respondents answer our questions, we store all their answers over time in an anonymous profile. We then use proprietary advanced technology to analyze the data in aggregate and in near real time, cross-tabulating questions to find statistically meaningful correlations for clients to navigate.


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