



Gone forever? How to drive consumer back to the shop floor?

Keynote speech TCG Summit: BCG COVID-19 Consumer Sentiment

14TH OF MAY 2020

~50%

carefully cut back their overall spend

~50%

plan to maintain their changed habits

~60%

feel uncomfortable with meeting groups of more than 50 people

This crisis is unique as consumers are not only concerned about their **economic situation**, but sustainably change their **behavior**.

What to do **after the lockdown is lifted**



One-channel
becomes even
more important



Carefully
manage
store opening



Credibility on
hygiene/safety
is key



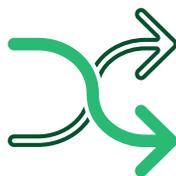
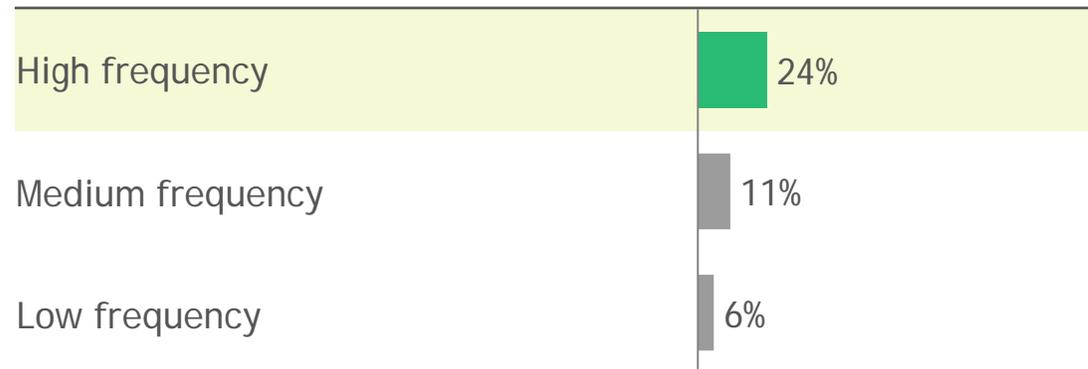
Targeted
promotions
needed to
rejuvenate
demand



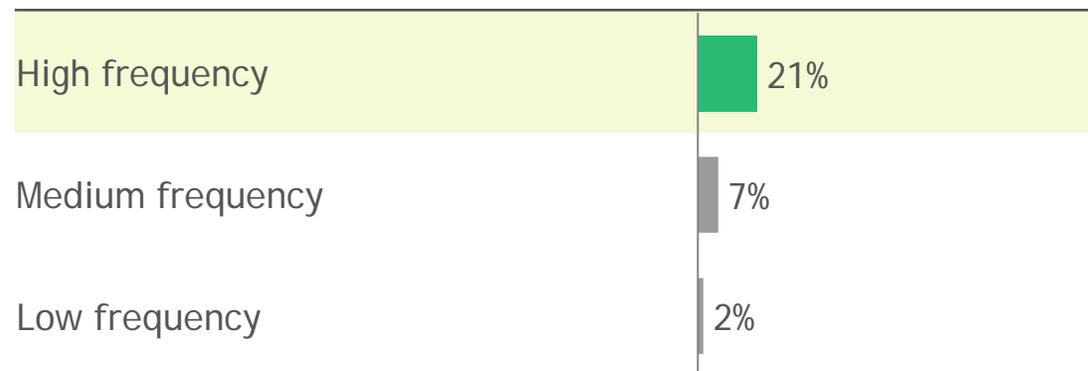
These analyses represent only potential scenarios based on discrete data from one point in time. They are not intended as a prediction or forecast, and the situation is changing daily



Buy more online because got used to it



Use omni-channel offers more often



One-channel will become even more important post-lockdown, especially for high frequency shoppers

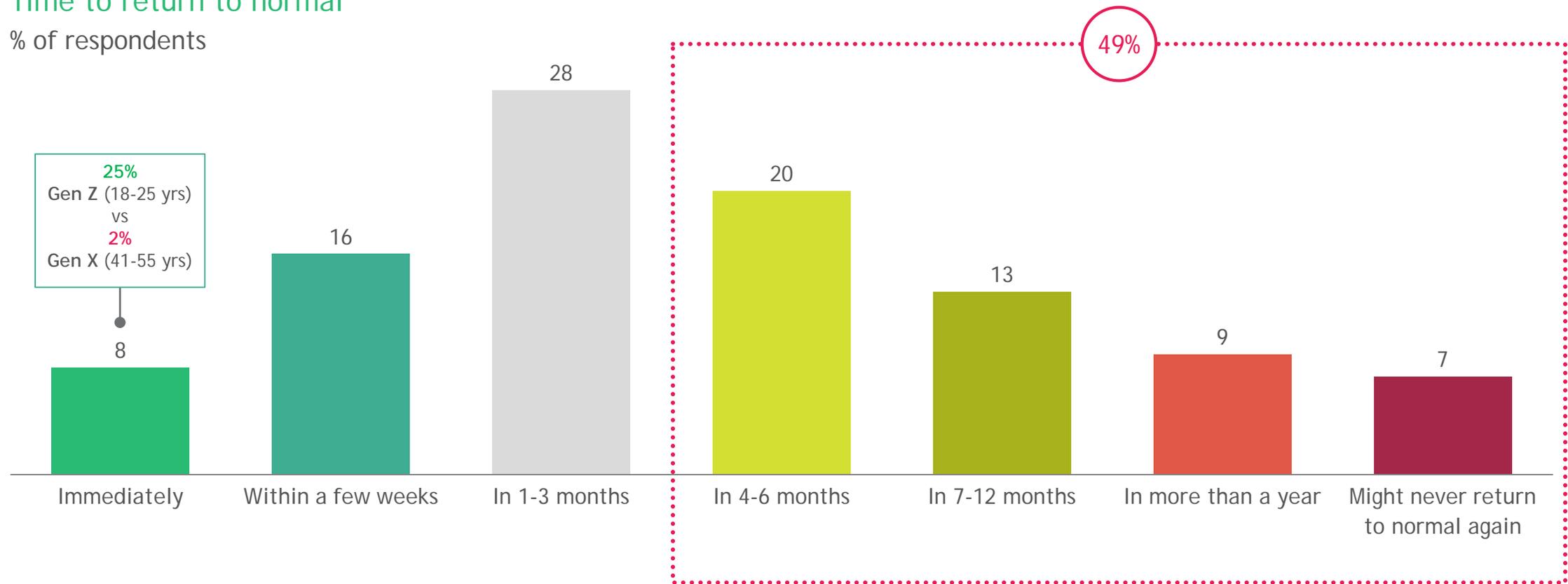
Note: Question text: "Do you expect you will continue doing the following once the coronavirus lockdown is lifted, i.e. non-essential brick-and-mortar stores re-open? Please select one answer for each statement that applies best." Source: BCG COVID-19 Consumer Sentiment Survey, April 17-20, 2020 (N= 1,584, unweighted, representative within ±3% of German census)



~50% will take more than 4 months to return to normal spending post-lockdown

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Time to return to normal % of respondents



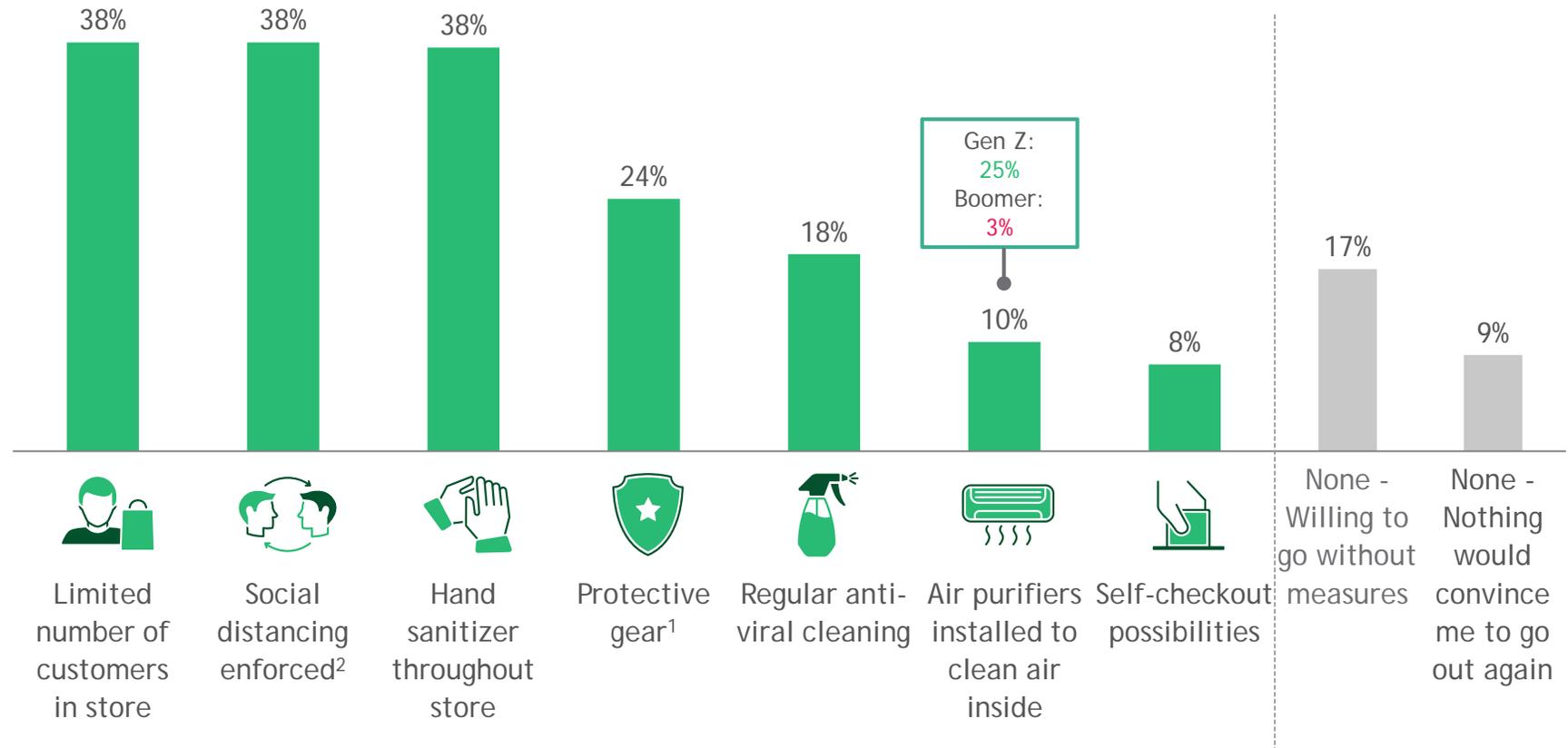
Note: Question text: "After lock down is lifted, and stores reopen, when do you think your overall spending for the following types of products would return to "normal" (i.e., similar to before the outbreak)?" N= 205 - 257 respectively | Source: BCG COVID-19 Consumer Sentiment Survey, April 17-20, 2020 (N= 1,584, unweighted, representative within ± 3% of German census)



Safety measures will be crucial to alleviate concerns

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Measures to increase likelihood of customers entering stores again
(% of agreeing respondents)



1. E.g., masks on all customers, gloves used by employees 2. E.g., extra spacing in lines, floor markings

Note: Question text: "Would any of the following measures make you more comfortable to visit non-essential stores (incl. DIY, home/furniture, beauty, consumer electronics) again once they re-open after the lockdown? Select up to three measures you find useful."
Source: BCG COVID-19 Consumer Sentiment Survey, April 17-20, 2020 (N = 1,027, unweighted, representative within ±3% of German census)



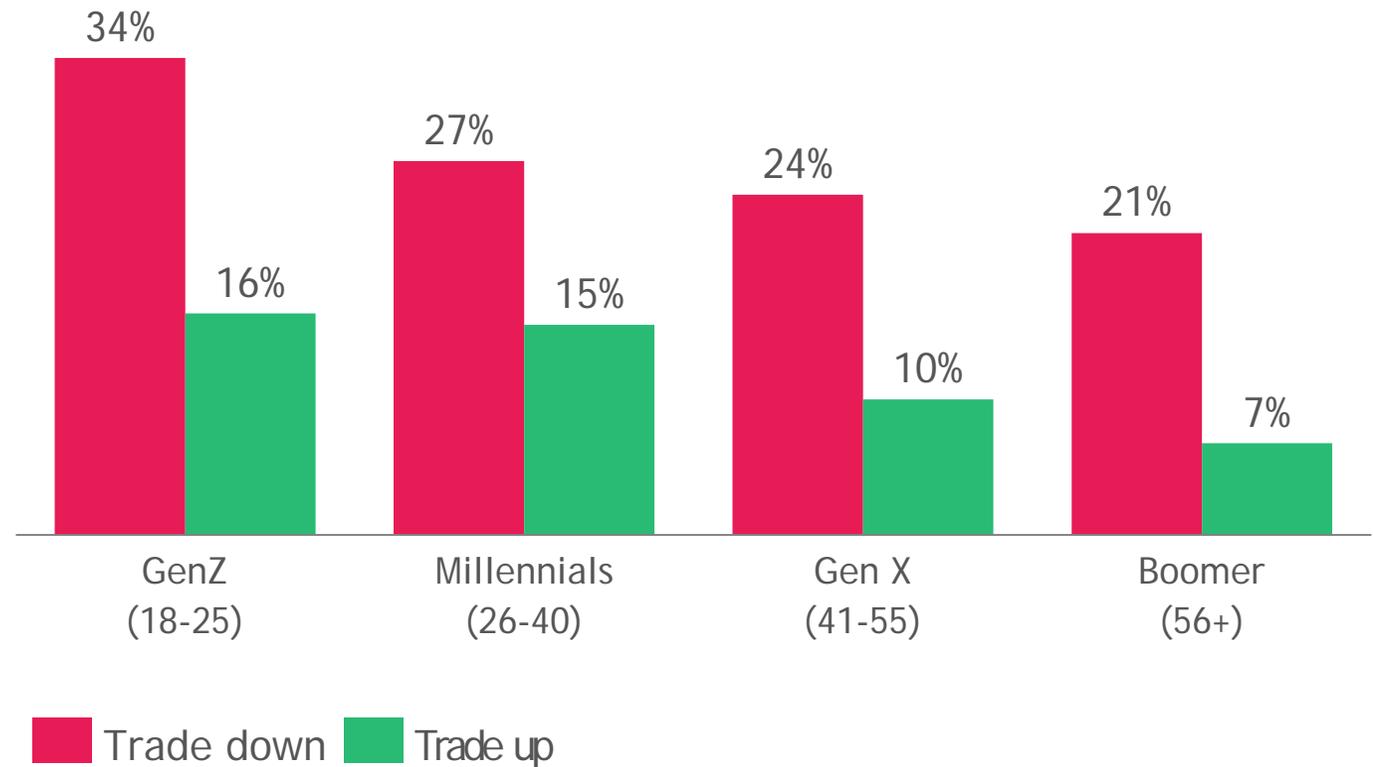
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Promotions will be key to lure customers back to store as many trade down



30% will expect more promotions going forward

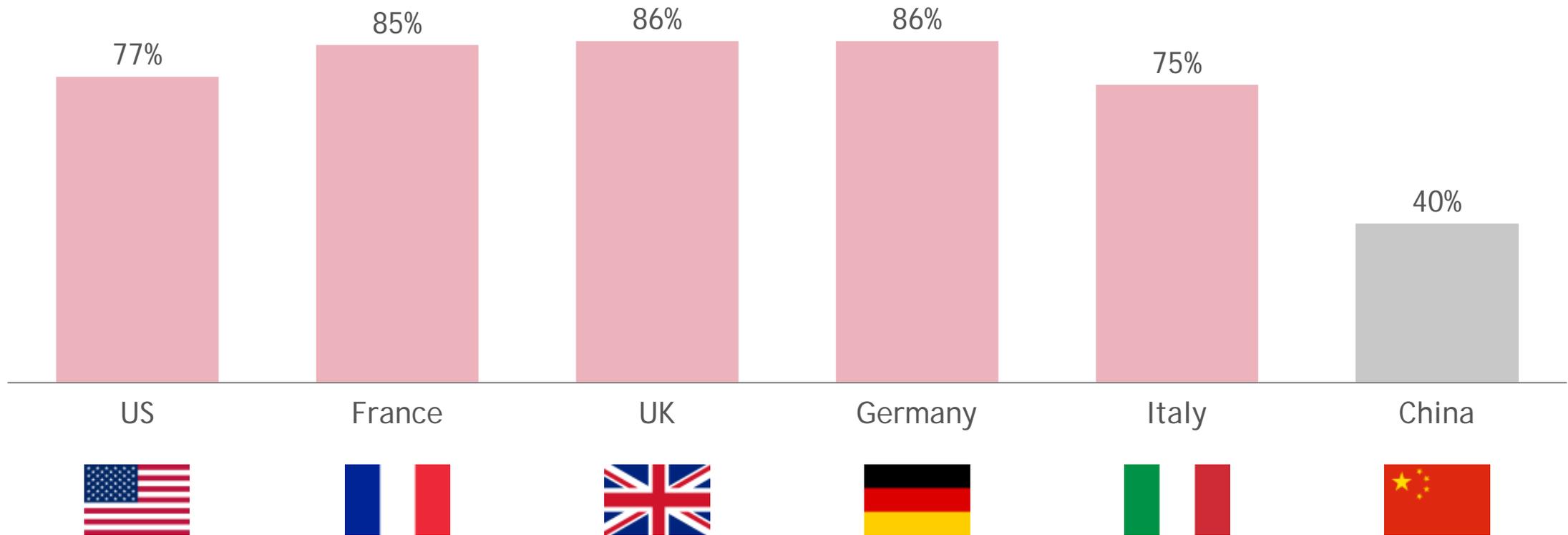
% of respondents planning to trade up/down



Note: Top-2 values (i.e. respondents who (strongly) agreed to the statements); Question text: "Do you expect you will continue doing the following once the coronavirus lockdown is lifted, i.e. non-essential brick-and-mortar stores re-open? Please select one answer for each statement that applies best."; N = 1,048 | Source: BCG COVID-19 Consumer Sentiment Survey, April 17-20, 2020 (N= 1,584, unweighted, representative within ±3% of German census)

What we can expect: Consumer sentiment will become more positive over time

Percentage of respondents agreeing with "I believe the worst impacts are ahead"



Note: Question text: "How much do you agree with each of the following statements about the coronavirus?"

Source: BCG COVID-19 Consumer Sentiment Survey, March 27-30 (N= 2,916 China; 2,985 France; 2,150 Italy; 2,984 UK; 2,944 US; 3,085 Germany), unweighted, representative within ±3% of census/national demographics)



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