



# Changes in Consumer Habits: A Field Study on the Future of Retail





# Introduction

*"Change is the law of life. Those who look only to the past and present are certain to miss the future."*

- John F. Kennedy

PAST

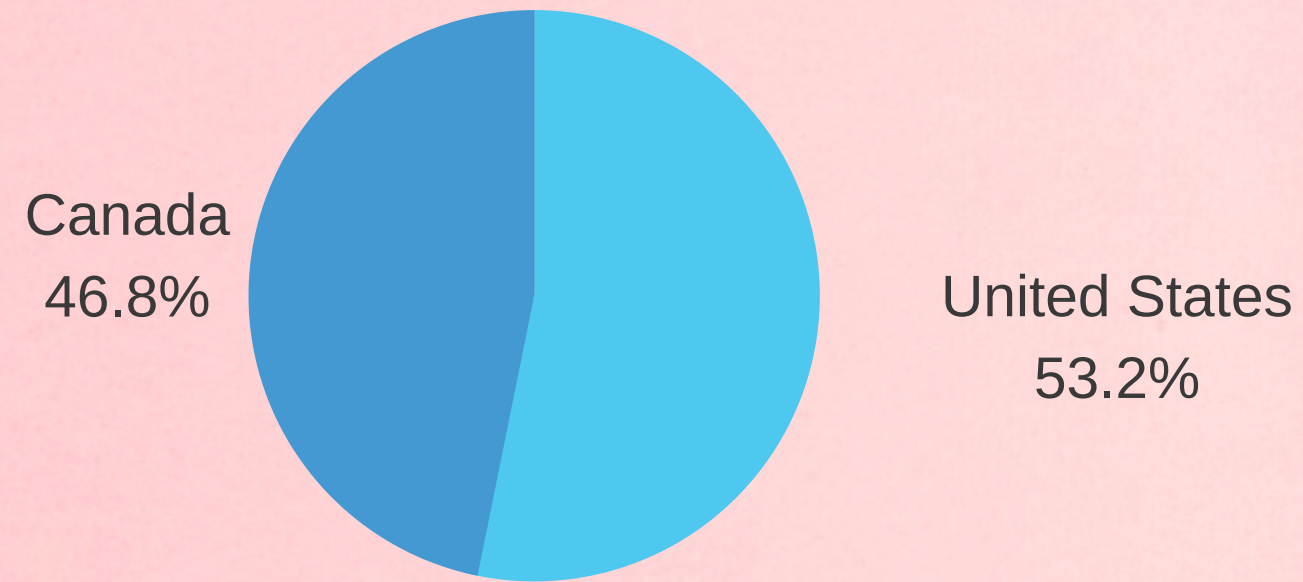
FUTURE

At **Intouch Insight**, we provide experiential and operational expertise to businesses around the world. We are on a mission to better understand how consumer habits are changing due to **COVID-19**. We leveraged our platform LiaCX™, to learn about the experiences of thousands of individuals across North America.

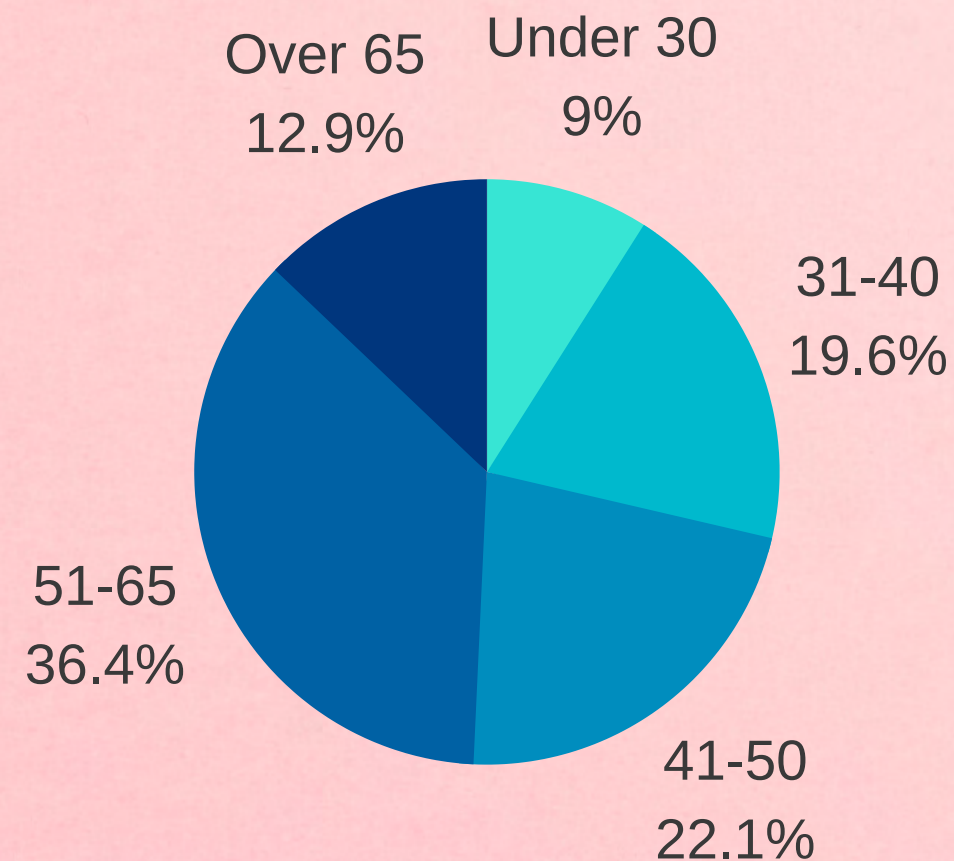
As the economy begins to reopen, the status quo will no longer suffice. Consumer habits, needs, and expectations have changed for good. For businesses, this change presents a unique challenge, but also an opportunity to rebuild for a better and brighter tomorrow.



## LOCATION



## AGE



In May, using our platform, we launched a large-scale survey which received over 2000 responses from across North America (see survey respondent demographics on the left).

### The survey included three primary areas of focus:

- What consumers expect;
- How purchasing habits are changing;
- And, the business impacts so far.

In this [first report](#), we examine how consumer habits and expectations have shifted, and what that means for customer-facing businesses.

[Stay tuned, there is plenty more to come...](#)





# Initial Findings

In 1943, Psychologist Abraham Maslow introduced the **Maslow Hierarchy of Needs**. This model suggests that people need to fulfill **basic needs** before they can move on to more advanced ones such as **psychological needs** or **self-fulfillment needs**

Pre-COVID-19, consumers habits were often informed by psychological and self-fulfillment needs, such as a **positive customer service experiences**, **feeling respected**, **problem solving**, and **achieving an objective**.

*"96% of customers say customer service is important in their choice of loyalty to a brand." - Forbes*

Today, our survey shows that only **10% of respondents care about brand reputation** when deciding to visit a store, and **loyalty programs** have dropped even further, with only **7.9% of respondents** believing it is an important part of their buying process.





# Key Findings

Our study has revealed a fundamental shift back towards the bottom of Maslow's Hierarchy of Needs, towards **basic human needs** such as **food, water, shelter** and **safety**.

If this is as far as you go in this report, here's what you need to know:

- As a business, now is the time to invest in your **digital presence**.
  - Online purchases are up, and even for on-premises order fulfillment, consumers prefer to pay online in advance rather than at the door.
- **Cleanliness and security rule**.
  - Implementing crowd control measures will keep customers coming back, and proper sanitization will make them more likely to buy.
- **Comfort** is both physical and emotional, and right now, consumers are looking to be reassured that they are safe when interacting with a business.
  - Seeing disinfectant wipes and hand sanitizers available for customer use in store is extremely important to today's consumer.





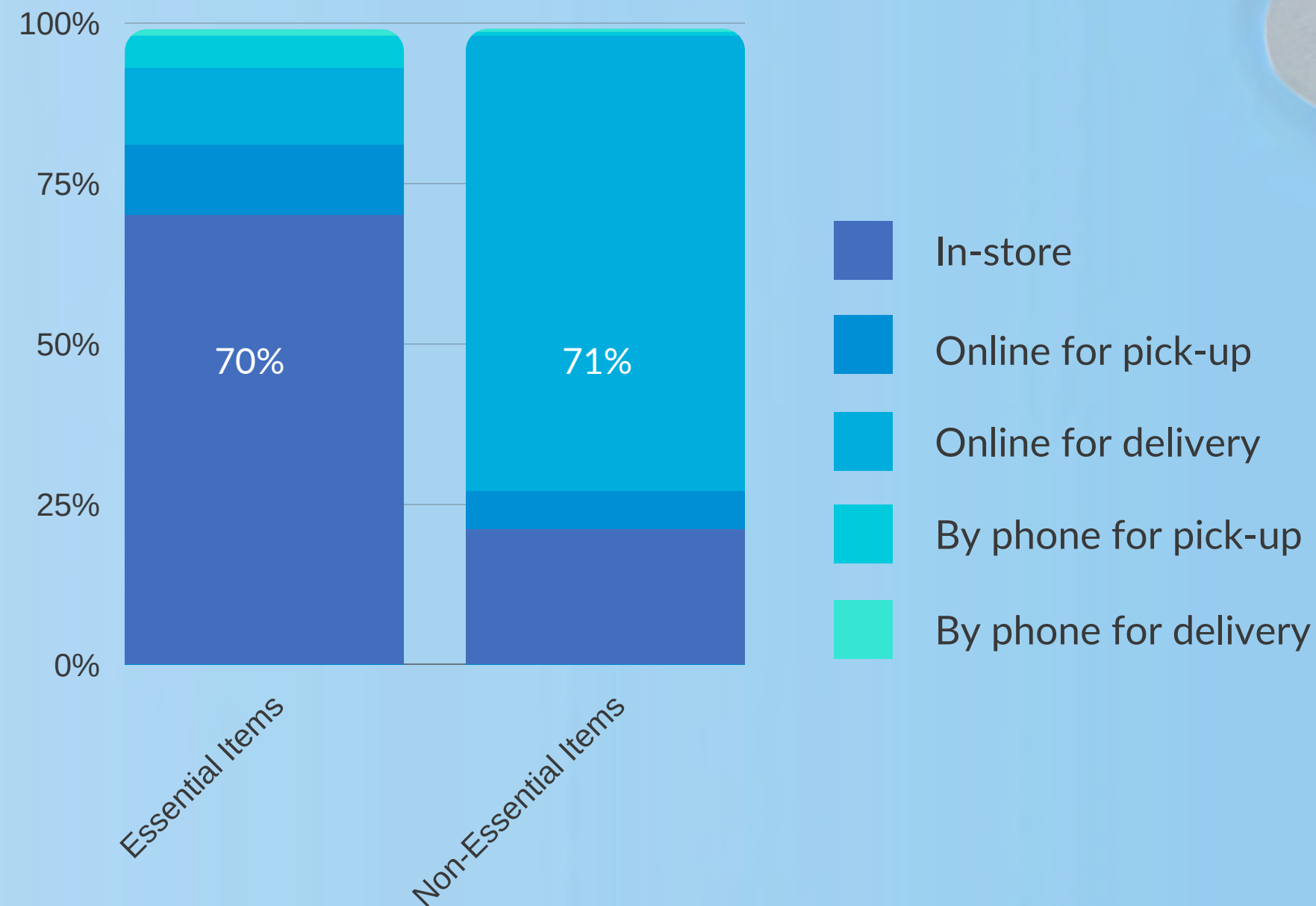
A conceptual image showing a yellow vintage typewriter on the left and a silver laptop on the right, both set against a solid blue background. The typewriter is positioned on a yellow surface, while the laptop is on the blue background. The text 'Invest in your Digital Properties.' is overlaid on the laptop screen in white. The typewriter has a sheet of paper in its carriage, and the laptop's keyboard and trackpad are visible.

Invest in your  
**Digital Properties.**



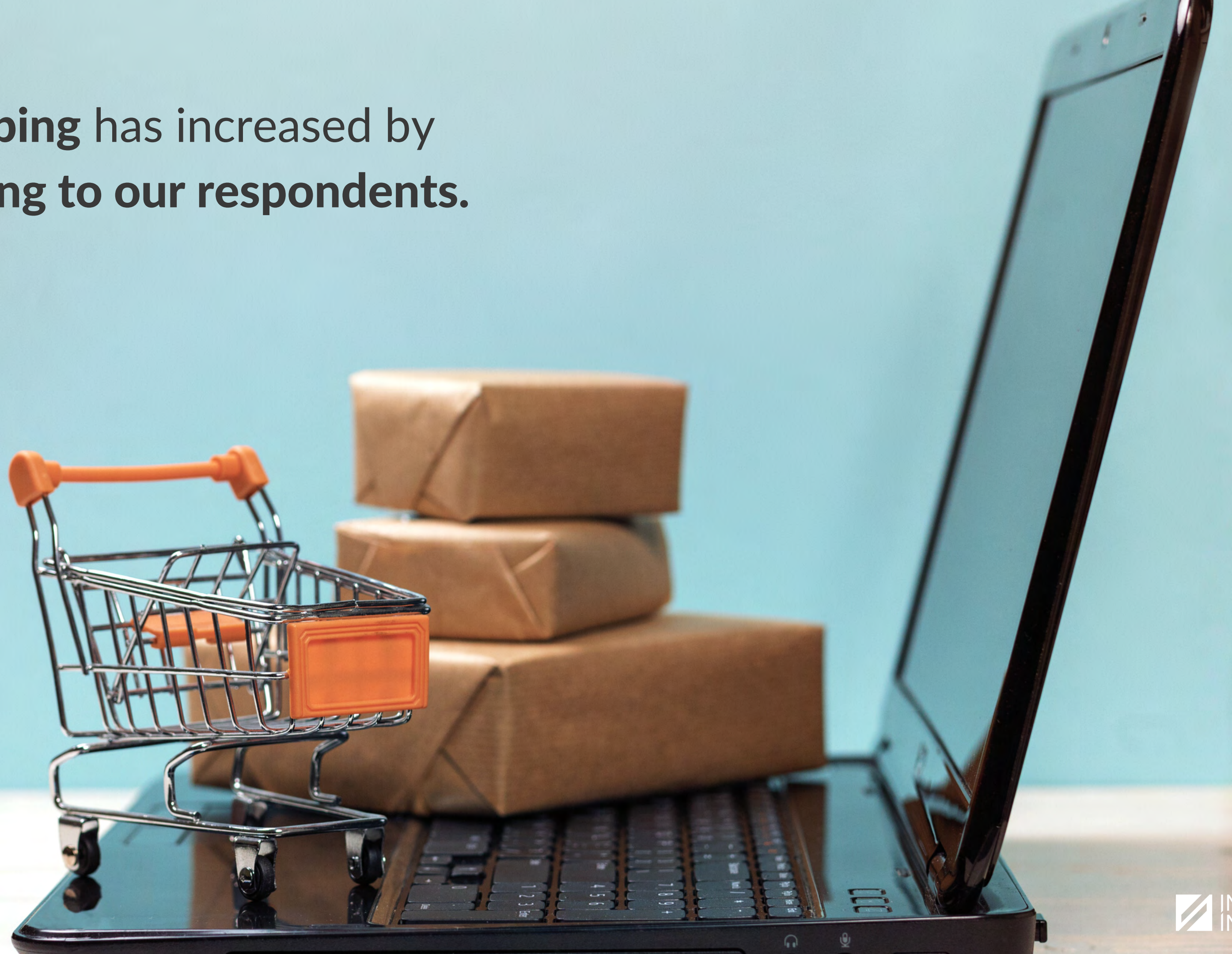
Now is the time to invest in your **digital properties**, especially for retailers who sell non-essential items, like clothing, entertainment and electronics.

How essential vs. non-essential items are being purchased during the pandemic.





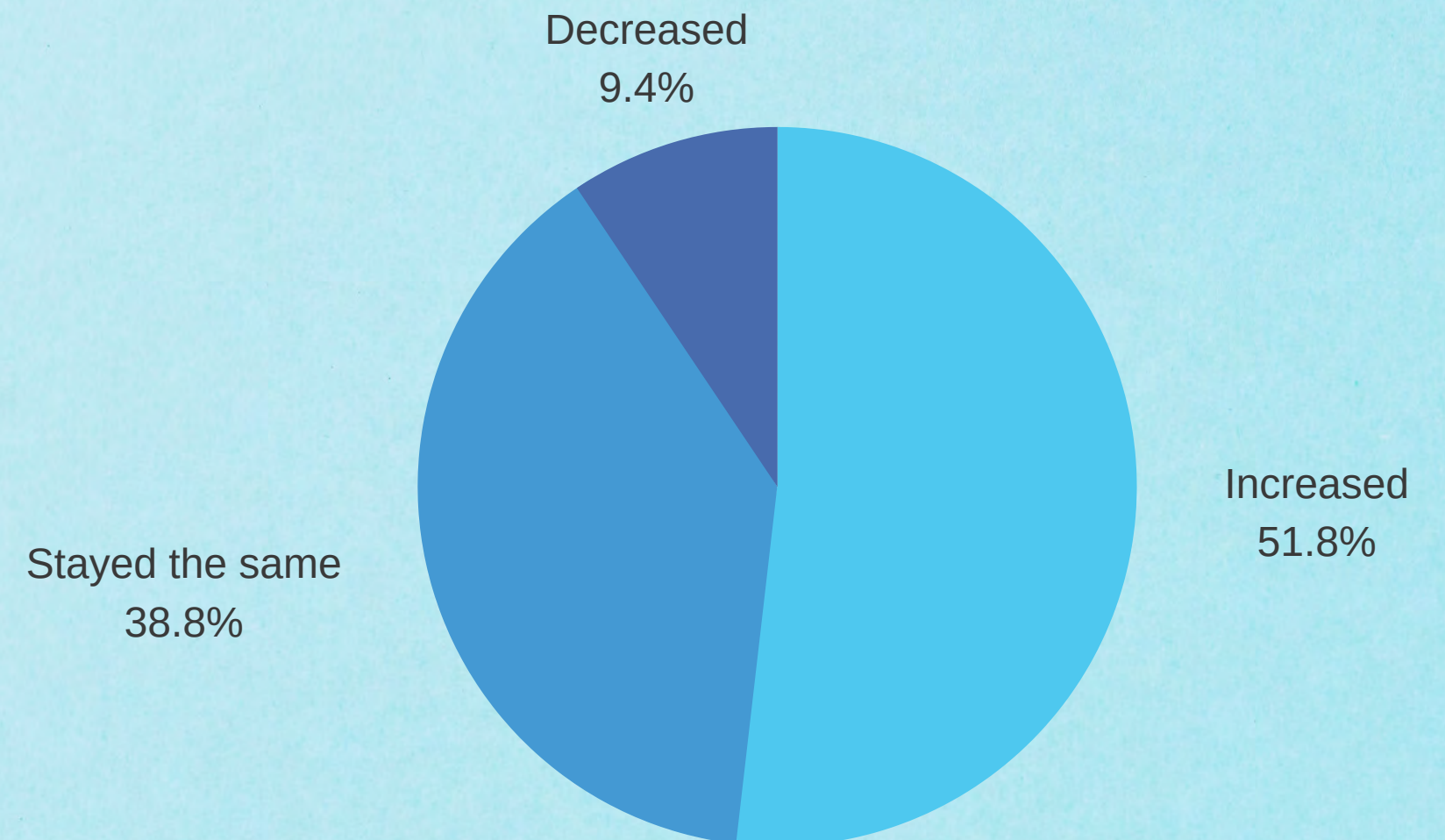
**Online shopping has increased by  
52% according to our respondents.**







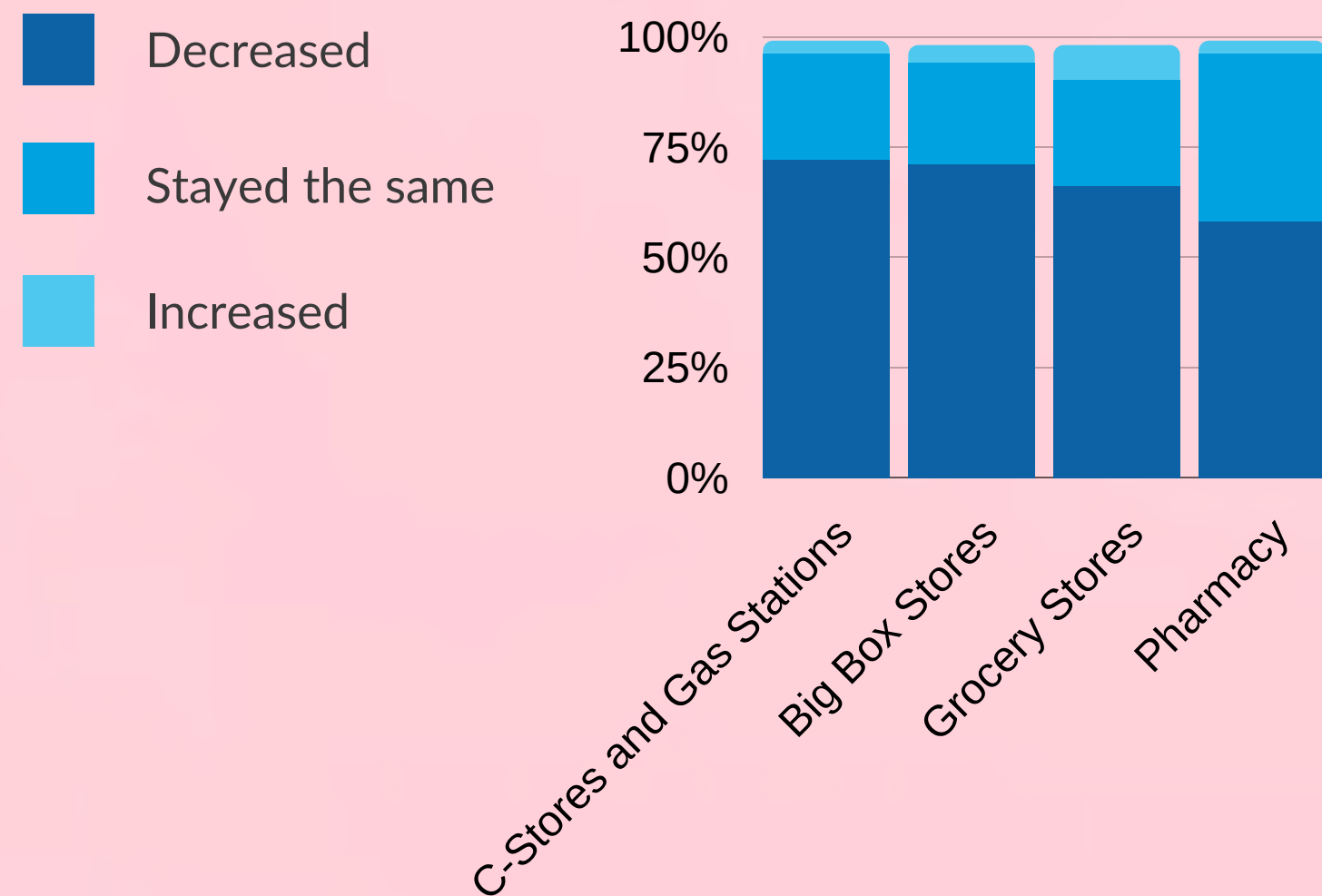
For those who made an online purchase in recent weeks, **over half** state that their **frequency of online shopping** has **increased**.





The frequency of visits to physical stores has decreased for the following industries:

- **72%** in **convenience stores** and **gas stations**
- **71%** in **big box stores**
- **66%** in **grocery stores**
- **58%** at **pharmacies**

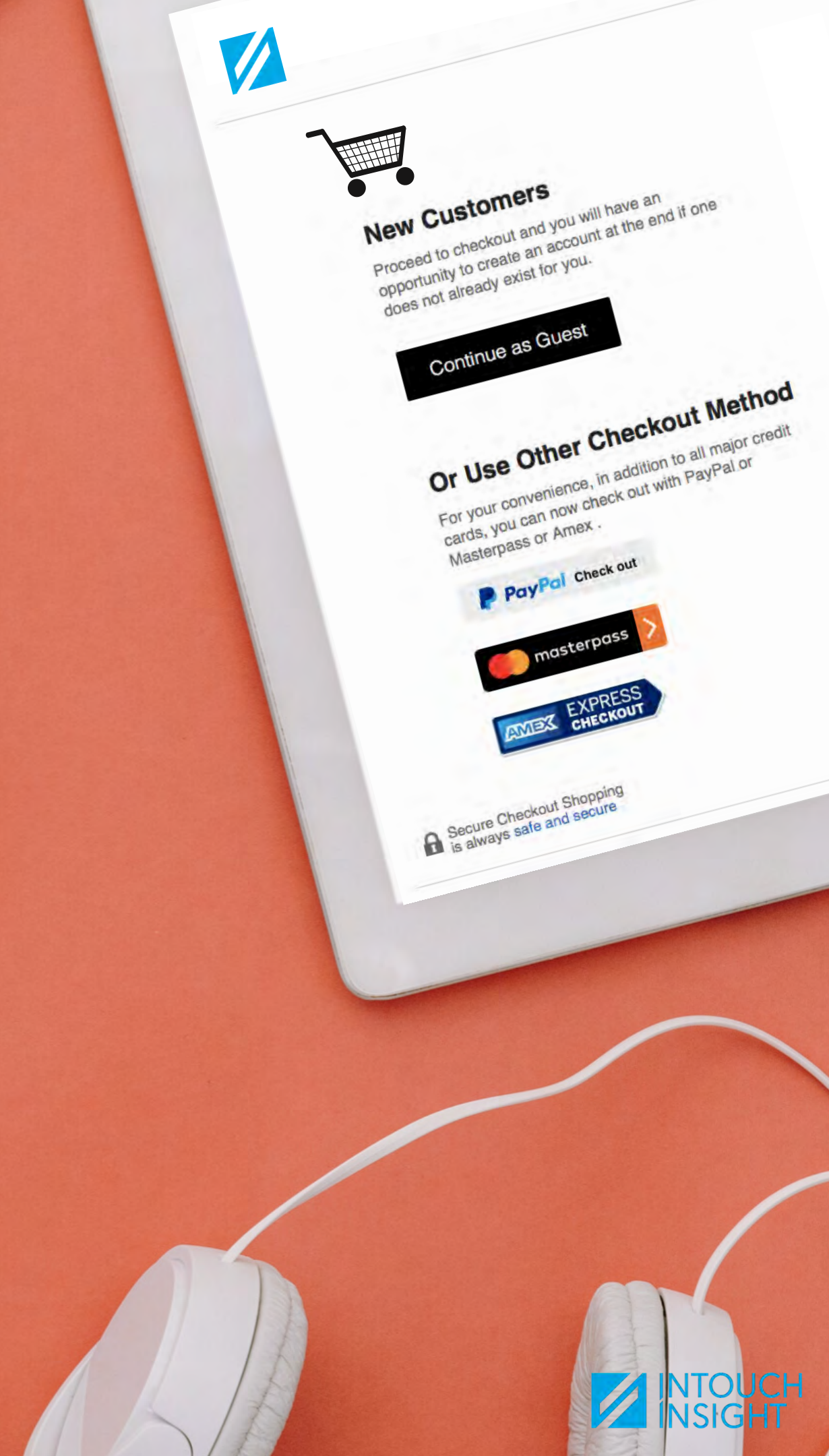





To succeed, businesses will need to be more multi-pronged. You not only need an effective physical store front, but a strong e-commerce capability.

## New to selling online?

If you are new to selling online and looking to introduce **curb-side** or **in-store pick-up**, **78% of our respondents** said they would prefer to **pay in-advance online**, as opposed to paying at the door at the time of pick-up.







When it comes to **essential goods** or **regulated items** such as **alcohol and tobacco**, an overwhelming **85% of respondents** are still **purchasing these goods in-store**.

So how do you ensure that you are providing a safe, clean, and comfortable in-store experience for your consumers?



# Cleanliness and Security Rule.

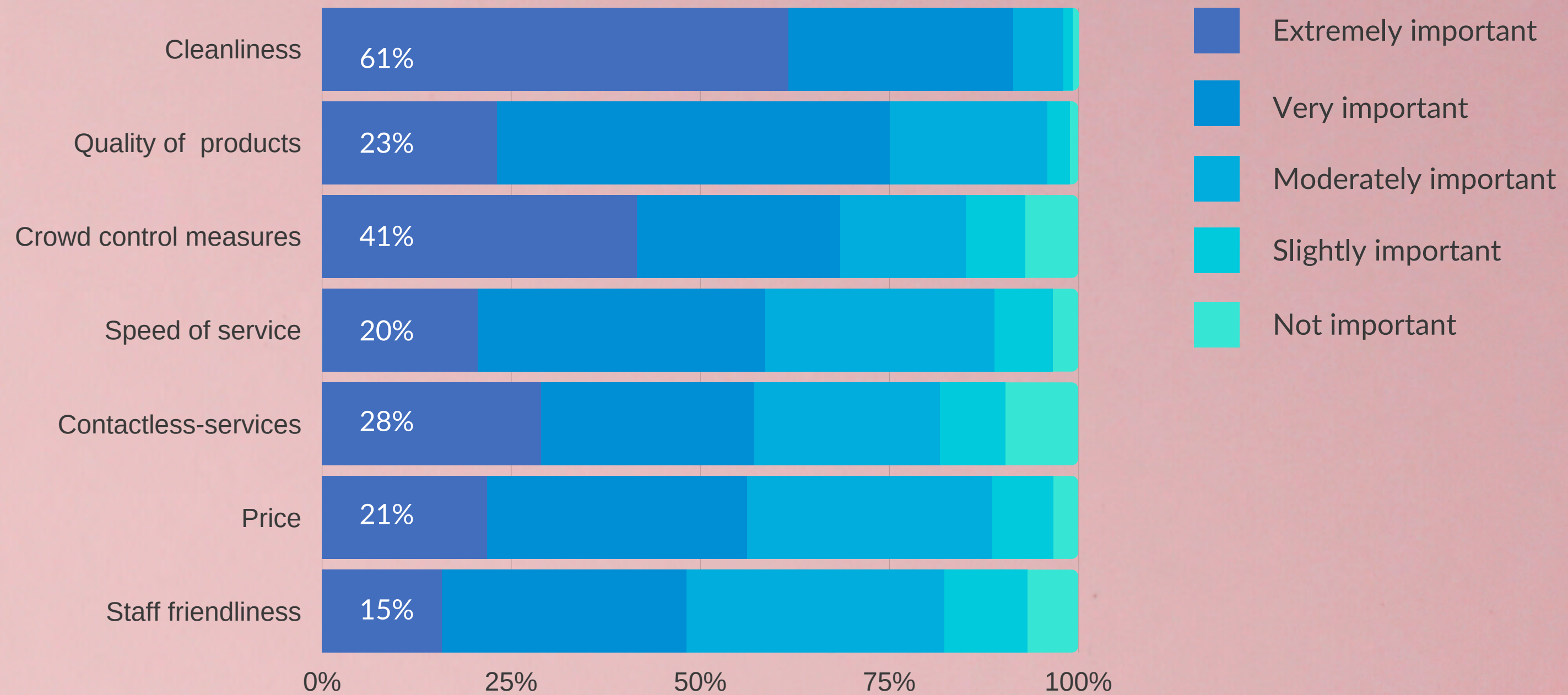




**61% of our respondents value cleanliness and safety as their top priority when it comes to making in-store purchases.**









When ordering **prepared food**, **59%** of respondents feel that cleanliness of the establishment they are ordering from is a **top priority**.

The figure varied slightly based on the respondent's location:

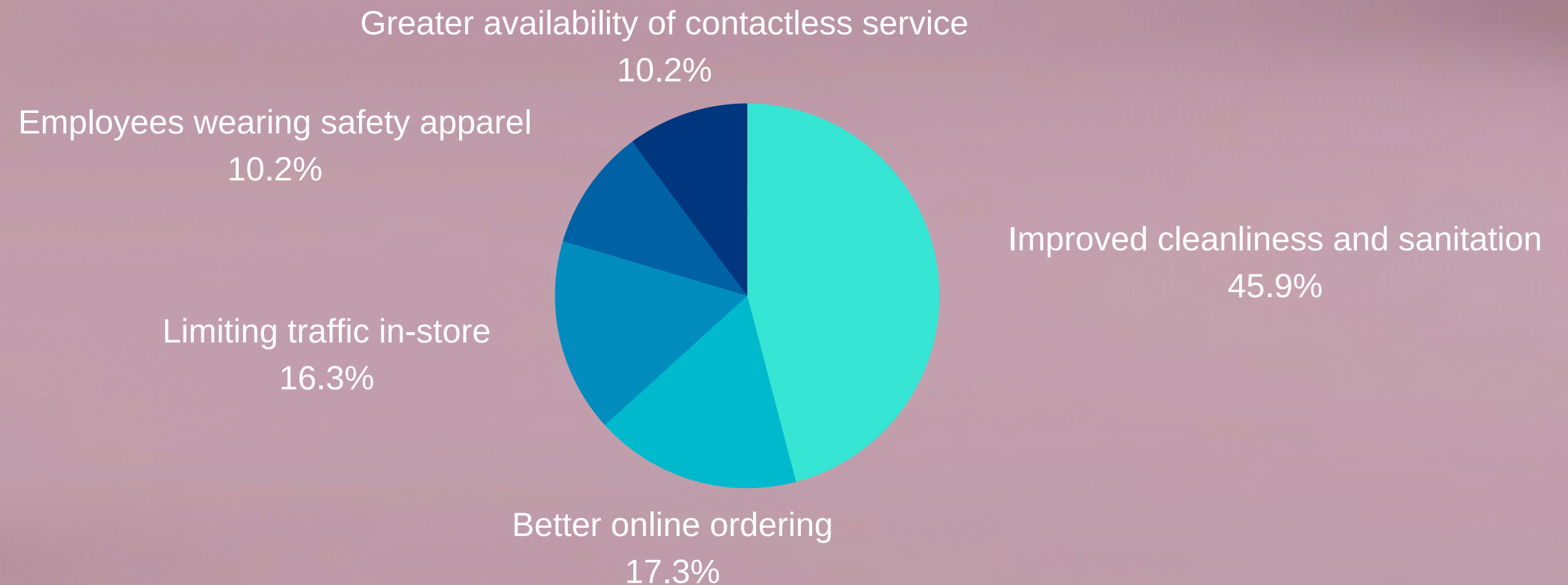
- Canada: 55%
- United States: 63%







As we look ahead, **46% of respondents** said that the **number one change** they hope to see businesses make in the face of future potential waves of COVID-19 is **improved cleanliness and sanitation**.





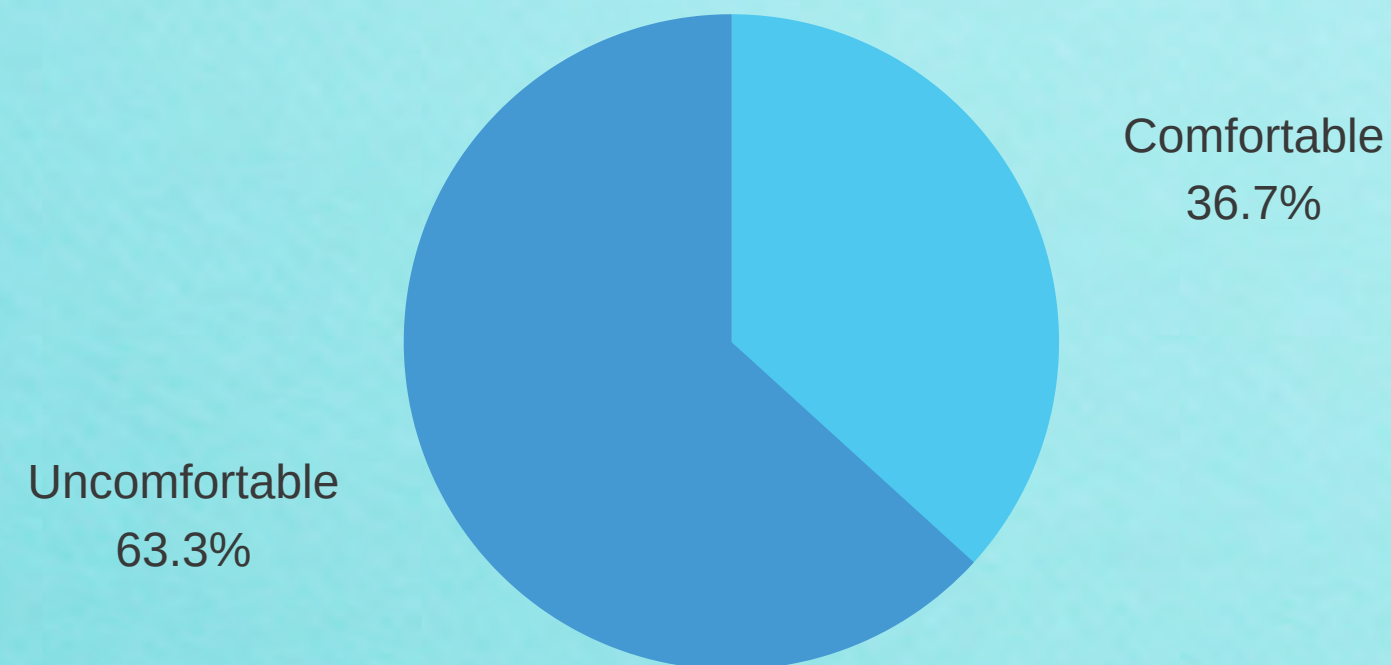
**Comfort is an  
emotional and  
physical priority.**





We asked respondents how they felt about returning to stores as restrictions are lifted. Only **37% of respondents** said that they are **extremely likely to purchase in-store**, as opposed to **63%** who shared that they are **unsure or unlikely**.

How do we make the **2/3 of people** who are uncomfortable, comfortable?





**52% of respondents** feel that **improved cleanliness** and **sanitation** in stores and restaurants will make them more **comfortable**.

**50% of respondents** feel that **seeing disinfectant wipes** and **hand sanitizers** available for customer use in store is **extremely important**.

**40% of respondents** feel it's **extremely important** to **visibly post and enforce distancing measures**. This adds a layer of **comfort** when deciding to enter a physical business location.



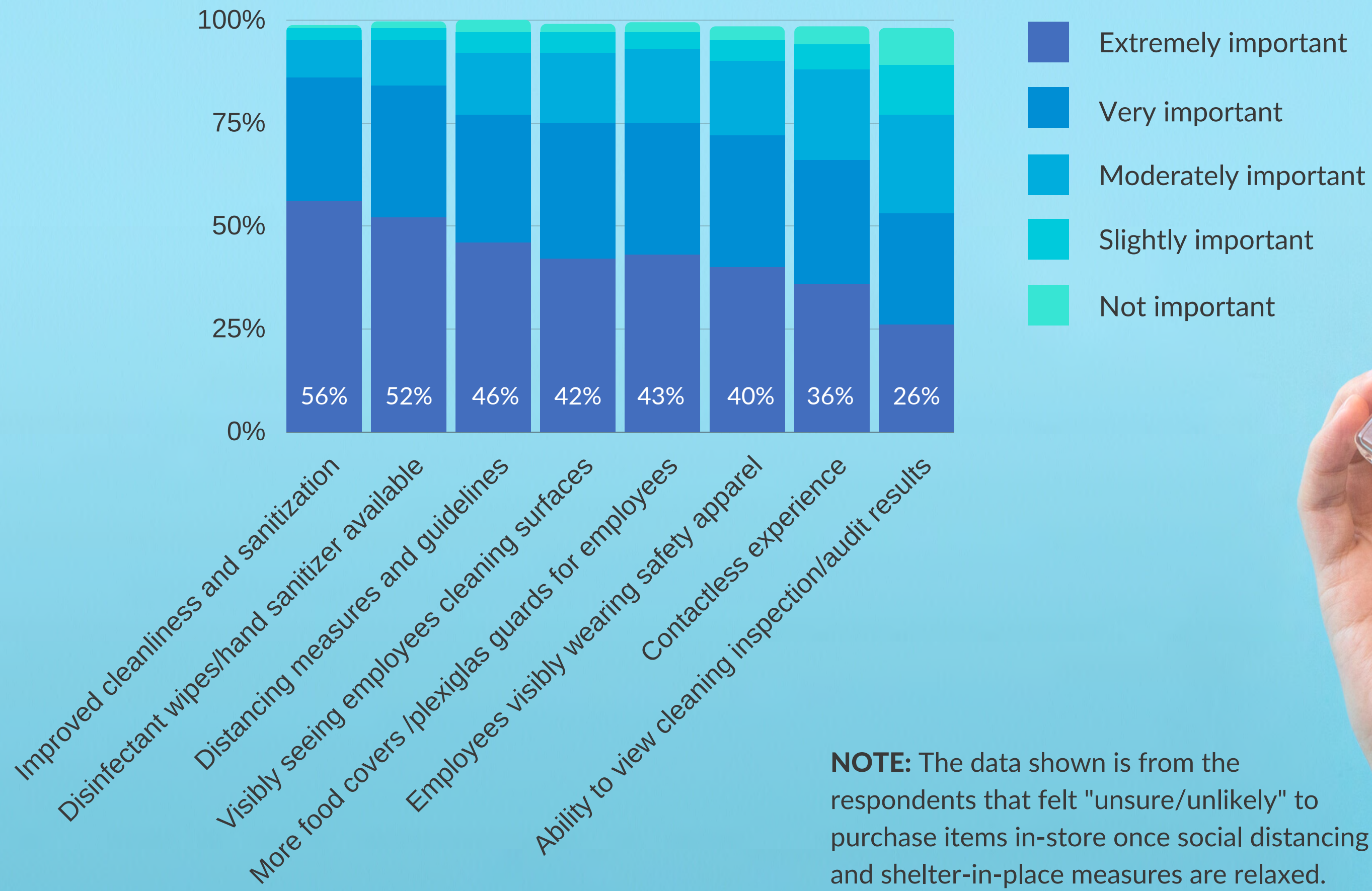


By reinforcing **cleanliness, comfort,**  
and **safety** in **physical locations** you  
can create a reassuring experience for  
your customers.

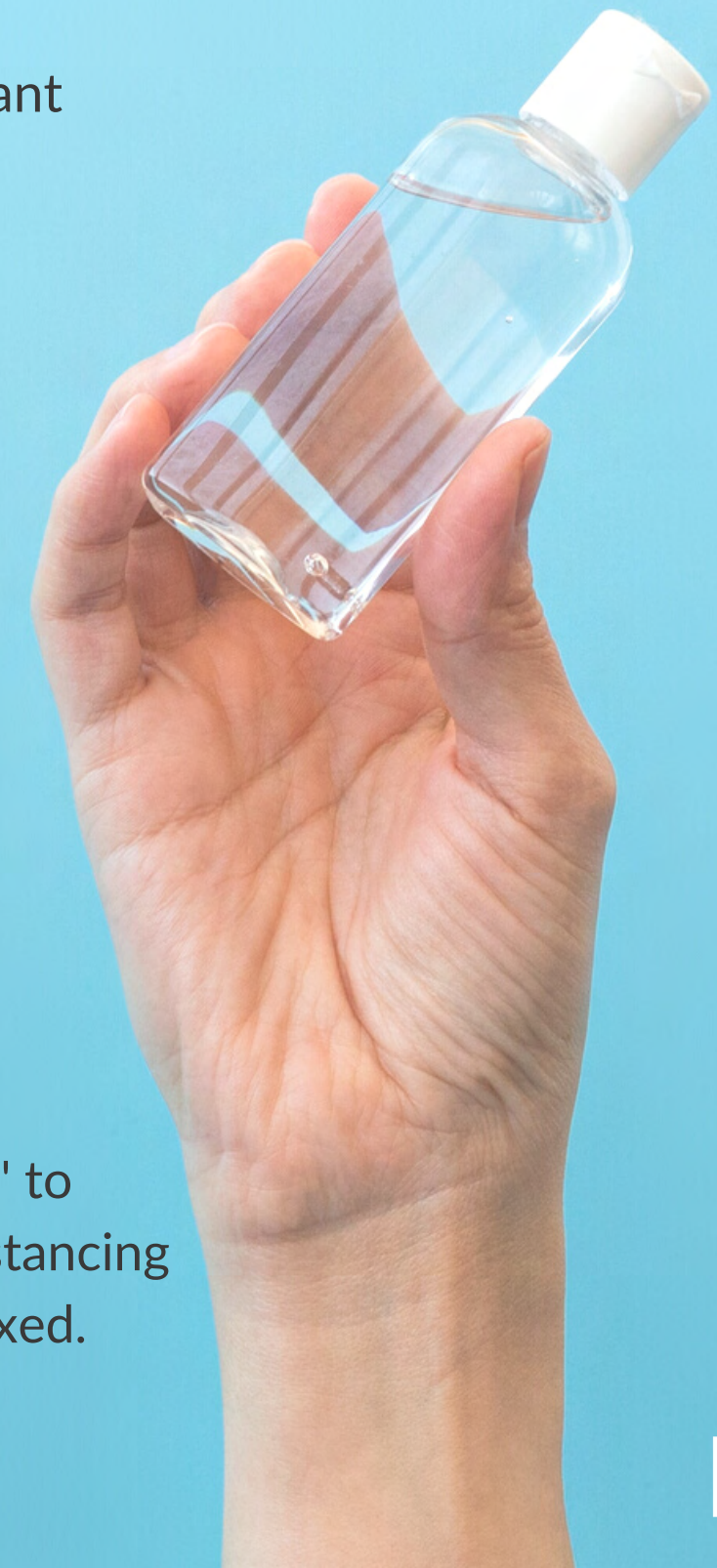
Making sure disinfectant wipes are  
available and distancing measures are  
in place will be extremely important in  
addressing the concerns of those who  
are wary to venture in-store.







**NOTE:** The data shown is from the respondents that felt "unsure/unlikely" to purchase items in-store once social distancing and shelter-in-place measures are relaxed.



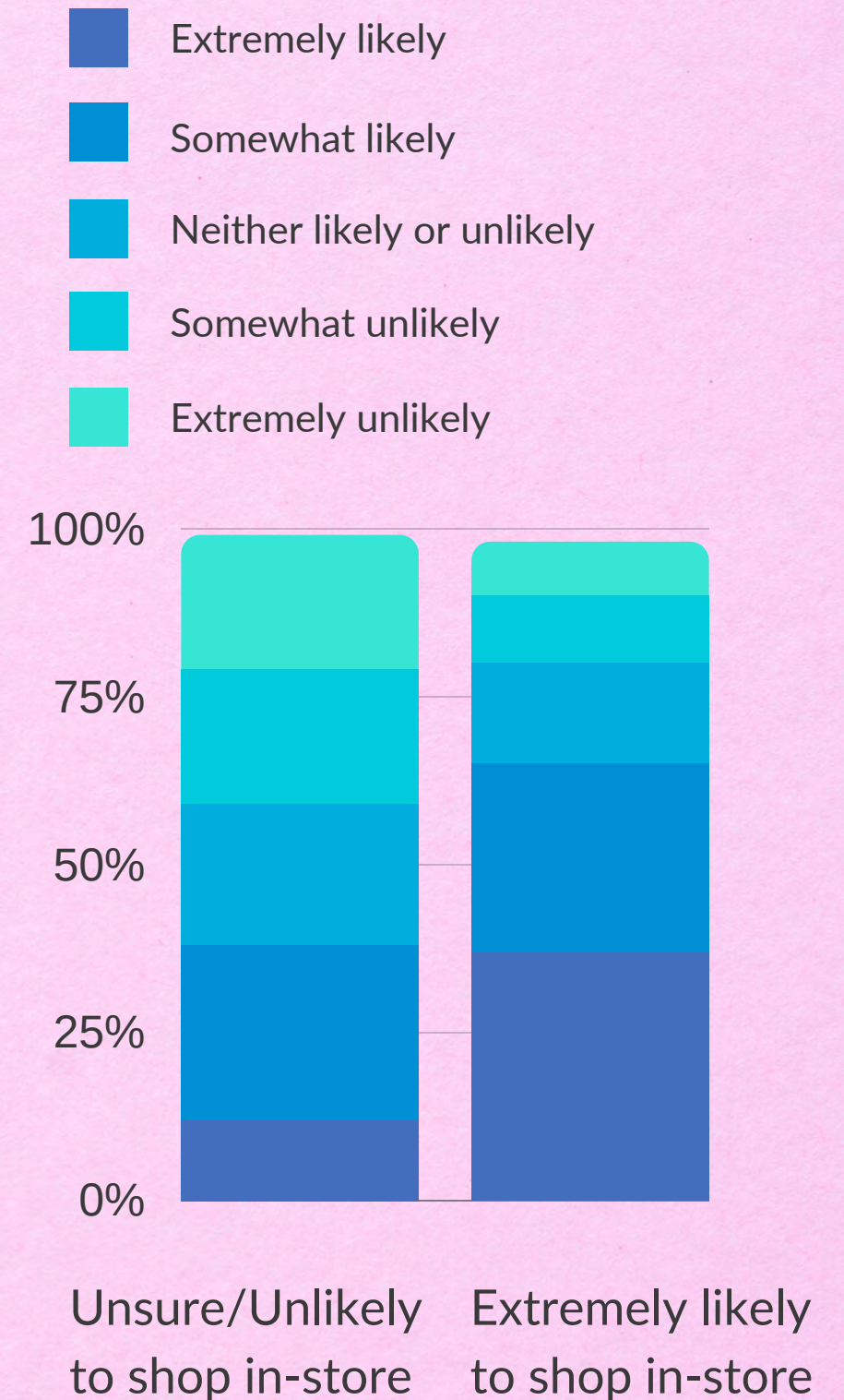


When it comes to your facilities, another thing to consider are your washrooms.

Individuals who are **unsure/unlikely about shopping in-store** are also **25% less likely** to be **comfortable using your facilities**.

This is another area where **cleanliness, comfort, and safety** need to be reinforced **visibly and frequently**. Consider getting contactless soap-dispensers, taps, and hand-dryers, and providing cleaning audit sheets that customers can see.

**NOTE:** How likely are shoppers to use your facilities?







When making a decision to visit a store, **38% of respondents** felt that **crowd-control measures** are **extremely important** and add to their **comfort**.

This was closely followed by the fact that consumers want a **one-stop-shop** and would prefer to not have to go to multiple store to get the things they need.



# The time to act is **now**.

Take a step back and objectively look at your infrastructure. As a business, you need to learn the pain points that your customers are experiencing and identify the areas that will drive repeat business.

It has never been more important to listen to your customers. You need to be able to anticipate consumer needs, and we hope that this serves as a cheat sheet that can get you started on the right path.

- Take a **high-touch** approach with every **customer interaction**,
- Make **cleaning** a visible part of your **operations**,
- Get your **digital properties optimized**.

And remember, if your customers find it easy to shop with you, and feel safe and comfortable, they'll come back.





# About Us

At Intouch Insight, our focus is on enabling businesses to collect insights that drive improvement and influence outcomes. Though a lot has changed over our past 40 years in business, our focus remains the same.

We are on a mission to be the leading software and services provider, offering an integrated solution that enables our clients listen to their customers, interpret the results, and create actionable plans to align operations with customer expectations.

By leveraging our deep expertise and flexible software platform, our clients are empowered to delight their customers and improve their bottom line.



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