

Coronavirus Is Changing How Consumers Shop

Retailers are taking measures, too

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As uncertainty over coronavirus continues to grow, consumers are becoming more cautious about shopping in public places and are utilizing online shopping as a means of getting necessities.

Nearly half (47.2%) of US internet users polled by Coresight Research last month said they are currently avoiding shopping centers and malls. If the outbreak worsens, roughly three-quarters (74.6%) said they will steer away from shopping centers altogether.

The same goes for stores in general. Some 32.7% of respondents said they were avoiding physical stores, and more than half said they'll avoid them if COVID-19 spreads. Older consumers are more likely to take these precautions—nearly nine in 10 of those over 45 said they will if coronavirus worsens—though significant numbers of younger consumers are bypassing brick-and-mortars as well.

US Internet Users Who Are Currently Avoiding vs. Will Avoid Public Places/Travel if the Coronavirus Outbreak Worsens in the US, Feb 2020

% of respondents

	Currently avoiding	Will avoid
Public transportation	49.3%	73.1%
International travel (e.g., vacations, business trips)	47.4%	68.2%
Shopping centers/malls	47.2%	74.6%
Movie theaters	41.9%	66.6%
Medical centers/hospitals	38.9%	50.6%
Community centers	35.5%	56.9%
Restaurants/bars/coffee shops	35.3%	60.5%
Shops in general	32.7%	52.7%
Sports events	32.0%	58.8%
Other entertainment/leisure venues	21.6%	40.7%
Schools/colleges	21.1%	39.3%
My workplace	11.1%	17.0%
Other	2.4%	1.4%

Note: currently avoiding n=532; likely to avoid n=1,121; ages 18+
Source: Coresight Research, "Coronavirus Briefing: Flash Report," Feb 28, 2020

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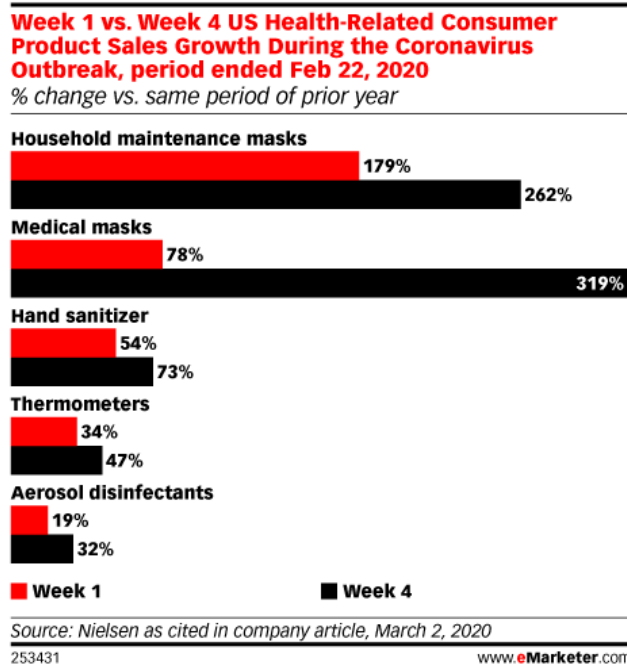
www.eMarketer.com

"It's understandable, given the uncertainty around coronavirus, that vulnerable populations are avoiding physical environments that increase the chance of exposure," said Andrew Lipsman, principal analyst at eMarketer. "But their household needs don't simply go away and may even increase with many looking to stockpile resources."

As more consumers will likely turn to online shopping to buy the products they need, they could expect shipment delays. Amazon customers, for example, have received notifications stating: "We're very sorry your delivery is late. Most late packages arrive in a day. If you have not received your package by tomorrow, you can come back here the next day for a refund or a replacement." What's more, those hoping to order household items and groceries from Amazon Prime Now can also expect a delay. The site and mobile app inform consumers that "at this time, delivery availability may be limited."

By and large, sales of consumer packaged goods (CPG) staples are surging. Surprisingly though, more consumers are stocking up the unexpected, like oat milk—yes oat milk—rather than water. According to data from Nielsen, oat milk sales were up 305.5% in the week ending on February 22. In contrast, water sales were up just 5.1%—below dried beans, energy beverages and pretzels.

Unsurprisingly, Nielsen also found that health-related CPG items are on the rise. Sales of medical masks, for example, grew 78% during the first week of a four-week period ending on February 22, compared with the same period last year. By week four, sales were up by 319%.



Separate data covering the first week of March from meal-planning service eMeals shows week-over-week increases (as high as 67%) in the number of orders submitted to its grocery partners, including Amazon, Instacart, Kroger, Shipt and Walmart. Additionally, during the same period, the company found increasing purchases of specific products, such as disinfecting wipes (up 353%), ibuprofen (up 236%) and chicken noodle soup (up 37%). Software company Bloomreach, which looked at online revenue sales data from February 23-29, also found increases in such products.

While in-store traffic may be slowing down, merchants are taking action to inform consumers that they are taking the necessary measures to keep both shoppers and their staff members healthy. Brands like Drybar and Equinox have already sent out emails outlining the steps they are taking around these growing concerns.

And most recently, Nordstrom sent a note indicating that it's important to connect directly with customers "to share more about the steps we're taking across our stores and businesses to keep you, our employees and our communities safe and healthy."