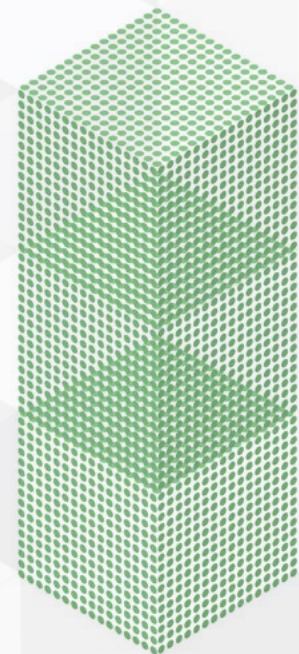


How A Global Pandemic Created A

# Digital-First Customer

In 12 Weeks



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## In 12 Weeks

Introduction.....	04
<b>Phase 1</b> .....	06
The Pre-Shutdown Days	
<b>Phase 2</b> .....	10
The End Of The Beginning	
<b>Phase 3</b> .....	12
Peak Pandemic And Rapidly Shifting Consumer Habits	
<b>Phase 4</b> .....	14
Transitioning From Peak to Post-Peak	
<b>Phase 5</b> .....	20
The 'Grand Reopening' And Getting Back To 'Normal'	
<b>Phase 6</b> .....	30
The New Consumer Profile — And What's Next	
What Does It All Mean? .....	34

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## In 12 Weeks

America is reopening for business. With sanitizer in hand and masks on their faces, customers are taking early steps back out into society after 12 weeks more or less shut in their homes. The global pandemic closed businesses, shut down offices and sent all but the most essential services to the cooler.

The damage has been considerable by any measure. For openers, there have been more than 2.2 million confirmed U.S. COVID-19 cases and roughly 120,000 U.S. deaths, according to [Johns Hopkins data](#). Meanwhile, U.S. unemployment has skyrocketed at its fastest rate since the Great Depression, with [more than 46 million U.S. jobs](#) becoming casualties of the virus.

And with employment cratering, consumers have radically cut back on spending. U.S. retail sales plummeted at unprecedented levels in all non-essential item categories during March and April, and though May saw signs of improvement, [experts warn](#) that the gains stemmed from U.S. government stimulus dollars and are neither sustainable nor indicative of consumer spending's complete rebound.

So what happens now? Is the U.S. economy starting a recovery — and if so, what exactly [will the recovery look like](#)? Will Congress approve [more government stimulus](#) that will extend May's consumer-spending gains, or will lawmakers hesitate to further open the federal checkbook after already putting out more than \$3 trillion in stimulus so far?

And perhaps the biggest question of all is: "What are U.S. consumers going to do next?" Will they stay at home or will they venture out? And when they do re-emerge, will they be the same consumers who strolled off of the field in mid-March?

At this point, no one knows — including consumers themselves. Consumer sentiments have shifted as the data on the ground has done the same. But [PYMNTS has spent the past several weeks surveying U.S. consumers](#), and emerging trends indicate that what comes next won't be the same as what came before.

For example, many consumers have gone from having various levels of online presence in different aspects of their lives — shopping, working, entertainment and food ordering — to digital-only. That wasn't initially by choice, but by necessity as government shutdown orders closed the vast majority of U.S. shops, restaurants, offices and events closed.

But consumers still needed to shop, eat and be entertained, so they went online — and PYMNTS surveys found that many decided they like their new way of doing things. It's probably too much to forecast a world of digital-only consumers, but some will be digital-first from here on out.

Let's see where things began ... and where they stand now:

## PHASE 1:

## The Pre-Shutdown Days

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**P**YMNTS conducted its first survey on COVID-19 and U.S. consumer sentiment during **March's first week**, when there were fewer than 1,000 U.S. cases, the NBA had yet to shut down and government quarantine orders weren't yet a thing.

Consumers were at least somewhat concerned about the virus then, although to varying degrees. Among those polls, 36.9 percent were "very" or "extremely" worried, while 48.4 percent were "somewhat" or "slightly" concerned about it. Only the smallest share of consumers (14.7 percent) reported being not at all concerned.

The dominant factor in determining concern was age, with bridge millennials (age 32 to 40) the most concerned.

Some 44.1 percent of them were either "very" or "extremely" concerned about COVID-19.

Millennials as a whole came in second at 41.3 percent very concerned, while 37.4 percent of Generation X'ers reported high concern levels. By comparison, baby boomers and seniors were the least worried of all, with just 32.9 percent saying they were "very" or "extremely" concerned about the outbreak.

Skepticism was also equally rampant. Our survey shows that 65.7 percent of consumers believed that media coverage of the outbreak made it look at least "somewhat" more serious than it was at that point, while only 26 percent believed the coverage was "accurate."

As to whether to believe the World Health Organization, that subject was quite divisive. Our research found that 45.5 percent of consumers believed the WHO's COVID-19 statements exaggerated the outbreak's dangerousness, while 44.8 percent considered the WHO's warnings "accurate."

But no matter how skeptical consumers might have been about the outbreak in its early days, they had already started showing signs of adapting their behavior to it. Even before any official shutdowns, 43.8 percent of consumers told us they were traveling for personal reasons less often than they had before the outbreak. Similarly, 49.4 percent said they were traveling internationally for personal reasons less often.

Dining habits also shifted, with 35.3 percent reporting dining less at quick-service restaurants (QSRs) and 35.9 percent going to sit-down restaurants less often than they had before the outbreak began.

In fact, the only activities consumers reported doing more frequently were those they could do on their own. For example, 18.4 percent said they were

working from home more often. Some 19.1 of consumers likewise said they were shopping online more often than they had before reports of the outbreak began. And 17.2 percent said they were shopping via mobile device more often.

Consumer concerns about travel and lodging began to surface early on as well, with survey respondents reporting concerns about staying in smaller boutique hotels, other people's homes or brand-name hotel chains. The most common report was that customers were "somewhat concerned" about all three types of accommodations. Some 41.4 percent felt that way about large hotels, 38.3 percent reported such anxiety about boutique hotels and 36.2 percent expressed that level of concern about home shares.

Early March also showed the first signs of consumer worries about safety in brick-and-mortar stores, which began to steer their shopping habits toward online purchases. Among consumers who reported being "somewhat" concerned about the virus and those who reported being "slightly concerned," 17.1 percent and 8.3 percent, respectively, reported fewer trips to the store to buy food.

**TABLE 1:**  
**CHANGES IN CONSUMERS' ACTIVITIES AFTER COVID-19 OUTBREAK**  
 Share of consumers who altered their activities in select ways following the COVID-19 outbreak, by activity

Change in activities since outbreak	Used to do this	Does this somewhat or much more	Does this somewhat or much less
• Working at a job	62.2%	7.7%	11.6%
• Traveling for business	16.1%	9.4%	45.4%
• Traveling for personal reasons	54.7%	3.5%	43.8%
• Eating food at restaurants	86.6%	2.7%	35.7%
• Shopping for food in grocery stores	92.1%	3.6%	20.9%
• Shopping for products in physical stores other than groceries	82.2%	2.7%	29.5%
• Engaging in leisure activities away from the house	72.6%	2.7%	34.6%
• Commuting to work in my car	55.6%	8.7%	10.9%
• Working from home and not in an office	39.6%	18.4%	11.8%
• Attending conferences for business	37.3%	6.1%	31.0%
• Commuting to work using local public transportation	29.1%	5.5%	36.4%
• Traveling by air within the United States for business	13.6%	8.5%	49.9%
• Traveling internationally for business	10.6%	12.6%	50.7%
• Visiting with friends in my community	51.1%	3.4%	26.9%
• Traveling outside of my local community to visit friends	51.0%	2.3%	36.1%
• Using local public transportation	27.1%	5.4%	44.4%
• Using taxi, Lyft or Uber services	29.3%	4.8%	39.5%
• Traveling internationally for personal reasons	29.3%	5.2%	49.4%
• Eating at QSR (fast food) restaurants	81.2%	2.7%	35.3%
• Eating at restaurants with waiter service	83.3%	2.1%	35.9%
• Using mobile order-ahead	58.8%	11.2%	24.2%
• Ordering using aggregators	44.6%	10.7%	29.4%
• Going to grocery store to buy food to cook at home	89.8%	5.0%	20.0%
• Going to grocery store to buy prepared food to eat at home	80.8%	4.5%	24.3%
• Buying groceries online and picking them up curbside	43.8%	15.5%	18.8%
• Going shopping in physical stores	80.7%	2.3%	30.5%
• Shopping online	77.3%	19.1%	8.6%
• Shopping via mobile devices	64.1%	17.2%	9.5%
• Attending sporting events	50.9%	3.8%	32.8%
• Attending concerts	50.6%	2.9%	37.1%
• Going to movie theaters	60.8%	2.8%	36.7%
• Attending conferences for pleasure	36.8%	3.2%	42.0%

Source: PYMNTS.com

But stores that didn't sell groceries fared worse. Our research found that 27.8 percent of those "somewhat concerned" about the virus and 12 percent of those "slightly concerned" were shopping less for non-grocery goods in brick-and-mortar stores.

Brick-and-mortar stores' losses were online shopping's gains. The share of "somewhat concerned" consumers shopping online increased to 18.4 percentage points after the outbreak began, while the share of "slightly concerned" consumers who did the same rose to 10.2 percent.

NO MATTER HOW SKEPTICAL CONSUMERS MIGHT HAVE BEEN ABOUT THE OUTBREAK IN ITS EARLY DAYS, THEY HAD ALREADY STARTED SHOWING SIGNS OF ADAPTING THEIR BEHAVIOR TO IT.

PHASE 2:

# The End Of The Beginning

By the time PYMNTS conducted its second poll in mid-March, the lay of the land had already started to shift. Consumers had become much more concerned about COVID-19, with the share of those at least “slightly concerned” rising to 93.8 percent – a 10-point jump in just 11 days.

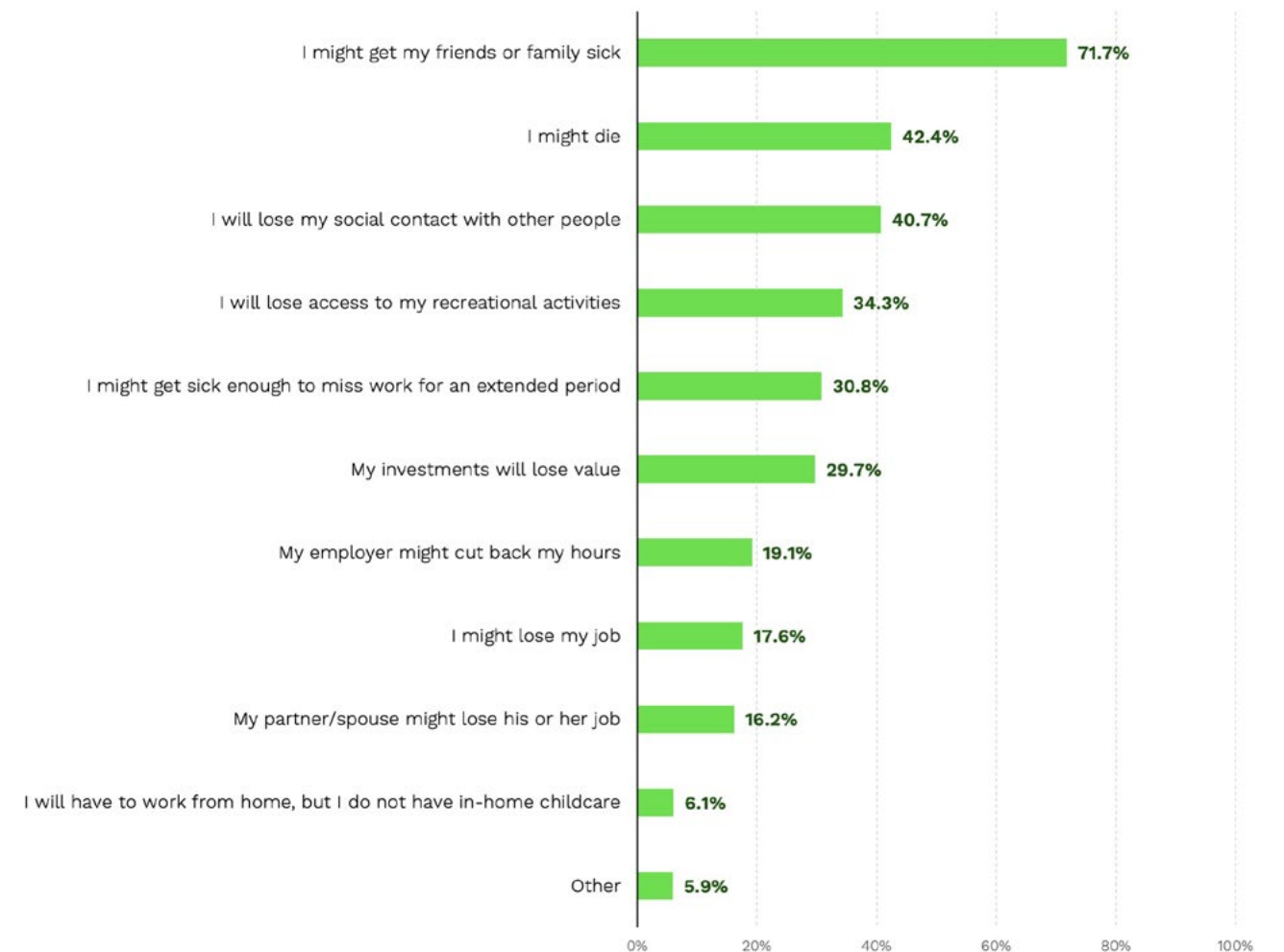
More notable was the uptick in those who reported being “very” or “extremely concerned” about the virus. Some 57 percent of those surveyed expressed that level of concern — a 54.3 percent increase over 11 days.

As for what was specifically an area of concern, 71.7 percent reported being worried they might infect their friends or family members — by far the most commonly shared anxiety. The second-most common reason consumers gave

for feeling worried about COVID-19 was fear they might die, cited by 42.4 percent. Other areas of concern for consumers were finances, as 30.8 percent worried they would get sick enough to have to miss work for an extended period. Similarly, 19.1 percent were afraid their employer would cut their hours, while 29.7 percent worried that their investments would lose value and 17.6 percent were scared of losing their jobs.

The changes to consumer shopping behavior also continued to become more pronounced. For instance, the share of Americans who reported traveling for business or personal reasons, dining at restaurants or grocery shopping all dropped very sharply. Business travel decreased by 66.9 percent by mid-March, while the

**FIGURE 1:**  
**WHY CONSUMERS SAID THEY WERE CONCERNED ABOUT THE COVID-19 PANDEMIC**  
Share of concerned consumers who cited select reasons for feeling apprehensive



Source: PYMNTS.com

share of consumers dining at sit-down restaurants declined 85.2 percent since the pandemic began. Some 52.3 percent of that drop happened between March 6 and 17.

Clearly, consumers no longer saw COVID-19 as a theoretical or overblown problem. Change was coming to their behaviors across the board and businesses were going to have to understand how to survive and thrive in a radically new environment.

PHASE 3:

# Peak Pandemic And Rapidly Shifting Consumer Habits

By the time PYMNTS interviewed consumers again in April, the pandemic and its effects were hitting their U.S. peak and the pain was making itself distinctly felt.

For example, losing one’s job went from a remote concern for many in March to an acute concern across an increasingly wide share of consumers. We found that 48.8 percent of U.S. workers — approximately 77.4 million people — were worried they might lose their jobs, with 28.5 percent saying they were “very” or “extremely” concerned. This meant 45.2 million consumers feared losing their jobs and 32.2 million were “somewhat” worried about losing them.

By mid-April, the U.S. employment situation was a leading concern for consumers. According to our data, only 40.9 percent of U.S. consumers reported having jobs or earning incomes as of April 11.

And those who remained employed widely reported cuts to their work hours or pay. Some 29.2 percent of those who were still employed as of April 11 had experienced an income decrease since the pandemic began, with consumers in low-income brackets seeing the largest bite.

But survey respondents reported income drops across the board, with 24.6 percent of those earning more than

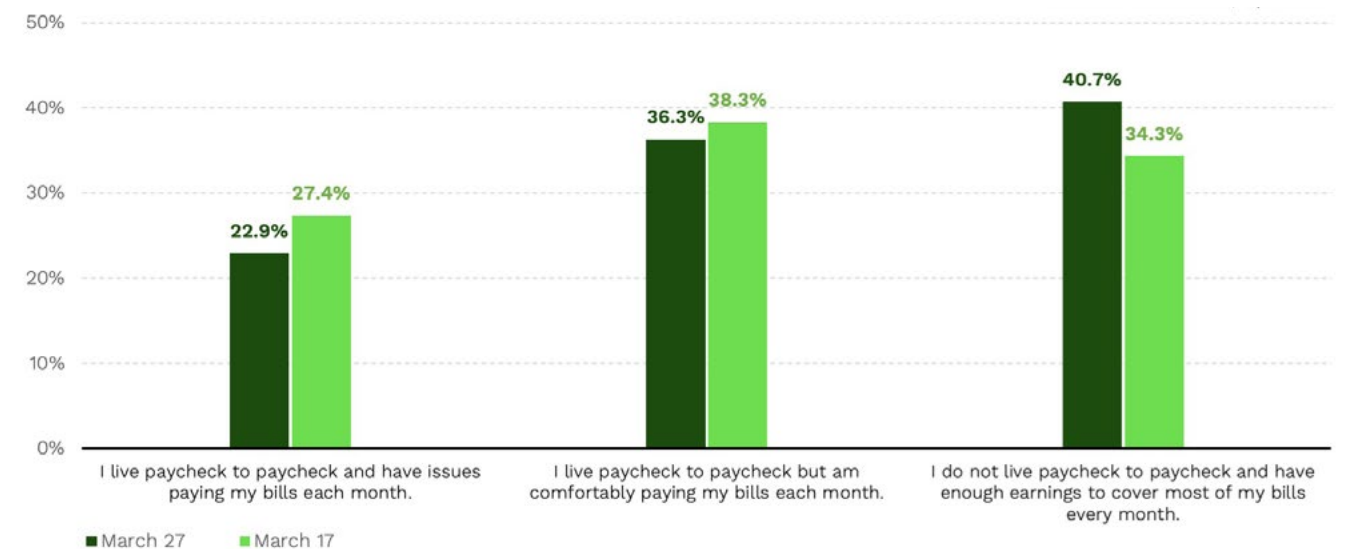
\$150,000 per year reporting their income had decreased since the pandemic’s onset.

That sudden income decline exposed many consumers to real financial peril, as our early April survey showed that 59.2 percent of consumers reported living paycheck to paycheck as of March’s end. Some 22.9 percent of those respondents also said they were struggling to pay monthly bills, while

36.3 percent said they lived paycheck to paycheck but had enough money to pay their bills each month.

April also saw the start of belt-tightening. By mid-April, consumers reported shopping less across the board, even for essential items like groceries. We also found that consumers were continuing to order from restaurants less.

**FIGURE 2:**  
**CONSUMERS’ JOB LOSS CONCERNS AS THEY RELATED TO CASH FLOWS**  
Share who said they did or did not live paycheck to paycheck, by date



Source: PYMNTS.com

PHASE 4:

# Transitioning From Peak to Post-Peak

As April headed toward May, some things in the consumer mindset remained firmly in place. For instance, even as the pandemic’s economic effects deepened, the main concerns among consumers remained infecting others (feared by 31.4 percent of respondents) and fear of dying from COVID-19 (31.1 percent). Less of a concern was missing work due to illness (6.4 percent) or watching their investments decrease in value (5.1 percent).

Given the priority of health concerns, it’s perhaps unsurprising that the lion’s share of consumers reported the development that would get them back out into the world was a vaccine for the virus. An ever-increasing share of consumers named a vaccine as their primary motivator for returning to their

old routines. Some 48.8 percent of consumers cited a vaccine as of April 11 — up from 40.5 percent on March 27 and 39.7 percent on March 17.

But without a vaccine on the horizon, consumers had transitioned much of their financial lives to the digital world by April’s end. Some 32 percent reported working from home as of April 11, up from 30.7 percent on March 27, 23 percent on March 17 and just 5.3 percent on March 6.

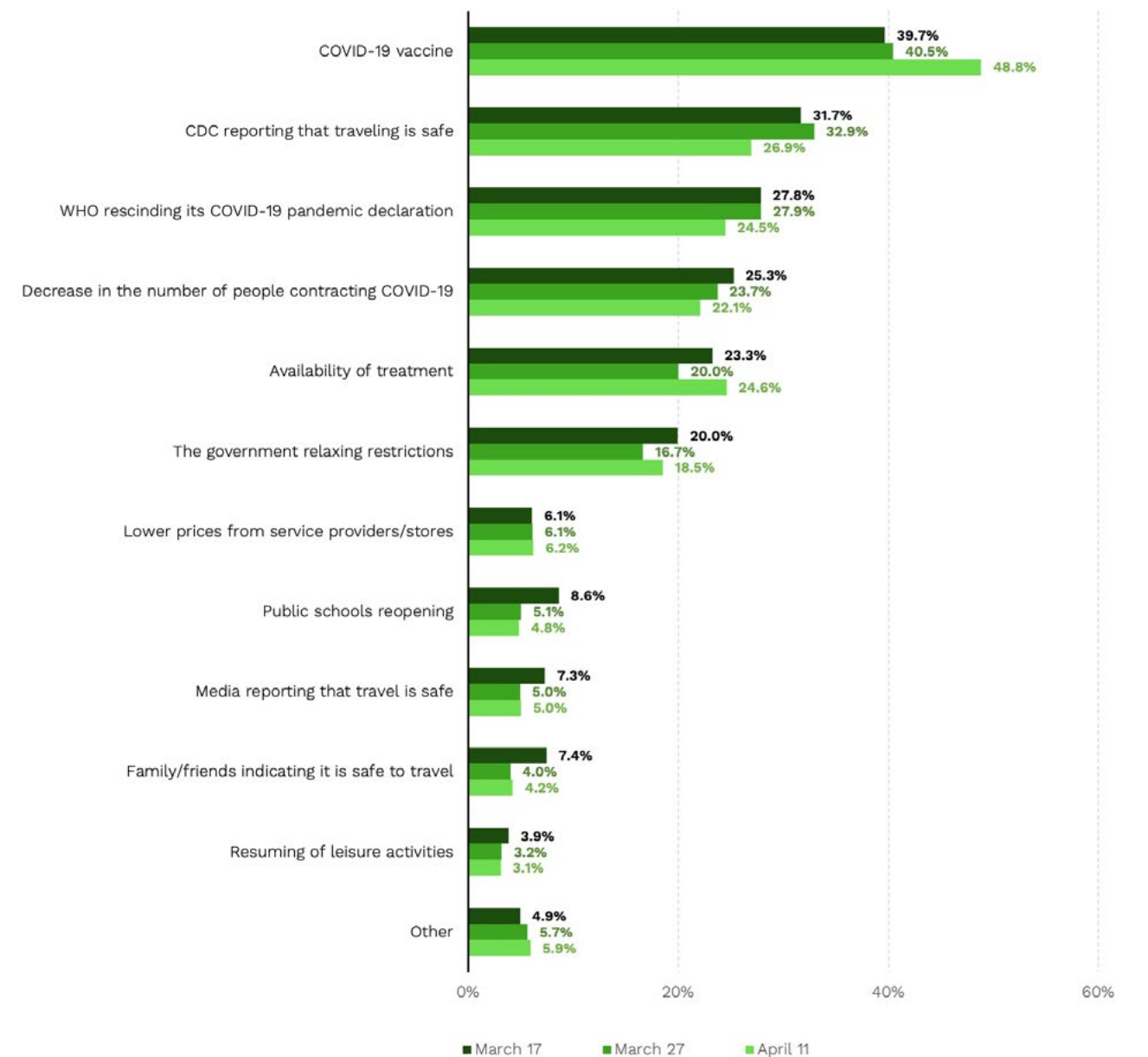
And although consumers were ordering from restaurants less on the whole as of April’s end, 74 percent of consumers who reported they were still making an occasional order were ordering online for takeout instead of dining on-site.

And yet, the activity U.S. consumers most curtailed during April was dining

FIGURE 3:

**WHAT CONSUMERS NEED TO FEEL COMFORTABLE RETURNING TO THEIR ROUTINES**

Share who said select events needed to occur before they would feel comfortable returning to their normal lives



Source: PYMNTS.com



**FIGURE 4:**  
**HOW CONSUMERS' ROUTINES HAVE CHANGED SINCE THE PANDEMIC BEGAN**  
Share who have changed how they engage in activities in select ways since the outbreak



Source: PYMNTS.com

out. PYMNTS found that among the 74 percent of consumers who were still purchasing food from restaurants as of April 1, they were doing so less often than they had on March 6. Only 15.3 percent reported buying just as much from restaurants on April 11 as they did on March 6, having switched fully to digital.

That general fall-off pointed to the belt-tightening trend that began to emerge as the pandemic pushed ever greater numbers of Americans out of work or into insecurity about how much longer they'd have a job.

With more dramatic and noticeable changes emerging in consumers' lives, by the end of April it became increasingly apparent that Americans no longer thought of the pandemic as a short-term event.

In fact, 44.7 percent of consumers reported by April's end that they expected the pandemic to last six months or longer. That compares to 32.9 percent who believed that as of March's end.

And by our late-April survey, a growing share of consumers believed the pandemic had forever altered their daily lives. Less than half (47.9 percent) reported they expected to resume their

normal activities once the pandemic passed.

By contrast, 32.1 percent reported plans to perform more activities at home and fewer activities away from home than before, and 16.1 percent say they wouldn't resume any of their pre-outbreak activities once the pandemic passed.

However, responses were heavily influenced by demographic factors. Millennials were the most likely to plan to resume normal routines after the pandemic ends, with 53.1 percent reporting an intention to do so. They were followed by Generation Z (49.8) and bridge millennials (49.2 percent).

Baby boomers and seniors were the least likely demographic to say they planned to go back to their routines after the pandemic ends and were more likely to do more things from home going forward.

What will consumers do from home?

As of late April, PYMNTS surveys revealed that around 66.5 million of Americans had switched from working from home, with about 22.9 million planning to continue doing so. (The other 43.6 million plan go back to the office when the pandemic ends.)

Projections based on our research also indicated that 53.6 million of the 156.6 million consumers who were eating at restaurants less often plan to place restaurant orders from home more often. Another 24.7 million are simply done with dining out in a restaurant, even once the pandemic passes.

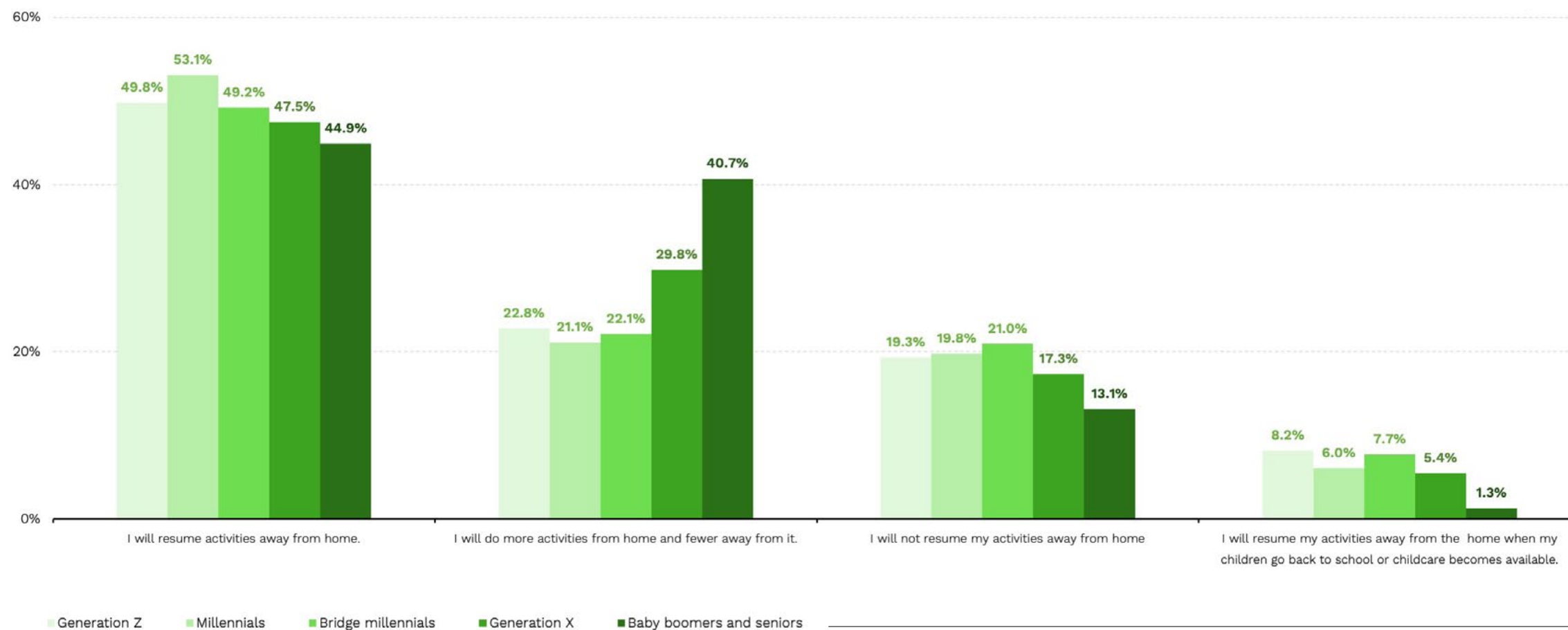
Even consumers' grocery-shopping routines could change significantly. Our research shows that 136.6 million consumers were grocery shopping less often as of April 11 than they did before the outbreak. And 48.2 million plan to permanently do so less often

ever after the pandemic is over. Another 19.7 million will simply not go back to shopping for groceries in brick-and-mortar stores at all.

A similar pattern emerged when it comes to non-grocery shopping, with a fair share of consumers reporting they're more likely to shop online even after the pandemic ends.

According to our data, 33.2 million consumers have been shopping for non-grocery products less often than in the past. Roughly 26.5 million have relocated their shopping habits to online and do not intend to return to physical commerce even when it becomes available again in the post-pandemic period.

**FIGURE 5:**  
**HOW CONSUMERS' ROUTINES HAVE CHANGED SINCE THE PANDEMIC BEGAN**  
Share who have changed how they engage in activities in select ways since the outbreak



**BABY BOOMERS AND SENIORS**  
WERE THE LEAST LIKELY DEMOGRAPHIC TO SAY THEY PLANNED TO GO BACK TO THEIR ROUTINES AFTER THE PANDEMIC ENDS.

Source: PYMNTS.com

PHASE 5:

# The ‘Grand Reopening’ And Getting Back To ‘Normal’

By the time our May conversations with consumers began, the digital transition was well underway and beginning to solidify into permanence.

Early May data indicated that 42 percent of U.S. consumers had transitioned to using digital channels to engage in activities more often than they did before the pandemic, while 58 percent had not.

But the digital transition appears to be fairly sticky for those that made the switch. Our data indicated that the majority of those that had brought their pre-pandemic routines online planned to keep them there once the crisis has ended. According to [our early May survey](#), 5.5 percent of U.S. consumers had gone online and planned to keep

doing so somewhat more often than they did before the pandemic. And 22.9 percent said their intention was to maintain all of the activities they had transitioned to doing online.

But once again, demographics were determinative in how people see their post-pandemic lives. As of early May, 47 percent of millennials told us they’d shifted their routines online, while 45.1 percent of bridge millennials and 41.8 percent of Generation X consumers did so as well.

Meanwhile, 31.1 percent of millennials had gone online to manage their retail lives during lockdown and planned to at least partly continue doing so in the future, making them the most transition-ready group. That compared to 30.3 percent of Gen X-ers and 30

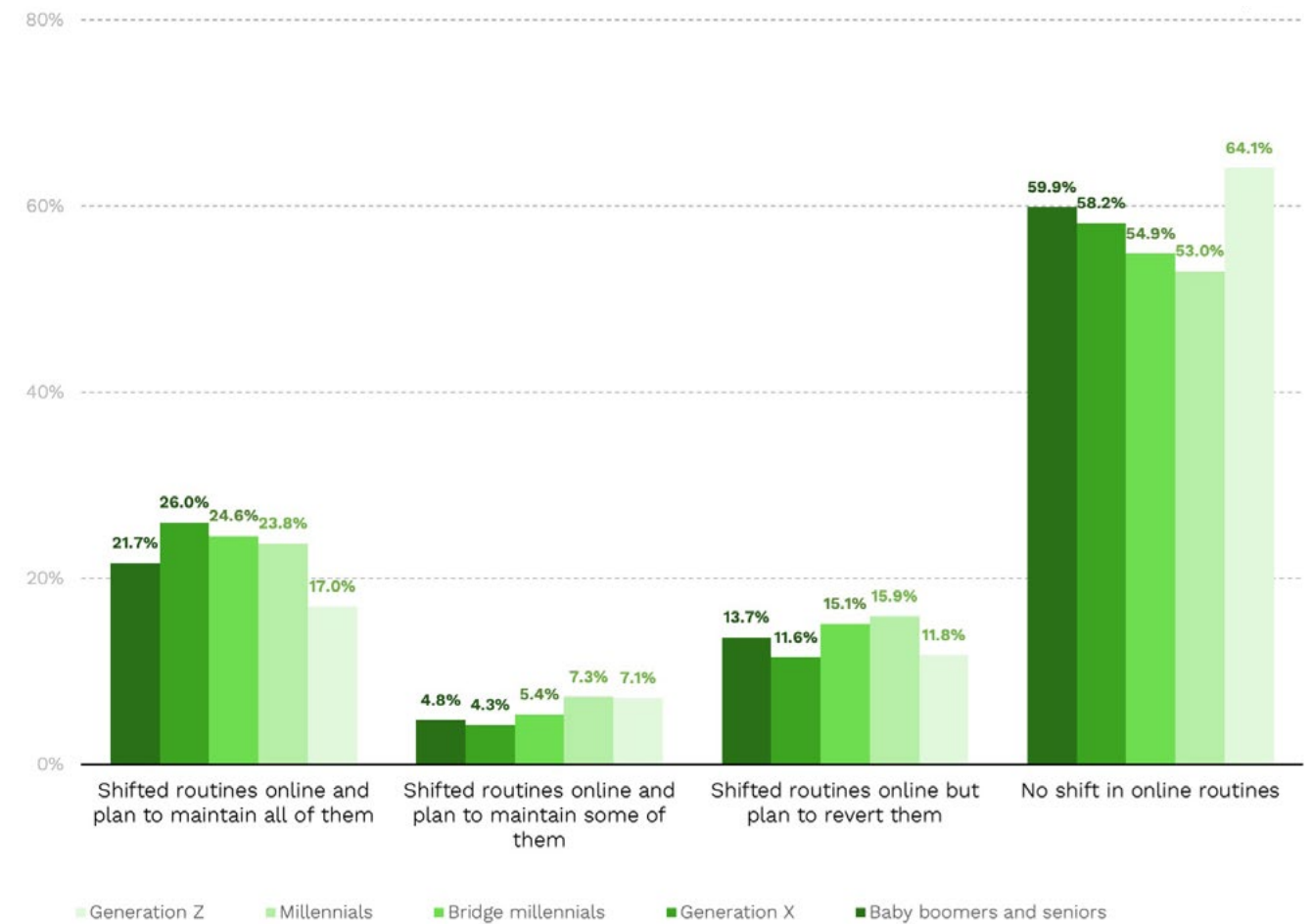
percent of bridge millennials with plans to maintain their digital transition post-pandemic.

By contrast, Generation Z consumers, baby boomers and seniors showed far less enthusiasm for protracted digitization.

Also interesting and of note during May was how the swing to digital commerce appealed more strongly to affluent shoppers than their middle-class and working-class counterparts.

Consumers earning more than \$50,000 annually have been the fastest to move

**FIGURE 6:**  
**CONSUMERS’ PROPENSITY TO MAINTAIN THEIR DIGITAL SHIFTS POST-PANDEMIC**  
Share who have or have not shifted their online behaviors in select ways and plan to maintain or revert these changes post-pandemic, by generation



Source: PYMNTS.com

their activities online during lockdown, with those earning more than \$100,000 a year being the most likely to use digital channels more than they did before the pandemic. And among those planning to carry out transactions with digital channels as much or more than they do now, 38.1 percent earn more than \$100,000 annually.

By contrast, consumers earning less than \$50,000 per year are the least likely to have made the shift online. Of those who have not moved their daily routine online, 37.7 make less than \$50,000 annually. This compares to 31.7 percent and 30.6 percent of consumers who have made no shifts who hail from the high-income and middle-income brackets, respectively.

As might be expected, the early May numbers showed a correlation between level of health concern about the virus itself and intention to transition one's habits to the digital world. The data demonstrated that consumers who plan to continue their current digital channel usage after the pandemic were also the ones most likely to cite fear of death as a concern (48.3 percent).

Conversely, those who had reported making the fewest digital transitions were also statistically the ones most

likely to be excited about getting back out into the world – 31.2 percent reported they are “very” or “extremely” interested in leaving their houses again.

Moreover, our second conversation with consumers in May firmly indicated that though talks of limited reopenings had already started swirling in society, the majority of consumers weren't quite ready yet. Our data found that just 27.8 percent of consumers reported being “very” or “extremely” interested in going out more often, while 46.5 percent said they were “somewhat” or “slightly” interested in doing so. The remaining 25.6 percent had no interest in leaving their homes.

Consumers also had adjusted their beliefs about how long the pandemic was likely to last, with the majority (53.2 percent) now estimating the pandemic would be a longer than six-month event. That is a pickup from the 44.7 percent who believed the same in mid-April, and the 30.6 percent who said as much in mid-March.

Once again, demographic factors were telling. Low-income consumers who earn below \$50,000 per year expected to see the sharpest long-term impacts on their lives, and were the most likely to expect that the pandemic effects

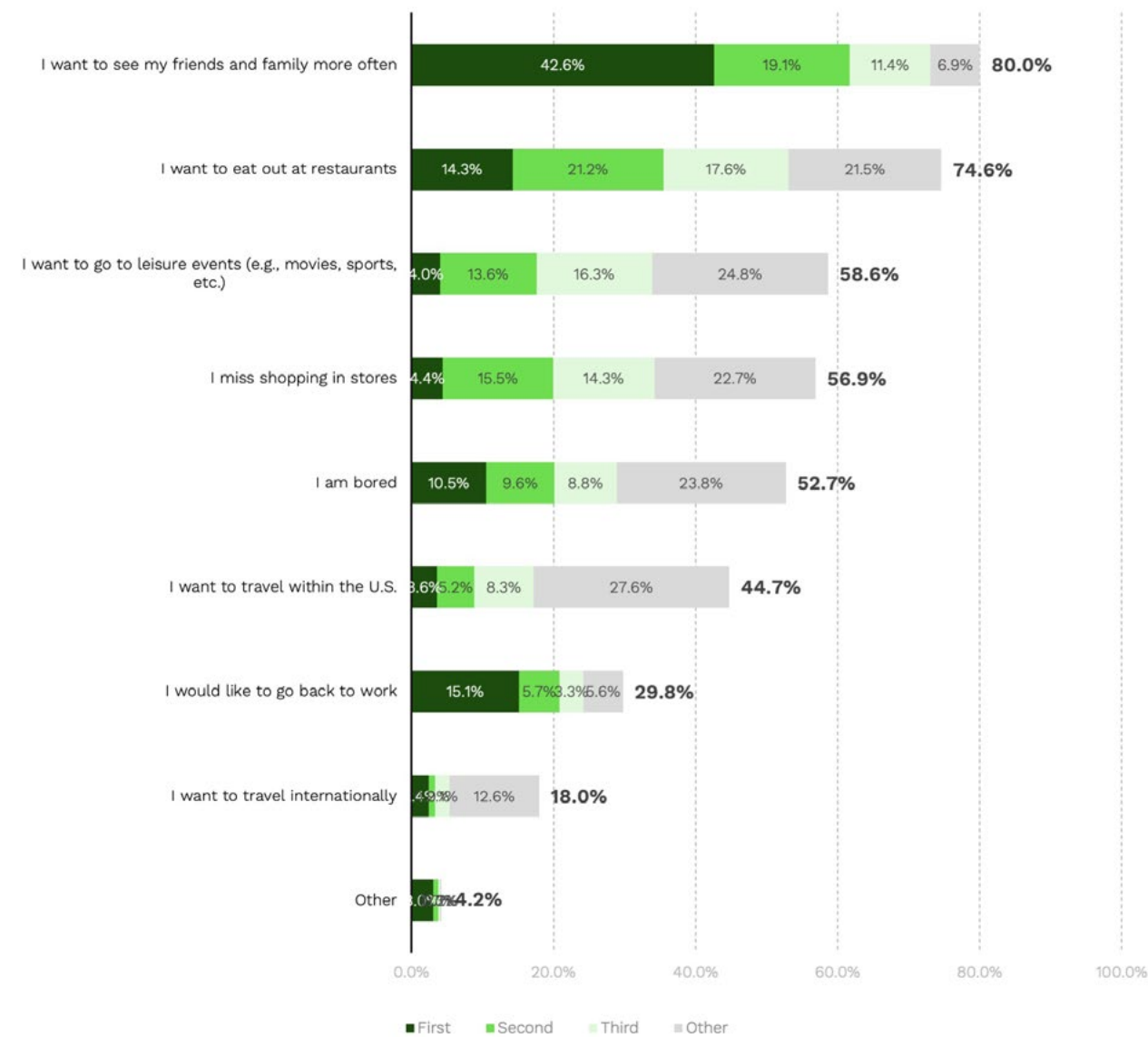
would last longer than 18 months, with 26.8 percent citing that belief. That compares to 19.1 percent of middle-income consumers who earn between \$50,000 and \$100,000 per year and 15.7 percent of high-income consumers earning more than \$100,000 per year who expect it will be more than a year before things get back to “normal.”

And yet, even as predictions about the length of the pandemic continued to stretch in May, consumers also began to think about the outside world and the activities they'd most missed during the lockdown. Leading the list – by a fairly wide margin – was seeing their family and friends. Among those we polled, 80 percent were interested in leaving their homes more often to see their family and friends, and for 42.6 percent, this was their primary reason. Returning to work also got a high spot on the list, as the second-most commonly cited reason consumers say they want to leave their homes – and the main reason for 15.1 percent of those interested in leaving their homes.

Getting back to work, however, didn't make nearly as strong of a showing as a secondary or tertiary reason for getting back out there, whereas the desire to eat out again made nearly as strong of a showing as a primary reason.

LOW-INCOME CONSUMERS WHO EARN BELOW \$50,000 PER YEAR EXPECTED TO SEE THE SHARPEST LONG-TERM IMPACTS ON THEIR LIVES, AND WERE THE MOST LIKELY TO EXPECT THAT THE PANDEMIC EFFECTS WOULD LAST LONGER THAN 18 MONTHS.

**FIGURE 7:**  
**THE BIGGEST REASONS CONSUMERS WANT TO LEAVE THEIR HOMES MORE**  
 Share who cite select reasons as the first-, second- and third-most important



Source: PYMNTS.com

Cited by 14.1 percent of respondents, it represented a secondary reason (21.2 percent) and a tertiary reason (17.6 percent) for wanting to get back out there.

The shift to digital continued apace as May wore on and consumers increasingly inured themselves to life at home. Working from home continued to be a growing concern, rising fivefold between early March and early May. Consumers using digital platforms to remotely order from restaurants grew by roughly threefold during the same time period. Consumers' shift of their shopping habits online, minus grocery, also continued apace. By early May, the data demonstrated that 32.5 percent of consumers who shopped for retail goods had moved online to do so.

As May was coming to a close and June was rapidly approaching, there was the promise of phased reopenings across the 50 states, and consumers' transitions into their digital-only lives had become widespread. As May was coming to a close, 35.7 percent of consumers were shopping for retail goods online, up from 32.5 percent at the start of the month. That adds up to 73.1 million consumers who are now

shopping online, compared to the 66.4 million who were doing so in late March.

May also saw a continued spike in consumers' propensity to order food from restaurants online, with the share increasing from 15.9 percent at the start of the month to 21.3 percent on May 23. This represents an increase of 5.4 percentage points, and adds up to 54.9 million consumers ordering food from restaurants online, up from the 41.8 million doing so a month earlier.

As digitization solidified its roots among the consumer population, consumers' estimates for how long the COVID-19 pandemic would last stretched out further into the future – again.

As of the end of May, the average consumer believed the pandemic would stretch out for 270 days — roughly nine months — on average. The data demonstrated a similar rise in how long consumers expect it to take before they can return to their pre-pandemic routines, and an increasing share reported that they don't believe there is a "normal" for their lives to go back to.

Ten percent of consumers say they do not expect to live as they did before the COVID-19 outbreak, up from 6.7 percent

**GENERATION Z  
AND BRIDGE  
MILLENNIALS**  
ARE THE AGE  
GROUPS MOST  
LIKELY TO BE  
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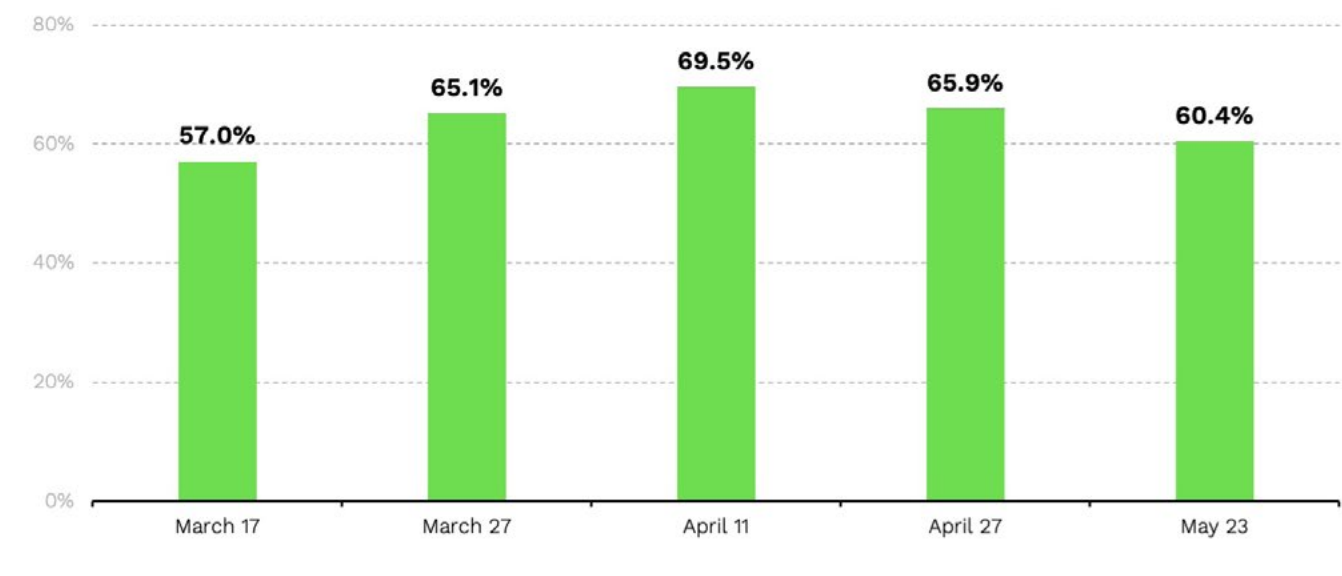
who reported the same in early May. Consumers who do believe their lives will return to the way they were before the outbreak say it will take longer to get there. Meanwhile, 43.3 percent said they do not expect to return to their pre-pandemic ways of life for at least another year. This compares to 30.5 percent who said the same at the start of the month, and 23.6 percent who said so on April 11.

But though consumers are expecting to be in this period for an even longer haul than they ever expected, they are, conversely, getting less directly worried about the health effects of the virus itself. Notably, the share of those who are “very” or “extremely” concerned about COVID-19 has been decreasing since April 11, when it peaked at 69.5 percent. By early May, the survey found that 65.9 percent of consumers were highly concerned about the pandemic, and that share has since dropped to 60.4 percent.

However, as has been the case throughout, the demographic segment plays a big role in determining health risks. Generation Z and bridge millennials are the age groups most likely to be “very” or “extremely” concerned about the virus, with 65.4 percent and 65.2 percent saying so, respectively. Baby Boomers and seniors are the least worried, with only 57.6 percent saying they are “very” or “extremely” concerned about the pandemic’s effects.

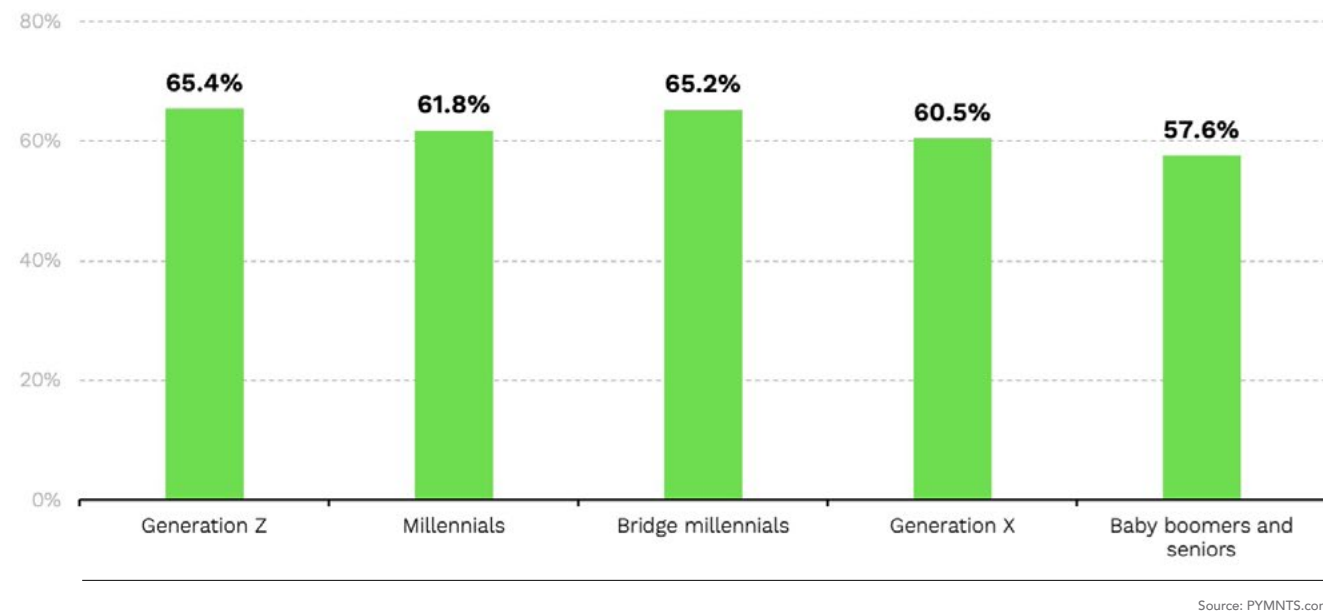
And by late May, consumer digitization preference began emerging most clearly in the data, with consumers reporting an increased likelihood of shopping with merchants that have taken the pandemic period to upgrade and enhance their digital features. Some 33.8 percent of consumers say they are “very” or “extremely” likely to consider digital offerings when deciding where to shop, while another 55.3 percent are “somewhat” or “slightly” likely to take merchants’ digital capabilities into

**FIGURE 8:**  
**CONSUMERS’ CONCERNS REGARDING COVID-19**  
Share “very” or “extremely” concerned about COVID-19, by survey date



Source: PYMNTS.com

**FIGURE 9:**  
**CONSUMERS' CONCERNS REGARDING COVID-19**  
 Share "very" or "extremely" concerned about COVID-19, by generation



consideration. Only 11 percent say digital offerings do not factor into their decisions.

As for what kinds of digital features consumers are seeking, our data show that there is an overwhelming preference for upgrades that will help the customer avoid COVID-19. When asked, 40.2 percent of all consumers who factor digital features into their shopping decisions noted avoiding the virus as a primary driving factor. We also

found that 21.9 percent said shopping digitally is more convenient, while 14.4 percent said it is faster.

But while avoiding COVID-19 is the chart-topping reason for digital preferences, the reasoning for the preference diverges from there, seemingly based on income level.

Their priorities vary when it comes to other considerations. High-income consumers are the most likely to

consider merchants' digital capabilities when choosing where to shop because purchasing goods online is more convenient, with 24.7 percent saying so. This compares to 22.7 percent and 16.5 percent of middle-income and low-income consumers, respectively, who also reportedly prize convenience. Middle-income consumers are the most likely to prioritize speed, with 18.4 percent of those who consider merchants' digital offerings saying that purchasing online is faster. Our survey shows that 14.8 percent of low-income consumers and 10.8 percent of high-income consumers say the same. Low-income consumers are the most concerned about avoiding trips to brick-and-mortar stores, with 19.3 percent of those who prioritize shopping with merchants with digital capabilities citing this as their reason. Only 13.2 percent of middle-income and 10.8 percent of high-income consumers who prefer shopping with digitally-enabled merchants offer the same explanation.

HIGH-INCOME CONSUMERS ARE THE MOST LIKELY TO CONSIDER MERCHANTS' DIGITAL CAPABILITIES WHEN CHOOSING WHERE TO SHOP BECAUSE PURCHASING GOODS ONLINE IS MORE CONVENIENT.

PHASE 6:

# The New Consumer Profile — And What’s Next

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As May faded away and June started up, the era of forced social distancing by statute began to come to an end nationwide, as the states started gradually reopening for business and consumers’ choices for where and how to spend and interact with the world began to broaden for the first time in 12 weeks.

And, along with the gradual thawing of the economy, [PYMNTS data](#) revealed that four distinct consumer profiles began to emerge in terms of pandemic response:

- The first category is **social shifters:** consumers who have gone online to make retail purchases, but are most likely to return to physical stores and engage in activities outside their homes.

- The second grouping is **safety shifters:** Consumers who have embraced digital channels to buy groceries and other products and are more concerned about contracting the virus than other consumers.
- The third group is **convenience shifters:** Consumers who put a premium on speed and convenience and choose merchants based on their digital offerings.
- Finally, there are the **office shifters:** consumers who have shifted to working from home and want to go back to being outdoors and working in office environments.

Which of the four categories consumers fall into primarily, according to the data, seems to have an awful lot of power in pushing them toward one behavior or another in the post-pandemic reopening period.

For example, when it comes to getting back out there again, it seems that office and convenience shifters will be the vanguard. According to the data, office shifters are the most likely to want to leave their homes, with 40 percent saying they are “very” or “extremely” interested in doing so. Convenience shifters are the second-most eager, with 39.3 percent “very” or “extremely” interested, compared to 36.1 percent of all U.S. consumers.

Safety and social shifters, on the other hand, seem less likely to want to leave the safety and comfort of their homes, with just 30.5 percent of safety shifters reporting they are “very” or “extremely” interested compared to 35.8 percent of social shifters who say the same.

The reason for wanting to get back out there also seems to vary by category. Social shifters stand out as the group most likely to be interested in leaving their homes to visit their friends and family, with 82.7 percent citing that as their primary reason for getting back out.

Convenience shifters are more likely than all other persona types to say they want to leave their homes to dine in restaurants, go to leisure activities and travel in the U.S. Our survey finds

that 77.7 percent and 66 percent of convenience shifters who want to go back out cite wanting to dine at restaurants and go to leisure events, respectively, while 59.5 percent cite a desire to travel within the U.S.

The most adventurous group seems to be our office shifters, who are far more likely to want to go back to work in normal professional settings, with 47.8 percent reporting as much compared to 24 percent of the sample average. They are also the group most looking to travel internationally again, with 26.2 percent calling it out as a reason to go out.

Safety shifters are among the least likely to want to go back out for social reasons like work or travel. Our research shows that only 47.8 percent of safety shifters who are interested in leaving their homes say it is because they would like to travel within the U.S. again, compared to 55.8 percent of social shifters and 59.5 percent of convenience shifters.

Those safety shifters are also the demographic set most keenly keyed into a merchant’s digital option set, with 52.3 percent of safety shifters noting that it is “very” or “extremely” important for merchants to provide digital options, compared to 43.1 percent



of social shifters and 42.9 percent of convenience shifters.

Meanwhile, office shifters are less likely to say that merchants should provide digital shopping options, with only 39.5 percent saying it is “very” or “extremely” important that they do so.

Even when the various persona groups all report positively on the same thing, it is often for different reasons. Social shifters and safety shifters are led by a primary concern about the possibility of being infected during in-person visits to stores, with 47.5 percent of the former and 47.2 percent of the latter stating that as their reason for wanting merchants to provide digital features.

Convenience shifters, on the other hand, are far more likely than other persona groups to report interest in digital shopping because they think it is easier, more convenient and faster. Our study finds 21.4 percent of convenience shoppers would be “very” or “extremely” likely to choose merchants based on digital shopping offerings because digital is easier and more convenient, while 17.6 percent say it is faster.

And yet, when all is said and done, office shifters might end up being the most dyed-in-the-wool digital converts at the end of this experience. According to the data, office shifters plan to use

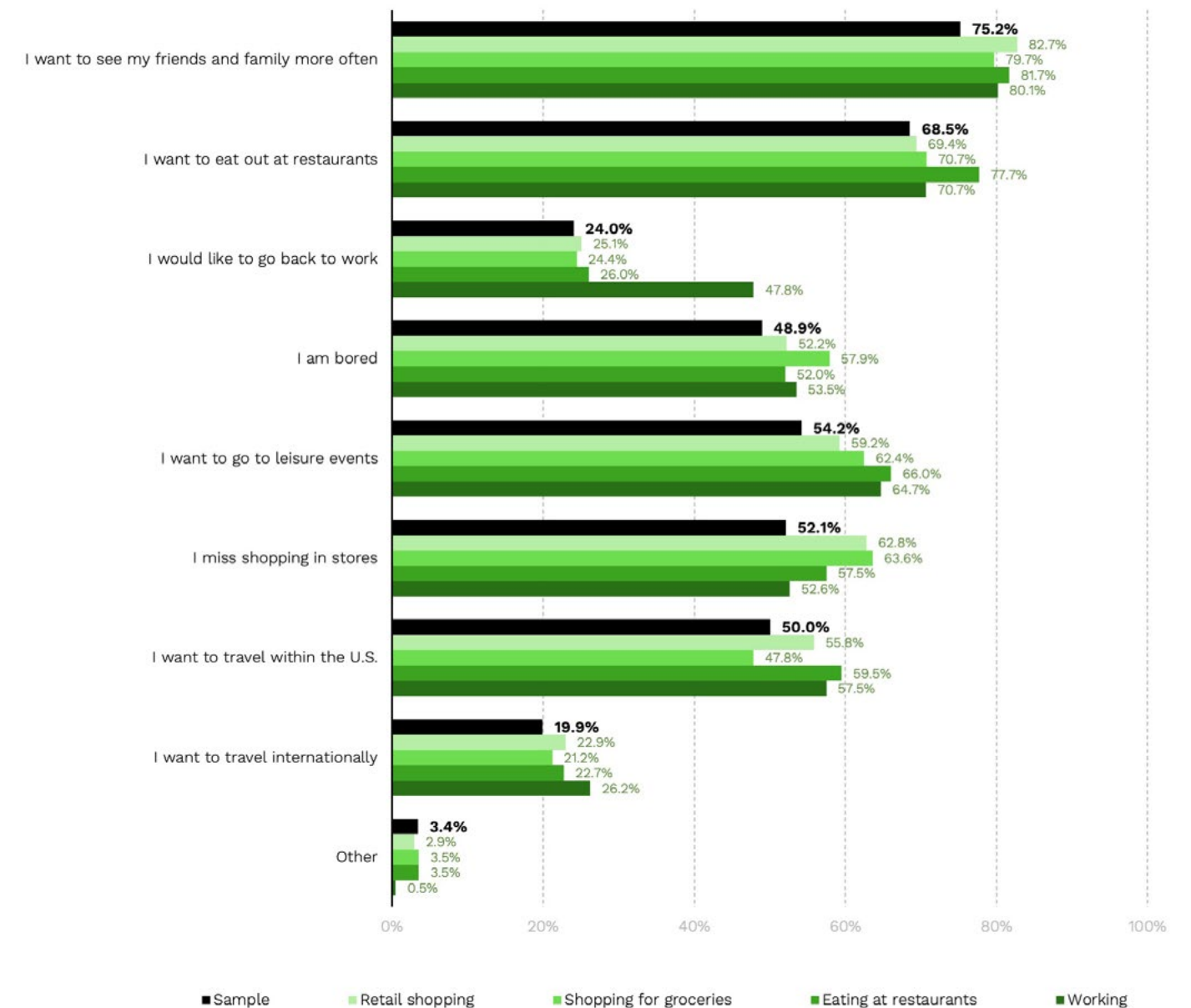
digital shopping options more than other consumers after the pandemic has passed, and are the most likely to keep shopping online, using mobile order-ahead, ordering food from online aggregators and ordering food from restaurants once daily life returns to normal.

The survey reflected that 75.7 percent of this group who are now using mobile order-ahead more often plan to continue doing so at least “somewhat” as often, as do 71.8 percent of social shifters and 71.4 percent of convenience shifters.

Social shifters, on the other hand, appear to be the least likely to continue shopping online, ordering from aggregators or working online from home after the pandemic. Our research shows that 68.8 percent of them plan to continue shopping online at least “somewhat” as often as they do now.

Safety shifters on the whole, according to the data, will also be the least active consumer subset when the pandemic has passed. As our research shows, 76.5 percent of those who are shopping less in physical stores plan to continue doing so at least “somewhat less often” than they did before, for example. This compares to 71.9 percent of social shifters and 70.4 percent of convenience shifters who said the same.

**FIGURE 10:**  
**WHY CONSUMERS ARE INTERESTED IN LEAVING THEIR HOMES**  
Share who cite select reasons for wanting to leave their homes, by persona



Source: PYMNTS.com

## What Does It All Mean?

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**W**hile it is impossible to predict the future with so many known unknowns – when a virus vaccine will be developed and whether more stimulus funds are on the way, for example – one of the things that is becoming less unknown as the reopening is attempting to find momentum is that digital services are no longer just a nice extra to include in a retailer’s or restaurant’s roster: They have become mission-critical for anyone who wants to keep serving their customers.

Although customers aren’t as worried about infection as they were four weeks ago, the majority are still concerned about their health in some segments, letting those concerns dictate where they will and will not go to shop, eat and

interact in the future. And even those who aren’t afraid have learned there is something to be said for a digital-first world when all is said and done – and they will continue seeking out digital services because they think they are faster and easier to use than their old analog counterparts.

But for those who are worried about the recovery or worried that consumers will never get back out there, survey data does seem to indicate that concern is a bit overblown. It’s true that consumers are more focused on their health than they were 12 weeks ago, and are preparing for this to be a longer-term part of their lives. But they also miss the outside world, want to eat in restaurants and long to see their friends and families (and co-workers, in some cases).

Consumers may have leapt the great digital divide in the last 12 weeks, which isn’t to say they are ready to sign on for fully virtualized lives. But fully digitally moderated lives? That doesn’t seem so much like a remote possibility as a reasonable prediction, as consumers emerge for quarantine ready to do things digitally and are looking for firms that are wired to help them do so.

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