

COVID-19 CONSUMER RESEARCH WAVE 113 EXECUTIVE SUMMARY

AUGUST 5 - 7, 2022

Stagwell and **The Harris Poll** have partnered to conduct research to monitor the pulse of the American Consumer.

The executive summaries on the pages that follow provide insight into current consumer attitudes and behavior and can be used to help navigate the changing industry landscape. We hope this information proves useful to you and your team as you address these changes in real time and strategize for your next moves.

As always, we are here to help. Please don't hesitate to contact us with any questions you may have.

Positively,

Ryan Linder + The Stagwell Family

Global Chief Marketing Officer, EVP



WAVE 113

WAVE 113 INTRODUCTION

The following research was conducted between **August 5 - 7, 2022** by The Harris Poll. Fielded among a nationally representative sample of **1,998** U.S. adults, the newest research demonstrates how consumers' perceptions are rapidly shifting as new developments emerge.

Section:

01

Topic:

MUSK'S SHOTGUN WEDDING: AD AGE/ HARRIS POLL

Introduction:

According to our latest survey [with Ad Age](#), Twitter's most avid users are **rooting for the company to prevail in its court case with Elon Musk**. Their reasoning is that if the billionaire loses, he will ultimately make Twitter better than the current management.

- **Context:** Twitter is suing Musk to make good on his \$44 billion deal to purchase the company after [he decided to pull his offer due to his concern over spambots](#).
- And Twitter's **most active users are siding with the social media platform** in the lawsuit (49%), with just a third (36%) rooting for Musk.
- This is in contrast to the (41%) of all Americans saying Musk should win (v. Twitter: 35%).
- **However, Musk might have backing for his spambot claims:** (70%) of Twitter users agreed that bots spread disinformation and harass users, and (55%) agreed there were **more bots on Twitter** than on other social platforms.

Implication:

By siding with Twitter in the lawsuit, the most active users are indirectly supporting Musk to be the new owner, indicating backhanded respect for Musk and his ability to take the platform to new levels. Not exactly a ringing endorsement for the current management regime. In November, shares of Twitter [had produced zero net return](#) since its IPO eight years ago.

Section:

02

Topic:

IS IT TIME FOR A THIRD-PARTY CANDIDATE? INSIDER/ HARVARD CAPS-HARRIS POLL

Introduction:

What Kanye West, Oprah Winfrey, and The Rock have in common: They're top third-party alternatives to the Biden-Trump 2024 presidential binary. According to the latest data from the [Harvard CAPS-Harris Poll](#), **voters are showing more interest in third-party candidates** at a time when approval ratings are historically low for government bodies, indicating a growing appeal of an “anti-establishment” type of leader:

- **Moving in from the two extremes, America is calling for a moderate leader:** 6 in 10 (58%) registered voters would consider a moderate independent candidate for president if the 2024 political matchup was between Trump and Biden - **significantly younger voters** ages 18 to 34 (68%).
- **Out with the old establishment:** 7 in 10 (69%) voters say President Biden shouldn't run again for the 2024 Presidential primary, and 6 in 10 (59%) say Trump shouldn't run either.

- **Making room for a new establishment:** Biden's and Trump's low numbers are making room for other potential presidential hopefuls, including celebrities, according to [Insider's](#) look at who could go from the red carpet to the White House: Oprah, The Rock, and Tom Hanks.

Implication:

An anti-establishment leader's appeal is capturing American voters' minds, especially Gen Z and Millennials. But unless there is a moderate candidate with a broad appeal, Biden and Trump could be the frontrunner nominees of their party (they lead their party's favorites for nominee if the primaries were held today among registered voters, 31% and 52%, respectively).

Section:

03

Topic:

COMPANIES AREN'T SWITZERLAND; THEY ARE THE U.N.

Introduction:

This summer was politically tumultuous with the overturning of Roe v. Wade, the January 6th Senate committee hearings, and the recent raid on former President Trump's home. And as every CEO knows, this has made consumers more demanding of companies and brands to take a stand. Yet be careful what you take a stand on. In late May, we released [The Axios-Harris Poll 100](#) rankings on corporate reputation, and politics poisoned many companies. For example, Disney's ranking dropped from 37th to 65th this year after initially opting not to address Florida's so-called 'Don't Say Gay Bill.'

- The lesson here is **that when you divide, you subtract.** (and that often means customers or employees or both). And therein lies the tension: Many companies who speak out feel pressured by the large, diverse workforces they manage. But CEOs think they can be Switzerland (hey, we're neutral) when they need to think more like the U.N., which has multiple conflicting constituencies to continuously manage and find common ground on by sticking to clear, sustainable, long-term goals, missions and beliefs.
- The overall trend is moving towards companies being social actors, as long as they do so from their long-held positions, values, and missions that connect to their businesses. Let's go inside the numbers:
- **Americans are divided on CEOs expressing political views:** Nearly three-fifths (58%) of Americans say this is either good for the company or has no impact (36%, 22%), yet nearly half (42%) say it's bad for the company.

- **But younger and BIPOC Americans think more progressively:** More than (54%) of Gen Z and (52%) of Millennials say **there's more reward in a CEO speaking out on social issues** vs. (44%) of Gen X and (40%) of Boomers who say the same. And nearly three-fifths (58%) of Black Americans and (54%) of Hispanic Americans say there is more reward vs. (43%) of White Americans.
- **And less than half say companies are getting it right:** Just (40%) of Americans say companies are speaking out on social issues at the right amount, while (32%) say they are doing so too much, and (28%) say not enough.
- **Take Roe v. Wade as an example:** In a recent Harris Poll [with Fast Company](#), (54%) of U.S. adults say it is essential that the brands or companies they buy from taking a position on abortion rights, and (41%) even felt brands have a greater responsibility to be vocal about abortion than other social issues.

Implication:

According to Stagwell Chairman/CEO (And Harris Chairman) Mark Penn's [op-ed in Ad Age](#), he recommends brands to take a position that's close to their business, assemble a balanced team of consultants, and be consistent in their values when speaking out on social and political issues. And in our reputation surveys, **Patagonia and Chick-fil-A have strong corporate reputations among all Americans.** And yet, can you imagine them at the same company picnic? Still, Americans respect their beliefs, if not their politics, because they walk their talk.

Section:

04

Topic:

CRYPTO- CAUTIOUS, BUT STILL CURIOUS: MASTERCARD- HARRIS POLL

Introduction:

More than a decade after the launch of bitcoin, global citizens remain curiously cautious about cryptocurrencies, according to our latest collaboration on [Mastercard's New Payments Index](#) featured [in TechCrunch](#).

- Only (11%) of global citizens reported having made a purchase using a digital asset, and over a third (36%) say they **are likely to pay with cryptocurrencies** in the next year.
- After this Spring's notorious crypto meltdown, consumers would **like to see more stability in the industry**, with six in ten (59%) agreeing that they would feel more confident about crypto if they knew it was **issued or backed by a reputable organization**.
- A similar number (63%) also agree that **the government should regulate** the cryptocurrency and stablecoin sectors.
- According to TechCrunch, **the cryptocurrency market is expected to expand** — despite price volatility, growing pains, and the current “crypto winter” — from \$1.2 billion in 2021 to \$2.8 billion in 2028.
- Consumer acceptance of crypto is attributed to the rising popularity of digital assets as investments, security, fast processing, the formation of new legal guidelines, and technologies that simplify use.

Implication:

This reimagining of money can lead to new business models, economies, and ways of exchanging value in everyday transactions - yet companies will need to inspire trust to gain new consumers. And soon, the metaverse will span digital and physical worlds via augmented, virtual, and mixed reality platforms. Many bettors believe consumers will move between them armed with new digital wallets, inspiring new types of creators. So shorting crypto might be short-sighted.

Section:

05

Topic:

THE SUMMER OF YOLO TRAVEL - HARRIS BRAND PLATFORM

Introduction:

Americans are finally making up for lost time since the pandemic put travel on hold, according to Harris Poll [COVID-19 Weekly Tracker](#) and [Harris Brand Platform data](#).

- **This summer, Americans wanted to get back out there:** Three-fifths (75%) planned to take a road trip, while over two-thirds (69%) planned a hotel stay, and a half (50%) were booking flights.
- **Coming out of the pandemic cave:** (64%) were willing to spend more than usual to socialize and travel (64%) this summer, and (58%) planned to spend more on concerts, sporting events, and museum visits – especially Millennials, who were most willing to pay more on socializing, travel, and experiences (all 74%).
- **Pent-up demand signals a new suite of customer incentives:** Case in point, TripAdvisor released a new membership option right as many Americans became vaccinated and were re-entering the travel market after a year at home, causing their brand equity to increase (+7.8), along with their consumer trial (+13.8) and usage (+9.1) numbers between February and August 2021.

Implication:

Companies cannot introduce new subscriptions, products, and brand lines in a vacuum and instead need to drive excitement by utilizing well-positioned and well-timed releases to their unique and current consumer bases.

Questions?

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