

COVID-19 CONSUMER RESEARCH WAVE 135 EXECUTIVE SUMMARY

FEBRUARY 10 - 12, 2023

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 135

WAVE 135 INTRODUCTION

The following research was conducted between **February 10 - 12, 2023** by The Harris Poll. Fielded among a nationally representative sample of **1,996** U.S. adults, the newest research demonstrates how consumers' perceptions are rapidly shifting as new developments emerge.

Section:

01

Topic:

STATE OF INEQUITY: HUE-HARRIS POLL

Introduction:

Our newly released [State of Inequity report](#) with [Hue](#), featured this week in [Fast Company](#), illuminates wide disparities along racial lines in workplace opportunity, compensation, and experience in a post-pandemic labor market.

Headline: Over two hundred thousand Black and Latina Women [have disappeared from the workforce](#) since the pandemic's beginning. And many of these women have stopped looking for new jobs, making them invisible to unemployment statistics and ineligible for federal benefits. This data complicates the statistics released last week by the Labor Department, which reported an unemployment rate of 3.4%—a 50-year low.

There Has Been Very Little Overall Progress Since June 2020

- Most BIPOC employees report their employer has not instituted racial awareness training (82%) nor have increased recruiting efforts toward racially diverse hiring (81%):



State of Inequity Report: Hue-Harris Poll 2023

- This comes as a surprise to HR: While over eight in ten (84%) of BIPOC employees report their company has not addressed the mental/emotional impact of discrimination on its employees of color since June 2020, HR, says "Mission Accomplished: Over nine in ten HR professionals (91%) we surveyed say the various diversity-related initiatives their companies have implemented are effective.

Women of Color Speak Out Against Persistent Barriers

- BIPOC women are more likely than their white male colleagues to detail the shortcomings of their companies regarding equity in career development:

BIPOC women were 1.5-2x as likely to report their companies have not addressed'

- ⊗ Opportunities to advance within the company
- ⊗ Retaining employees of color
- ⊗ Fair and equitable promotion of employees
- ⊗ Promoting employees of color
- ⊗ Ensuring gender diverse leadership

State of Inequity Report: Hue-Harris Poll 2023

- One in four BIPOC women report not being paid fairly and in a comparable way to other colleagues at their level across their company – 1.5x more often than white men.
- And BIPOC women are 2x as likely not to be paid fairly and in a comparable way to other colleagues across their company compared to white men.
- BIPOC women are nearly 2x as likely to report they have not had the same opportunities and chances to succeed as any other person within their company compared to white men.

BIPOC Women Continue to Feel Unseen, Unheard, & Unsupported

- Two in Five BIPOC women reported feeling exhausted or burned out last year because of their workplace.
- And BIPOC women are 2x more likely to report they have felt fatigued related to racial tension or issues at work in the last six months compared to white men.

Section:

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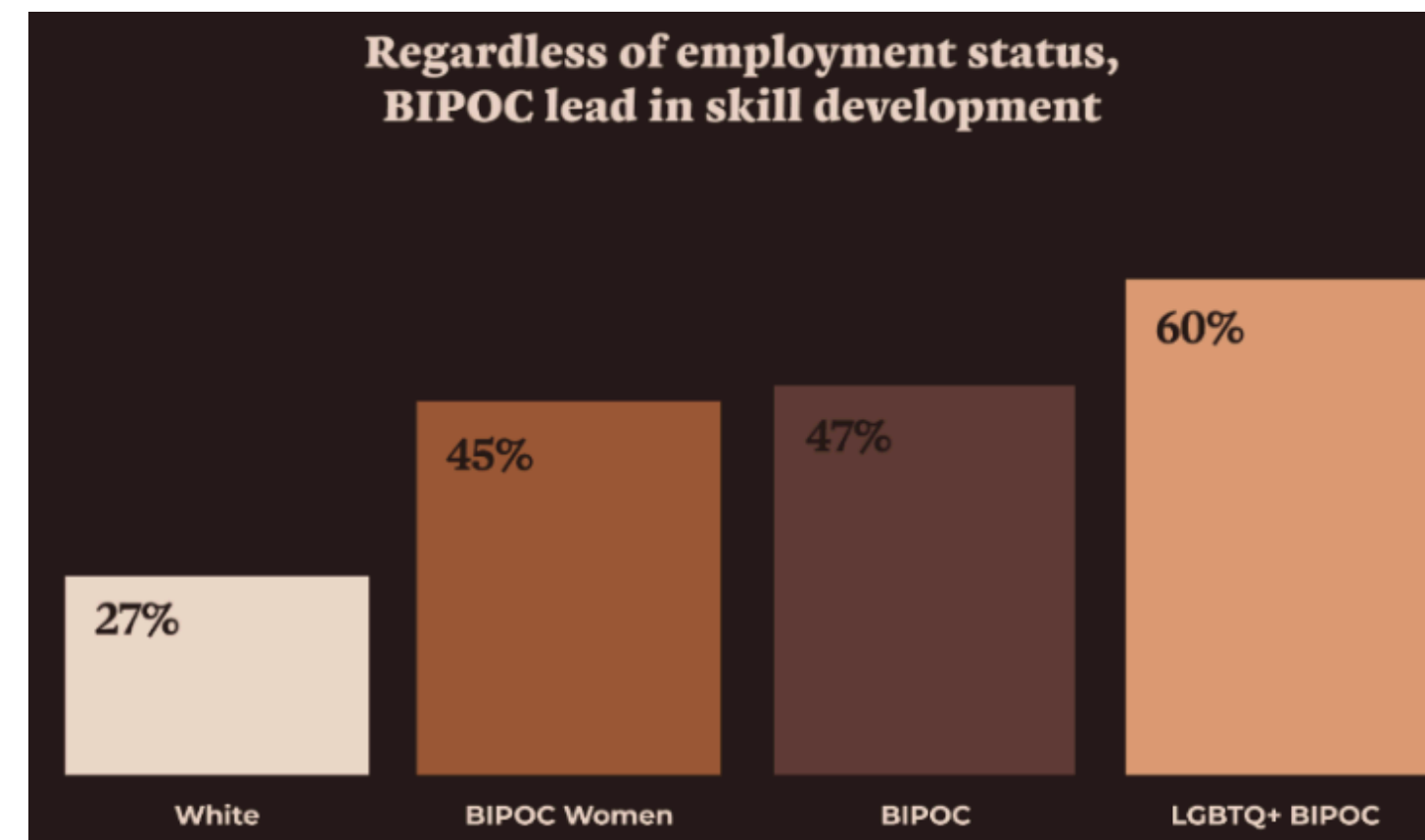
- And more BIPOC women are not comfortable being fully themselves at work, 2x as likely compared to white men.



State of Inequity Report: Hue-Harris Poll 2023

Even in the face of Workplace Hardships, BIPOC Women are Investing in Themselves.

- Nearly 2x as many BIPOC women report gaining new skills or education to become a more competitive job candidate compared to white Americans (45% v. 27%).



State of Inequity Report: Hue-Harris Poll 2023

- BIPOC women are 2x as likely to have considered leaving their current or most recent employer due to the emotional burden they faced related to their race/ethnicity compared to white men.
- And nearly three in five BIPOC women report they are not comfortable working at a company that lacks racially/ethnically diverse leadership, even if there is diversity at lower levels.
- Yet, over 3 in 5 (61%) say they would stay with an employer if there were more promotion opportunities

Implication:

The sobering, insightful analysis from Harris' Dami Rosanwo and HUE's Fahad Khawaja reveals the inequities caused by a lack of corporate action over the past three years. Since the murder of George Floyd, corporations have rushed to join the DEI movement. And after [#MeToo](#) this should have signaled heightened attention to working women of color. But this study frankly says otherwise. Most daunting is the growing gap between their reported experiences and the nine-in-ten HR departments we surveyed, who told us their racial equity initiatives had been "highly effective." In hindsight, businesses treated <https://www.linkedin.com/feed/hashtag/blm/#BLM> like crisis management and put in temporary stopgap measures vs. meaningful vesting programs that they are tracking and adapting. Not all companies, but many, according to these numbers.

Topic:

THE MOM TAX: FORTUNE-HARRIS POLL

Introduction:

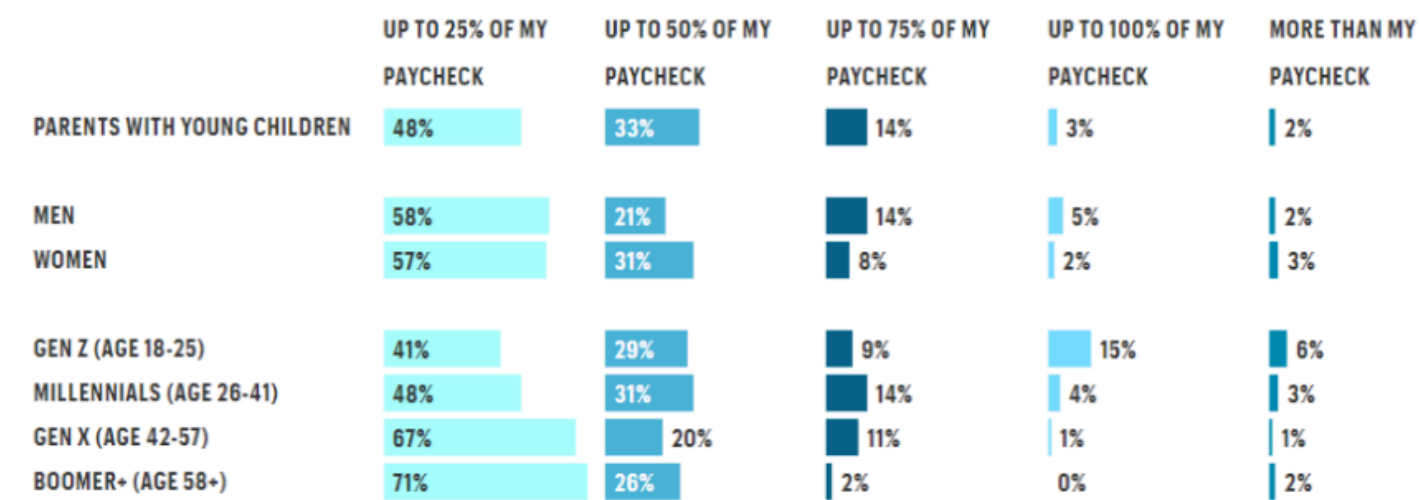
A [Harris Poll-KinderCare collaboration](#) previously found that working parents increasingly want and need more childcare support. In our latest survey [with Fortune](#), we delve into the consequences of that shortcoming. What we find is that rising childcare costs continue to keep mothers out of the workforce.

There's A Limit On How Much Women Will Spend Their Paycheck on Childcare

- If childcare costs eat away a quarter of their paychecks, over half of women (57%) would consider becoming a stay-at-home parent (SAHP), with close to a third (31%) saying their upper limit would be up to half their paycheck.

Most Americans refuse to spend entire paycheck on care

How much would you be willing to spend on childcare before considering becoming a stay-at-home parent?



NOTE: DATA BASED ON A NATIONALLY REPRESENTATIVE SURVEY OF 2,091 U.S. ADULTS CONDUCTED JAN. 13-15, 2023 IN CONJUNCTION WITH FORTUNE.

KinderCare/Harris Poll for FORTUNE February 2023

Childcare is Keeping Women at Home

- A fifth (21%) of stay-at-home mothers (SAHMs) report that financial difficulties in affording childcare were a reason for staying home, along with (13%) staying home due to limited childcare availability in their area.
- Over a third of current SAHMs (35%) say they never planned to stay home with their child(ren).
- Similar numbers of current and former SAHMs agree they felt forced into becoming a SAHP (36%, 35%)
- Moreover, researchers who analyzed the recent DOL childcare data found that [a \(10%\) increase in median childcare prices](#) was associated with (1%-pt) lower county-level maternal employment rates.
- Nine in ten women (89%) believe that more parents would continue to work if more affordable childcare was accessible.

Majority of Americans believe childcare is essential for work

Percentage who agree that more parents would continue working if more affordable childcare was accessible.



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And The Career Hits Linger When Mothers Return to the Workforce

- Around 4 in 10 former and current SAHMs agree that their career has been negatively impacted by staying home with their children (40%, 37%) – which rises to over half of SAHPs with children under the age of 5 (52%).
- And three-quarters of women (74%) agree that mothers get penalized more in the workforce after staying home than fathers (v. men: 62%) – rising to (78%) among former SAHMs.

Section:

02

- About half (51%) of women believe that stay-at-home parents rarely recover professionally – even after they return to the workplace. A similar sentiment was held among current and former SAHMs (56%, 53%).
- The lifetime estimated losses associated with the so-called "motherhood penalty" can range from \$161,000 to \$600,000, according to the [Women's Institute for a Secure Retirement](#). Moreover, the [Institute for Women's Policy Research finds](#) that (43%) of women experience at least one year with no income—nearly twice the rate of men.

Implication:

"Since the pandemic, women's jobs have disproportionately been affected. Women have made up 100% of net labor force leavers since February 2020, [according to an analysis by the National Women's Law Center](#). Moreover, as of January 2023, there were 217,000 fewer women in the labor force than in February 2020. And [the current childcare crisis may get worse](#) before it gets better. During the pandemic, Congress allocated more than \$50 billion to help the childcare industry. Those typically trickled down to individual daycares, in-home providers, and childcare centers in the form of stabilization grants that reportedly helped approximately [200,000 providers stay open](#). But this temporary support is set to phase out later this year, which may spark another round of permanent childcare center closures" (Fortune).

Lastly, check out the latest America This Week monthly summary slide deck and tabs for more insights into inflation and shifting consumerism. [Download the new January report here.](#)

Questions?

RYAN LINDER

Global Chief Marketing Officer, EVP, Stagwell

ryan.linder@stagwellglobal.com

JOHN GERZEMA

CEO, The Harris Poll

jgerzema@harrisinsights.com



KNOWLEDGE IS POWER
