COVID-19 CONSUMER RESEARCH WAVE 97 EXECUTIVE SUMMARY

February 25 - 27, 2022

The Harris Poll
Harris Insights & Analytics LLC, A Stagwell Company
STAGWELL

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 98

WAVE 97 INTRODUCTION

The following research was conducted between **February 25 - 27, 2022** by The Harris Poll. Fielded among a nationally representative sample of **2,043** U.S. adults, the newest research demonstrates how consumers' perceptions are rapidly shifting as new developments emerge.

Section:

01

Topic:

“THE FUTURE MAJORITY” AND HOW IT WILL RESHAPE BRAND LOYALTY

Introduction:

In partnership with Dotdash Meredith and Omnicom Media Group, we take an in-depth look at the women who will reshape the future of brand expectations and loyalty. Defined in the study as “The Future Majority” (TFM), this group is comprised of Black, Latina, AAPI women, and LGBTQIA individuals 40 and under.

- **Brands are not connecting with this growing consumer segment**: (75%) agree “I can’t name more than 5 brands that I have a deep or intimate relationship with (i.e., brand that ‘gets me’).
- **The future of loyalty is being defined by TFM**: Almost 9 in 10 (87%) say they will make it a priority to “take time to research brands, including their values and how they support communities I care about.”
- **Influence without recognition:** TFM members know their communities deeply influence American culture, but feel unacknowledged (67%) and want to see them get more credit (74%).
- Almost 3 in 4 TFM members (74%), say their communities cultivate their own joy, despite what the world puts them through, while 4 in 10 (43%) say brands can increase their joy in life by “giving women of color recognition where it is due."

Implication:

"Brands should consider creating a TFM strategy that is centered around deep understanding, long-term commitments, transparent business practices, and a celebration of the joy and excellence that already exists in TFM communities,” said Libby Rodney, Chief Strategy Officer of The Harris Poll.

Section:

02

Topic:

UNSAFE. UNHEARD. UNVALUED. A STATE OF EQUITY: HUE-HARRIS POLL

Introduction:

Our annual "A State of Inequity" report in partnership with Hue, and covered by Protocol, reveals that many workers report similar levels of workplace struggles and attitudes toward work compared to last year - and it is clear companies, organizations, and HR professionals have yet to meet the demands of employees of color.

- Four in 10 (40%) of underrepresented employees responded that **they've experienced discrimination at work** in comparison to (12%) of white workers.
- Similar to last year, less than a quarter of employed Americans report their current or most recent employer invested in any diversity recruiting-related initiatives over the past six months.
- A majority (70%) of all employees agree that **seeing others who look like them or are from the same racial/ethnic background** in the workplace motivates them (up from 61% last year).
- Yet, just over a quarter of all U.S. employees report that their **company has more People of Color** (29%) or **more women** (27%) than it did one year ago.
- **Company Culture**: A quarter of all employees of color that started a job in the last 12 months report that they left their most recent employer after less than a year compared to only (18%) of white professionals.
- Such exits were most common among Hispanic professionals (41%), multiracial professionals (35%), and female employees of color (28%) who had started a new job in the last 12 months.

Implication:

Companies still have a long way to go in providing DE&I resources to their employees. One year later, there is still no common DE&I resource that most American employees say their company has.

Section:

03

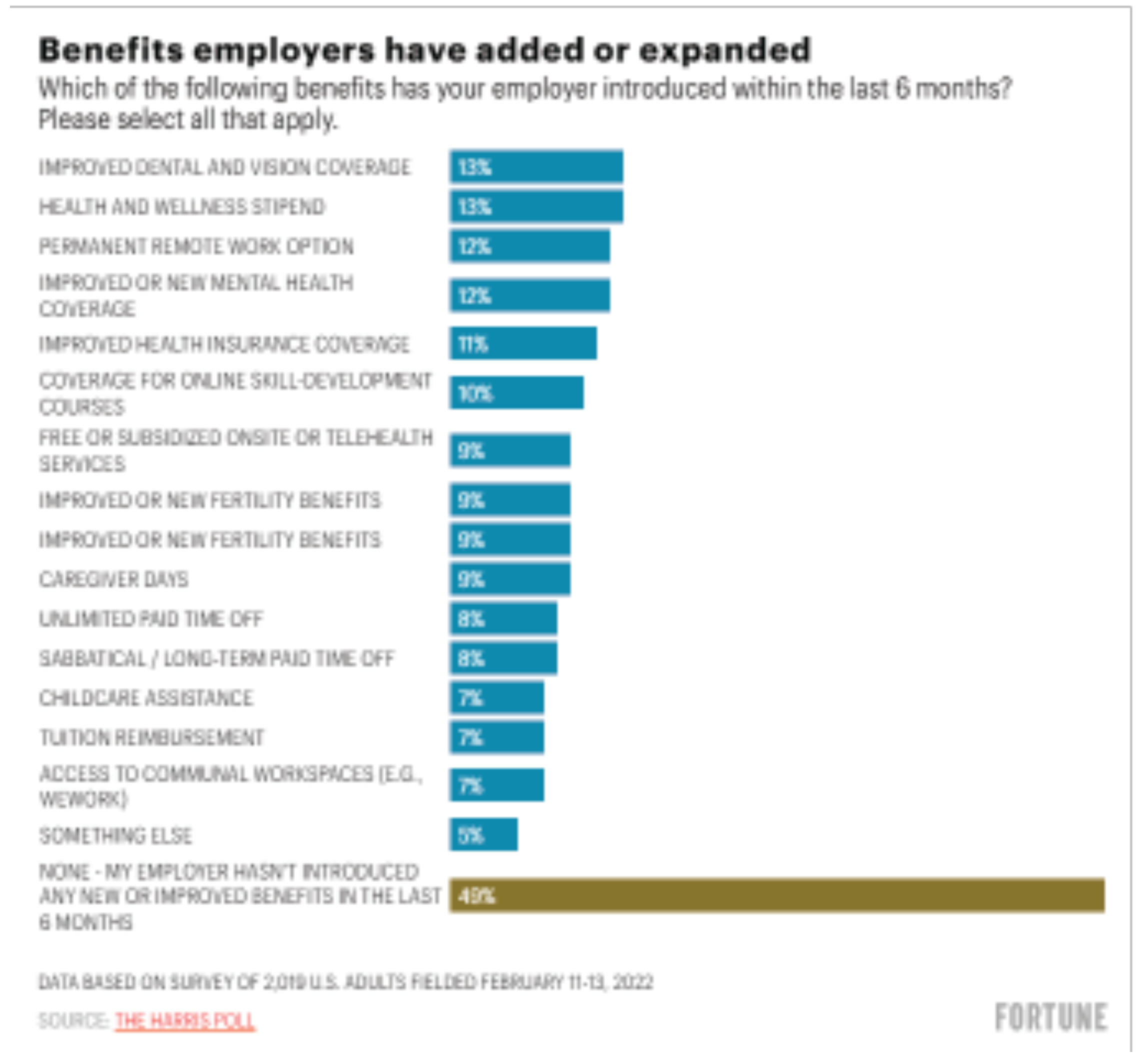
Topic:

THE WORKER SHORTAGE IS PUSHING COMPANIES TO OFFER BETTER BENEFITS: FORTUNE-HARRIS POLL

Introduction:

Employers have had their backs up against a wall for months as turnover continues to roil the workforce. Businesses have been forced to throw money at the problem in the form of higher wages and better benefits, according to our latest survey with Fortune. Here's what we found:

- Half (51%) of employees reported receiving new or increased benefits over the last six months from their employers.
- Improved **dental and vision benefits,** for example, were among the most commonly reported benefit expansions, along with **added health and wellness stipends**, and provided **options for permanent remote work**.



- However, over three-quarters (77%) of workers say they would **take higher pay** over access to unconventional benefits (23%) such as health & wellness stipends, sabbaticals, and unlimited PTO.
- **For job seekers, flexibility is key**: a flexible schedule (42%), unlimited PTO (36%), and ability to work remotely (28%) are some of the top benefits that would lead workers to seek a job elsewhere.

Implication:

It may cost money to increase benefits for workers, but it could cost a lot more - time, money, productivity - to lose those employees to other companies offering more enticing compensation.

Section:

04

Topic:

TOYOTA CASE STUDY: FINDING SUCCESS AMONGST SHORTAGE

Introduction:

Using data from Harris Brand Platform, we evaluated how Toyota's forward-thinking inventory management strategy helped them support 2021 production levels, and increase consumer brand sentiment, during the supply chain disruptions and semiconductor chip shortage.

- After a 2011 earthquake in Japan disrupted production, Toyota revamped its inventory management system, stockpiling semiconductor chips. The brand's chip surplus allowed their 2021 production levels to remain more stable than many of their competitors.
- For the first time, Toyota's U.S. vehicle sales (2.3 million) outpaced GM's (2.2 million) by the end of 2021.
- All measurements of Toyota's brand equity rose from Q1 to Q4, 2021. Most significantly, the brand saw a +2.8 increase in purchase consideration.
- Toyota saw growth across their sales conversion funnel. Notably, consumers were more likely to use (+4.2) and recommend (+4.2) Toyota to others.

Implication:

Toyota's case study highlights how brands benefit from a strategy that proactively combats unforeseen disruptions. Having the right tools in place to navigate issues when they inevitably arise can greatly contribute to the brand's reputation and ongoing success.

Section:

05

Topic:

ULTRA-WEALTHY'S NEXT GENERATION FOCUSING ON SOCIALLY RESPONSIBLE INVESTING: BNY MELLON WEALTH MANAGEMENT-HARRIS POLL

Introduction:

According to our latest survey with BNY Mellon Wealth Management and covered by Bloomberg, the private bankers managing the finances of the world's ultra-wealthy expect the next generation will prioritize socially responsible investing -- even if it comes at the expense of returns as.

- **Context**: Family offices are typically discreet firms that manage their fortunes, tax affairs and even lifestyles of the wealthy, with the largest overseeing billions of dollars for multi-generational dynasties.

- Among the 200 decision-makers in family offices managing at least $150 million served, they theorize there might yet be a generation shift **in how the wealth of the ultra-rich is managed.**
- About three out of four family offices predict its future leaders will be **more focused on environmental, social and corporate governance criteria**, and (86%) say the next generation will more likely invest in **decentralized finance and cryptocurrencies**.
- Three out of four reported either investing in or exploring their options around digital currencies.
- Of the (20%) that are already trading crypto, a majority plan to increase their holdings.

Implication:

Even investment firms are struggling with U.S. staffing shortages as (60%) of those surveyed said it's been a challenge to recruit well-qualified executives, with (70%) saying they'd pay an above-market rate to get the right hire.

Questions?

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