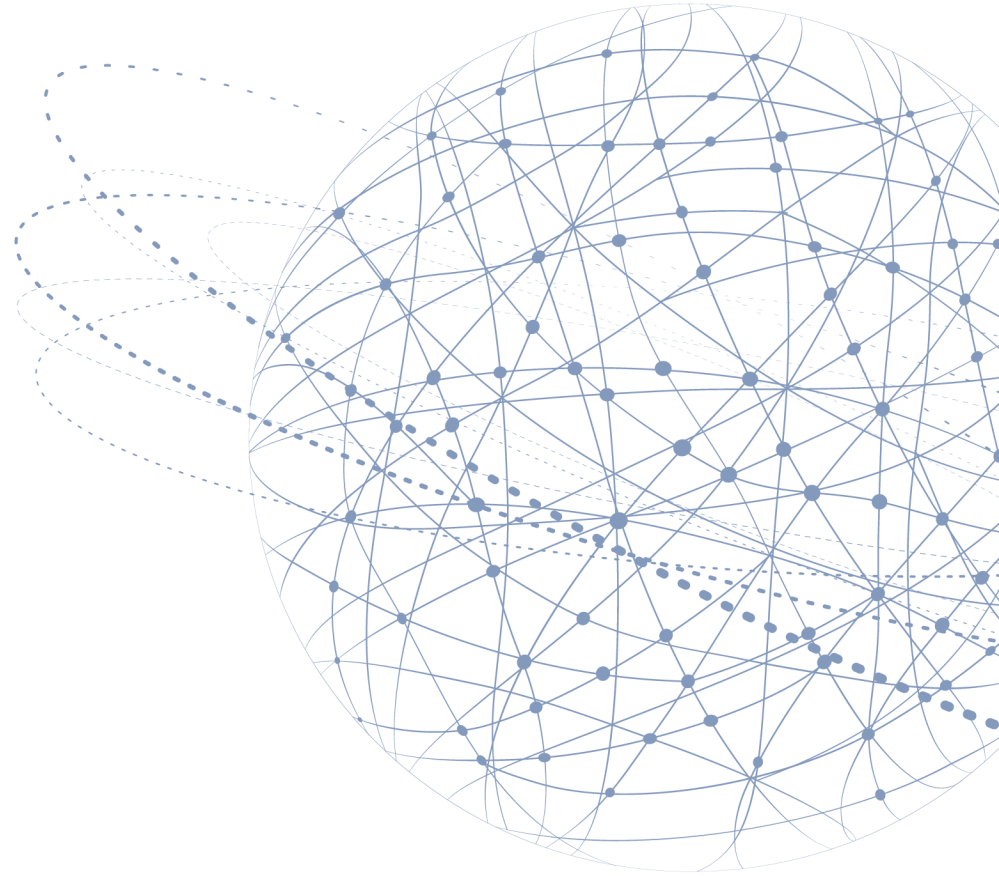




Inflation ACUPULSE

Summer 2022



CONFIDENTIAL
FINAL REPORT

PROJECT BACKGROUND






OBJECTIVES

- Help ACUPOLL clients and partners in the community to better understand the impact of rapid inflation on purchasing and shopping routines for CPG products
- Understand what consumer expectations are going forward for inflation and for their income
- Compare back to prior COVID ACUPULSE reports when appropriate

FIELD DATES

 Conducted via Internet: May 14–17, 2022

SAMPLE SELECTION

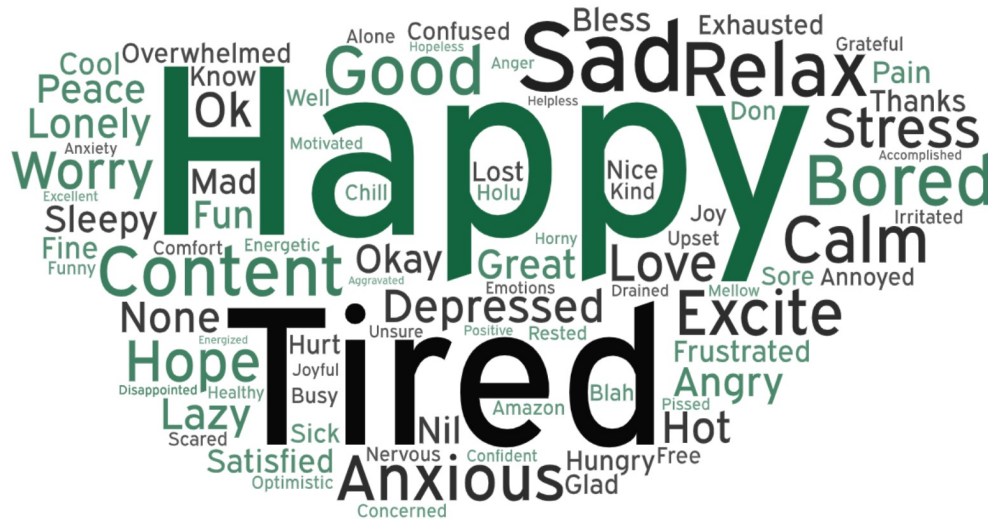
 Total Sample of n=1,000 Males and Females 18+





- While over a third of Americans claim to be feeling happy, there is a mix of other emotions as well.
- With the current political climate, continuing pandemic, and inflation, Americans are also feeling tired, sad, and anxious.

What 3 words would you use to describe the emotions you're feeling today?



	% Mentioning
Happy	37%
Tired	24%
Sad	14%



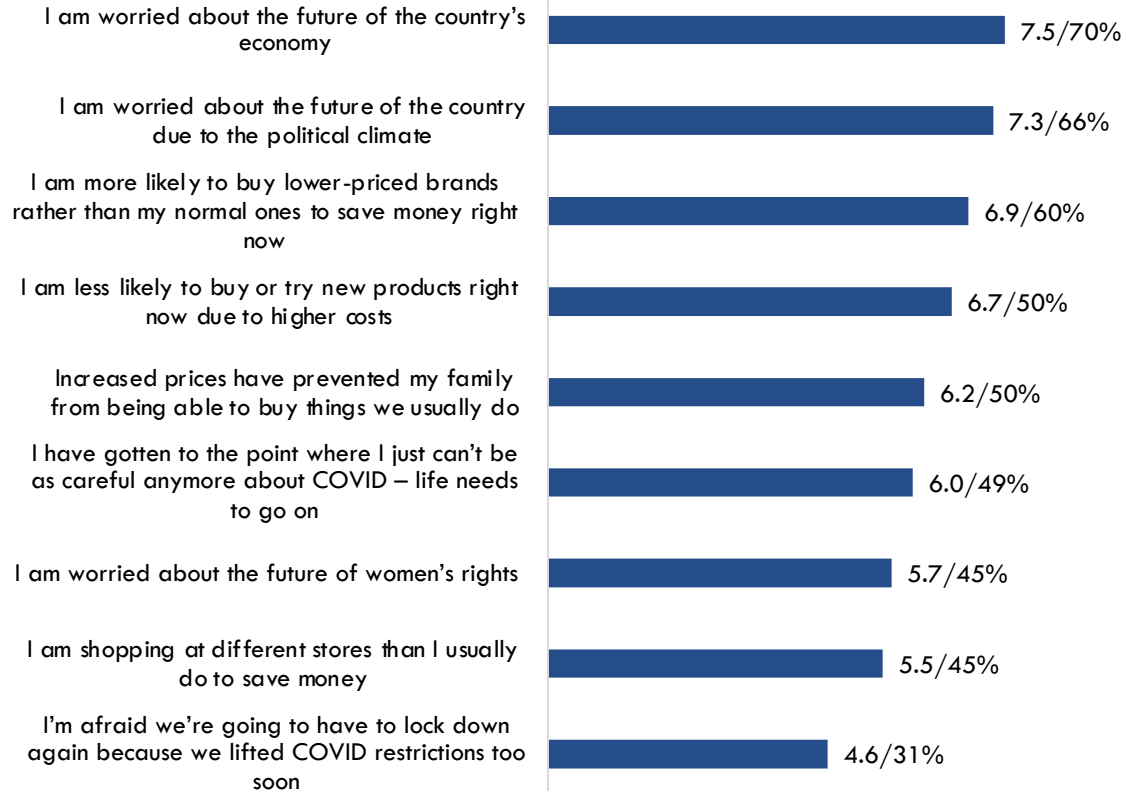
- **70% of consumers agree strongly that they are worried about the future of the country's economy.**

- Overall they are worried about politics, feel constrained, and indicate they are tightening their belts.
- COVID is no longer the lead concern.
- Given hesitancy for trying new products, offering samples and/or coupons could be a great way to increase consumers' confidence and generate trial.



How much do you **DISAGREE** or **AGREE** with each of the following statements?

*Mean/% Agree Strongly (Rating 7+)
Among Total Sample (n=1,000, Sig. Diff. 0.3)*





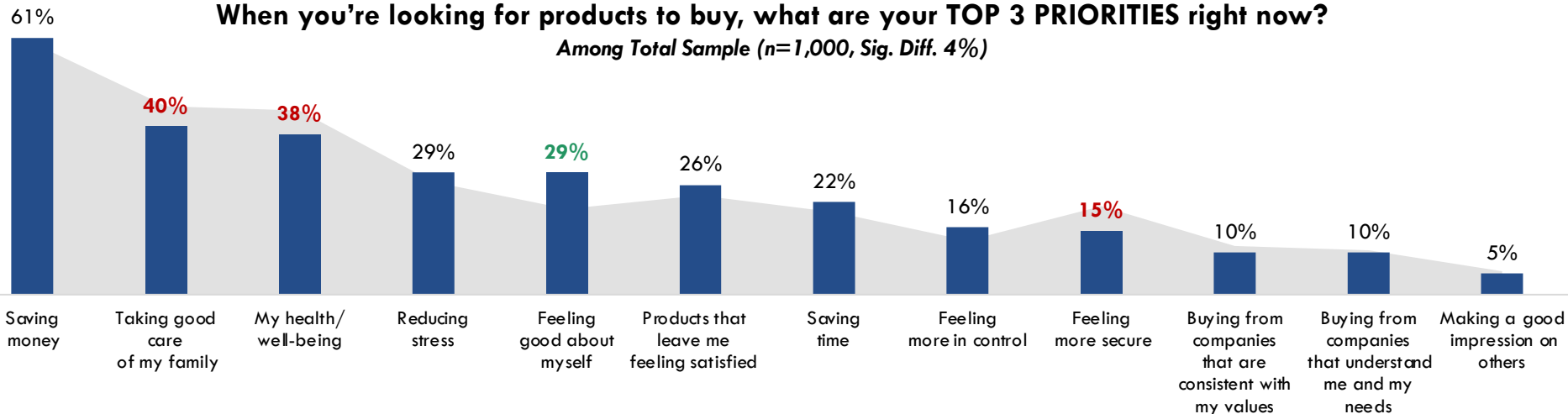
- **61% of consumers are prioritizing *saving money* while shopping right now, just as high as we saw in the first year of the pandemic.**
- Consumers are also prioritizing *taking care of their families* and their *health/well-being*.
- There's greater desire to *feel good about oneself* than there was in 2020, which may be a response to the current challenges.

Core Motivations

ACUPOLL'S approach to understanding the deeper drivers for purchase decisions or underlying reactions to alternative positionings

When you're looking for products to buy, what are your TOP 3 PRIORITIES right now?

Among Total Sample (n=1,000, Sig. Diff. 4%)



*Significantly lower / higher than Dec 2020

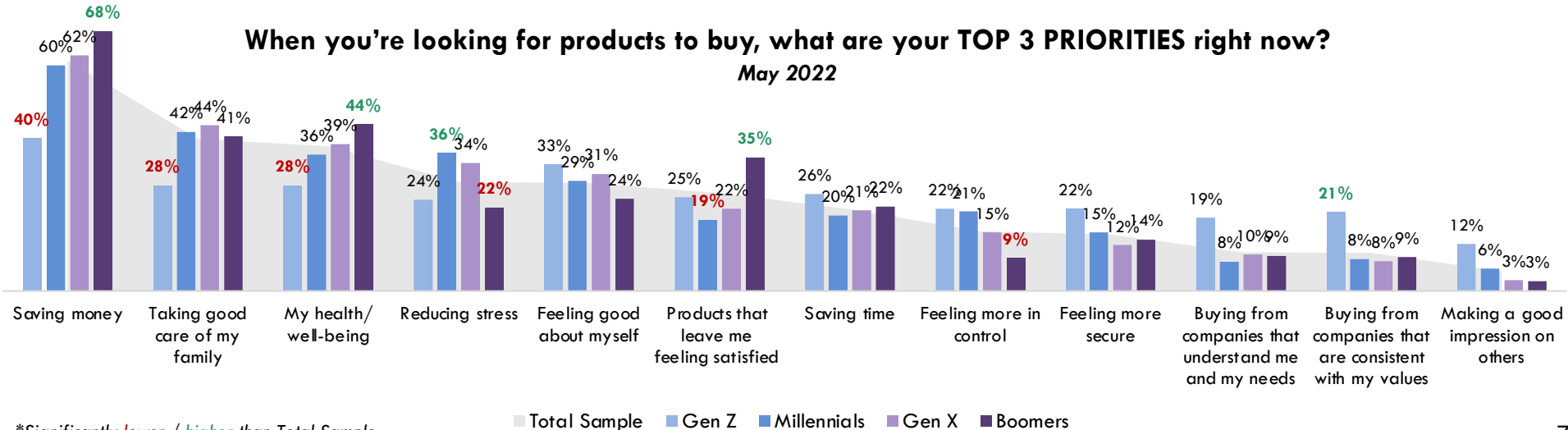
■ Dec 2020 ■ May 2022



- **Boomers (Age 55+)** are significantly more likely to prioritize saving money, their health, and feeling satisfied.
- Gen Z is significantly less worried about their families or personal well-being than those among older age groups.
- They are twice as likely to want to buy from companies that are consistent with their values, while Millennials (and Gen X only slightly less so) are more concerned than others with reducing stress.

Core Motivations
 ACUPOLL'S approach to understanding the deeper drivers for purchase decisions or underlying reactions to alternative positionings

When you're looking for products to buy, what are your TOP 3 PRIORITIES right now?
 May 2022



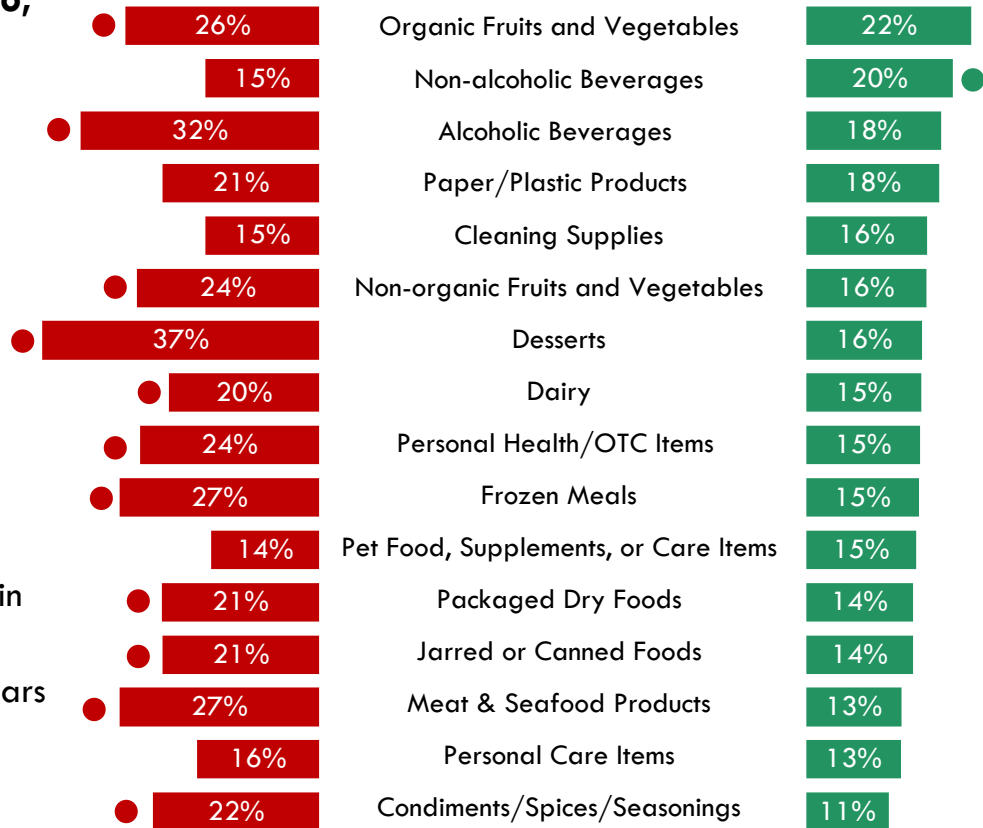
*Significantly lower / higher than Total Sample



• **Likely due to recent economic events, over a quarter of Category Buyers are now buying less than they normally do, in these categories in particular:**

- Desserts
 - Alcoholic Beverages
 - Meat & Seafood Products
 - Frozen Meals
 - Organic Fruits and Vegetables
- Those who say they *increased* organic fruits/vegetables could be seasonal variation.
- Alcohol is a bit of a surprise, as it has a reputation of being recession-proof, so it warrants watching to see if the trend sustains in future waves.
- This could be due to more restaurants and bars being open, which decreases the need for purchasing for home consumption.

Which of the following **BEST DESCRIBES** your experience with each of the following categories since the beginning of 2022?
Among Category Buyers (Sig. Diff. 4%)



■ I've been buying this less often than usual ■ I've been buying this more often than usual

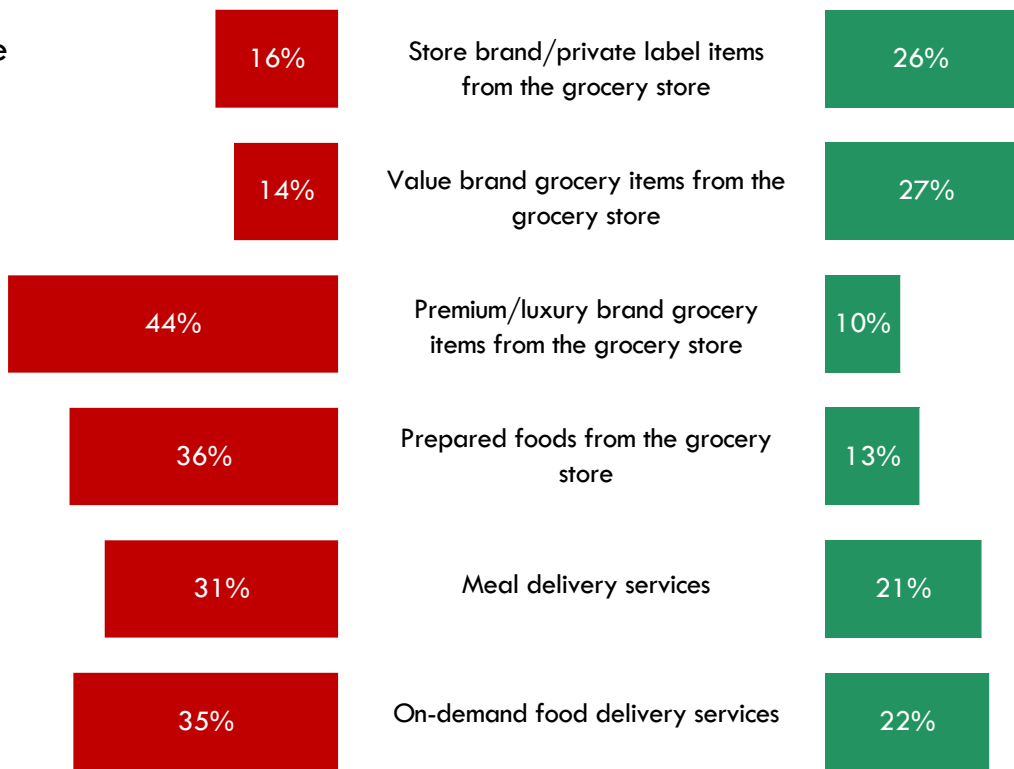
- Consumers are shifting away from premium and convenience goods toward private label and value options.

- Prepared foods and delivery services have also seen a decrease in 2022 among Category Buyers.



Which of the following **BEST DESCRIBES** your experience with each of the following **TYPES OF BRANDS** since the beginning of 2022, compared to your pre-pandemic routine?

Among Category Buyers (Sig. Diff. 6%)



■ I've been buying this less often than usual

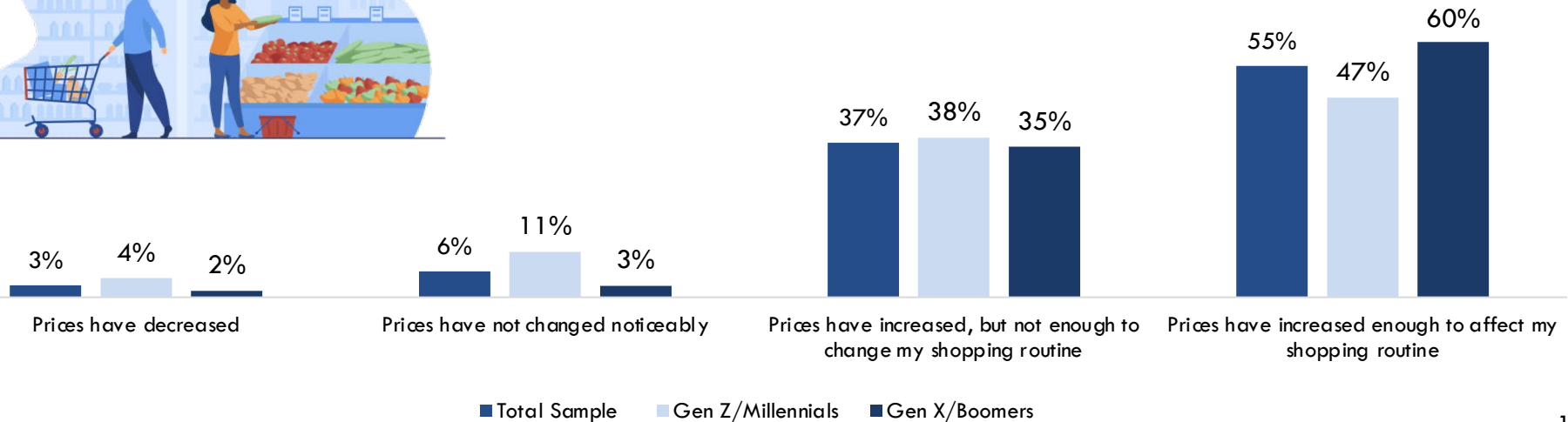
■ I've been buying this more often than usual



- **Over half of consumers have noticed inflated grocery prices in the past 3 months and have changed their shopping routine because of it.**
- Older generations are significantly more likely to have changed their shopping routine because of inflation, while younger generations are less likely to have noticed a change in prices.

Which statement would you say **BEST DESCRIBES** what you have noticed about **GROCERY PRICES** over the **PAST 3 months**?

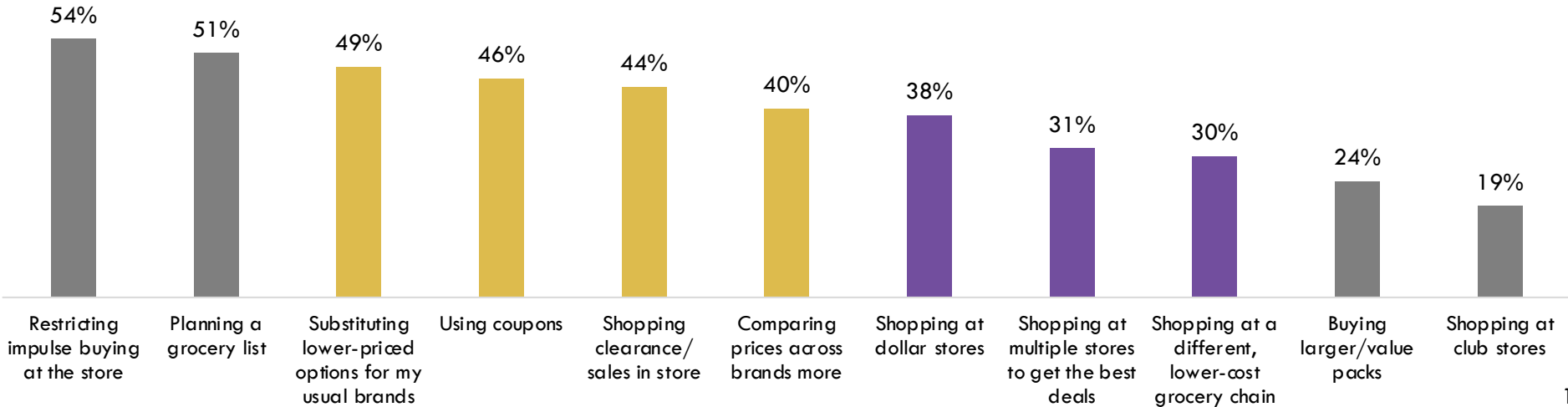
(Sig. Diff. 5%)





- Among those who report changing their shopping routines in 2022 due to inflation, the biggest change is more planned shopping and reduced impulse buys.
- Consumers show *greater willingness to shift brands and search for deals* than to *undergo the inconvenience of switching stores*.
- Relatively few have started buying in bulk in response to rising prices.

What, if anything, are you CURRENTLY doing in response to higher grocery prices?
Among Those Whose Shopping Routines Have Changed in 2022 Due to Inflation (n=546, Sig. Diff. 5%)



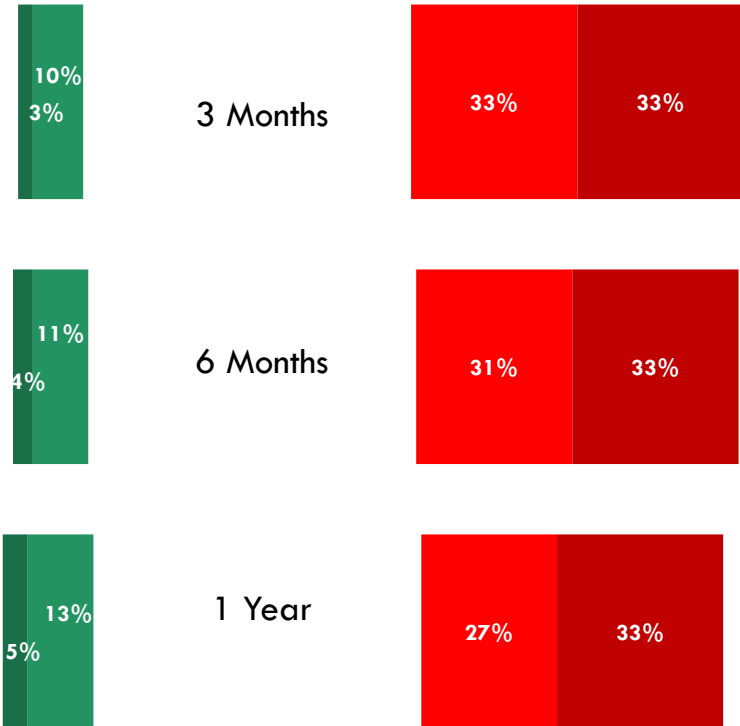


- **A majority of Americans think that inflation rates will continue to increase over the next year, which may encourage them to constrain spending more than if they expected inflation to be temporary.**
- There is a slight gradual decrease in agreement that inflation will continue to rise as time goes on, but it is still a large majority.



How do you expect the inflation rate to change versus current levels, if at all, in the next...?

Among Total Sample (Sig. Diff. 4%)

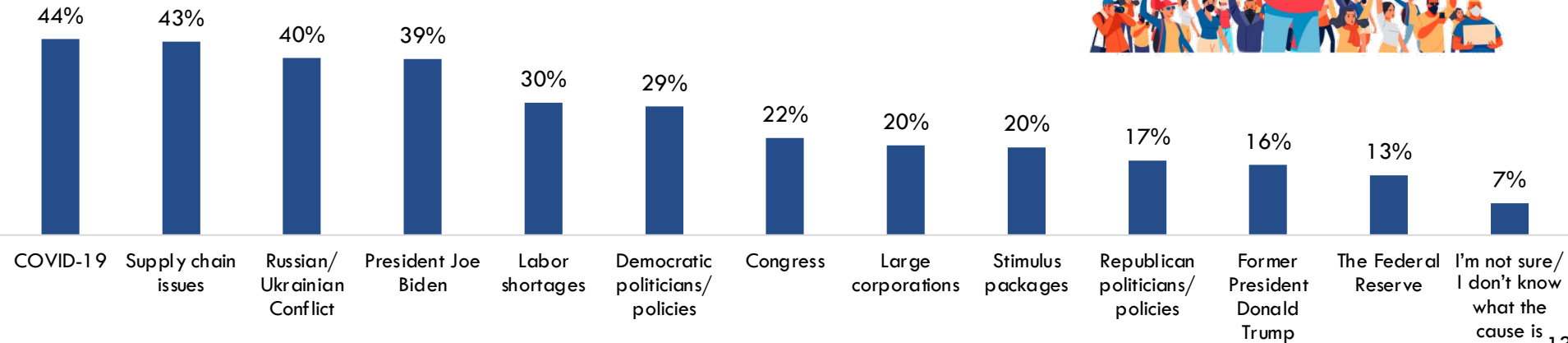


■ Decrease A Lot ■ Decrease a Little ■ Increase a Little ■ Increase A Lot



- **Consumers are significantly more likely to blame inflation on the political climate and COVID-19's continuing supply impact than large corporations or the Federal Reserve.**
- Blame towards the current president and Democratic party is significantly higher versus Republicans, and is higher among those who make \$100K or more a year and older generations.

Which of the following, if any, do you believe to be the CAUSE of increased inflation rates?
Among Total Sample (n=1,000, Sig. Diff. 4%)

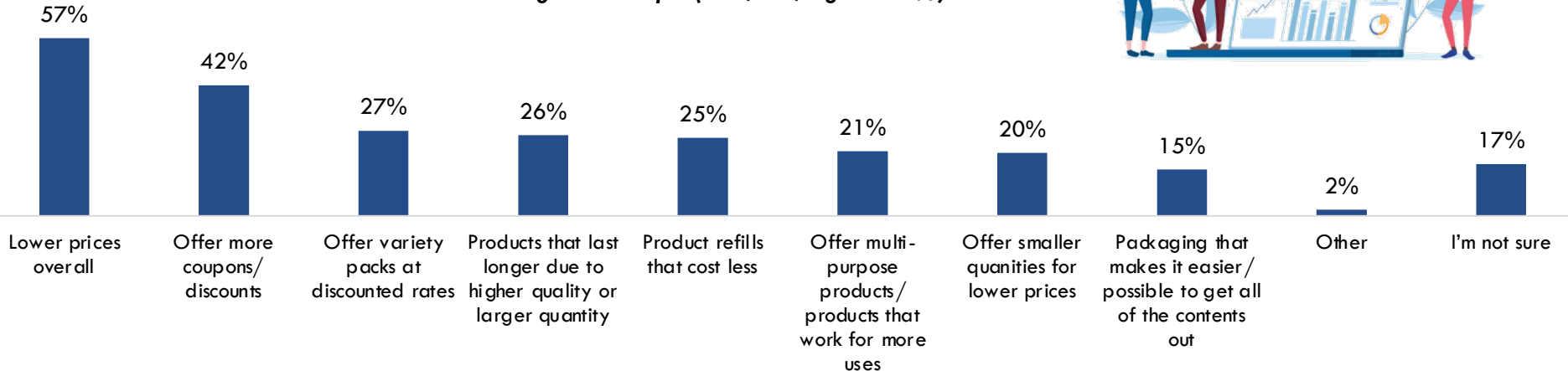
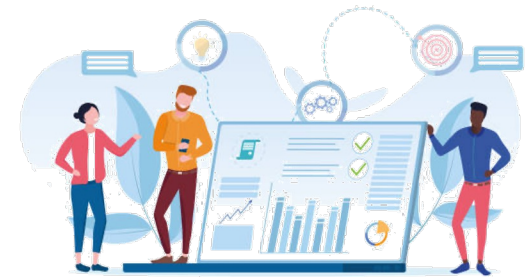




- **Consumers would like companies to offer more coupons or discounts to help offset inflated prices in America.**

- While only 20% request smaller quantities/package sizes for lower price points, our pricing research often shows consumers are more sensitive to price points than price per ounce/volume, and if companies need to increase prices, it's often better to downsize (but we can assess/confirm that with research in your specific context).

What can COMPANIES do right now to help ease the financial burden of inflation in America?
Among Total Sample (n=1,000, Sig. Diff. 4%)



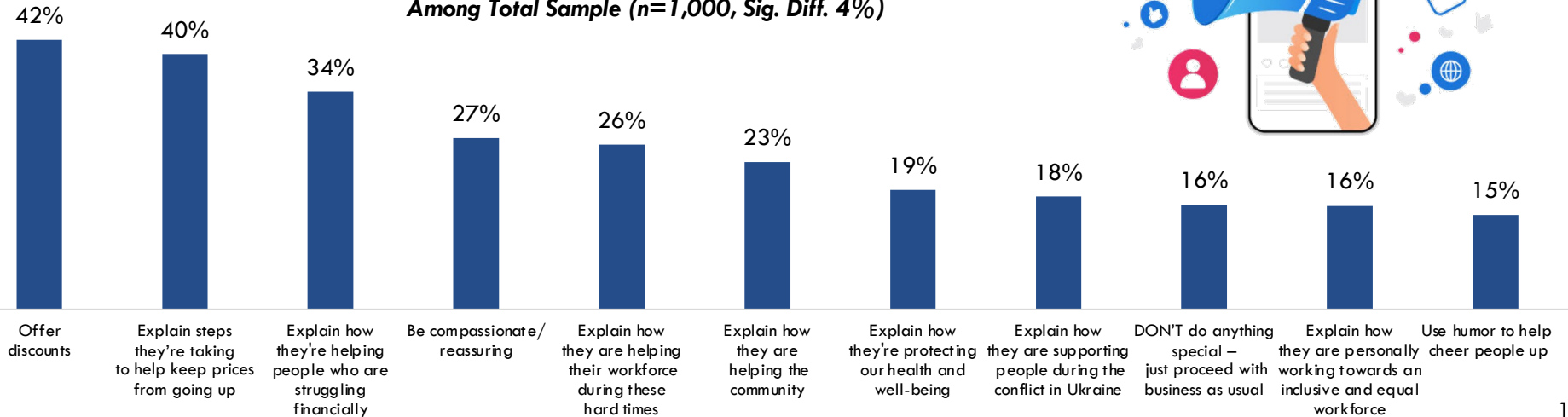


- **Consumers want to feel like corporations are compassionate about being on their side and not trying to just benefit from the current economic climate.**

- Consumers want advertisers to change; beyond/in addition to discounts, they want to know exactly what advertisers are doing to try to help keep prices from going up.

What changes, if any, do you think ADVERTISERS should make to their commercials given everything going on in the world?

Among Total Sample (n=1,000, Sig. Diff. 4%)



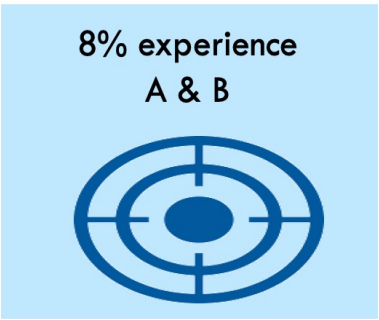
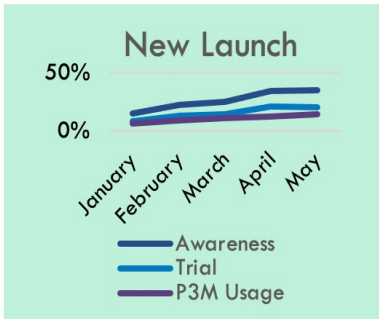


This study leverages ACUPULSE™ – Fast Facts for Simple Questions and Fast Decisions

All of this learning derives from a 5-minute Gen Pop survey available in 3-4 days

(n=1000/\$4000, n=500/\$3150, including Executive Summary slide and data tables; level of analysis, visualization, etc., can add cost)

New ACUPULSE Users – \$1,000 off your company's first use



TOPLINE TRACKING

Track progress on a few core metrics for a new product or ad campaign – whether for your brand or a competitor's.

TREND CHECK

Stay in front of trends with quick checks to see how broad they are, and if they're building or declining.

INCIDENCE

Discover the incidence of a behavior, problem, or attitude, or even awareness of a late-breaking PR issue.

INSIGHTS

Gather and validate insights and reactions to an issue – or follow-up a study – with a mix of closed- and open-ended questions.

Get fast, cost-efficient input from a large national sample for a wide variety of research needs

- Fuel Decision-Making
- Strengthen Sales Presentations
- Provide ammunition for P.R. or Social Media



ACUPULSE™ Fast Facts for Simple Questions and Fast Decisions – 2022 Pricing

Broad Sample

- n=500–1,000 Adults, Females, or Males 18+
- **Nationally Representative age/region/gender*

Questions

- Up to **5 minutes** survey length – not counting demos (~8–12 questions)
- Single-Select, Multi-Select (limit 15 options), Grids (max. 10 rows), Ranks
- Open-Ends (verbatim only; coding not included)

Stimuli

- Text, images, video
- Up to 10 images / 20 used across questions (JPG, PNG individual files)
- No complex programming / assignments

Simple Data Outputs

- PowerPoint with Total Sample and 5 segments (defined in advance)
- Executive Summary slide(s) and data tables – extra analysis/visualization (like in this report) adds cost*
- Price includes initial tabulation and corrections; repeated data tabbing extra
- Optional cross-tab individual questions by demo segment in Excel (\$300)

Timing

- Questionnaire finalized by 10AM on Day 1
- Results by close of business on Day 3–4 (basic programming, n=1,000)

Standard Demos: Region • Gender • Age • Income • Race • Hispanic Origin • Employment • Education • Marital Status • Kids in Household

***Standard ACUPULSE™ Final Reports include tables shown with 5 segments for each question and short summary of data**

Cost** n=500 for \$3,150 / n=1,000 for \$4,000 / n=2,000 for \$6,500

**Adjustments: Detailed demographic cross-tab/every question +\$300, stimuli rotations +\$500, other add-ons TBD

*New Users –
\$1,000 off
your
company's
first use*

THANK YOU

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Merci

Gracias

Obrigado

Спасибо

תודה רבה

شكرا جزيل

谢谢

どうもありがとう

