Indicators

Coronavirus COVID-19

Early clues on the post-crisis consumer & market realities
April 17th



#9 Proxy Purchasing.

How shopping for the cocooned changes our behaviour.

Image by Jesse Yelin from Pexels

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#9 Proxy Purchasing.

An army of shoppers bravely going where no cocooners can go…

There are currently over 460,000 people aged over 70 in the country who receive a pension. Most, of those people should be cocooning at the moment in response to the HSE guidelines around Covid-19. Although we don't currently have data on how many of these people have stopped doing their own grocery shopping, it is safe to assume a significant proportion now rely on family or friends to shop for them.

Grocery shopping for an older relative – or indeed anyone other than your own household – throws up a range of different scenarios for behavioural change. How do you choose the right brand of washing powder? What is their preferred brand of tea? What size milk will the go through in a week? How much fresh veg is enough to get them by? And how much is too little?

A number of psychological factors can come into play. Decision-theory talks about a phenomenon known as 'Warm Glow'; how people derive personal satisfaction from giving. Cognition theory talks about how shopping lists safeguard against 'Dissonance'. The exact impact of shopping for the cocooned is yet to be fully understood but perhaps we have some behavioural clues.

We call this indicator PROXY PURCHASING.

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#9 Proxy Purchasing.

Agency shopping demands a list

When the history of the crisis is written there will be a chapter devoted to the **The Agency Shopper**.

Yes our healthcare workers, doctors and nurses deserve the plaudits they've been getting. But as we know, not all heroes wear capes, the real heroes of the crisis are those who are bravely venturing into the jungle of a social distanced supermarket on behalf of those who are cocooning.

The risks these brave folk are taking on are very real. Not only do they have to contend with the stress of social-distanced queues outside supermarkets and the game of chicken with other shoppers inside stores, they also have to cope with the consequences of their choices.

Shopping for ones own household is fraught enough. Shopping for a parent or cocooning neighbour is a whole other level. You would be forgiven for thinking 'stick to the list stupid' is the answer. But things are never quite that simple…



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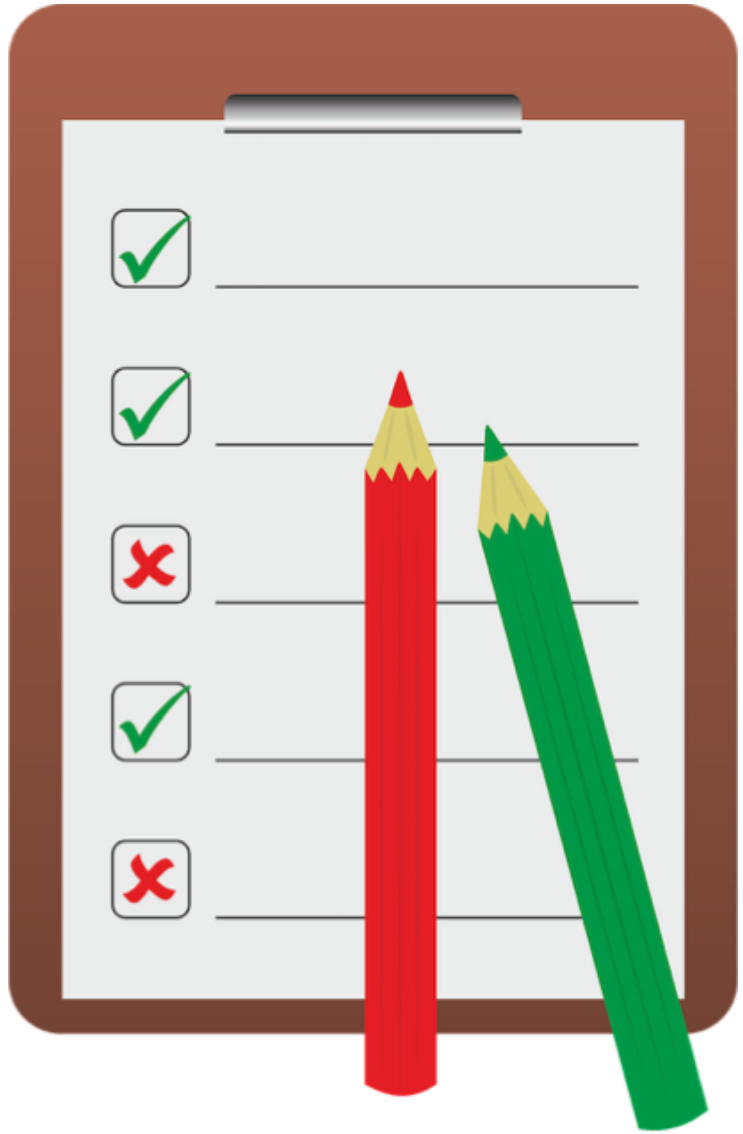
The science of the shopping list

While designations like milk, bread, and eggs are no doubt common on grocery-shopping lists, how common are specific brand names?

According to a recent study by Field Agent, 76% of US shoppers said they include general product names on their lists, while 34% said they actually include specific brand names.

Critically 44% of shoppers claim to spend less when using a shopping less and a further 38% of shoppers claim to spend neither more nor less.

And there we get to the heart of the shopping list usage. Shopping lists are about control. And staying in control when you are responsible for someone else commands even greater importance. In an environment like a supermarket **Choice Overload** can dramatically impact our behaviour – a list helps keep that under control.



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Are impulse buys inevitable?

Various commentators have speculated on the degree of impulse shopping that happens in supermarkets. But data does point to about 20% of purchases in Supermarkets being unplanned.

Professor of Marketing at Wharton, David Bell, has completed extensive research on how impulse shopping varies by shopper mission.

He has found that if the purpose of a shopping trip is “immediate needs or forgotten items,” the rate of buying in unplanned categories falls by 53%. Unplanned purchasing goes up by 23% if the shopping trip itself is unplanned, but it goes down by 13% if it’s a major or weekly trip.

Unfortunately what we can’t say, right now, is what happens to impulse purchasing when shopper for other people in the middle of the global pandemic! At least not yet anyway…



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Are impulse buys inevitable?

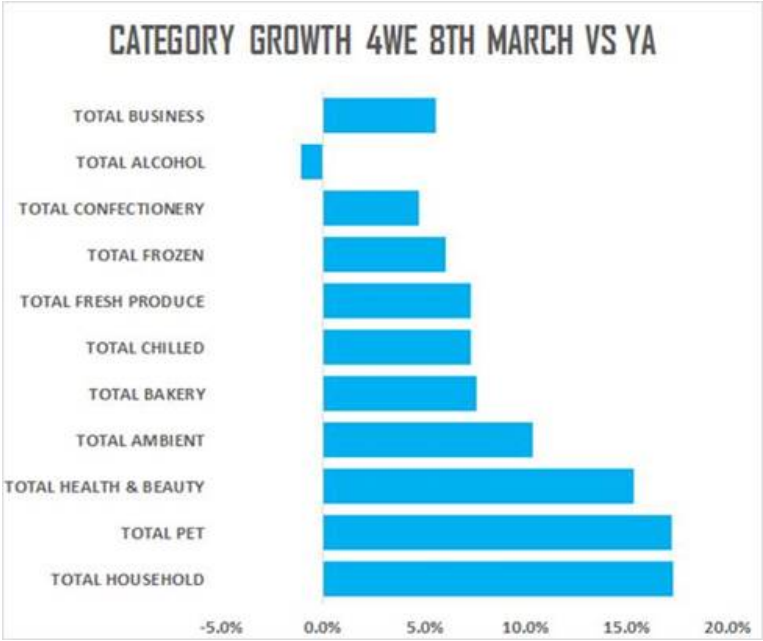
Even though we may not think it all the time, we are by and large very optimistic people and perhaps even more so when spending money.

We are convinced that we will eat all the food we buy, wear every item of clothing, and use all the household items we pick up. It doesn't really matter if we are told that this may not happen; we still go ahead and buy – optimistically.

This phenomenon is known as **Biased Estimation of Use**.

So as those of us go shopping for our cocooners its not implausible to pre-suppose that there may well be some 'over-estimation' of food purchases; an 'it won't go to waste' effect if you will.

And what's more, this particular bias can feel great…



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#8 Proxy Purchasing.

Getting that Warm Glow

‘Warm-Glow’ giving, refers to prosocial behaviour that causes donors to experience positive feelings, irrespective of whether their giving actually makes a difference.

This is the personal satisfaction for having ‘**done the right thing**’: you give up what is rightfully yours for a philanthropic cause and you feel good about it.

And this ‘warm-glow’ is also a very real neurological response. Research from the University of Zurich has shown through brain imaging that small acts of generous behaviour cause the brain of the person giving to light up with a ‘warm glow’ marked by increased levels of happiness.

The brain imaging data also showed that Scrooge-ish people—who acted solely out of self-interest—were less happy and did not emit a warm glow. So there you have it, the next time you throw a few extra custard creams in your cocooners’ basket watch out for that warm glow…



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Early Implications for brands and retailers:

- Shopping for cocooners will likely involve list-making for control
- Brand owners can find ways to get on that list
- Opportunities may exist in-store for nudges to defuse Choice Overload
- Agency shoppers may need help navigating categories they are unused to
- Brand owners can position themselves to help deliver that ‘Warm Glow’

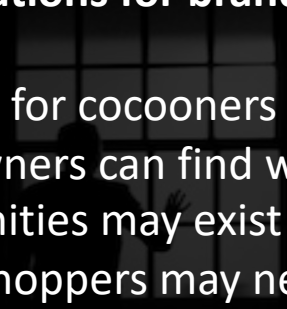


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