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**42% of consumers to continue to shop more locally in the future, says Lumina Intelligence**

This week, Lumina Intelligence launched its Future of Convenience Report 2021, which explores the consumer trends shaping the industry and how the convenience sector can leverage them during uncertain times and beyond. A large section of the report focuses on the legacies of 2020 and how post-pandemic behaviour will impact future shopper intentions. The report highlights three key legacies from 2020 – The suburban migration, expanding avenues and recessionary revivals.

**The suburban migration**

Pre-pandemic lifestyles centred around urban workplaces, global mindsets and inside living. The coronavirus pandemic saw these norms traded for home working, local living and a ‘chase for outdoor space’ as city centre footfall plummeted. All of which is expected to continue into 2021:

* 78% say it’s either ‘important’ or ‘very important’ to support local suppliers and retailers.
* 53% have shopped locally more in the last year.
* 42% will continue to shop locally in the future.
* 74% say it’s either ‘important’ or ‘very important’ to support businesses who give back to the community.

Alice Dolling, Senior Insight Manager at Lumina Intelligence said, *“Disrupted global supply chains and trade restrictions for businesses made local buying both a necessity and desire in 2020. This behaviour is expected to continue, with most consumers defining “local” as “made in the UK” – a trend that will be boosted by Brexit.”*

*“Convenience store retailers are perfectly positioned to capitalise on the demand for shopping locally. Community involvement is pivotal in building loyalty and awareness. In fact, positive community involvement directly correlates with likelihood to recommend a store.”*

**Expanding avenues**

The coronavirus pandemic has accelerated new routes to market with consumers shifting to online. Demand for delivery from supermarkets outstripped supply during the spring, creating an opportunity for convenience stores and sparking growth in ‘On Demand Convenience’. Retailers also innovated with the introduction of bundle boxes and subscription offers, which are affordable and provide much needed inspiration and solutions for shoppers:

* 18% of consumers have changed their primary method of grocery shopping to online in the last year.
* 38% of consumers are not aware of convenience store delivery, however 48% would use it.
* 27% would replace a takeaway with delivery from a convenience store.

Dolling added, *“2020 saw an acceleration in online shopping that we could never have predicted. Nearly one-in-five shoppers changed their primary method of grocery shopping to online, highlighting the opportunity available. As demand increases, convenience stores have a great opportunity to drive greater basket spend and expand the potential catchment area of their store by offering delivery. Not only that, delivery provides another avenue to compete with foodservice operators in the ‘takeaway’ market.”*

**Recessionary revival**

In August 2020, the UK entered a recession for the first time in 11 years and unemployment rates have soared through the pandemic. The economic impact of the virus is likely to be felt for many years and retailers and suppliers should therefore expect to see consumers demonstrating savvier shopping behaviour:

* 61% are ‘very’ or ‘extremely’ aware of product prices in convenience stores.
* 43% are ‘likely’ or ‘highly likely’ to join a loyalty scheme if it offered personalised offers
* 28% of shoppers purchase own label
* 46% either ‘agree’ or ‘strongly agree’ that they are trying to reduce their food and drink spend
* 66% either ‘agree’ or ‘strongly agree’ that they are more careful with what they spend money on than before lockdown began

Dolling commented, *“In April 2020, 37% of consumers said they were visiting their local convenience store more often, driven by government advice to ‘stay local’. The big challenge for retailers in 2021 will be to retain these shoppers. With the UK entering its first recession in 11 years, consumers will be more aware of their spending and will be engaging in price comparisons. Retailers and suppliers will inevitably have to be reactive with promotions, but also offer loyalty schemes to gain and retain shopper custom.”*

**ENDS**

**Report Methodology**

The Lumina Intelligence report 2021 comprises of insight and research from the following:

* Future of Convenience 2021 Bespoke Survey
  + Online interviews with a nationally represented sample of 1,152 consumers that are actively engaging with the UK food and drink market. Interviews conducted 2-9 December 2020
* Lumina Intelligence Channel Pulse
  + Our monthly tracker of consumer behaviour across all UK food and drink channels. Consisting of a nationally representative sample of 1,000 consumers each month
* Lumina Intelligence Convenience Tracking Programme – Online
  + Online interviews with 1,500 convenience retail shoppers every week

**About Lumina Intelligence**

Lumina Intelligence inspires the global food and drink sector with deep, actionable insights powered by the world’s best analytics technology. Our products and services are used by the major brands and organisations in these fast moving and growing markets to support business planning, strategic marketing and new product development.

With offices in London, Chicago, Montpellier, and Singapore, and local on the ground analysts across our businesses, you can trust our market knowledge. We are committed to providing all our customers with up to date accurate information to support critical decision making.

Combining the expertise and experience of HIM, MCA Insight and Lumina Intelligence, we are the experts in market and consumer insight across the food & drink and nutrition markets.

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