TRAJECTORY

Optimism Index
April 2021

Pandemic Analysis

Sample Information and Methodology

- Every month, Trajectory survey a nationally representative sample of 1500 respondents on a variety of issues, including consumer confidence, personal choice and control, social trust, opportunities in technology, optimism and their place in the world.

- Due to current circumstances surrounding the Coronavirus pandemic, additional questions have been added in recent months examining both the current climate in general as well as the impact that the pandemic is having on certain views in relation to finances, confidence and spending, amongst others.

- All surveys were carried out online, with fieldwork this month taking place between **9th and 14th April.**

Key Findings

- Many consumers remain concerned over impacts of pandemic on their finances
- Levels of financial concerns in relation to pandemic rose for both men and middle aged consumers this month, with both groups also feeling a lessened sense of job security
- With out of home leisure back on the cards, pent up demand for restaurants, pubs and most other hospitality venues saw a significant boost this month
- Reopening has had a positive impact on both short and long term employment expectations
- Price conscious behaviours have fallen to the wayside in order to provide help for local independent businesses
- Consumer's maintain that public health remains the priority, however a growing proportion now feel that the economic consequences of lockdown outweighs these risks

Last Month's Key Events

18TH March
Matt Hancock confirms reduced vaccine supplies won't affect people getting second doses or the roadmap to recovery

19TH March
Boris Johnson echoes comments that Oxford vaccine is safe as he gets first dose of vaccine

20TH March
Half the UK's adult population have now received their first Covid vaccine dose

23rd March
The UK marks the anniversary of it's first lockdown with a minutes silence

25th March
Boris Johnson says no decision has yet been made regarding vaccine passports, but suggests it may not be possible until every adult has been offered a vaccine

27th March
Boris Johnson claims that the surge in cases across Europe is yet to dissuade him from continuing the roadmap

29th March
The stay at home order for England comes to an end, as two households or six people are allowed to meet up outside

2nd April
MHRA finds 30 cases of blood clots in people who have taken AstraZeneca vaccine, but that benefits far outweigh risks

3rd April
UK Government confirms COVID passport system will be trialled at an event on 16th April and other events through to the middle of May

5th April
Prime Minister Boris Johnson confirms that pubs, restaurants, hairdressers, gyms and non-essential shops in England can reopen from Monday 12 April

6th April
Trials of the AstraZeneca vaccine on children are paused while the MHRA investigates the possibility of a link between the vaccine and blood clots in some adults

7th April
Adults under the age of 30 are to be offered an alternative to the AstraZeneca vaccine after a review by the MHRA finds evidence suggesting a link to a rare blood clot

8th April
Matt Hancock confirms the UK has more than enough supply of Pfizer and Moderna vaccines to vaccine all under 30s

9th April
Prince Philip passes away aged 99. Members of the public are advised against public congregations in remembrance

12th April
Restrictions eased across the UK, including the reopening of non-essential retail in England and Wales, the end of the stay at home order in Northern Ireland, and the return of all school pupils in Northern Ireland and Scotland

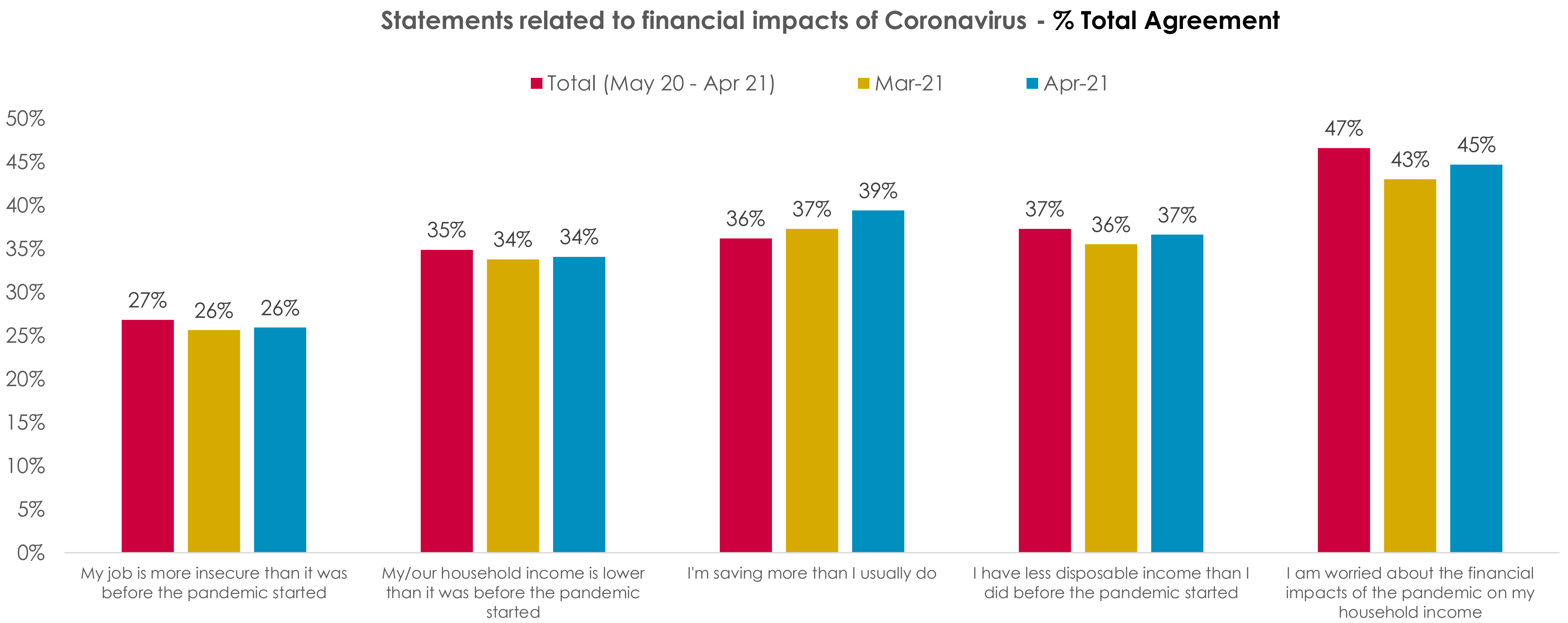
13th April
England and Scotland confirm that adults in the 45–49 age group are now eligible for their first COVID vaccine.

Fieldwork: 9th – 14th April

Financial Implications

Proportion saving more than usual continues to grow despite reopening

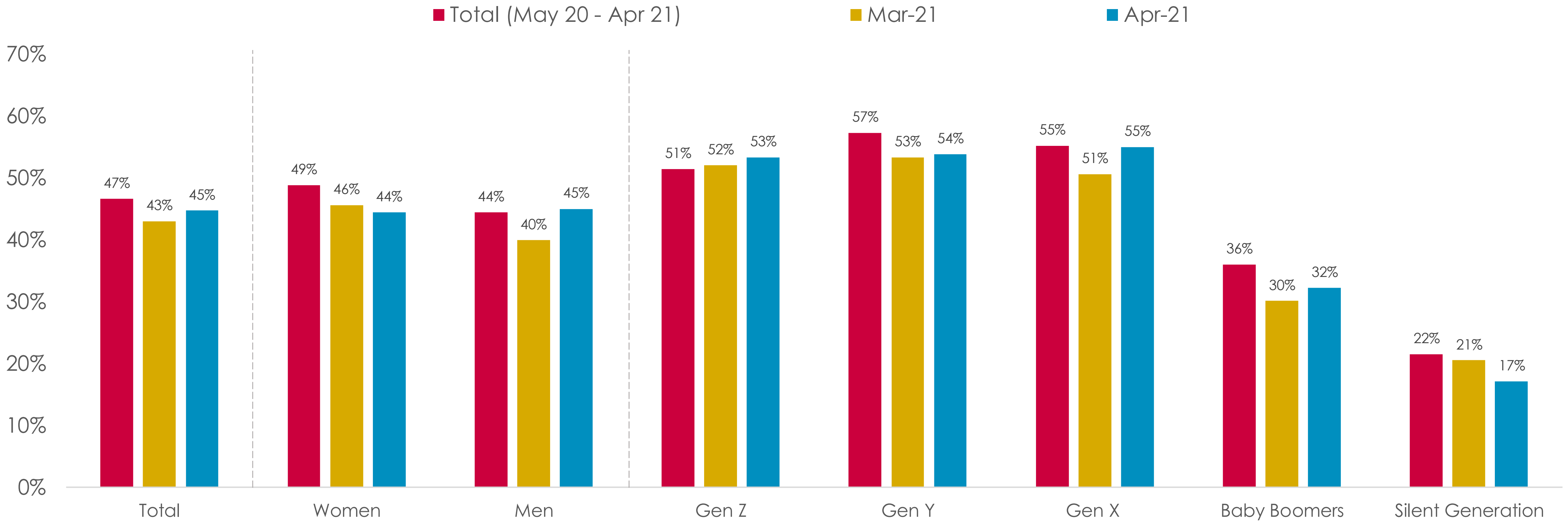
- Despite retail and hospitality reopening once again across England, proportion saving more than usual rose to 39% this month, suggesting that this trend is perhaps driven by factors outside of a reduction in out of home leisure spending
- Concerns over financial impacts of the pandemic continue to remain for almost half of consumers despite reopening



Men and middle aged consumers drive rise in financial concerns

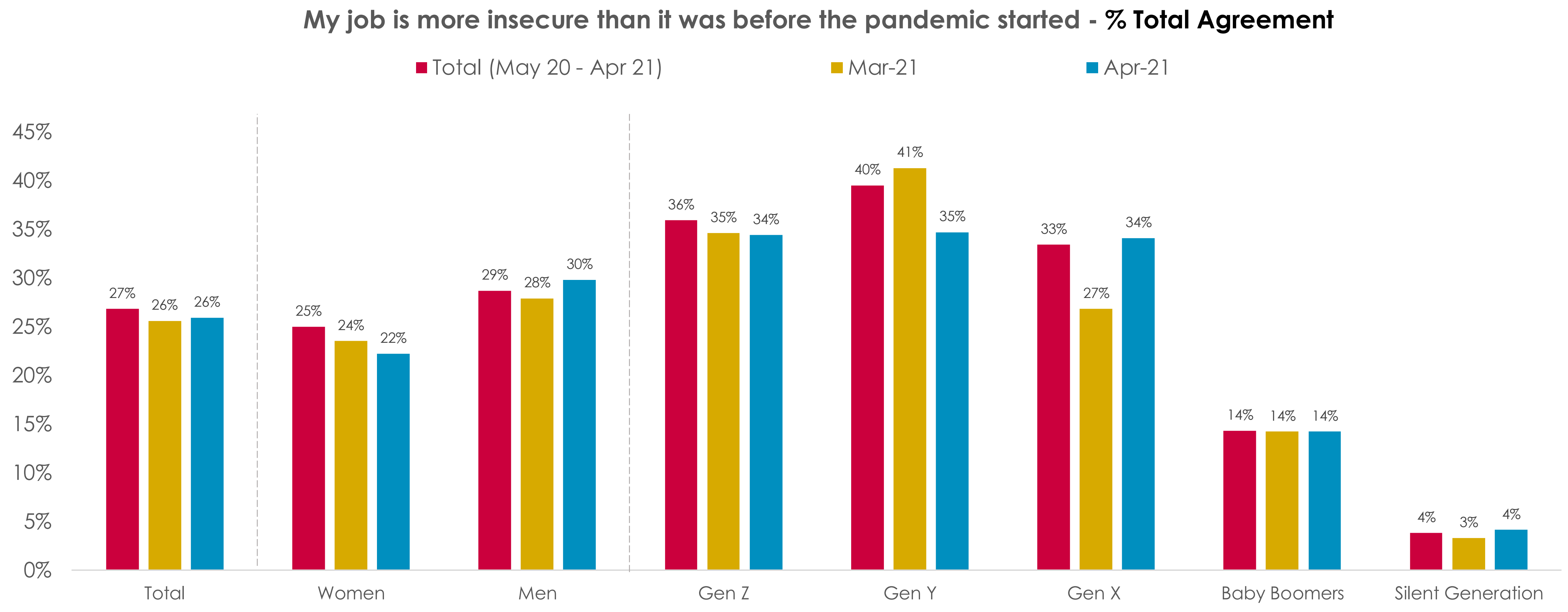
- Overall 2% rise in financial concerns primarily driven by men (5% increase) and Gen X (4% increase)
- This contrasts with the experiences of women (2% decline) and the Silent Generation (4% decline)
- Younger consumers remain far more concerned with financial implications of pandemic than older generations

I am worried about the financial impacts of the pandemic on my household income
- % Total Agreement



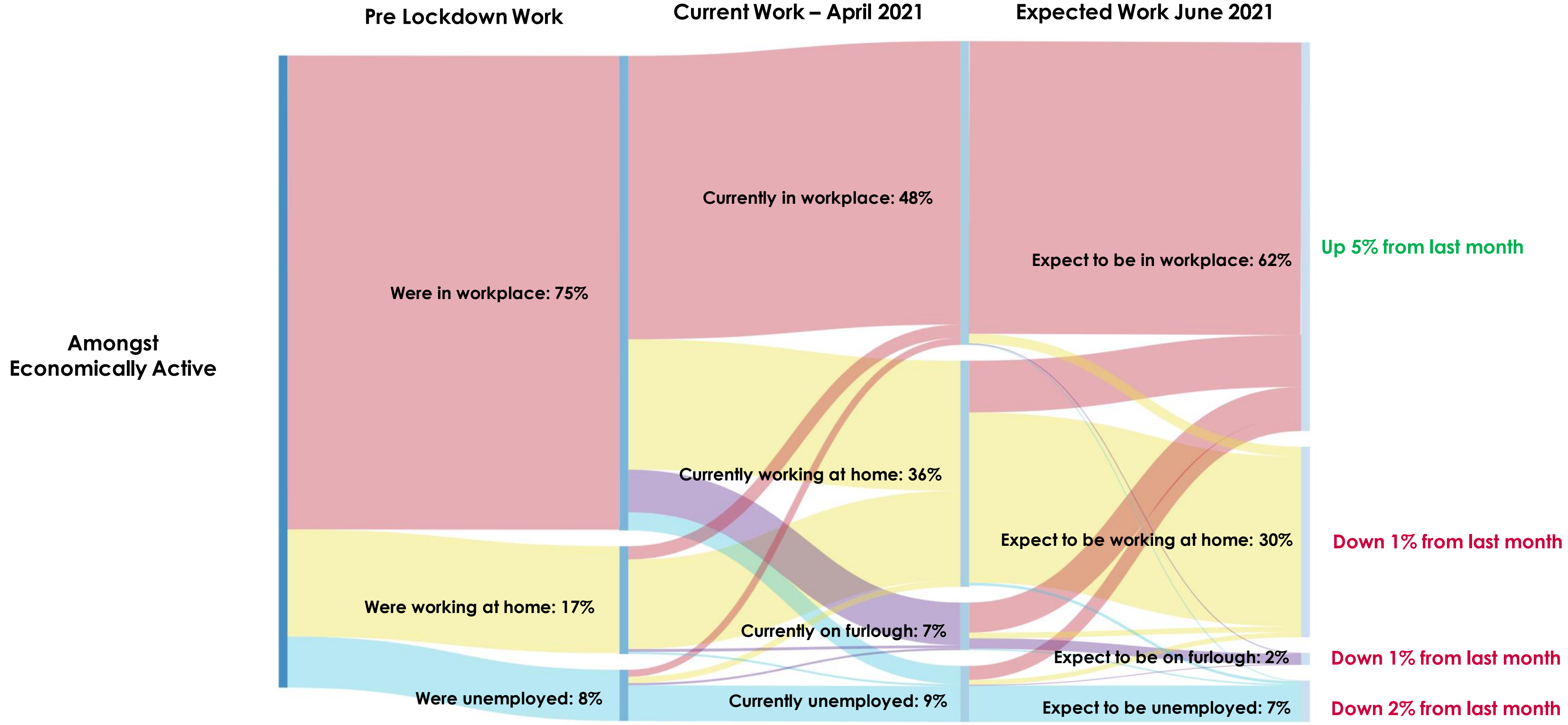
Rise in financial concerns amongst men and Gen X driven by rising job insecurity

- Men and Gen X, those who saw the sharpest rise in financial concerns related to the pandemic this month saw a paralleled rise in feelings of job insecurity, with this being particularly significant for Gen X – seeing a 7% increase in such feelings
- Gen Y and women on the other hands saw feelings of job insecurity fall this month



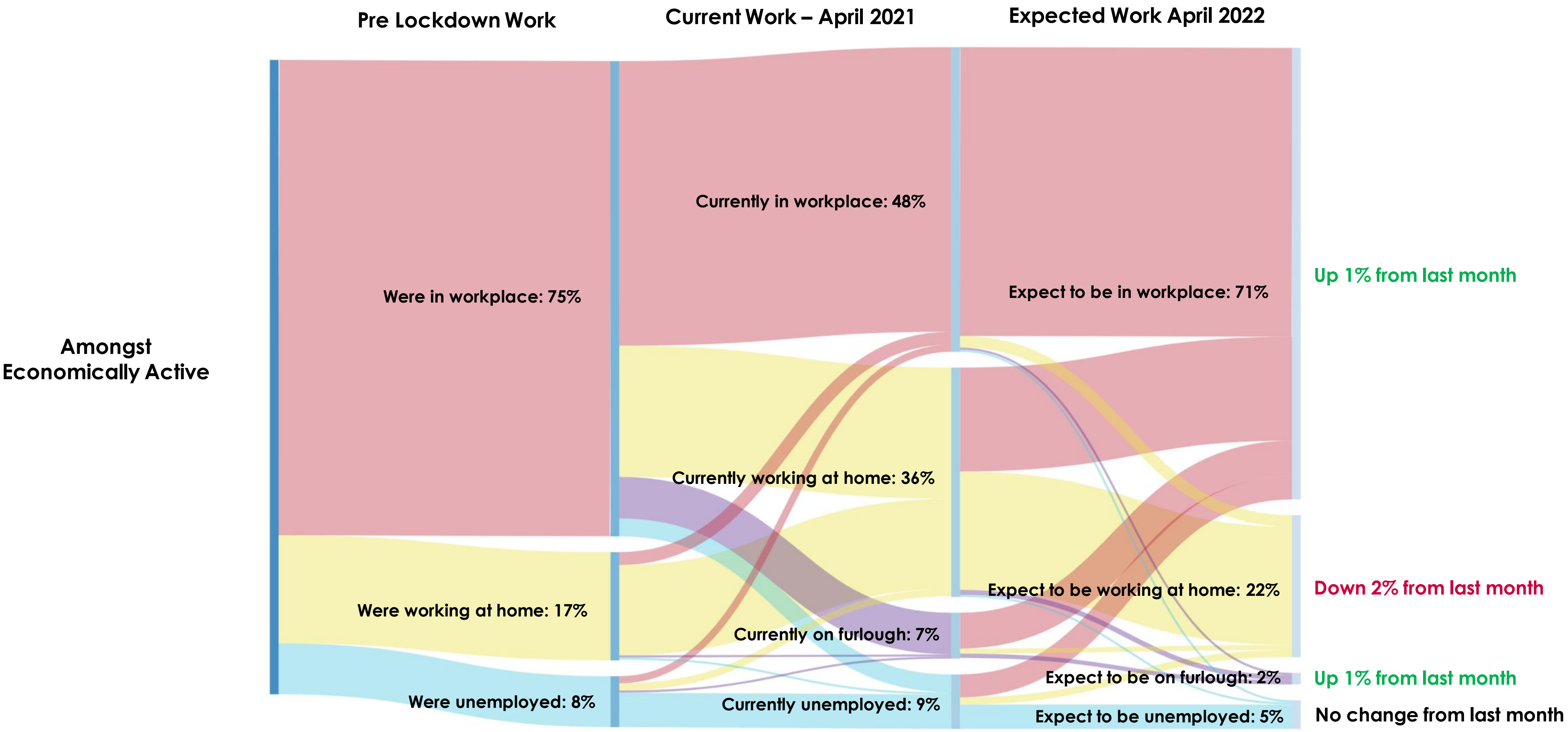
Reopening of retail and hospitality drives rise in short term employment expectations

- Proportion expecting to be in the workplace in the next month up by 5% this month (57% to 62%)
- Worth noting is that this increase has primarily been driven by those who no longer expect to be either unemployed or on furlough



Longer term work expectations highlight expected shift back to the workplace

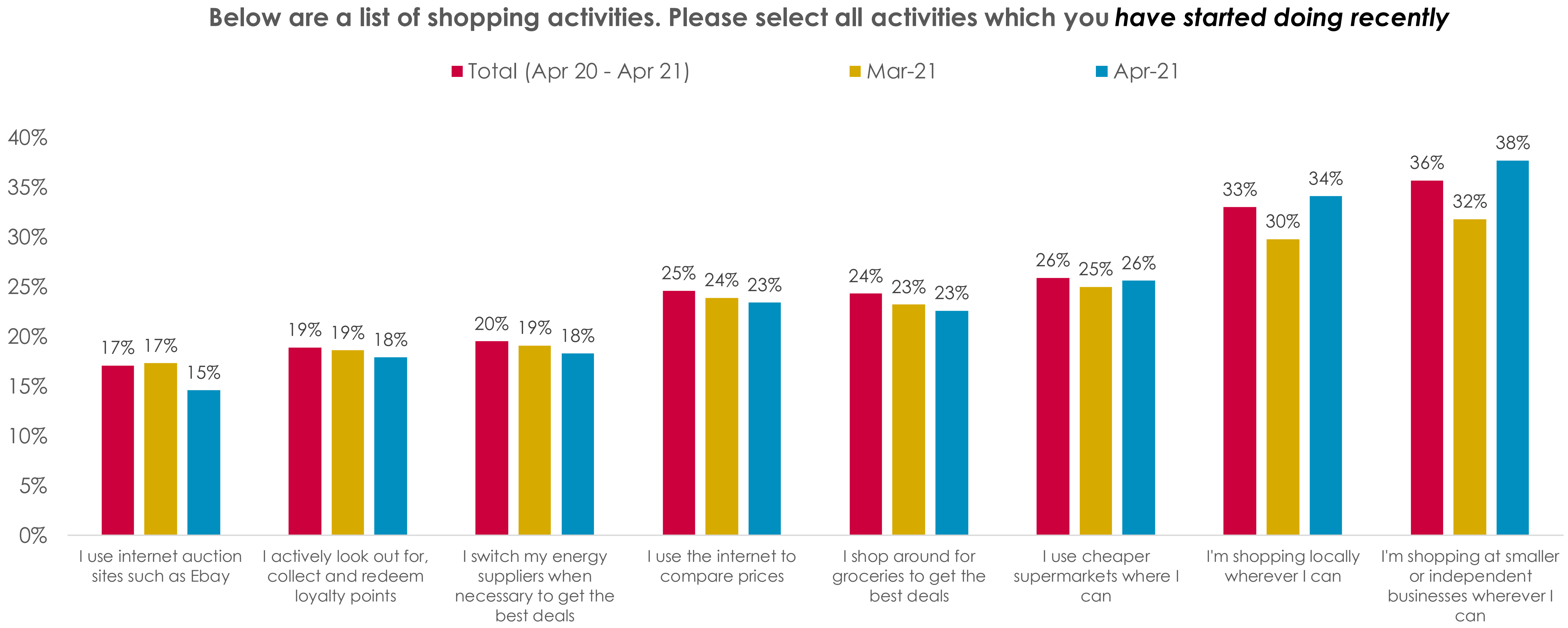
- Proportion expecting to be in the workplace by this time next year now up to 71% - a 1% increase on last month
- This has coincided with a 2% decline in those expecting to be working from home, now down to just 22% compared to 36% currently doing so



Impacts on Shopping Habits

Reopening of economy drives increased support for independent local business

- Proportion who have recently begun shopping at small independent businesses up 6% this month (32% to 38%)
- Similar rise seen this month regarding those who have recently begun to shopping locally wherever they can (30% to 34%)
- Such a rise in support for independent business has coincided with a slight decline in price conscious shopping behaviours

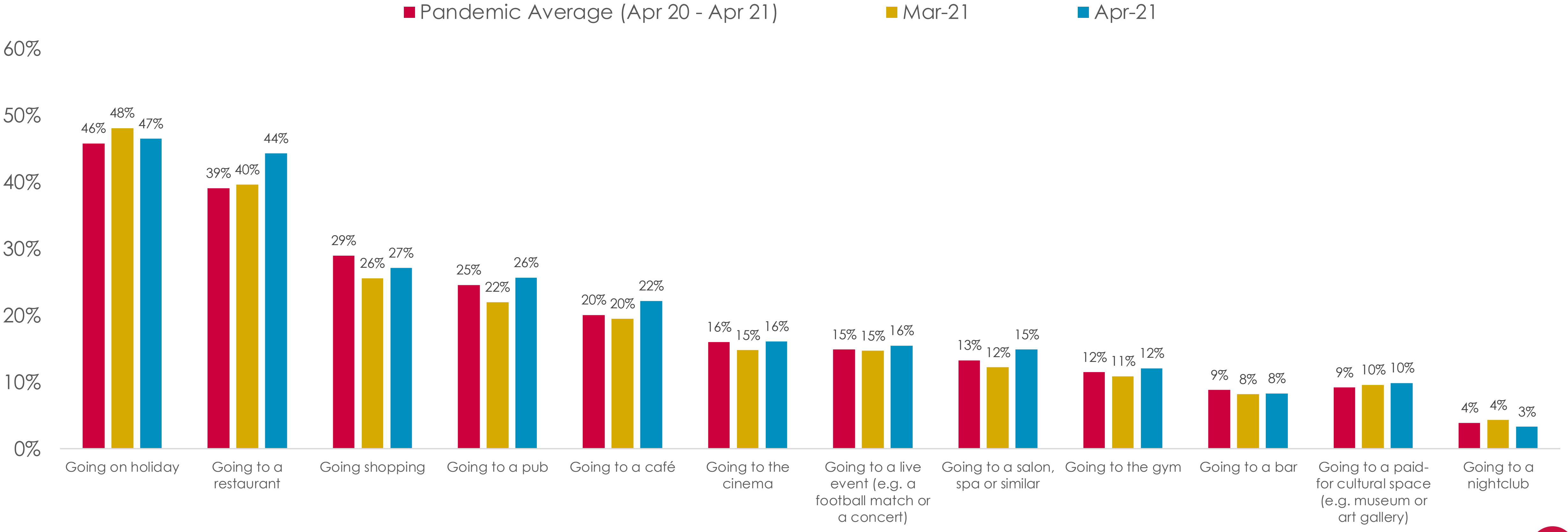


Return of out of home leisure drives rise in pent up demand for most activities

- Proportion who are most looking forward to visiting restaurants (40% to 44%) and pubs (22% to 26%) both up 4% this month

- Pent up demand also rose for shopping, cafes, cinema, salons and gyms, whilst falling slightly for activities still not allowed, such as holidays, live events and nightclubs

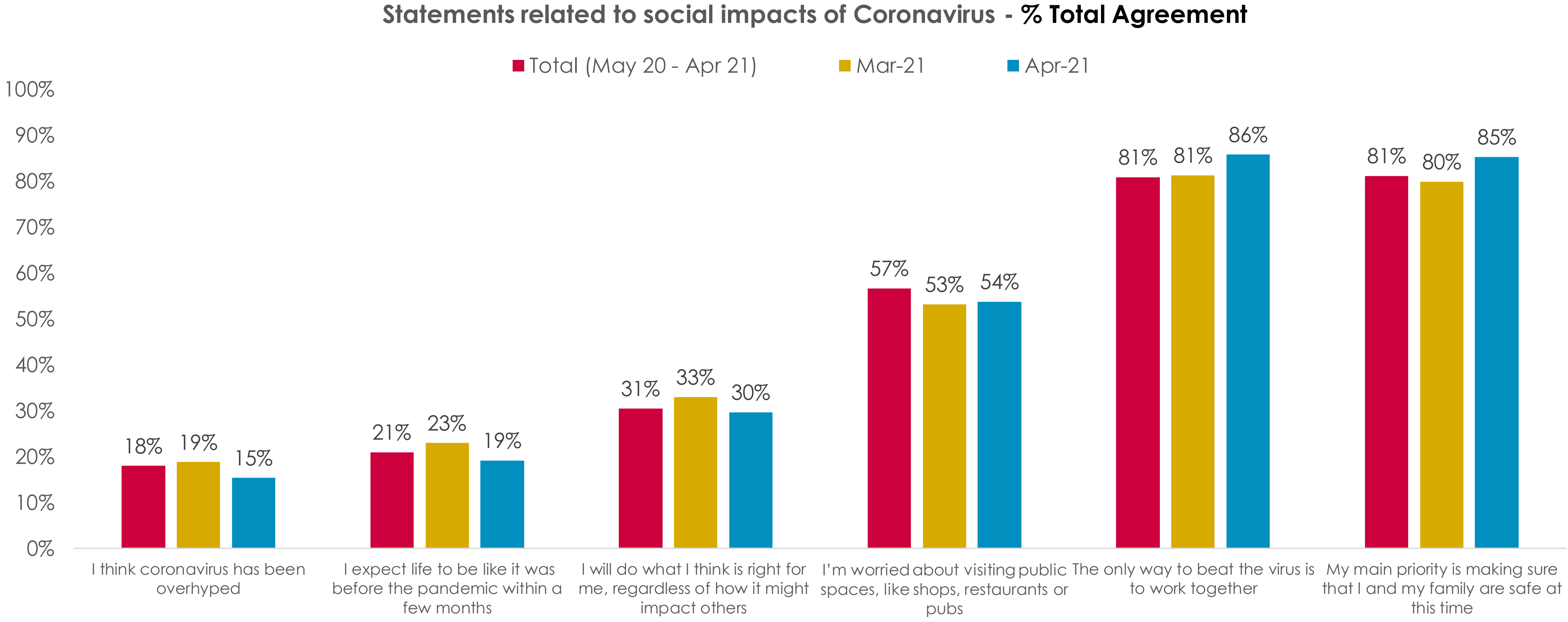
Which of the paid for out of home leisure activities below are you most looking forward to doing when social distancing restrictions are lifted? ***[Respondents select up to three activities]***



Social Implications

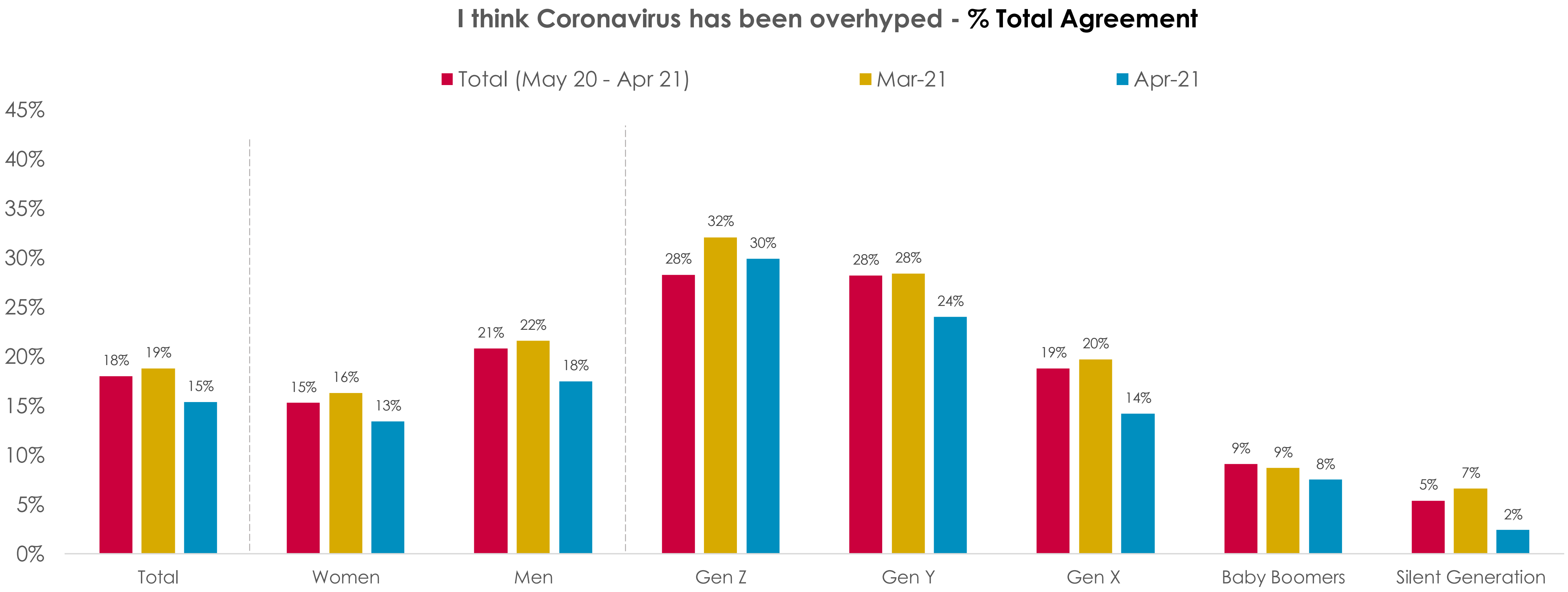
Consumers remain realistic about risks of pandemic despite reopening

- Of some concern to businesses operating in retail and hospitality is that more than half (54%) of respondents remain concerned about visiting public spaces during the pandemic, with less than a fifth (19%) expecting life to return to normality within a few months
- This month sees just 15% of respondents feel that the coronavirus pandemic has been overhyped – 3% below the pandemic average



Younger generations remain more cynical in regard to pandemic

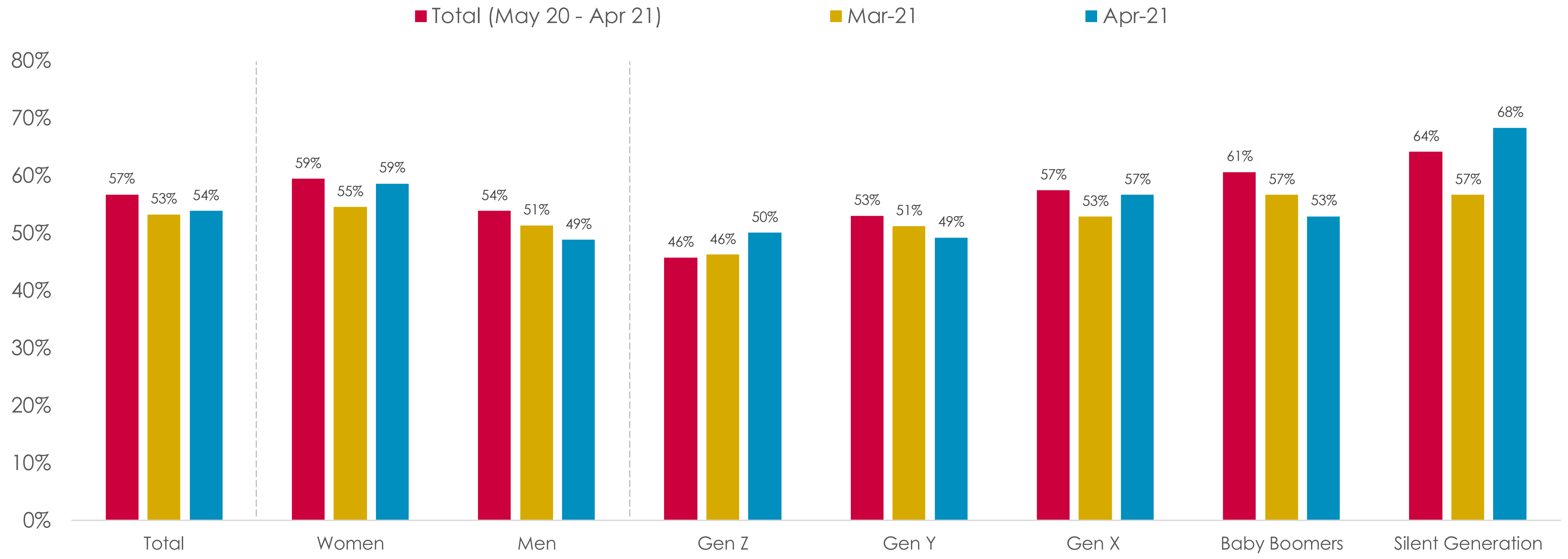
- Despite a 2% decline this month, just under a third of Gen Z (30%) continue to feel that the pandemic has been overhyped
- In a similar vein, just under a quarter of Gen Y (24%) feel it has been overhyped, compared to less than one in ten over 55s
- Men remain slightly more likely than women to feel the pandemic has been overhyped, but this gap closed by 1% this month



Women and older generations more concerned about visiting public spaces

- This month sees women grow 4% more likely to feel concerned about visiting public spaces, whilst men saw a 2% decline
- Despite recent months indicating that over 70s have grown more confident about visiting public, this month's reopening has seen such confidence fall to the wayside, with more than two thirds (68%) remaining worried about public spaces

I'm worried about visiting public spaces like shops, restaurants and pubs - **% Total Agreement**

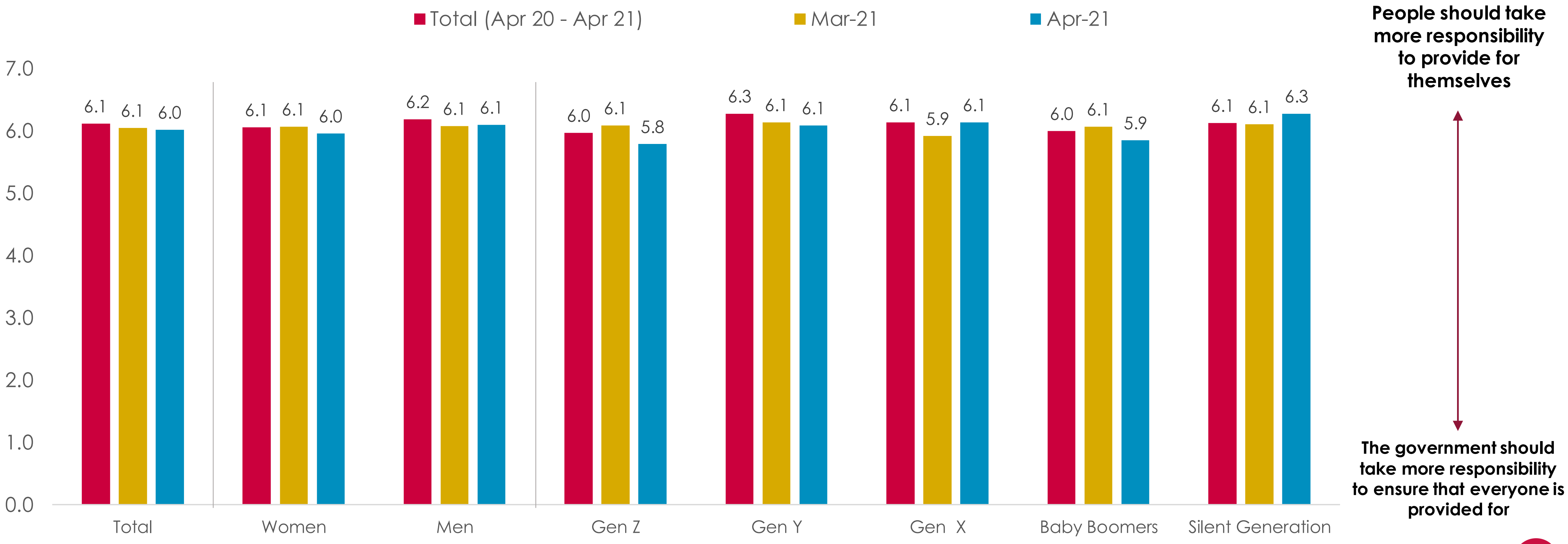


Government Priorities

Slight rise in feelings that Government should be providing for everybody

- Mean scores declined by 0.1 this month from 6.1 to 6.0, suggesting respondents are more likely to feel Government should be helping to provide for everybody during this period, driven primarily by Gen Z (down 0.3 from 6.1 to 5.8)

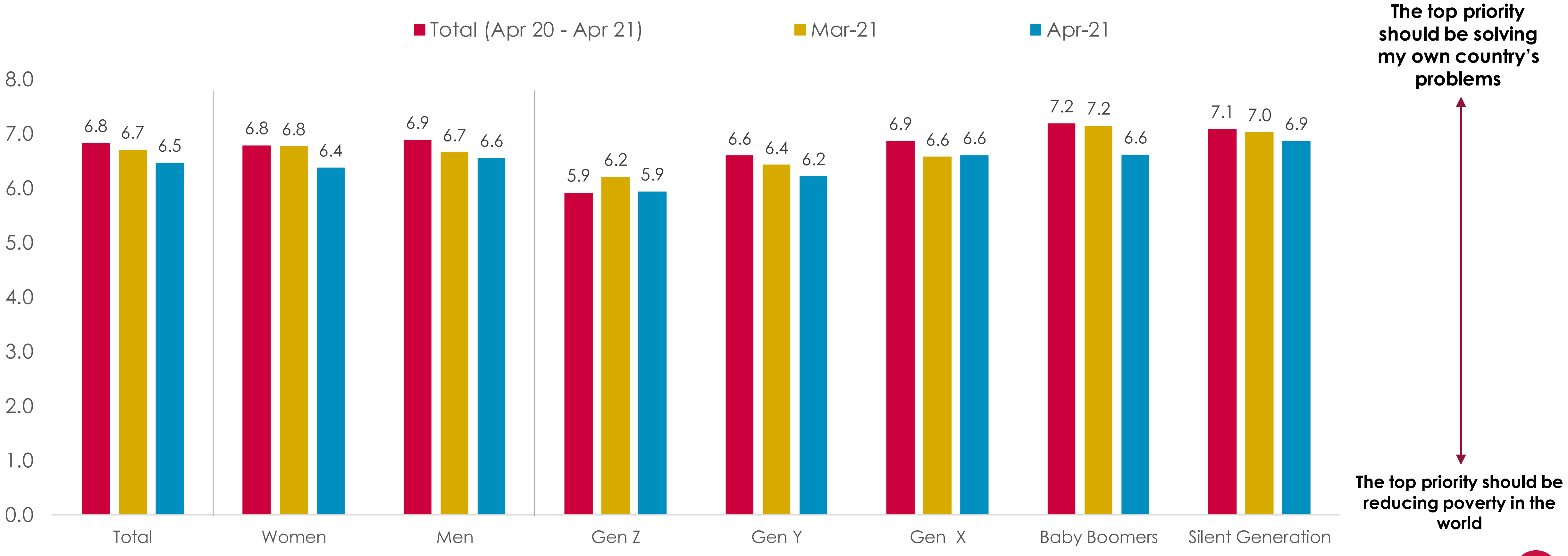
On a scale from 1 to 10, please indicate to what extent you feel it is the Government's responsibility to ensure everybody is provided for *[Average Response]*



Damaging impacts of pandemic outside UK shift focus towards foreign aid

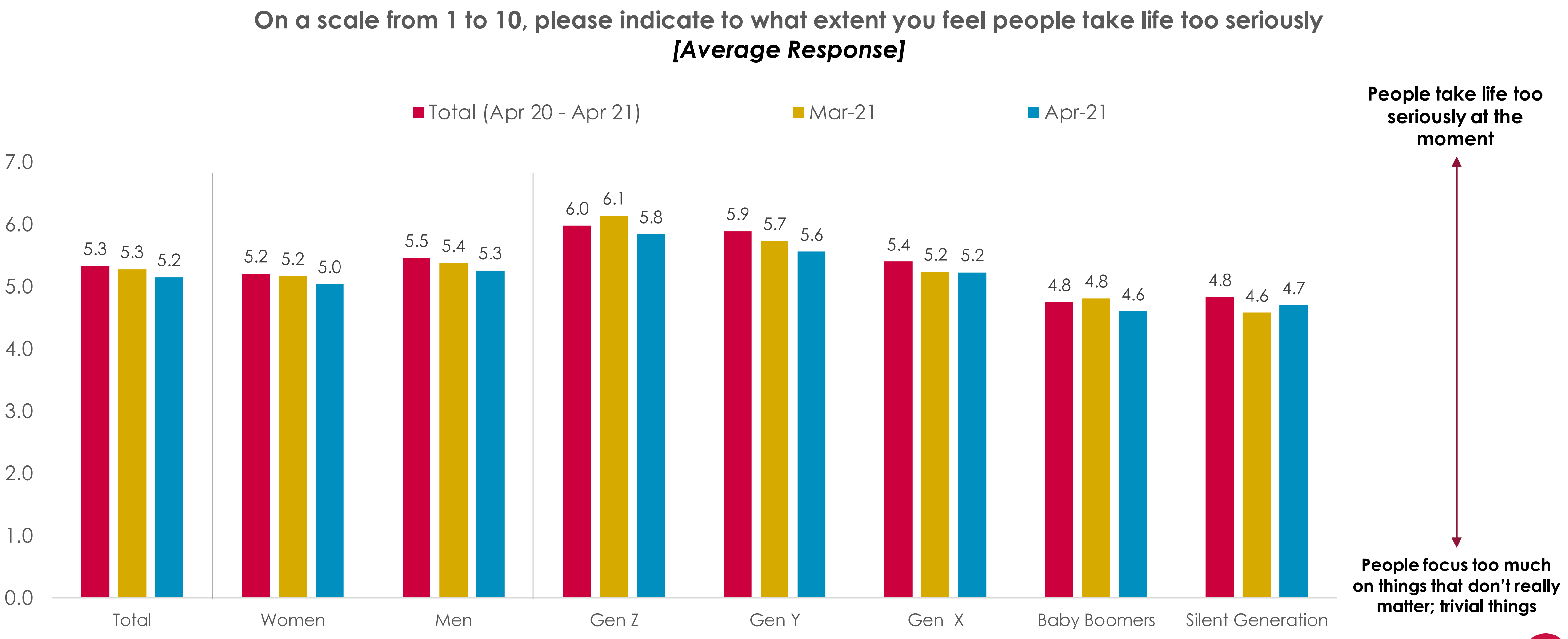
- Average scores down 0.2 this month from 6.7 to 6.5, now down 0.3 on the pandemic average as a whole
- This months trend primarily driven by women (down 0.4), Gen Z (down 0.3) and Baby Boomers (down 0.6)

On a scale from 1 to 10, please indicate what you feel the top priority for the UK Government should be
[Average Response]



Strengthened sense of new seriousness highlights continued caution

- Average scores fell by 0.1 from 5.3 to 5.2 this month, further suggesting that consumers remain cautious over pandemic
- Decline driven by Gen Z (down 0.3), perhaps given that younger consumers remain unvaccinated compared to older age groups

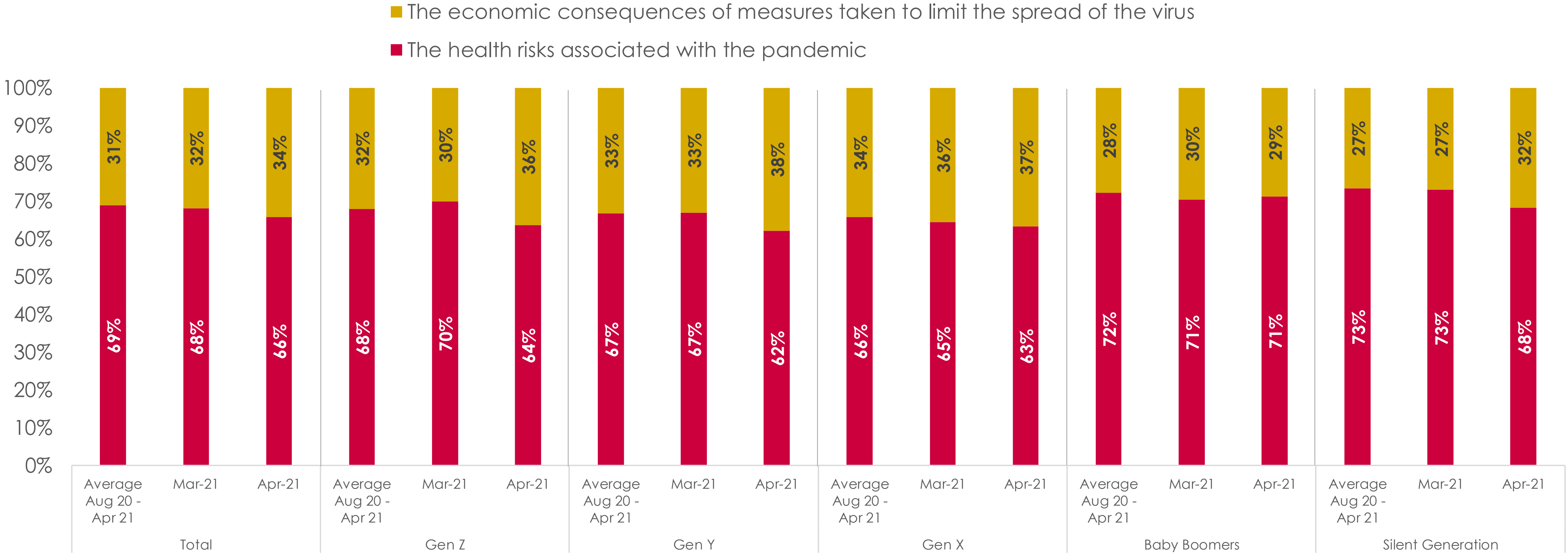


Consumers continue to shift priorities away from public health towards economy

- This month more than a third (34%) of respondents felt the economic consequences of lockdown were a greater priority than the health risks associated with the pandemic – 3% above the average for the pandemic as a whole

- This was notably the case for younger generations (Gen Z and Gen Y) as well as the Silent Generation (up 5%)

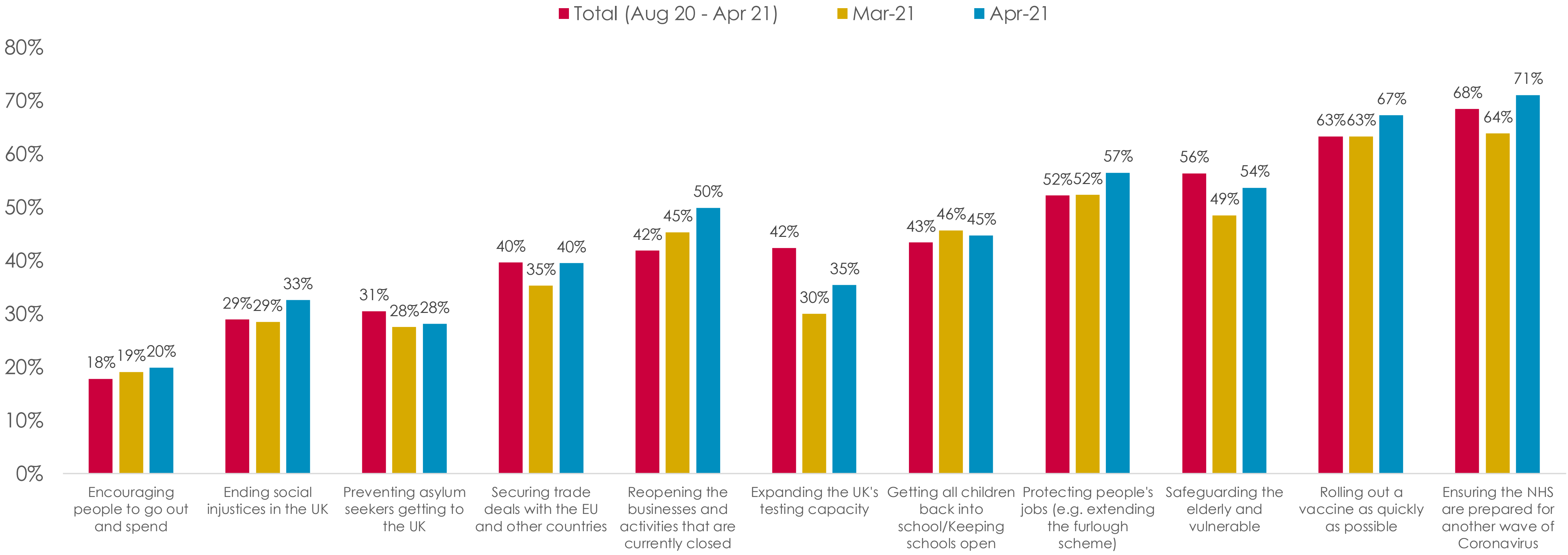
If you had to choose, which of the following two options would you say is your biggest concern at the moment?



Consumers feel reopening should enhance Government focus on public health

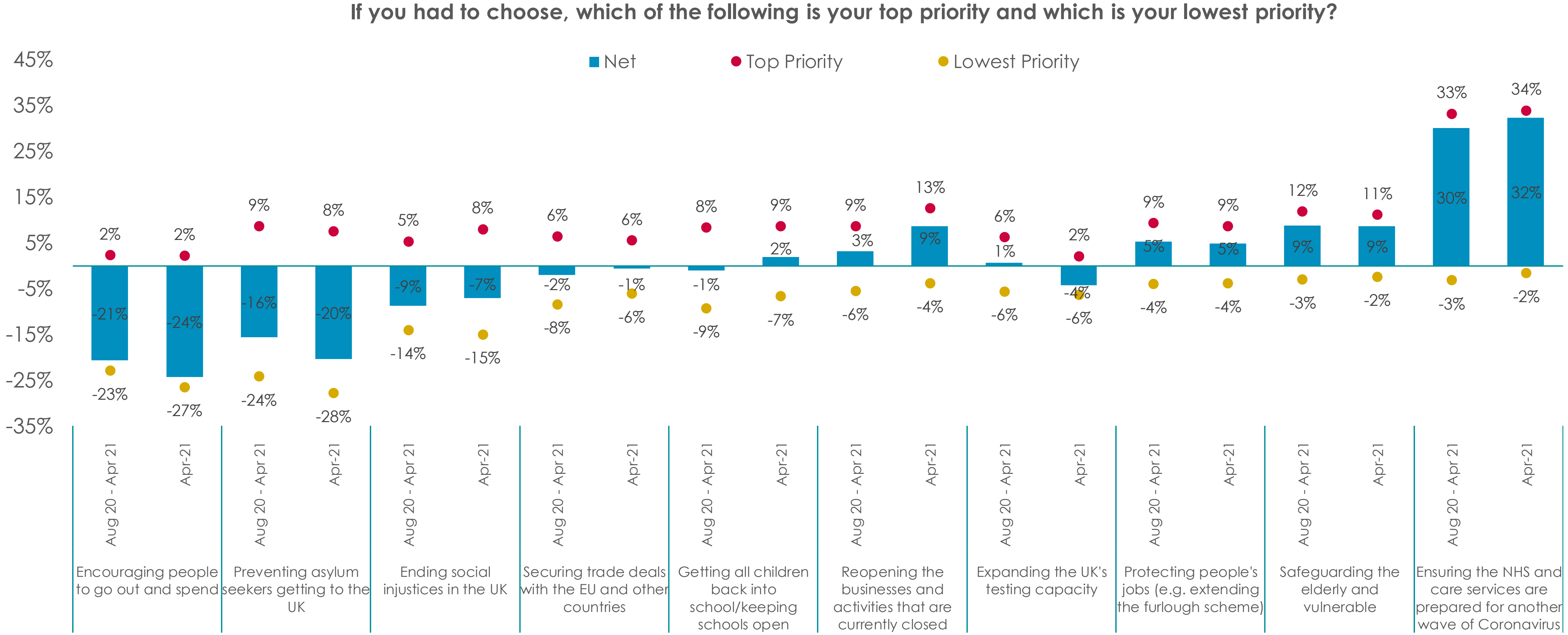
- Despite respondents being more likely to feel that the Government should prioritise reopening businesses and protecting jobs this month, we also see an increase in those feeling that protection of the NHS and the vulnerable should be a priority
- This is perhaps driven by continued warnings over the impacts of reopening on levels of infection, despite the vaccine rollout

Which, if any, of the following do you think should be priorities for the government over the next few months?



Consumers grow more likely to feel reopening of business is their top priority

- Proportion saying the reopening of currently closed businesses is their top priority up 4% this month (9% to 13%)
- This is in contrast to the expansion of testing capacity, with consumers 4% less likely to place this as their top priority
- Protection of the NHS remains the top priority for more than a third of respondents this month

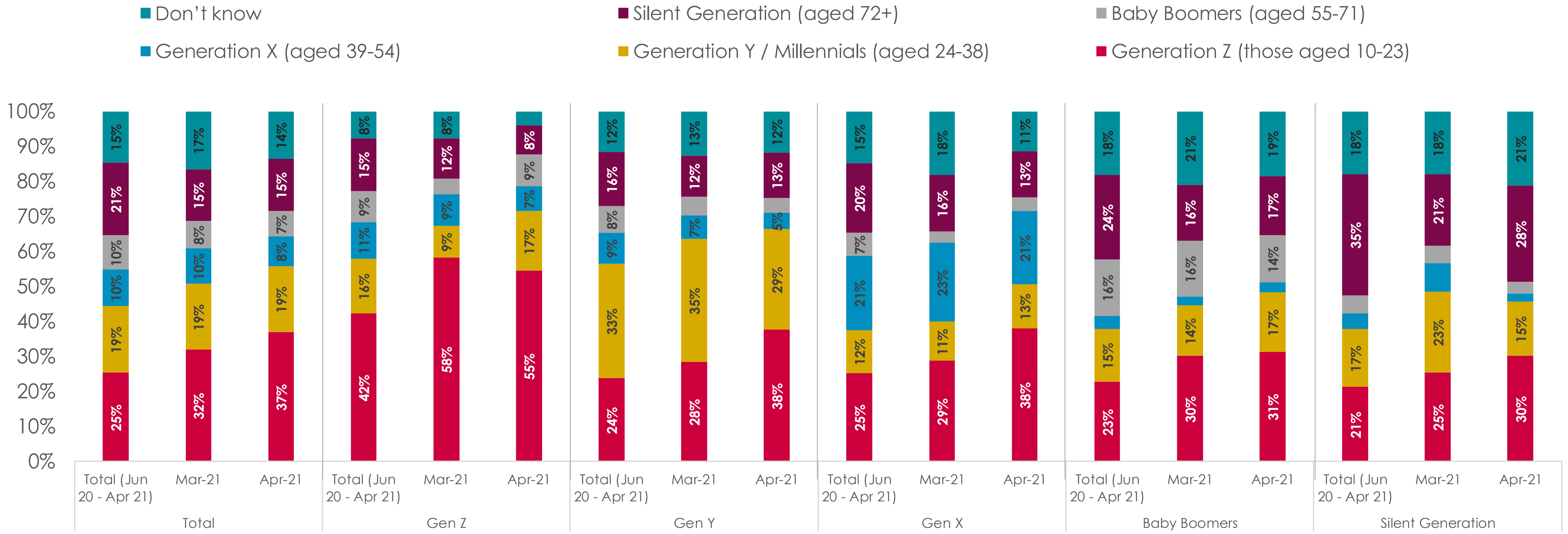


Generational Impacts

Every generation now feel Gen Z are most likely to be negatively impacted by pandemic

- Across the total sample, more than a third (37%) feel that Gen Z will be worst affected by the pandemic overall
- More than half of Gen Z themselves feel this way, although this fell slightly this month (58% to 55%)
- The proportion of Gen Y (up 10%) and Gen X (up 9%) feeling that Gen Z will be worst affected rose most sharply this month

Which generation do you think will be most negatively affected by the coronavirus pandemic, all things considered?

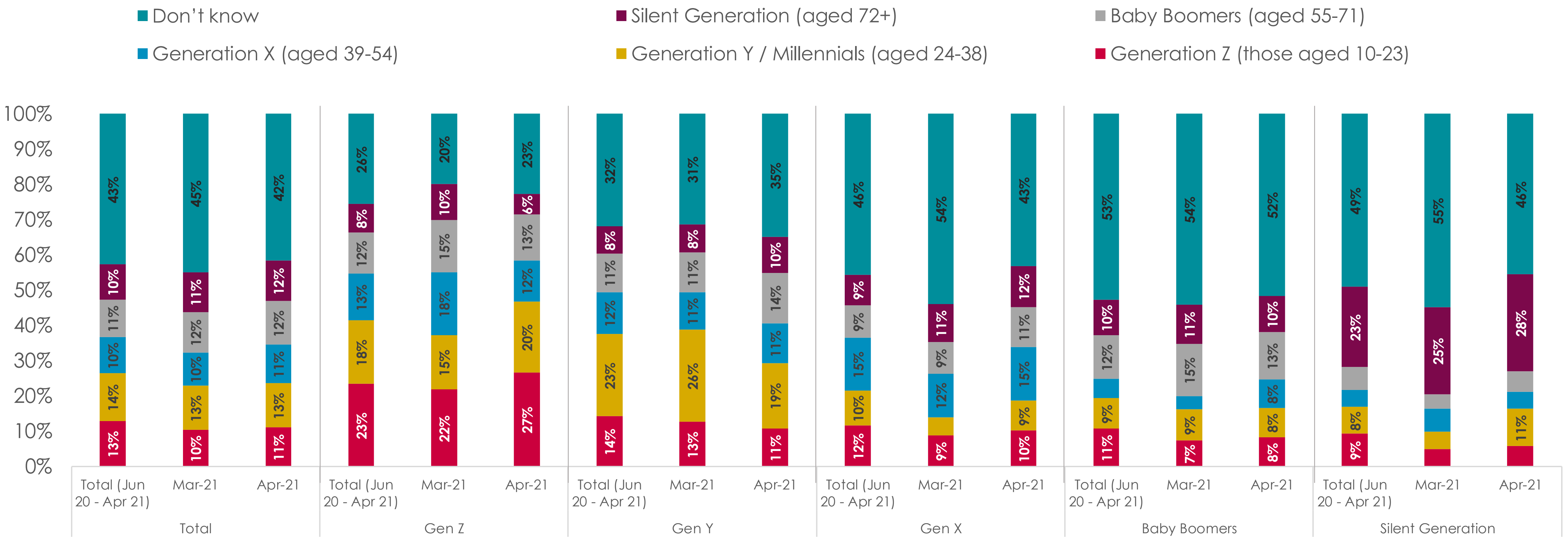


Three of five generations grow more likely to feel they will be most positively impacted

- Despite the degree of negativity regarding impacts of pandemic on Gen Z, they themselves grew 5% more likely to feel they will be most positively impacted by the pandemic this month (22% to 27%) – now up 4% compared to the average for the pandemic overall

- Both Gen X (12% to 15%) and Silent Generation (25% to 28%) also grew more likely to feel their own generation will be best affected

Which generation do you think will be most positively affected by the coronavirus pandemic, all things considered?



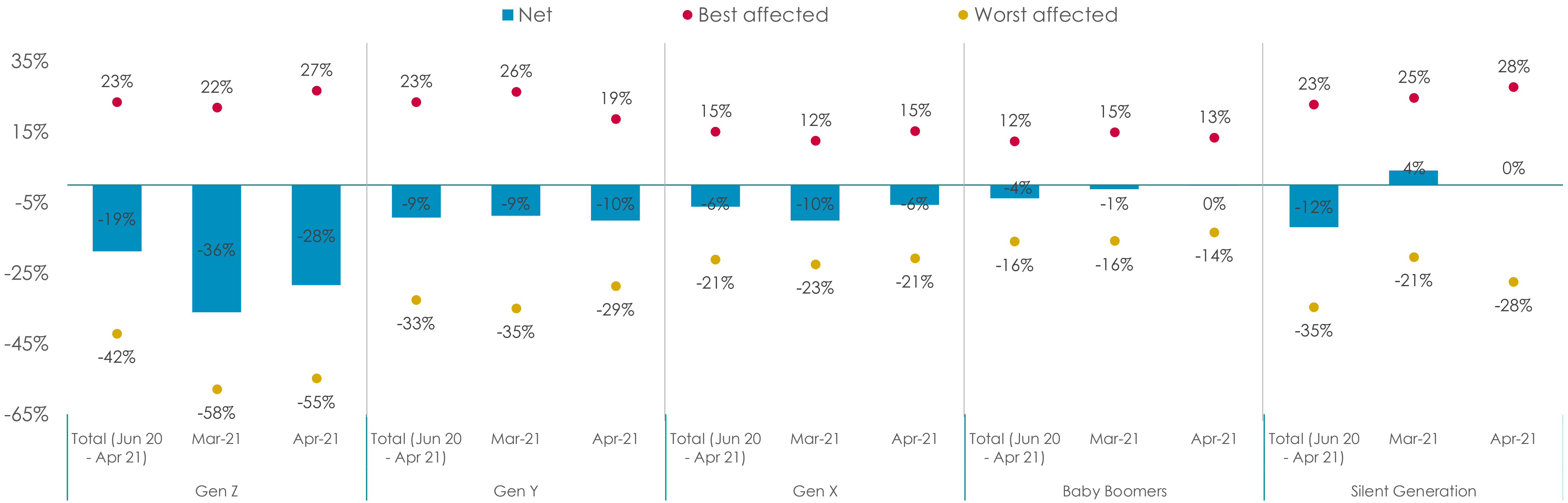
Majority of generations remain polarised over impacts of pandemic for their age group

- Both Baby Boomers and Silent Generation are split equally between those who feel their own cohort will be either most positively or negatively impacted by the pandemic – a trend that has developed only over recent months

- Younger generations are less polarised, being more likely to feel they will be negatively impacted, particularly in the case of Gen Z

Which generation do you think will be most affected by the coronavirus pandemic, all things considered?

[Net % saying their own generation will be best *minus* worst affected]



TRAJECTORY

Each month Trajectory survey 1500 adults in the UK on a range of issues including consumer confidence, personal choice and control, social trust, opportunities in technology, optimism and their place in the world.

This data is analysed and produces The Optimism Index. The data presented here is a snapshot of the full data, which can be used for bespoke analyses on request – including time-series analysis (from 2011 onwards) and global comparisons.

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