TRAJECTORY

Optimism Index
June 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 16th June.**

Key Findings

- Postponement of final lifting of restrictions stalls decline in financial concerns
- Rising concerns about financial impact of pandemic felt by women and younger cohorts this month
- Expectations regarding employment continue to improve as we near freedom day
- Appetite for leisure spending remains higher than compared to last year's reopenings
- Concerns about visiting public spaces decline further as vaccine rollout continues
- Decline in concerns sees greater proportion shift focus towards economy over public health
- More than a third of respondents now feel that Gen Z will be most negatively impacted by pandemic

Last Month's Key Events

21st May
PHE figures suggest that vaccines are effective against Delta variant, but only two doses provide strongest protection, with one dose only being 33% effective

25th May
UK Government now advises those in eight worst hit Delta variant areas to minimise travel to and from the area rather than avoid it altogether

26th May
Dominic Cummings provides evidence against Government, alleging serious misconduct regarding the handling of the pandemic response

27th May
Vaccine now open to all over 30s in England, whilst being open to all over 18s in Northern Ireland - being the first UK country to do so

28th May
Single dose Janssen vaccine is approved for use in the UK, with rollout to start later in the year

31st May
Scientists advising the Government on pandemic management suggest there are early signs that the UK is entering a third wave of infections

2nd June
Boris Johnson remains adamant that there is nothing in the data to suggest that England's 21st June reopening date should be delayed

6th June
Matt Hancock claims the Delta variant is 40% more transmissible, and says Government are fully open to delaying the reopening on June 21st

7th June
Vaccine bookings are opened up for people in England aged 25 to 29

9th June
The UK records the highest number of new Covid cases since late February

10th June
Boris Johnson announces that the UK will donate 100 million vaccines to poorer countries, starting in the next few weeks

11th June
England's R number is estimated to be between 1.2 and 1.4, having risen from the previous week's value of between 1 and 1.2

12th June
Boris Johnson says there will be a "cautious but irreversible" lifting of restrictions after reports plans for 21 June could be delayed for up to a month

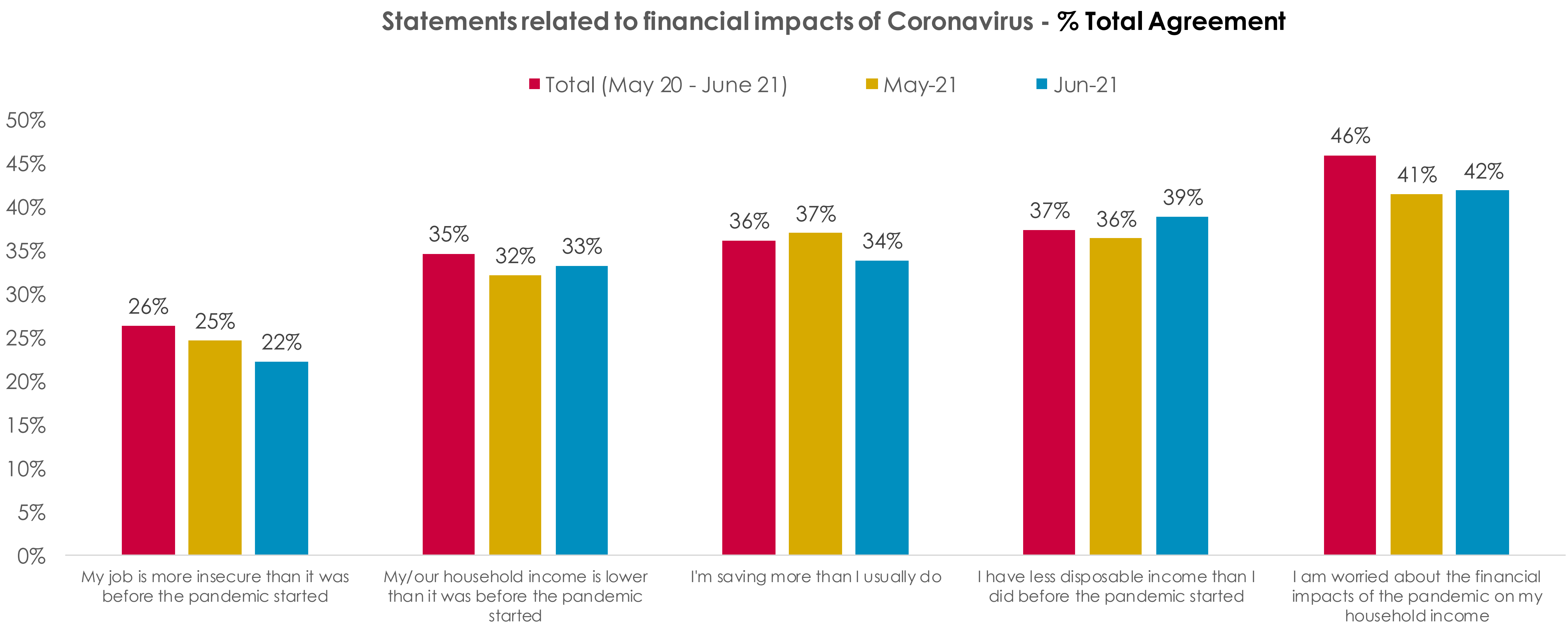
14th June
Boris Johnson announces that the relaxation of coronavirus restrictions planned for 21 June will be delayed by four weeks, until 19 July

Fieldwork: 9th – 16th June

Financial Implications

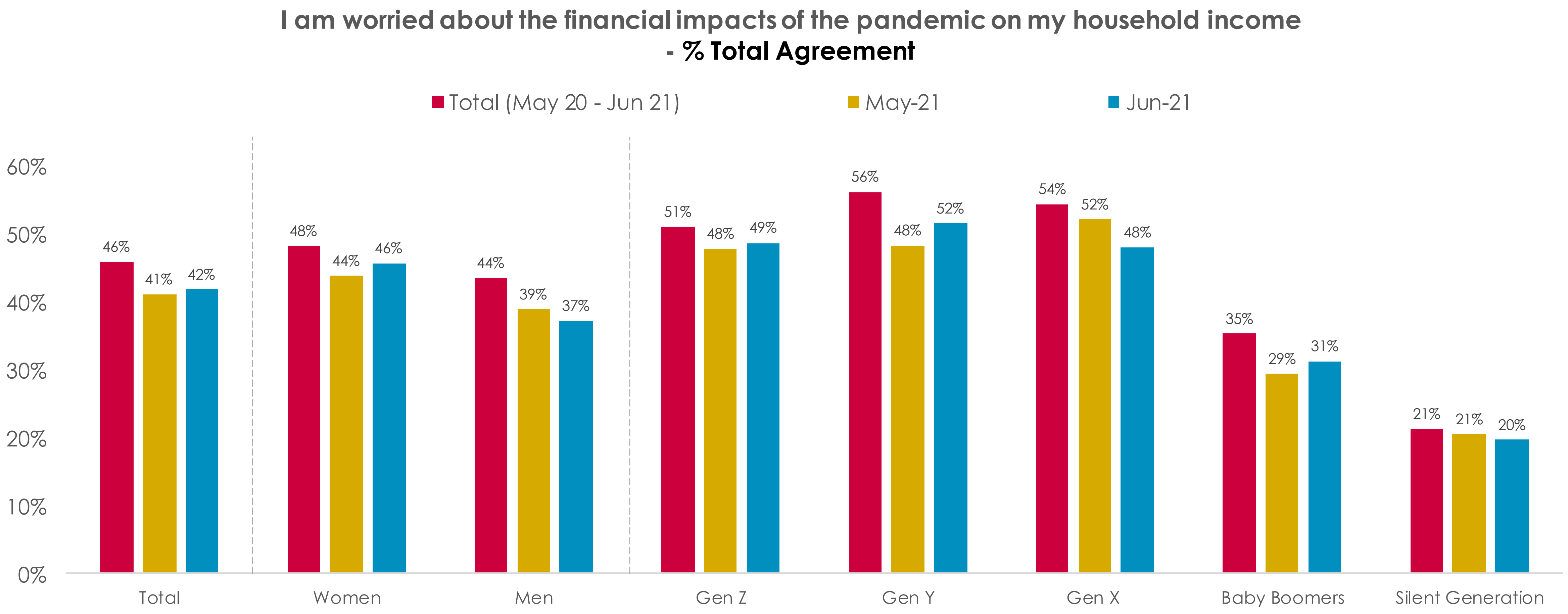
Financial concerns stall as final lifting of restrictions is postponed

- Despite remaining lower than pandemic as a whole, concerns about financial impacts of pandemic rose by 1% this month
- In a similar vein, the proportion feeling they now have less disposable income than pre-pandemic rose by 3%
- More promisingly, these trends haven't been paralleled by a further rise in job insecurity



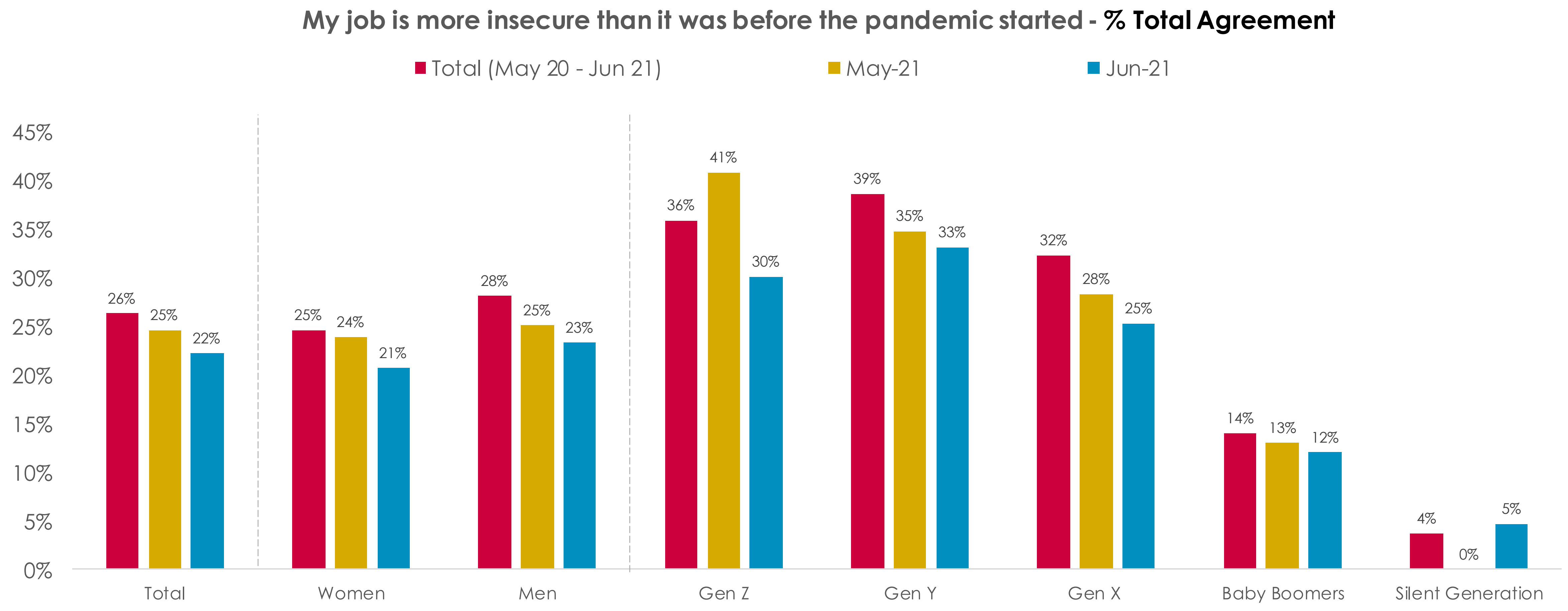
Women and younger cohorts drive rise in financial concerns

- Women saw a 2% increase in concerns about financial impacts of pandemic, whilst these concerns declined by 2% amongst men
- Concerns rose amongst both Gen Z (48% to 49%) and Gen Y (48% to 52%), whilst declining for Gen X and the Silent Generation



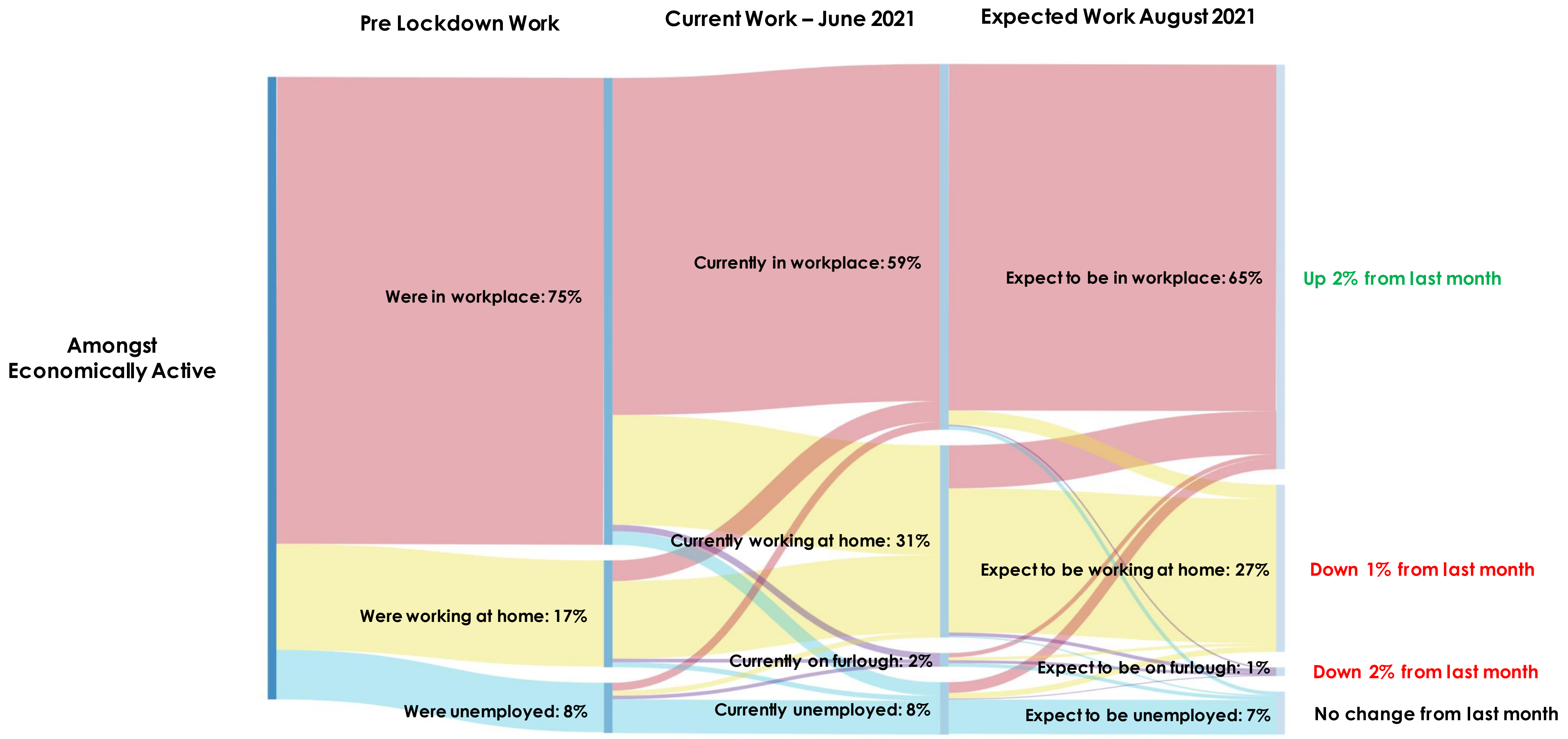
Decline in job insecurities most prominent amongst Gen Z

- Topline decline in job insecurities (3%) almost quadrupled amongst Gen Z this month (31% to 30%)
- Decline amongst Gen Y and Gen X more in line with overall trend, whilst decline below average amongst Baby Boomers
- Both men and women saw sense of insecurities fall this month, being slightly greater amongst women (24% to 21%)



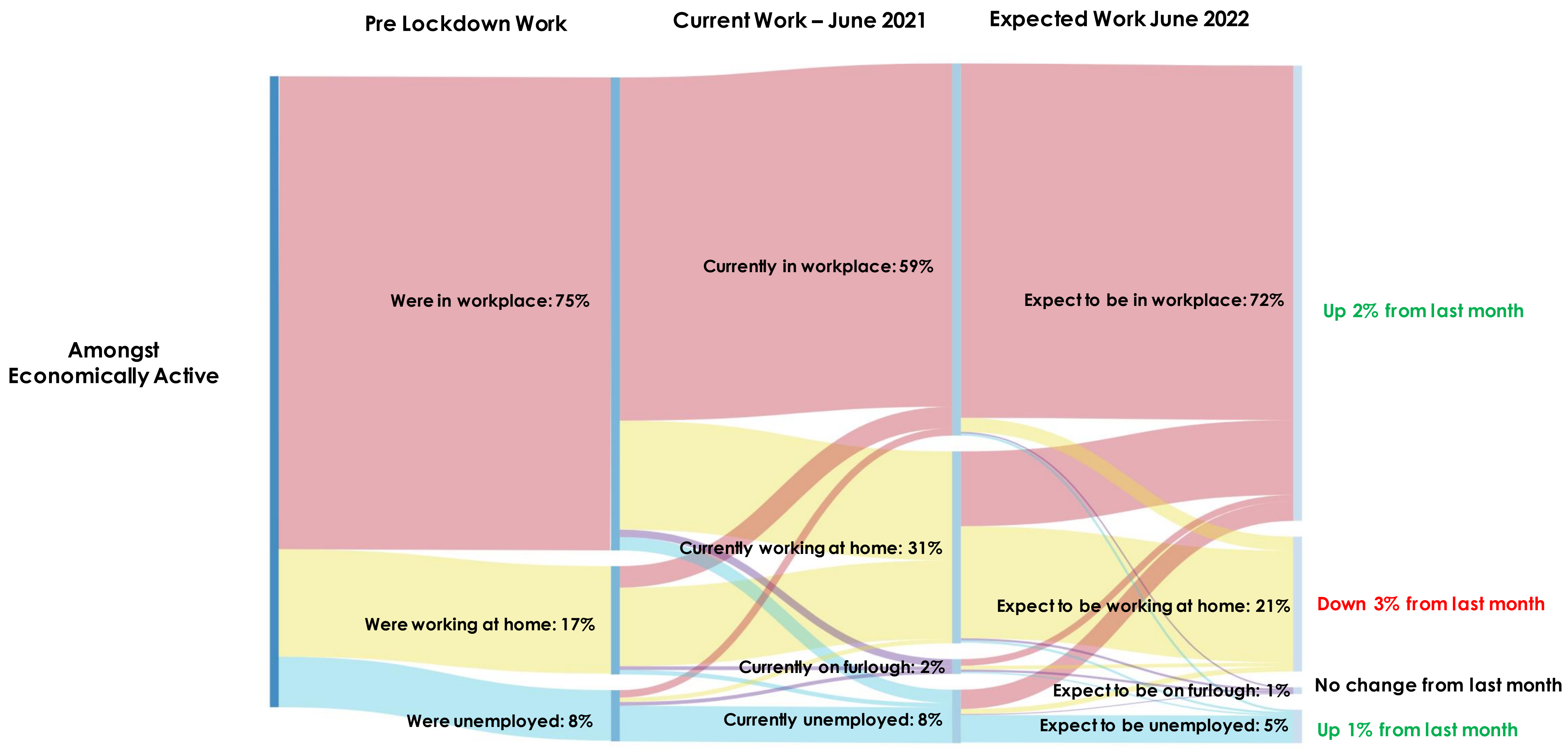
Employment expectations further improve as final lifting of restrictions nears

- Proportion expecting to be in workplace in the next month (August 21) up 2% compared to last month
- Unemployment expectations see no change, whilst almost nobody now expects to be on furlough (1%)



Almost three quarters expect to be in workplace this time next year

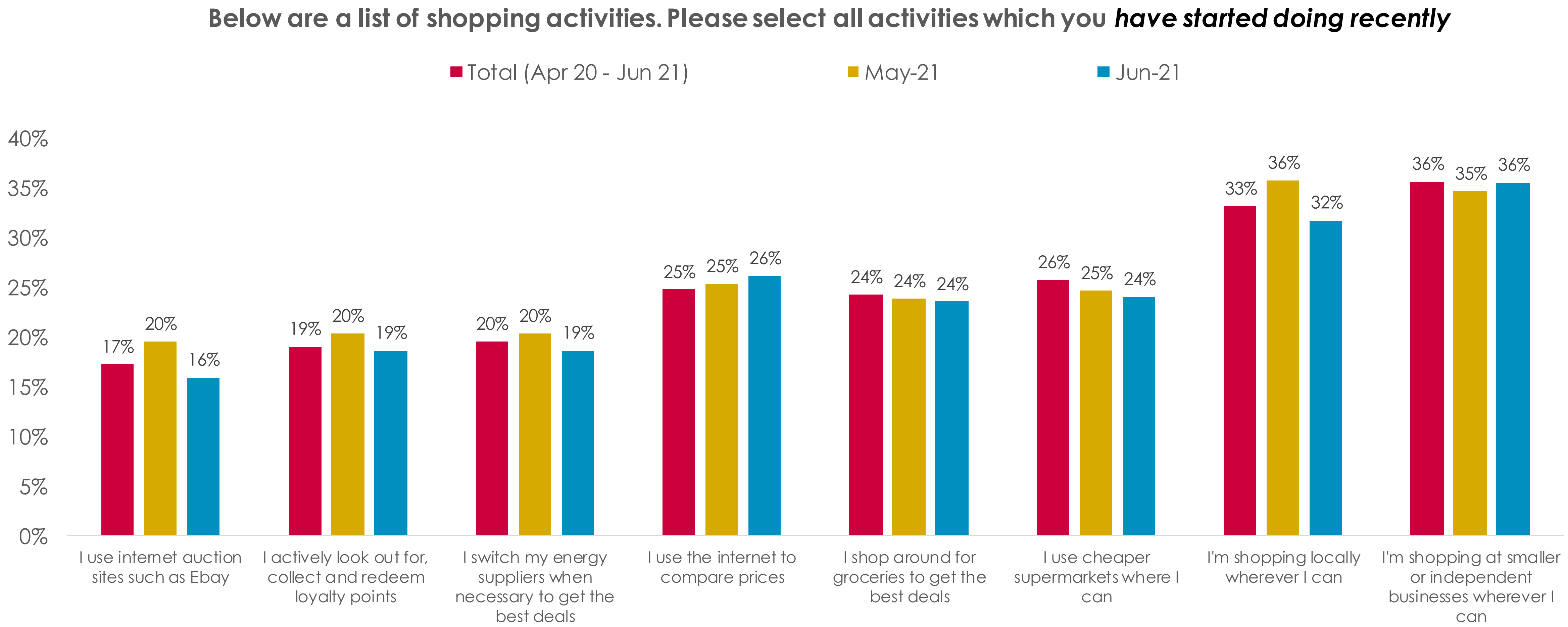
- Expectations for work in May 2022 are edging ever closer to pre-pandemic employment levels, with 72% now expecting to be in workplace
- Despite this, more than a fifth still expect to be working from home (21%) – up 4% compared to pre-pandemic



Impacts on Shopping Habits

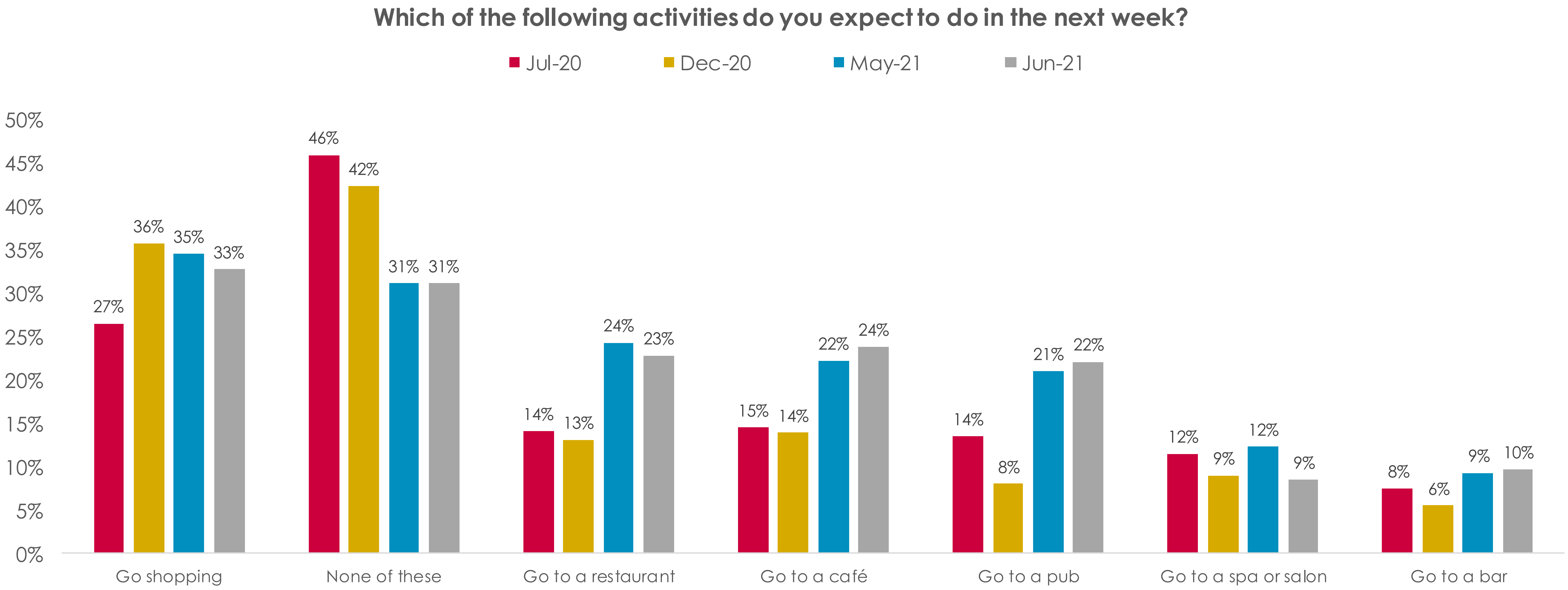
Appetite dampens for local business whilst independents see continued support

- Proportion who have recently begun to show locally wherever they can declines by 4% this month (36% to 32%)
- 36% maintain that they have recently begun to shop at smaller independent businesses, up 1% compared to last month



Greater appetite for leisure spending continues amidst further reopenings

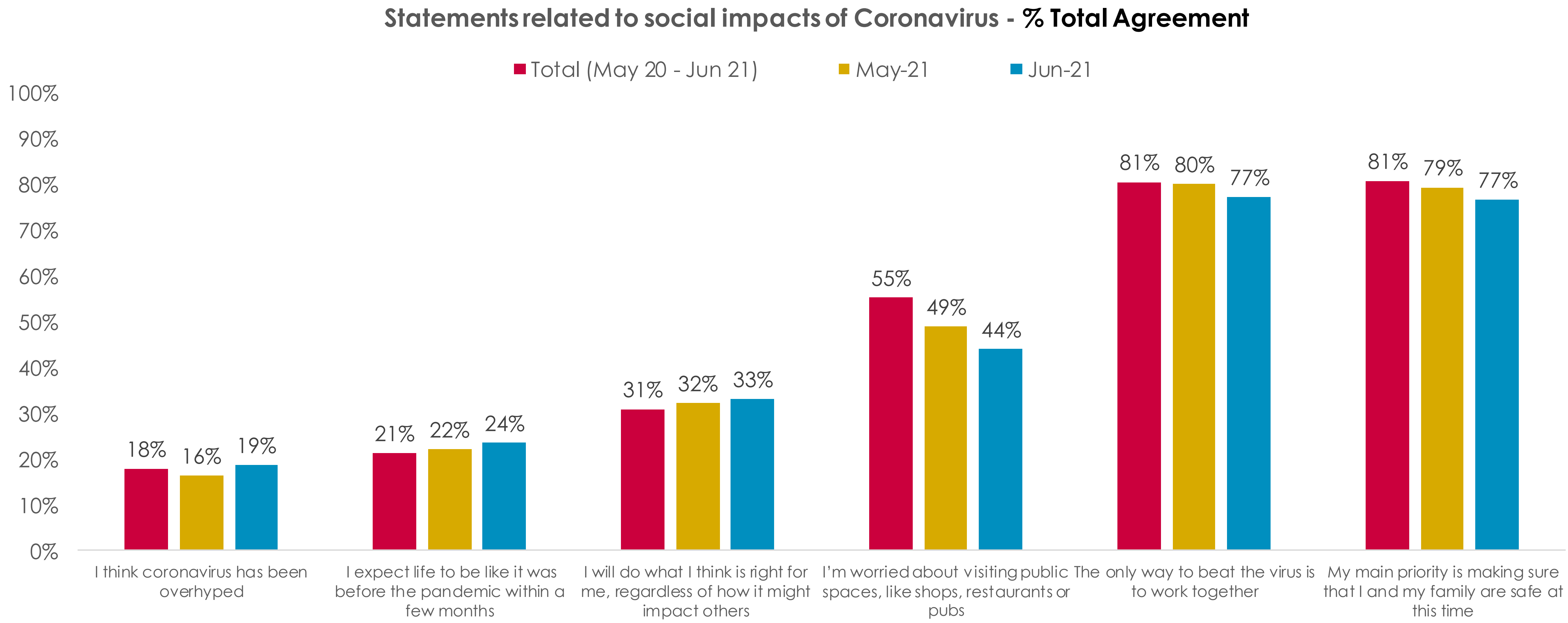
- Less than a third (31%) say they do not expect to do any of the leisure activities within the next week
- Shopping remains most popular, despite declining slightly this month - whilst at least a fifth expect to visit either a restaurant, café or pub
- Expected participation in leisure spending remains far higher than during previous reopenings



Social Implications

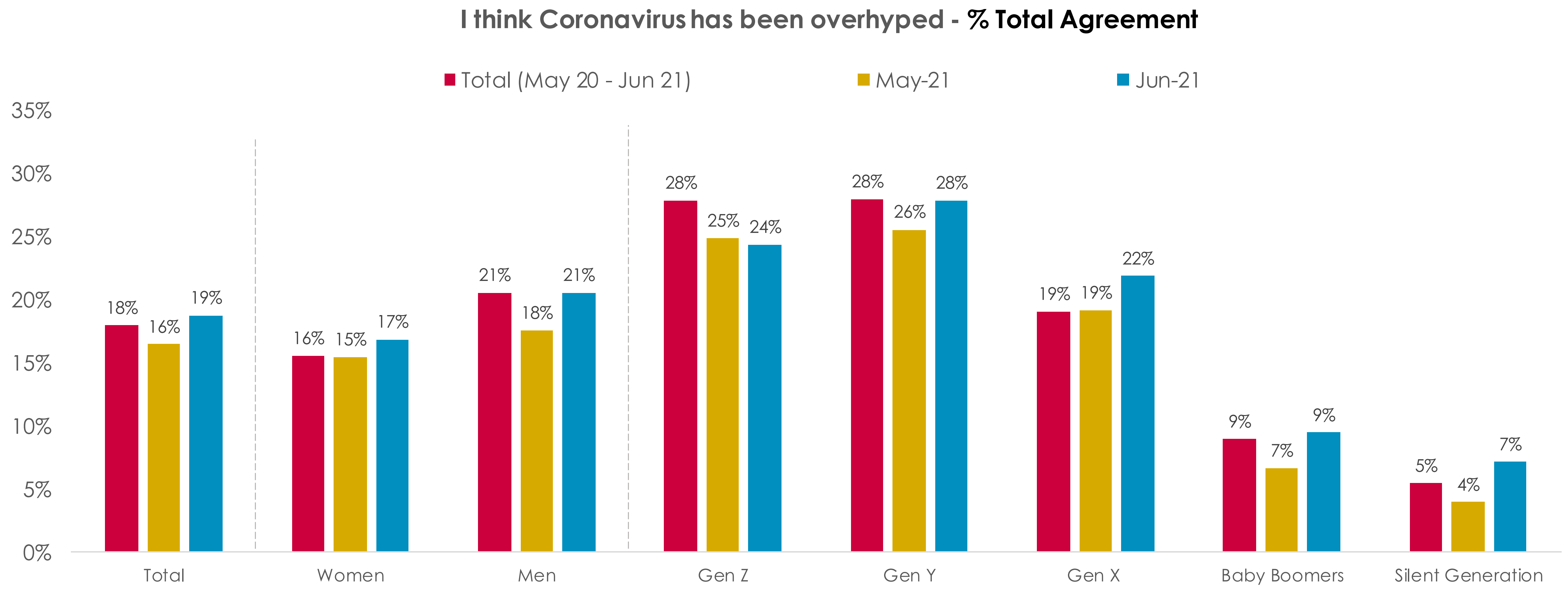
Concerns about public spaces decline further as vaccine rollout continues

- Proportion who are worried about going out in public spaces down a further 5% this month – now 11% lower than the pandemic average
- This trend had been paralleled by a slight rise in covid cynicism, with a 3% increase in those feeling the pandemic has been overhyped (now almost a fifth of respondents), whilst 24% expect life to return to pre-pandemic normality within a few months



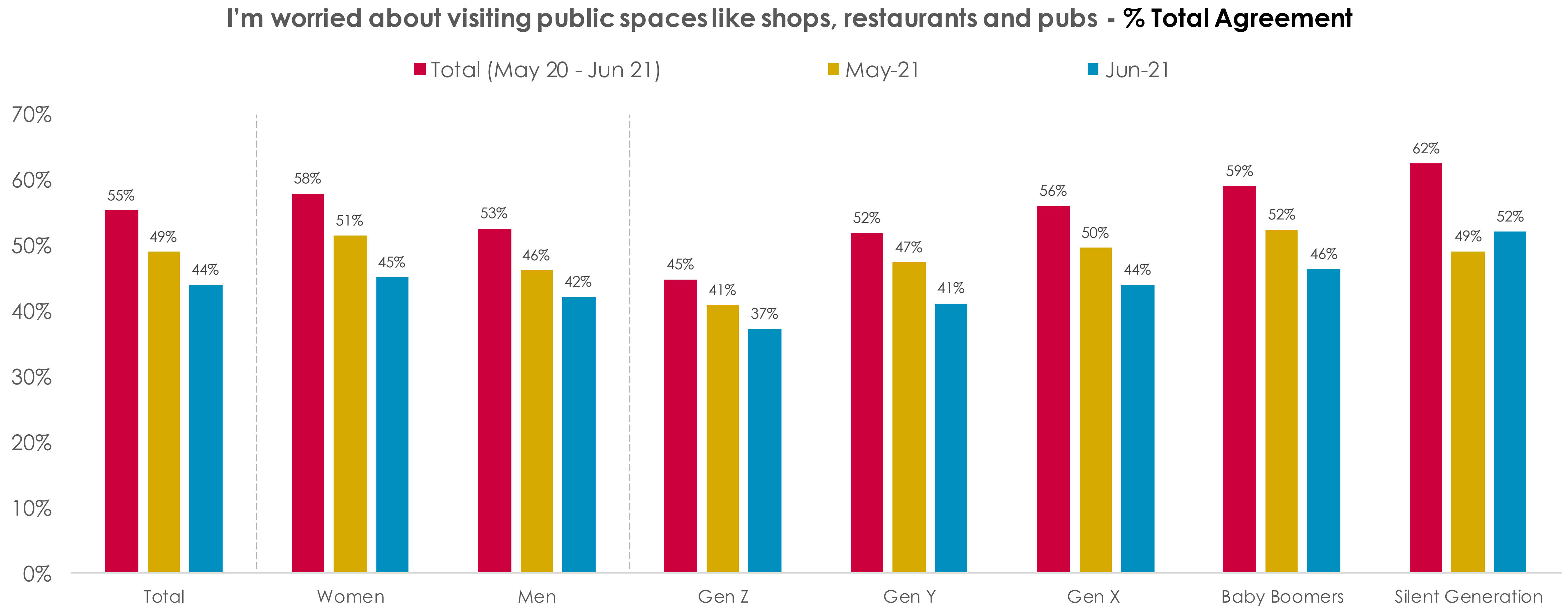
Rise in cynicism less prevalent amongst youngest respondents

- Perhaps since vaccine were yet to reach under 25s prior to this month's fieldwork closing, Gen Z were the only cohort not to see a rise in cynicism
- Despite increasing amongst Baby Boomers and the Silent Generation, these views remain more prominent amongst younger respondents
- Men saw a slightly greater rise in feelings that the pandemic has been overhyped than women this month



Women and middle-aged consumers see sharper decline in concerns

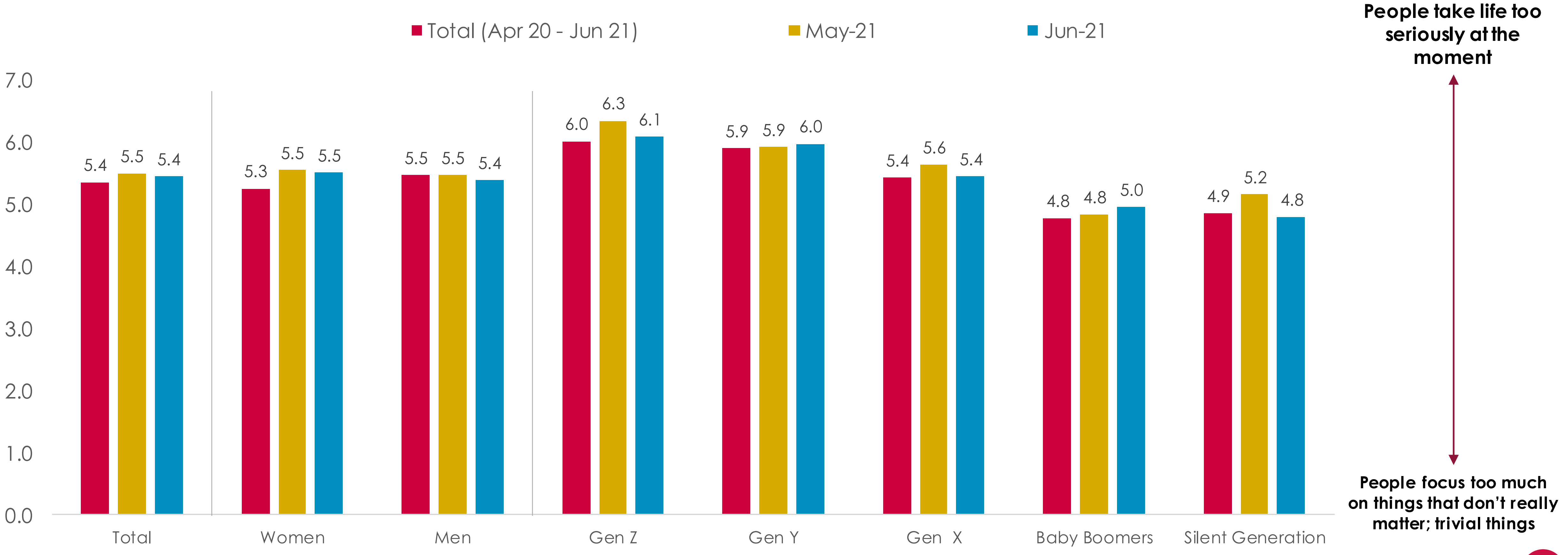
- Whilst concerns this month declined by 5% at a topline level, this was very slightly higher amongst women, Gen Y, Gen X and Baby Boomers
- The most notable outlier from this trend is the Silent Generation, who saw concerns rise by 3% this month, however they still remain substantially lower than compared to the pandemic as a whole (62% to 52%)



New Seriousness rises slightly amidst spread of Delta variant

- Average scores fell by 0.1 this month, down from 5.5 to 5.4, although they remain higher than in April (5.2)
- Most notable drivers of the decline were the Silent Generation, seeing a 0.4 point fall from 5.2 to 4.8
- Younger generations continue to adopt a lesser sense of new seriousness than older cohorts

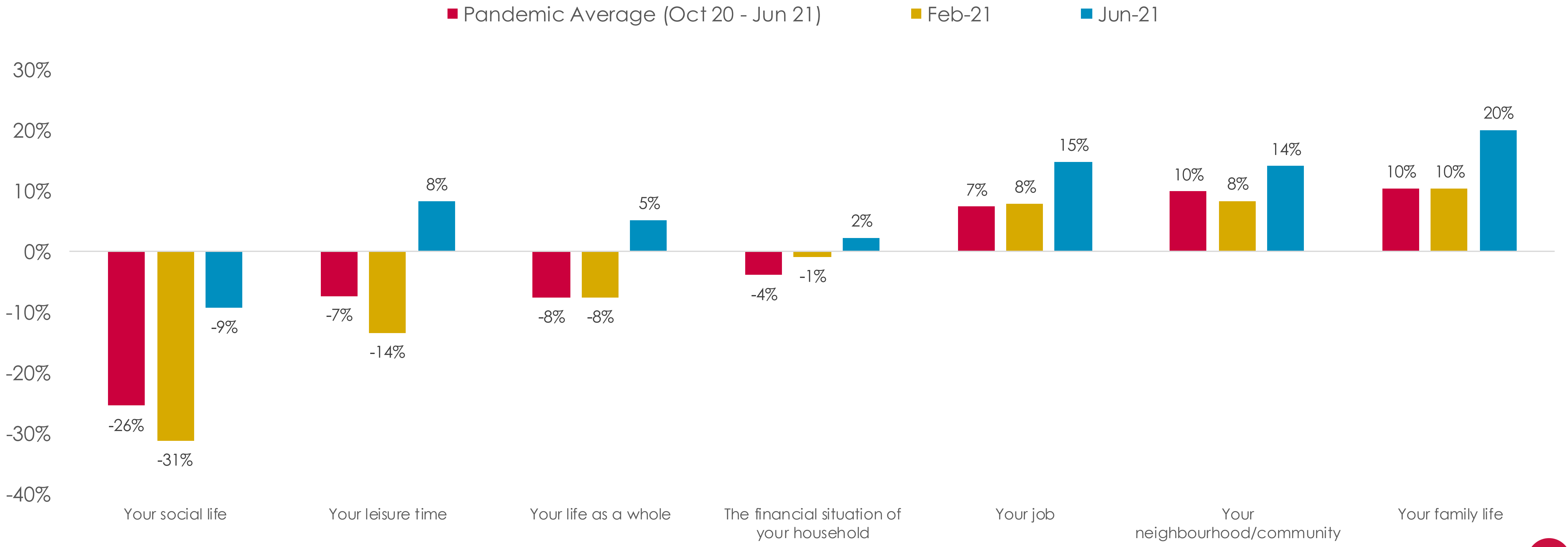
On a scale from 1 to 10, please indicate to what extent you feel people take life too seriously
[Average Response]



Satisfaction compared to pre-pandemic rises sharply since Winter

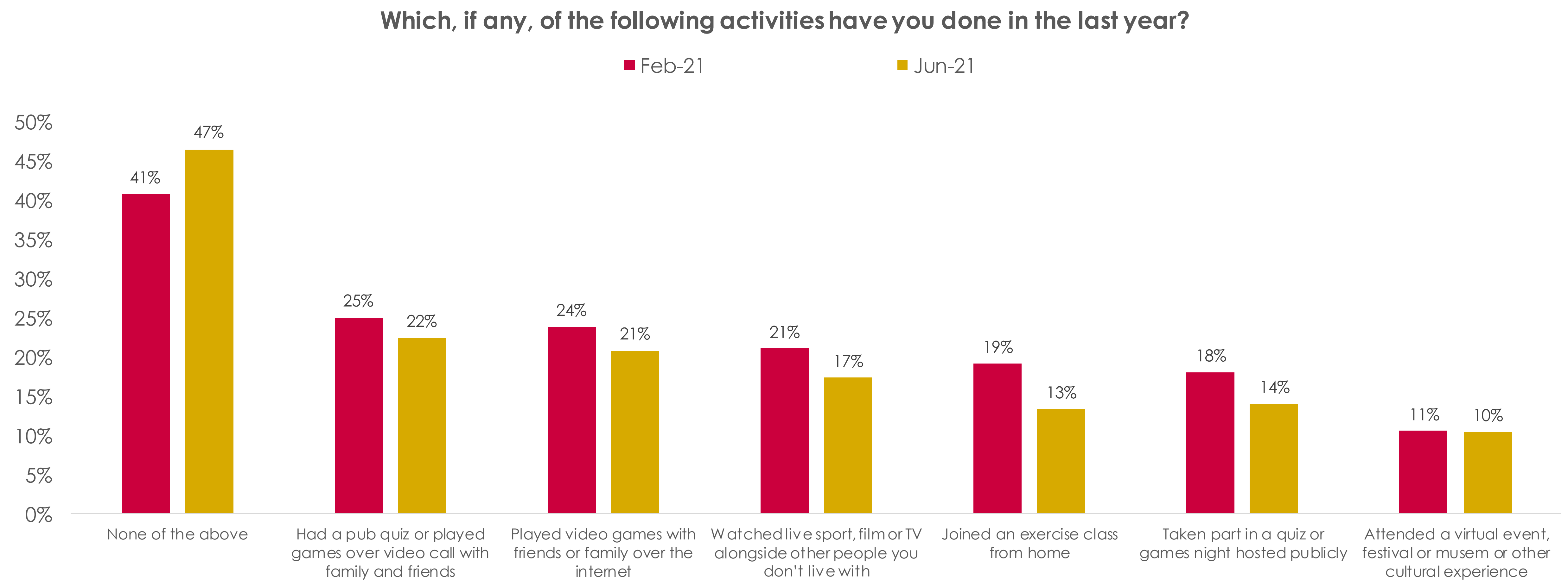
- Compared to pre-pandemic, net satisfaction was positive for almost all aspects of respondent's lives, with the exception of their social life
- Most notably, net satisfaction compared to pre-pandemic is now positive regarding life as a whole (-8% to 5%)
- These findings are a likely result of the degree of positivity currently felt amidst the reopening, rather than necessarily being better than before

Compared to before the pandemic, please state whether you feel more satisfied, less satisfied or about the same, for each of the following **[% Net Saying More Satisfied minus Less Satisfied]**



Appetite for indoor socialising has dampened since the Winter

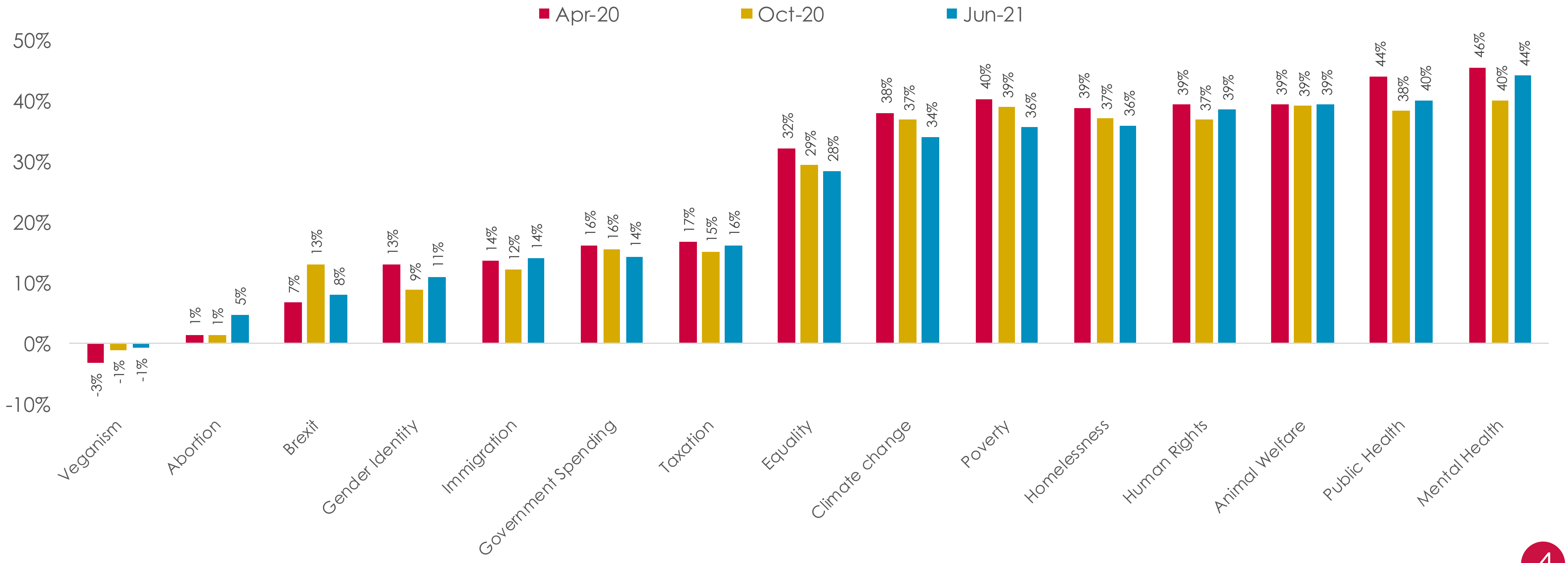
- Whilst in February, 41% said they had not done any of the activities listed, this rises to 47% when asked this month
- More than a fifth still said that they had done either a pub quiz over video call (22%) or played video games with friends or family (21%) over the internet, whilst just under a fifth (17%) had watched live sport, film or TV with people they don't live with



Respondents dampen appetite for brands making political statements

- Despite the majority of issues being clear positives for businesses to take a stance on, some issues have grown less popular
- Most notably, equality, climate change, poverty and homelessness are less favourable than at the start of the pandemic
- Compared to October last year, consumers are more likely to support a brand taking a stance on mental health

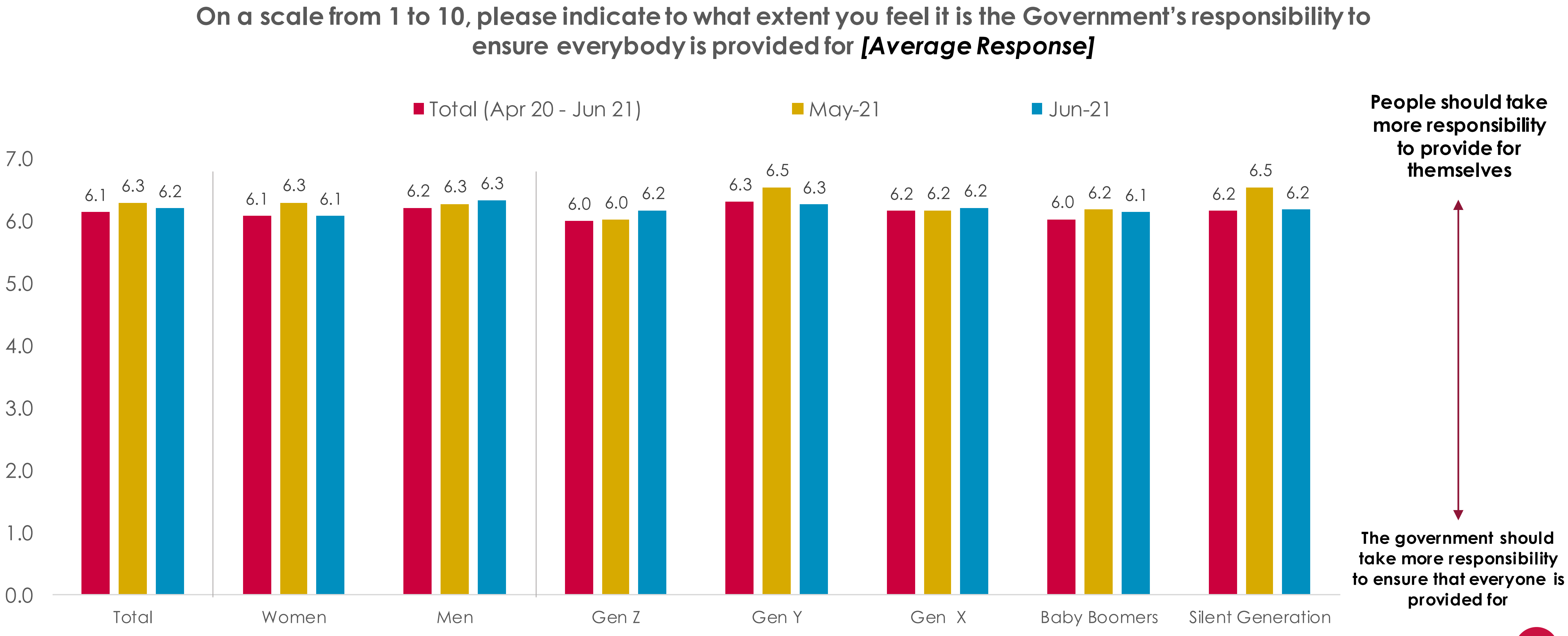
Thinking about a business that you buy products or services from, how would you feel if they took a stand on some of the following issues? ***[Net % Saying would think positively minus negatively]***



Priorities

Consumers more likely to feel Government should ensure all are provided for

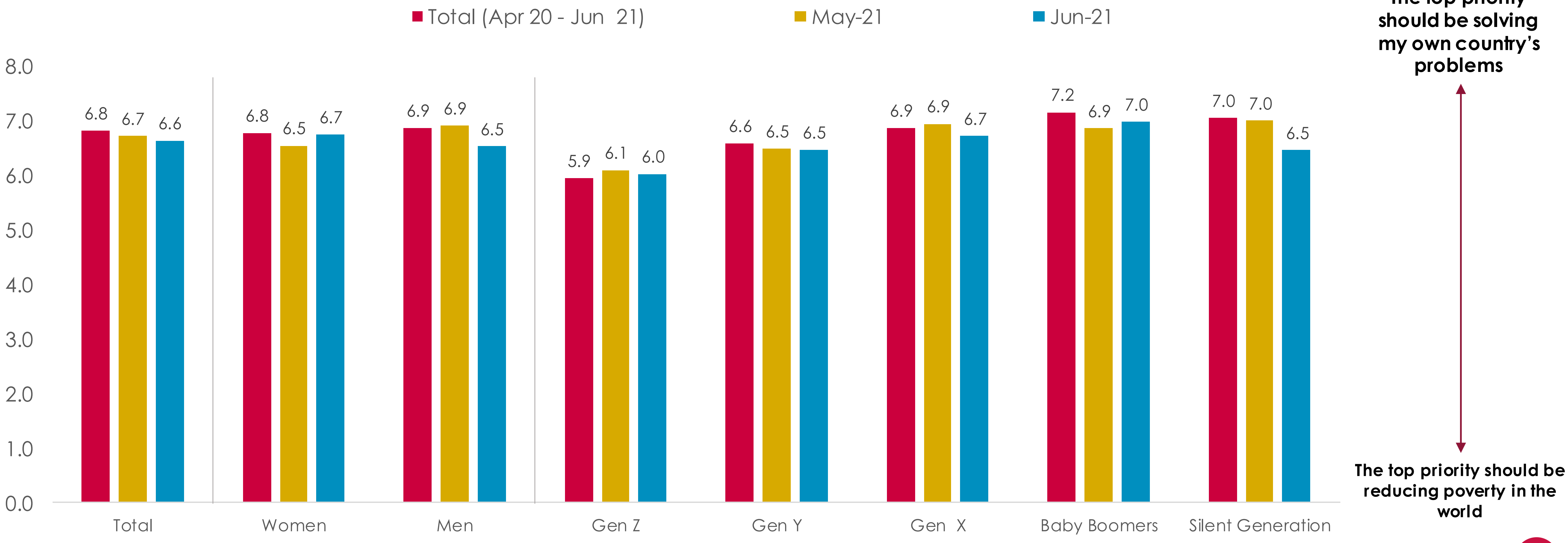
- Average scores fell by 0.1 this month, suggesting a greater focus upon the Government ensuring everyone is provided for
- The primary drivers of this decline were women (6.1 to 6.1) and the Silent Generation (6.5 to 6.2)
- Despite a topline decline, the average score amongst Gen Z respondents actually rose by 0.2 this month



Success of vaccine rollout in UK shifts focus towards global issues

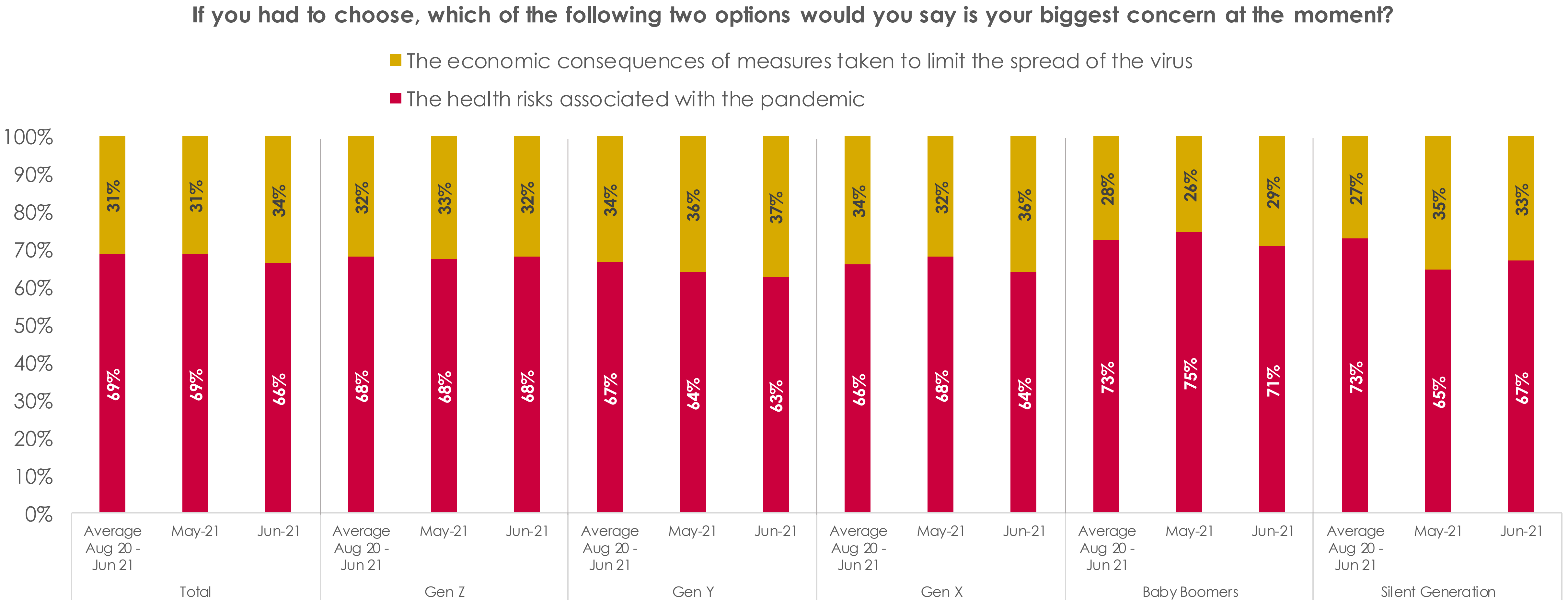
- Average scores amongst all respondents fell by 0.1 this month, now down 0.2 compared to the pandemic average
- This highlights a greater emphasis upon reducing issues across the world as opposed to focusing solely on domestic issues
- Surprisingly, this decline was driven by men (6.9 to 65.) and the Silent Generation (7.0 to 6.5) this month

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



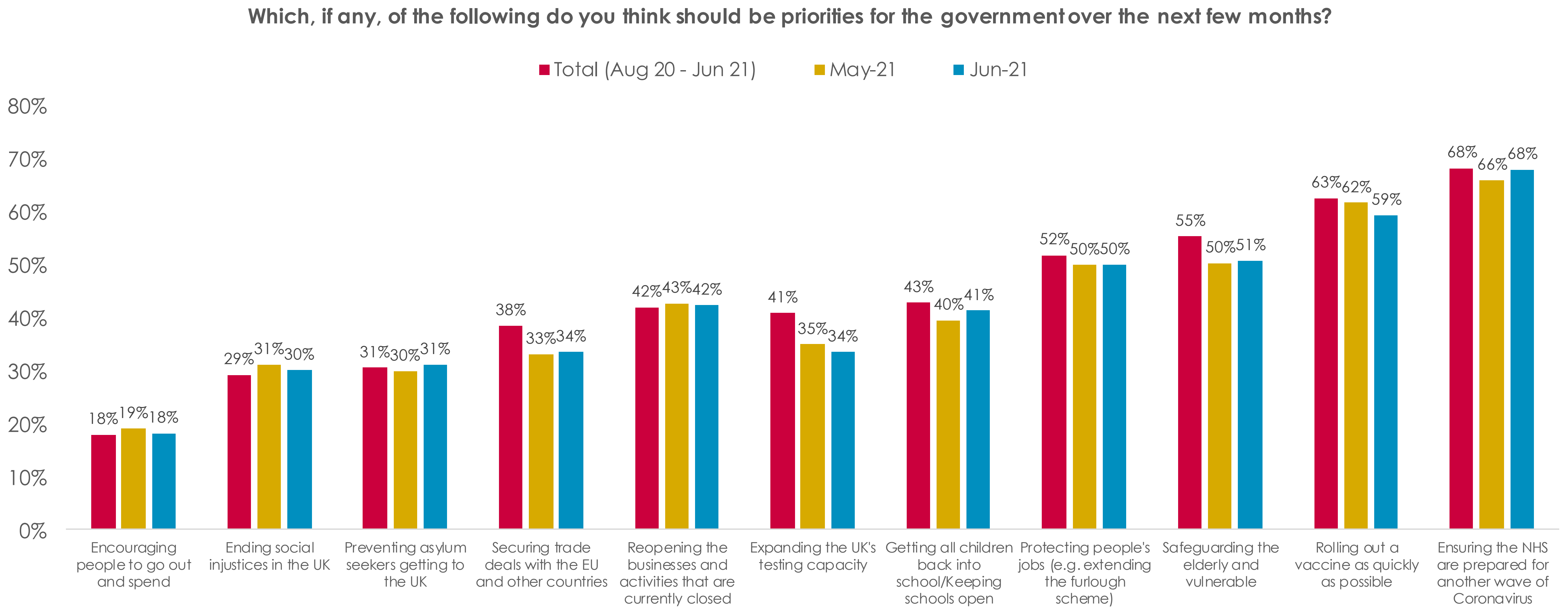
Vaccine rollout sees further shift towards economy over public health

- More than a third of respondents (34%) felt that the economic consequences of lockdown were a bigger concern that public health
- This decline was primarily driven by Baby Boomers (26% to 29%) and Gen X (68% to 64%)
- Worth noting is that Gen Z remained equally as likely to prioritise the economy over health as they were last month



Rapid spread of Delta variant places greater emphasis on protecting the NHS

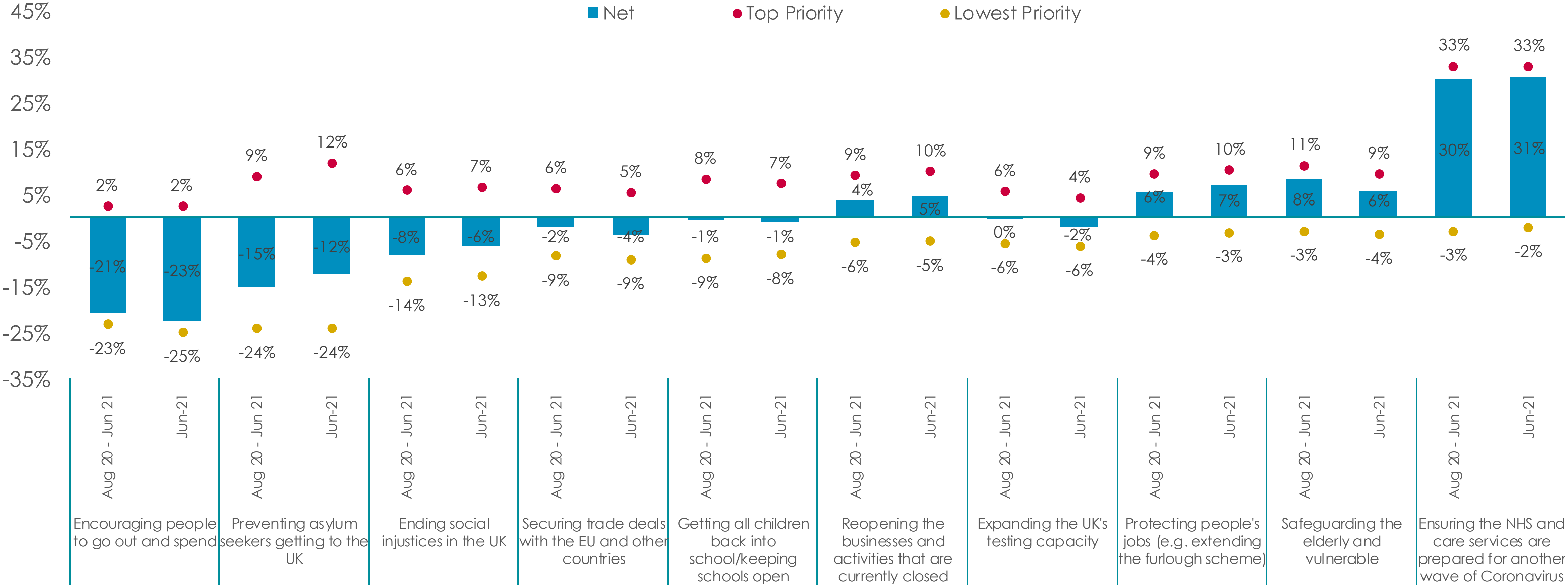
- Proportion feeling that preparing the NHS for another wave of coronavirus should be a Government priority rose by 2% this month up to 68%
- Expansion of testing capacity continues to be seen as far less important than throughout pandemic as a whole
- Rolling out vaccine and safeguarding elderly still seen as greater priority than protection of jobs and encouraging spending



Safeguarding elderly declines in significance as a priority

- Net proportion feeling safeguarding of the elderly is their top priority 2% lower than compared to pandemic as a whole (8% to 6%)
- Protection of the NHS remains by far the greatest priority, with only 2% seeing this as their lowest priority this month
- Encouraging spending still the least of consumers concerns, with one in four feeling this is their lowest priority

If you had to choose, which of the following is your top priority and which is your lowest priority?



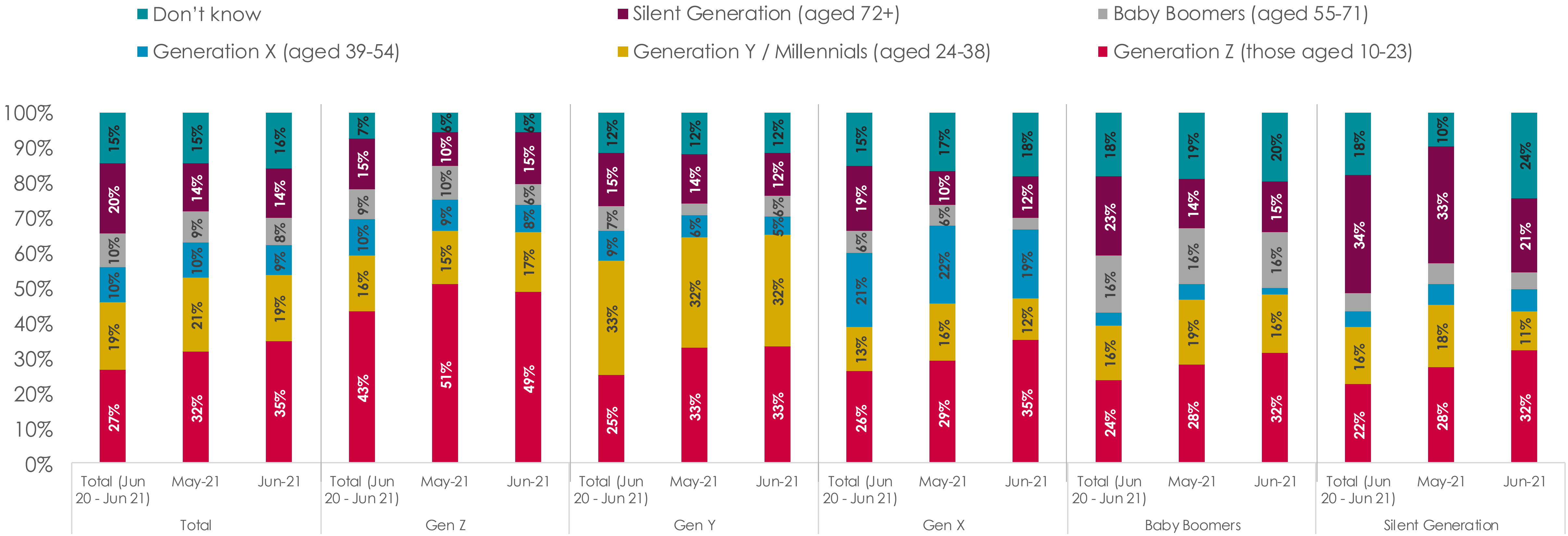
Priority	Period	Top Priority	Net	Lowest Priority
Encouraging people to go out and spend	Aug 20 - Jun 21	2%	-21%	-23%
	Jun-21	2%	-23%	-25%
Preventing asylum seekers getting to the UK	Aug 20 - Jun 21	9%	-15%	-24%
	Jun-21	12%	-12%	-24%
Ending social injustices in the UK	Aug 20 - Jun 21	6%	-8%	-14%
	Jun-21	7%	-6%	-13%
Securing trade deals with the EU and other countries	Aug 20 - Jun 21	6%	-2%	-9%
	Jun-21	5%	-4%	-9%
Getting all children back into school/keeping schools open	Aug 20 - Jun 21	8%	-1%	-9%
	Jun-21	7%	-1%	-8%
Reopening the businesses and activities that are currently closed	Aug 20 - Jun 21	9%	4%	-6%
	Jun-21	10%	5%	-5%
Expanding the UK's testing capacity	Aug 20 - Jun 21	6%	0%	-6%
	Jun-21	4%	-2%	-6%
Protecting people's jobs (e.g. extending the furlough scheme)	Aug 20 - Jun 21	9%	6%	-4%
	Jun-21	10%	7%	-3%
Safeguarding the elderly and vulnerable	Aug 20 - Jun 21	11%	8%	-3%
	Jun-21	9%	6%	-4%
Ensuring the NHS and care services are prepared for another wave of Coronavirus	Aug 20 - Jun 21	33%	30%	-3%
	Jun-21	33%	31%	-2%

Generational Impacts

More than a third now feel Gen Z will be most negatively impacted

- 35% of respondents this month felt that Gen Z will suffer the most from the pandemic – 8% higher than the pandemic average
- Almost half of Gen Z themselves feel they will be the worst affected cohort, despite declining slightly since last month
- Proportion of Silent Generation who feel they will be most negatively impacted declines sharply this month (33% to 21%)

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

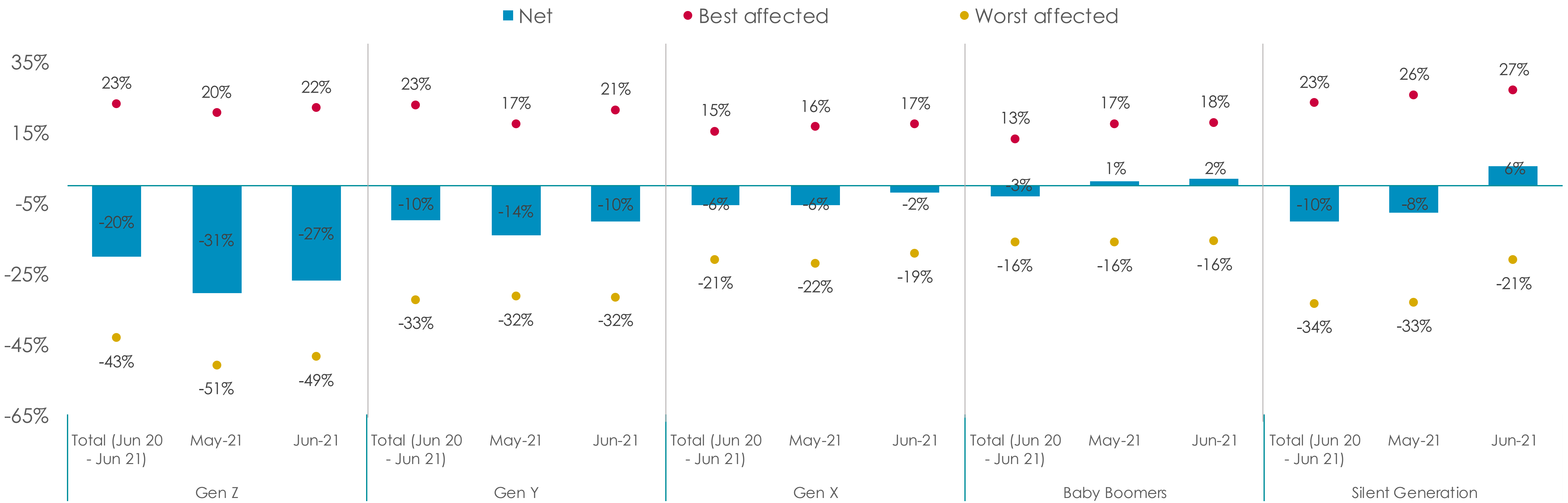


Majority of generations remain polarised regarding impacts of pandemic for their cohort

- Gen Z are least polarised regarding impacts of pandemic, being much more likely to feel they will be negatively affected than positively affected
- Baby Boomers are the most polarised, with almost the same proportion feeling they will be both most positively and negatively impacted
-Silent Generation the only cohort this month who are more likely to feel pandemic will make them most positively affected

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

[Net % saying <u>their own generation</u> 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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