TRAJECTORY

Optimism Index
October 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 **6th and 13th October.**

Key Findings

- Concerns over financial impacts of pandemic at household level remain significant
- Financial concerns more prominent amongst younger generations, in particular for Gen Y
- Local and independent businesses continue to lose support as price conscious behaviours increase
- Sense of community response to pandemic further declines as individuals look out for themselves
- Concerns over visiting public spaces decline at topline level but rise amongst over 70s
- Supply chain crisis helps shift a greater focus towards economy despite health remaining priority
- Majority of generations are growing more polarised regarding impact of pandemic for their cohort

Last Month's Key Events

16th September – Booster vaccination programme begins across England and Wales, providing those most vulnerable with a third jab

17th September – The UK government confirms an overhaul of the traffic lights system, scrapping green and amber lists for one red list

20th September – The United States confirms plans to lift travel restrictions for fully vaccinated UK and EU citizens from November

21st September – Business secretary Kwasi Kwarteng warns some households face a 'difficult winter' amidst food shortages and rising fuel prices

23rd September – BP warns of the temporary closure of some of its petrol filling stations due to a shortage of lorry drivers

25th September – Government confirms that 5,000 foreign fuel tanker and food lorry drivers and 5,500 poultry workers will be given temporary visas to work in the UK for three months

27th September – Following a spate of panic buying over preceding days, the fuel industry forecasts supplies should return to normal levels in the coming days

30th September – The Coronavirus Job Retention Scheme reaches its final day, with an estimated one million having still not returned to work

1st October – ONS figures suggest that around 1 in 20 secondary age children are infected with covid

3rd October – Despite rapidly rising cost of living, Boris Johnson refuses to rule out further tax rises, saying covid hit UK like a 'fiscal meteorite'

6th October – The temporary £20 increase in Universal Credit payments comes to an end, prompting calls for a vote on ending it

7th October – Transport Secretary Grant Shapps announces that England's travel red list will be cut from 54 countries to just seven

8th October – Former Tesco chairman Sir Dave Lewis is appointed as the UK government's adviser for supply chain management

9th October – England's chief nursing officer Ruth May confirms that over two million booster vaccinations have been given out so far

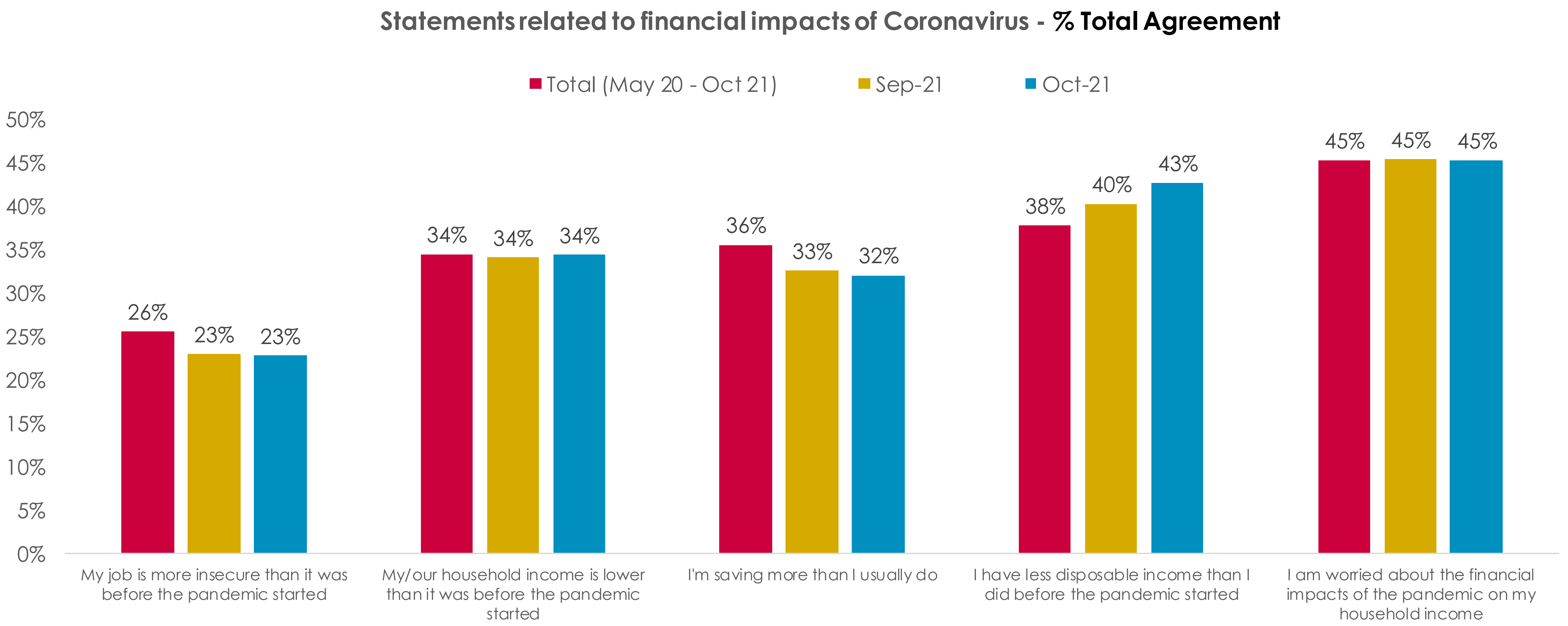
12th October – Inquiry into Government response to covid pandemic describes it as one of UK's worst ever public health failures

Fieldwork: 6th – 13th October

Financial Implications

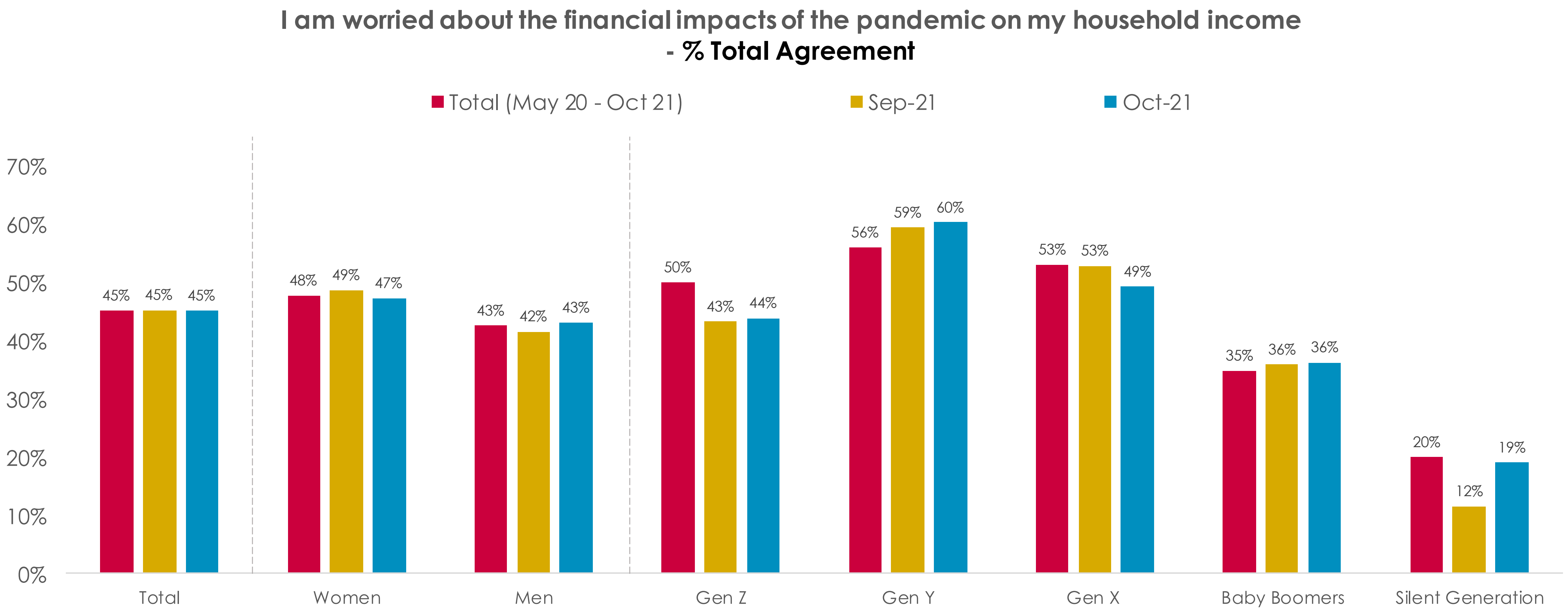
Financial concerns remain prominent amidst warnings of inflation

- Just under half (45%) remain concerned about the financial impacts of the pandemic on their household income
- This month also sees a further rise in proportion who have less disposable income than they did pre-pandemic
- Proportion currently saving more than they usually do now down 4% compared to pandemic average (36% to 32%)



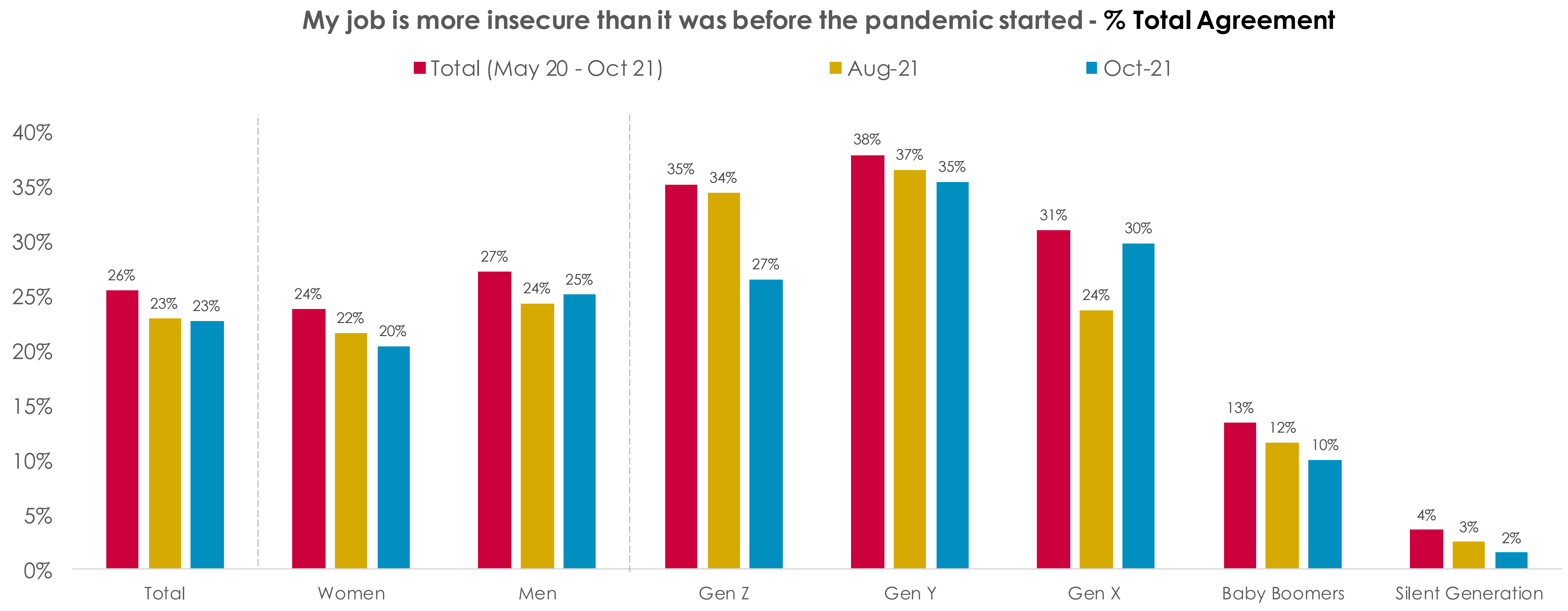
Gen Y suffering by far the greatest financial concerns

- Total agreement with statement now up to 60% amongst Gen Y respondents this month – 4% higher than pandemic average
- Concerns now far lower than pandemic average amongst Gen Z, despite a 1% increase this month from 43% to 44%
- Women continue to adopt more concern than men regarding finances, despite seeing a 2% decline this month



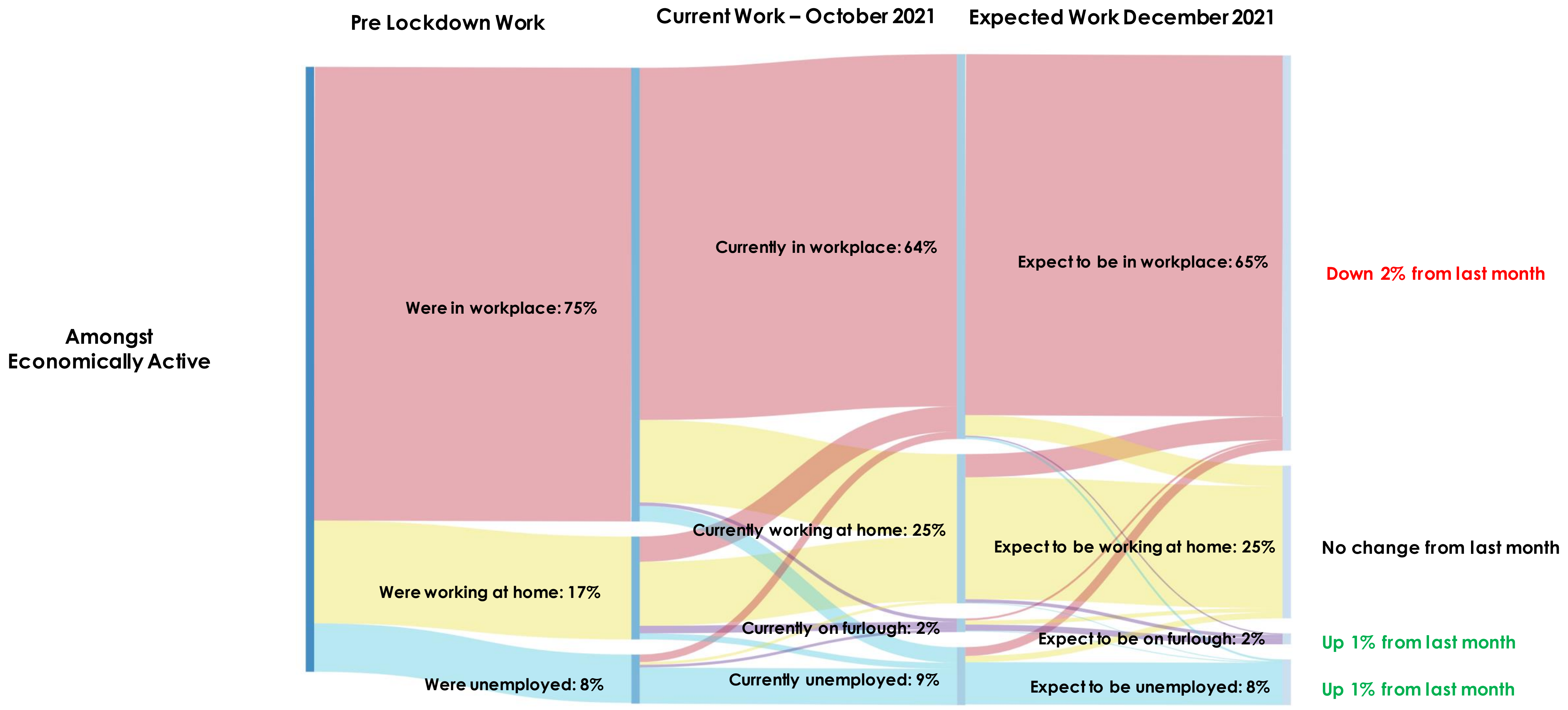
Gen Z experience a sharp decline in feelings of job insecurity

- This month sees Gen Z see a 7% decline in agreement that their job is more insecure than it was pre-pandemic
- This contrasts with the experience of Gen X, who see a 6% increase in agreement this month, now up to 30%
- Men continue to adopt a greater sense of insecurity than women, with a 1% increase this month bringing the gap to 5%



Supply chain chaos drives decline in short term employment expectations

- Expectations to be in the workplace down 2% this month compared to September – down from 67% to 65%
- No change seen in expectations for remote working, with a 1% rise in those who expect to be either furloughed or unemployed



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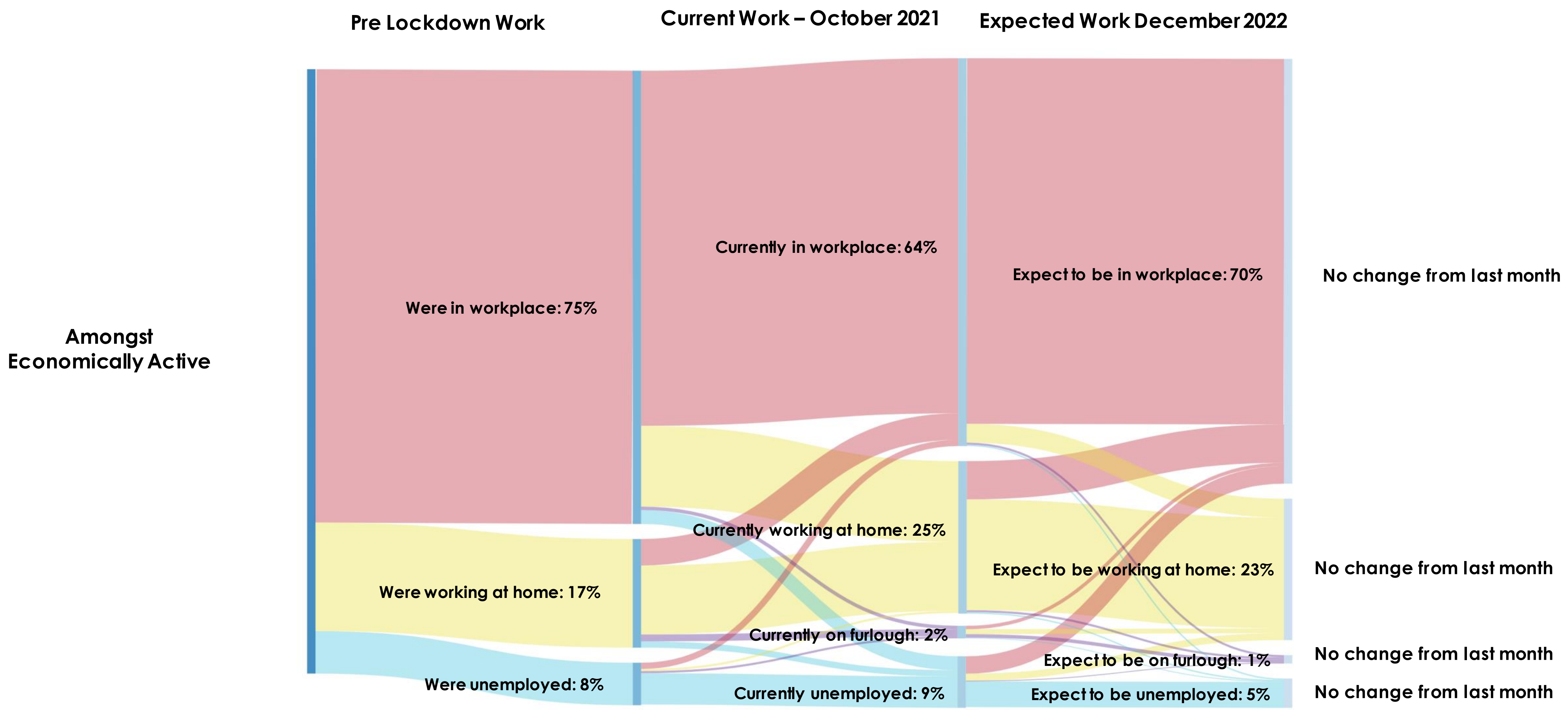
Longer term employment expectations remain more focused on workplace

Expectations to be in the workplace still much higher than in the short term and compared to current situation - Remote working expectations continue to be far higher than pre-pandemic levels



Impacts on Shopping Habits

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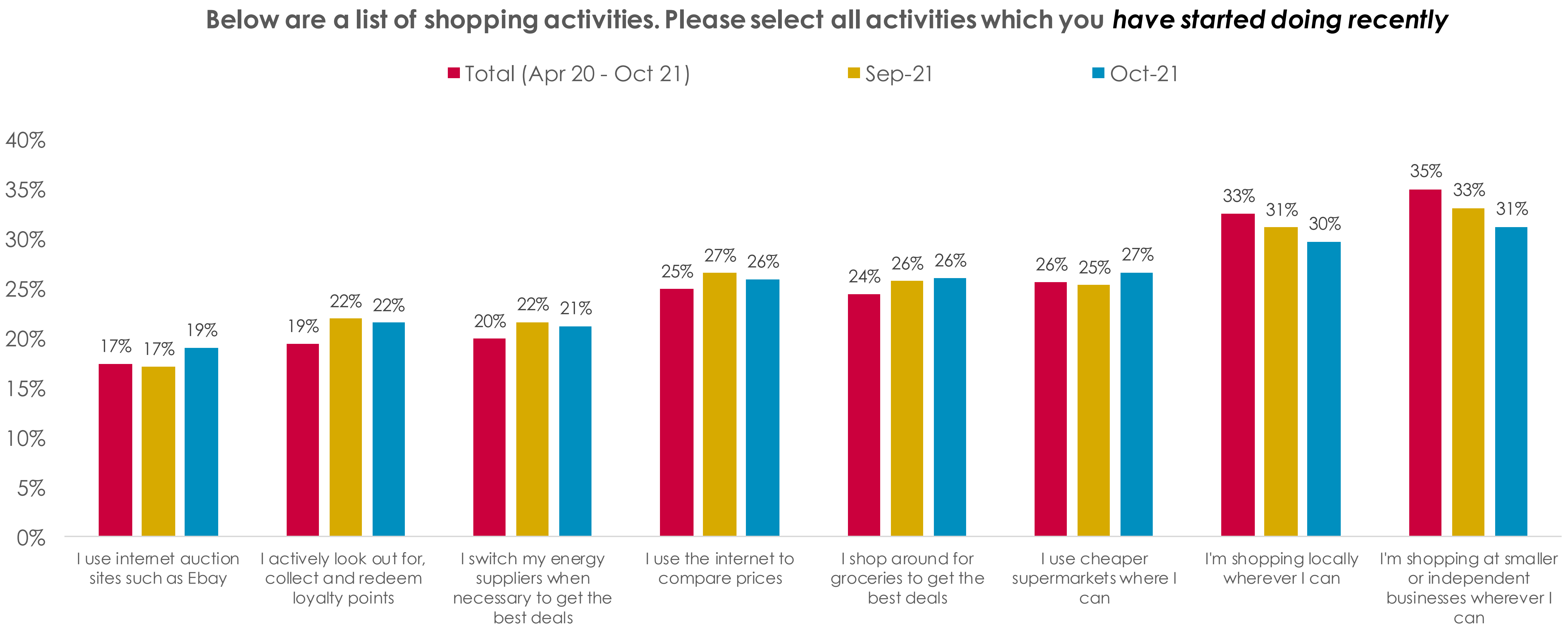
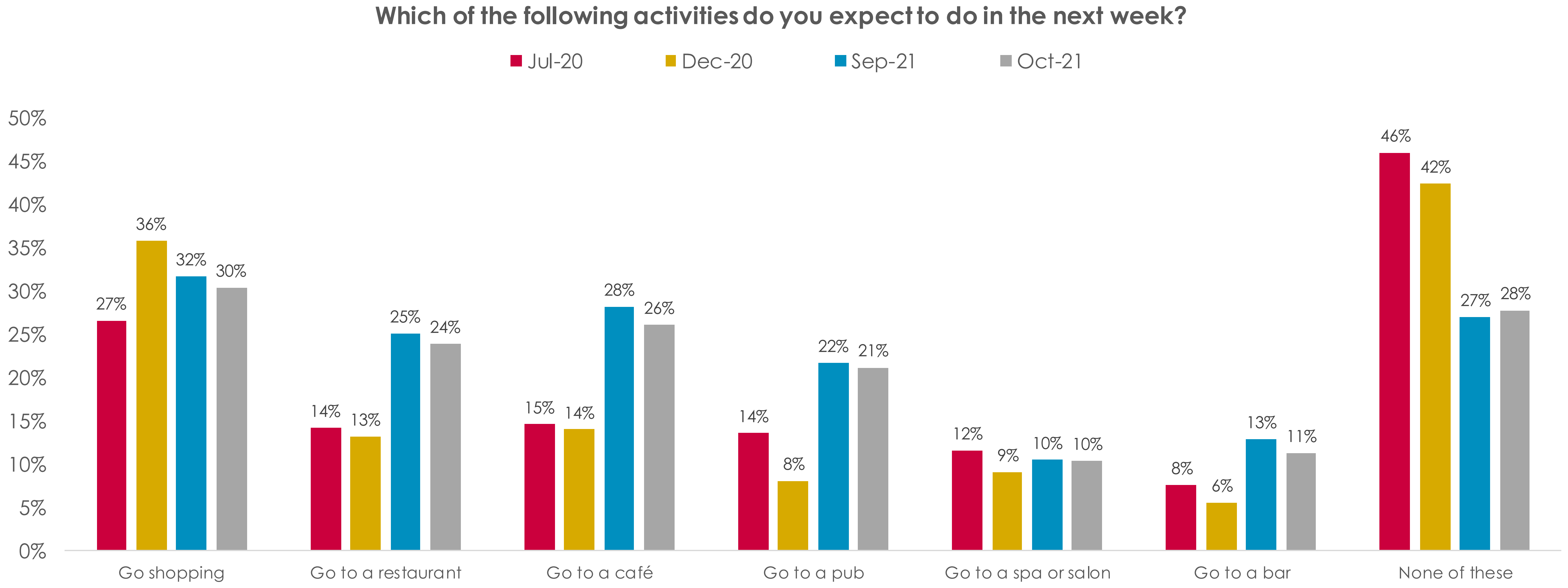
Local independent businesses increasingly losing support

- Proportion who have recently begun shopping at small independent businesses or locally wherever possible down again this month
- Rise in concerns over cost of living sees price conscious behaviours such as using cheaper supermarkets grow in popularity



Rising cases drives slight decline in demand for out of home leisure

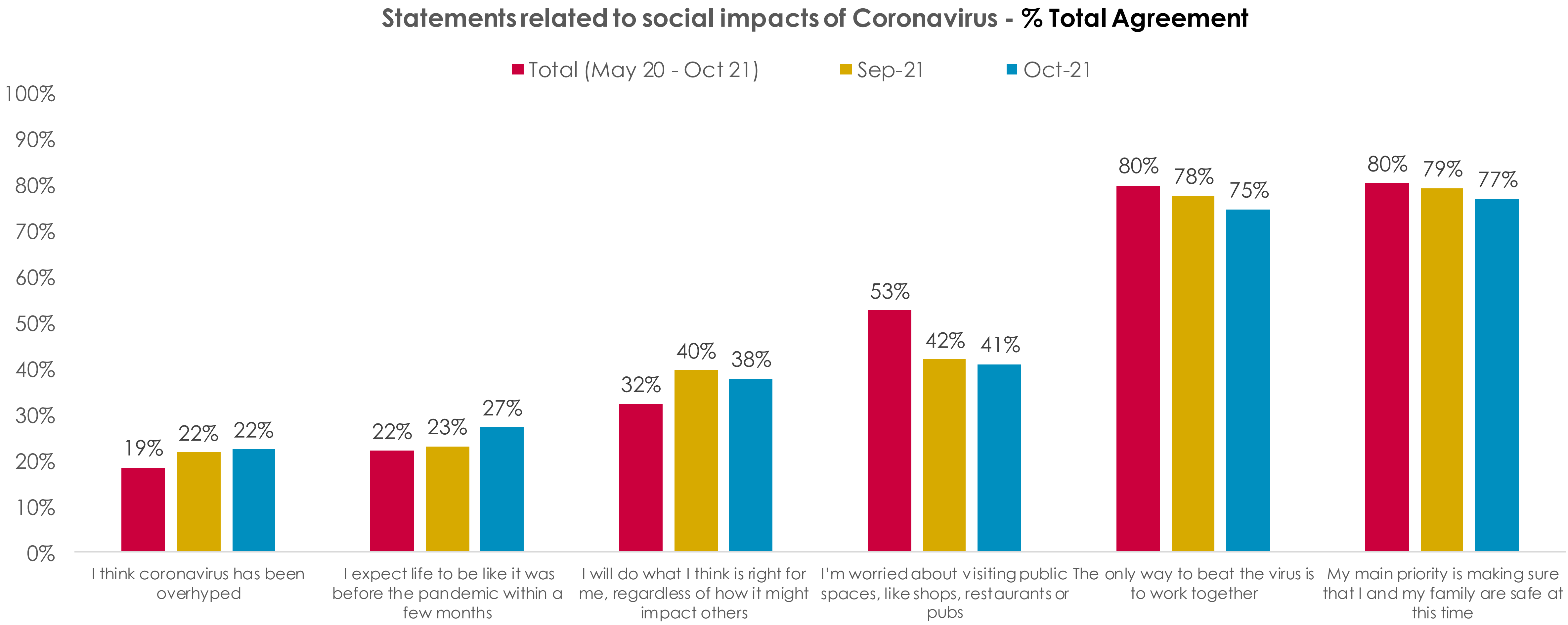
- Expectations to do each activity in the next week down slightly compared to September, but remain far higher than last December
- Shopping remains the most popular activity (30%) whilst roughly a quarter expect to go to a restaurant or cafe



Social Implications

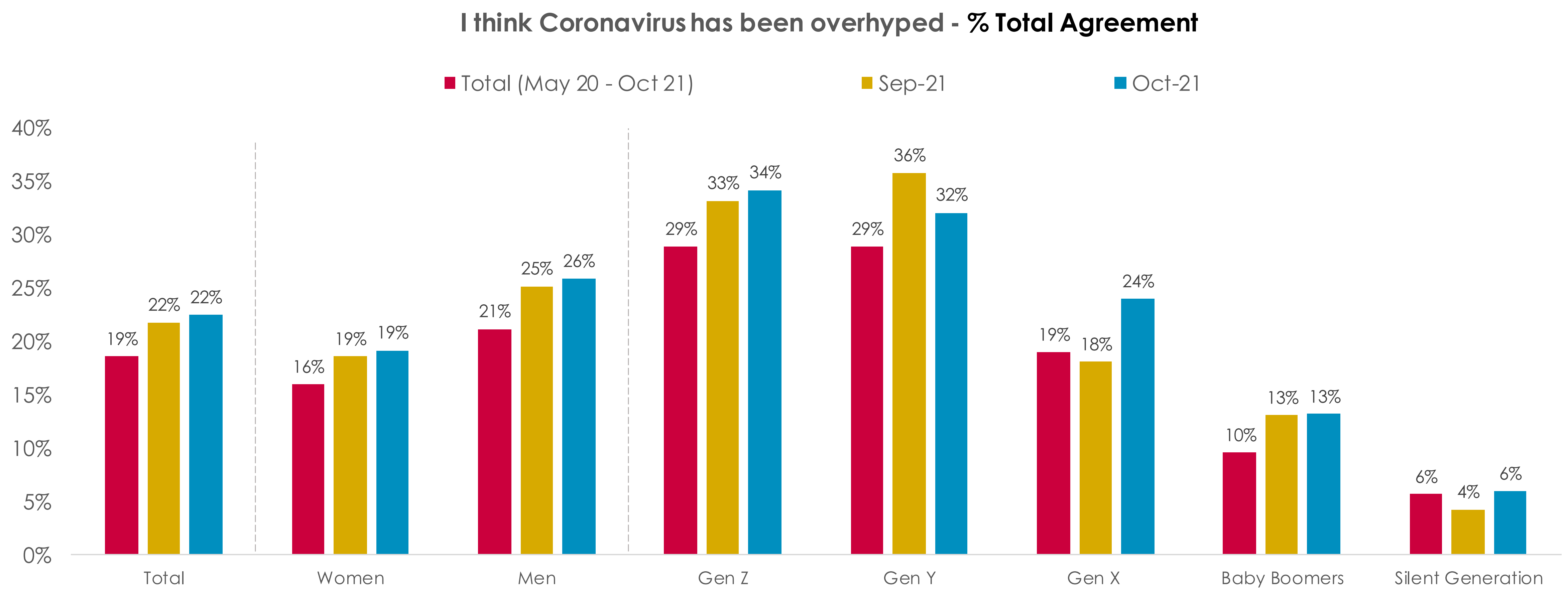
Sense of community response to pandemic continues to decline

- Proportion who feel that the only way to beat the virus is to work together down 3% this month, now down 5% compared to pandemic average
- Feelings of wanting to do what is right for you regardless of impact on others remains far higher than average as well
- Pandemic cynicism up slightly this month, with 4% rise in those expecting life to return to normality within a few months



Gen X drive rise in cynicism, but views still most common for youngest

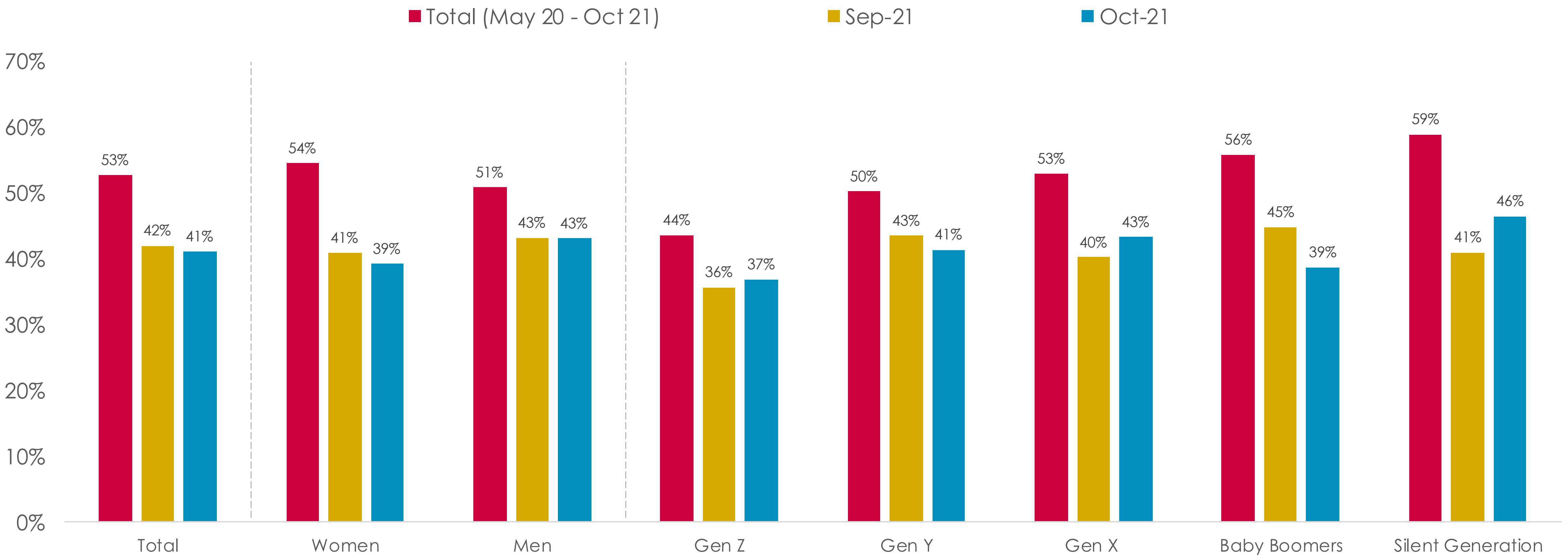
- Gen X see a 6% increase in feelings that pandemic has been overhyped this month, up to 24%
- Cynicism rises by 1% amongst Gen Z this month, bringing them to 34%, whilst Gen Y, despite a 4% decline still have 32% agreement
- Cynical views on the pandemic remain more common amongst men than women, with men seeing a 1% increase this month



Concerns about visiting public spaces decline further, but remain significant

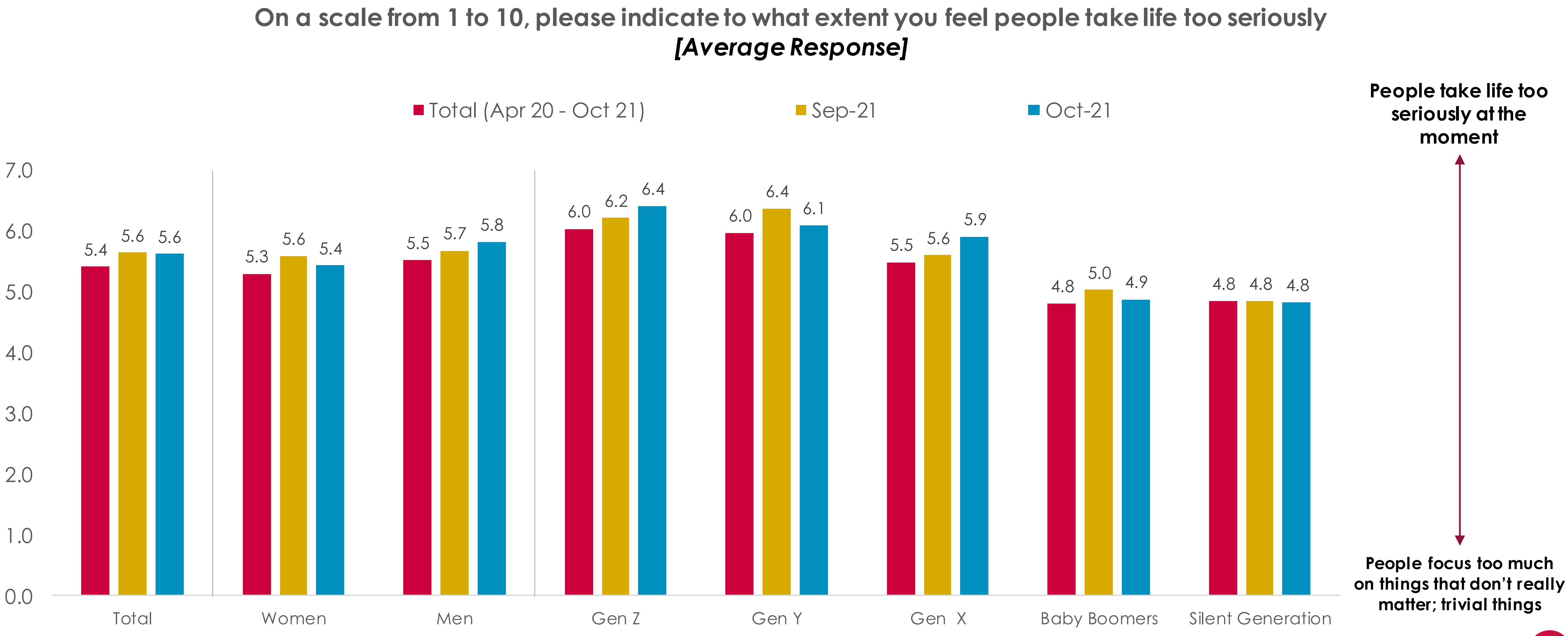
- Topline sees a 1% decline in concerns about public spaces, down to 41% this month, now 12% lower than pandemic average
- Silent Generation see a notable 5% increase in concerns this month, perhaps owing to waning vaccine efficacy
- Men continue to adopt slightly greater concerns over public spaces than women, with women seeing 2% decline this month

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



Gen Z experience rise in sense of new seriousness amid increased cynicism

- Gen Z see a 0.2 point increase this month, now up 6.4 on average, and 0.4 points higher than compared to pandemic overall
- Gen X also saw an increase in new seriousness this month, up 0.3 points from 5.6 to 5.9 – again 0.4 points higher than pandemic average
- Men and women diverge this month, with men seeing 0.1 point increase whilst women see 0.2 point decrease

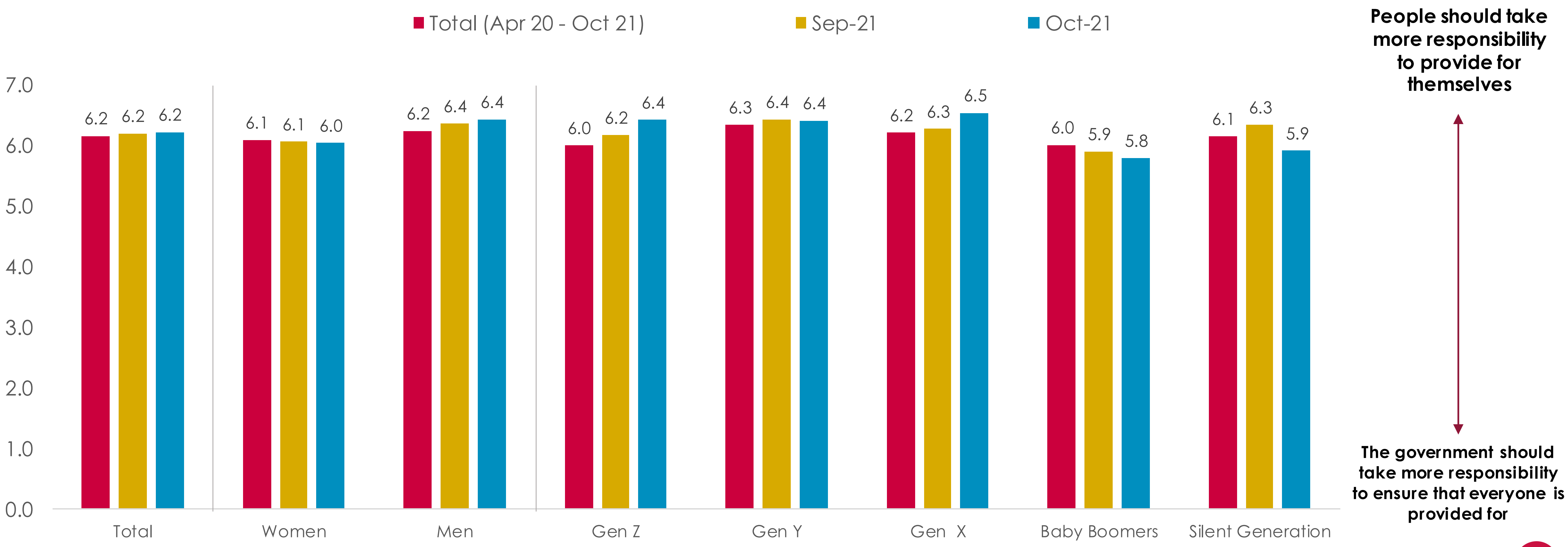


Priorities

Over 70s grow more likely to demand greater government responsibility

- Average score for Silent Generation declines by 0.4 this month, down from 6.3 to 5.9, now down 0.2 compared to pandemic overall
- Gen Z experience the opposite trend, with a 0.2 point increase up to 6.4 and now being 0.4 points higher than pandemic average
- Women continue to demand greater government responsibility than men, with a 0.1 point fall from 6.1 to 6.0

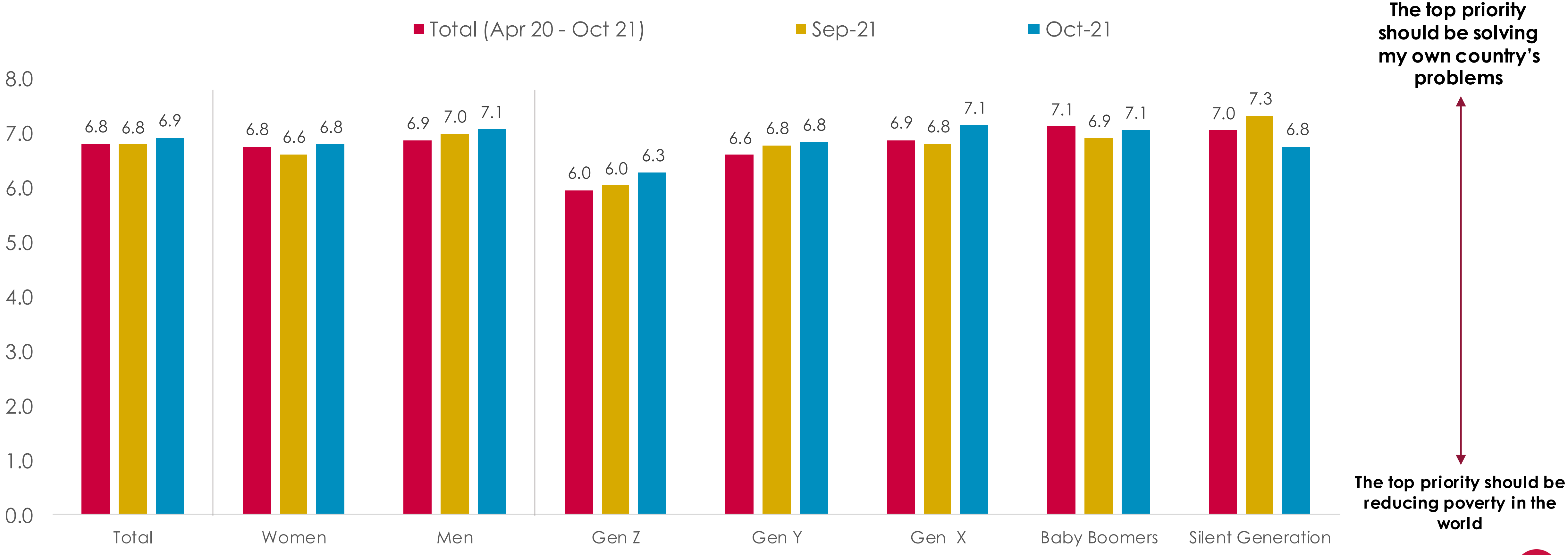
On a scale from 1 to 10, please indicate to what extent you feel it is the Government's responsibility to ensure everybody is provided for *[Average Response]*



Rising UK case numbers drives focus on solving domestic issues

- Amongst total sample, 0.1 point increase in average scores suggests a greater focus on solving issues within the UK
- Drivers of this trend are Gen Z (6.0 to 6.3) and Gen X (6.8 to 7.1) whilst Over 70s actually see decline in average score
- Men continue to adopt greater focus on domestic issues than women, despite women seeing greater increase this month

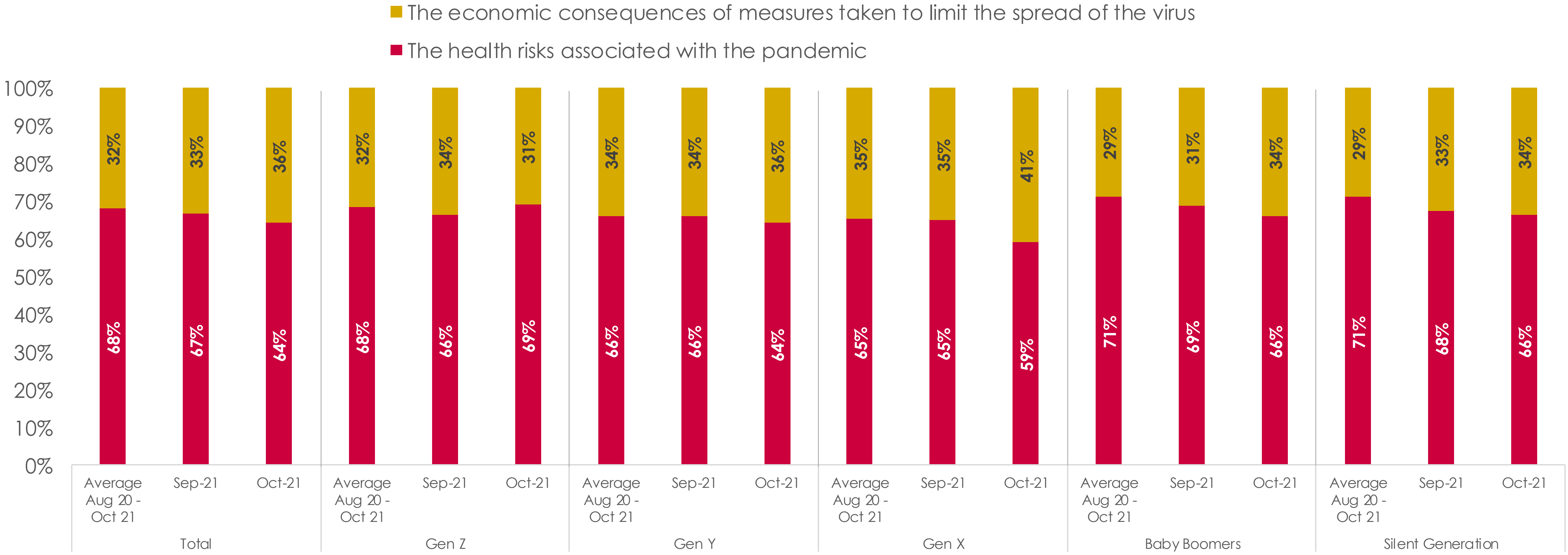
On a scale from 1 to 10, please indicate what you feel the top priority for the UK Government should be
[Average Response]



Supply chain crisis helps shift focus towards economic issues

- Amongst total sample, we see a 3% rise in the proportion who feel that economic issues are a greater concern than health risks
- Gen X the primary driver of this trend, seeing a 6% increase themselves (35% to 41%), whilst 3% rise also seen for Baby Boomers
Gen Z see opposite trend, with a 3% decrease in those prioritising economy over health this month

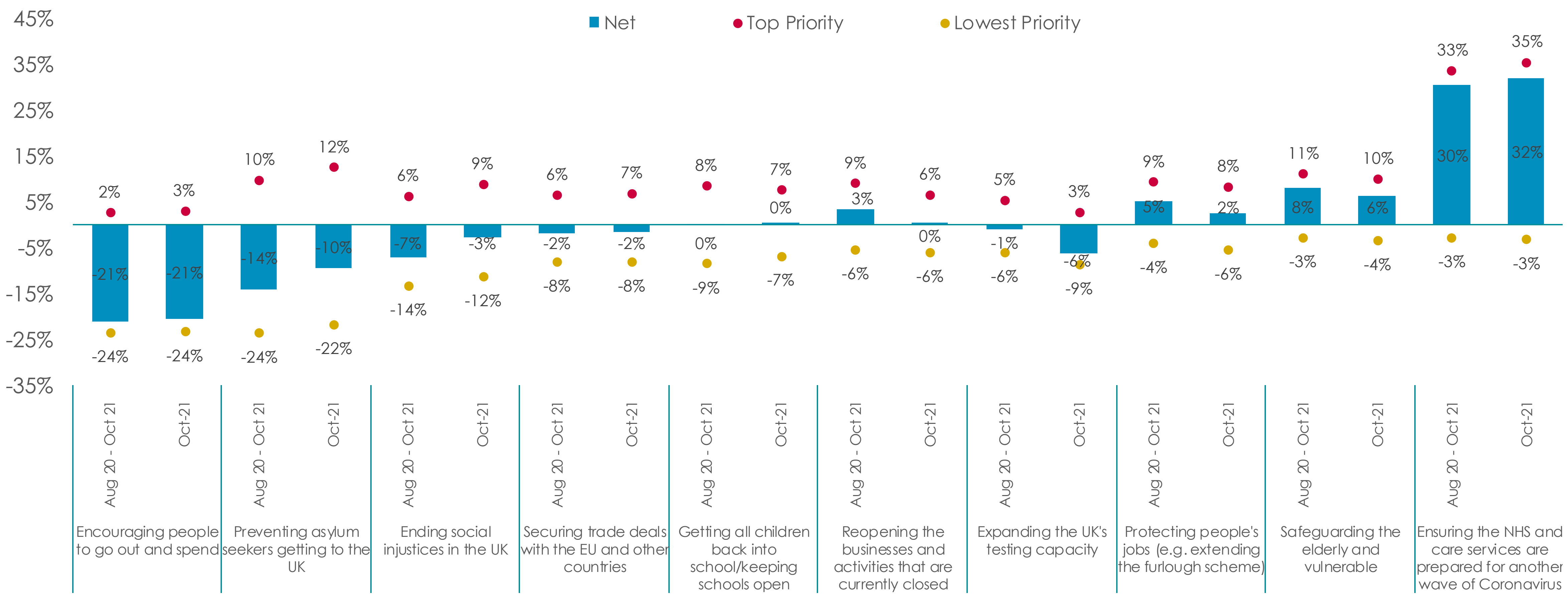
If you had to choose, which of the following two options would you say is your biggest concern at the moment?



Despite greater focus on economy, protection of NHS remain top priority

- Proportion who feel that protecting the NHS is their top priority up 2% compared to pandemic average this month from 33% to 35%
- Expansion of testing capacity continues to decline in prioritisation however, down to -6% net compared to -1% overall
- Recent social movements see ending of social injustices in the UK rise in prioritisation, up from net -7% to -3%

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

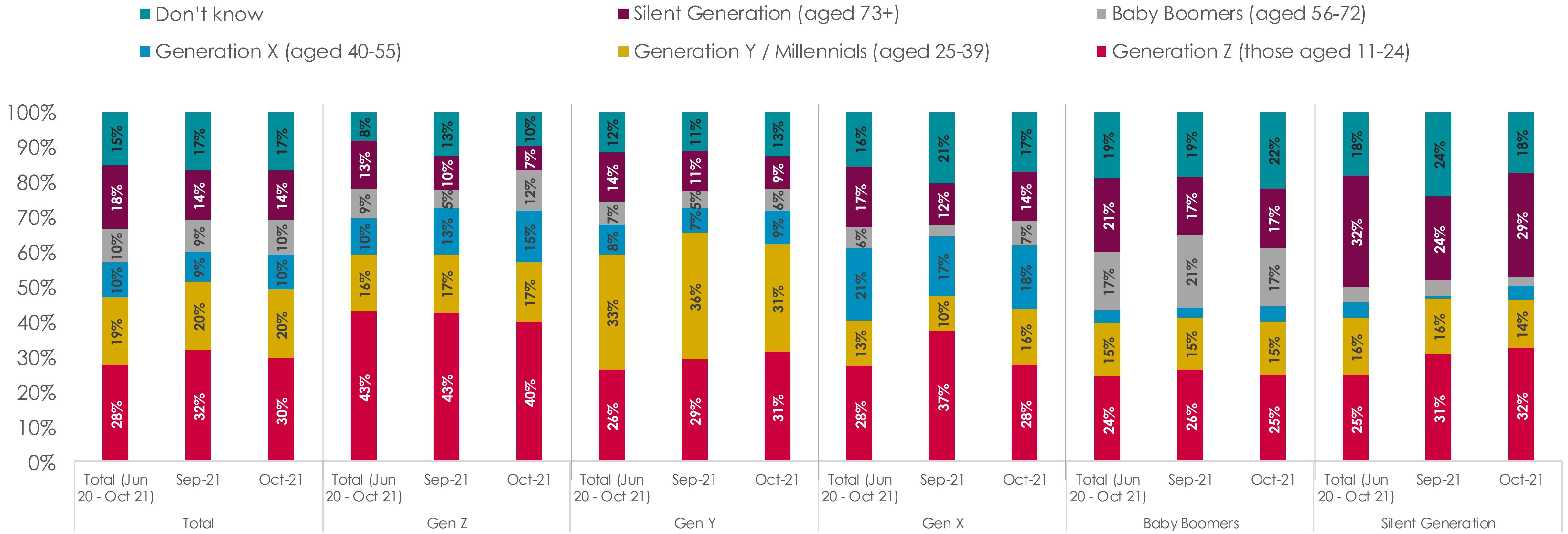


Generational Impacts

Respondents grow less likely to feel Gen Z will be worst impacted by pandemic

- Proportion feeling Gen Z will be most negatively impacted down 2% this month from 32% to 30%, despite still being higher than pandemic average
- Majority of generations remain most likely to feel Gen Z will be worst affected however, with exception of Gen Y

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

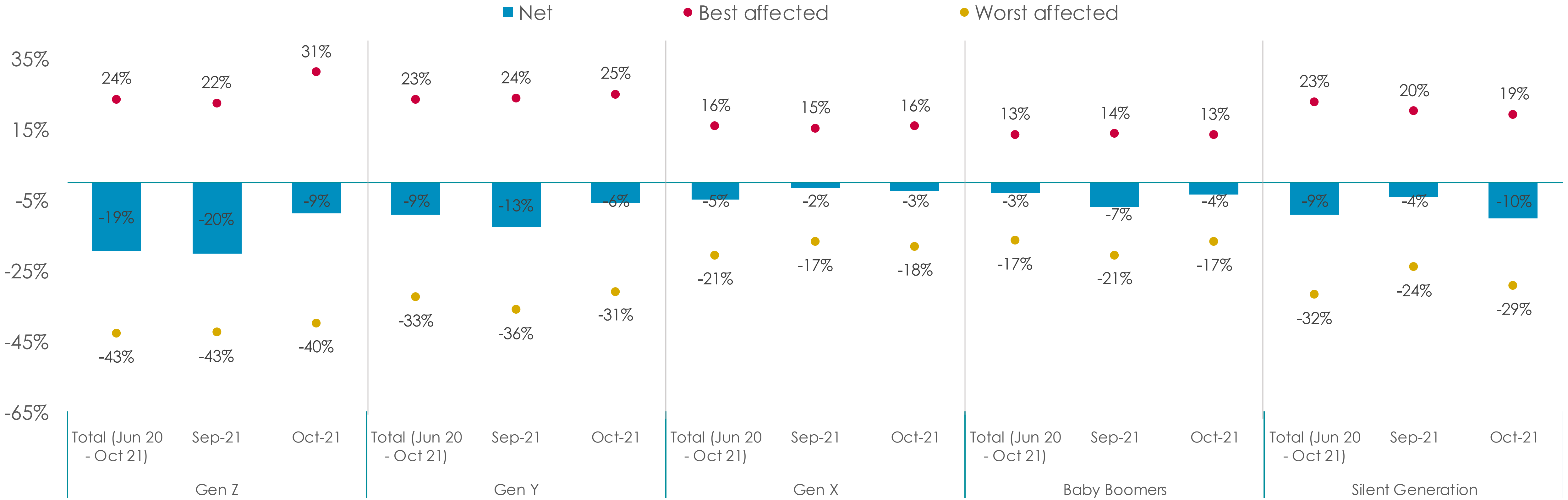


Majority of generations grow more polarised regarding pandemic impact

- Net proportion saying their own generation will be best minus worst affected moves closer to zero for Gen Z, Gen Y and Baby Boomers
- Gen X see very slight decline but remain very polarised regarding impact for their own generation
- Silent Generation only cohort to see more significant decline, down from -4% to -10%, suggesting a more pessimistic outlook

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]



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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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