TRAJECTORY

Optimism Index
January 2022

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 **11th and 19th January.**

Key Findings

- Financial concerns grow further as cost of living crisis worsens amidst continuing inflation growth
- Remote working becoming an increasingly entrenched part of long term employment expectations
- Out of home leisure demand dampens following the end of the festive period
- Concerns about visiting public spaces fall sharply as we pass the peak of Omicron wave
- Older generations the driving force behind sharp decline in concerns about public spaces
- Covid cynicism now considerably more prominent than compared to pandemic average
- Rise in cynicism is paralleled by a dampened sense of new seriousness

Last Month's Key Events

14th December
MPs vote in favour of introducing COVID passes for nightclubs and large venues in England

18th December
London Mayor Sadiq Khan declares growth of Omicron in the capital is a state of emergency

19th December
The Guardian publishes photos of a garden party attended by Boris Johnson in May 2020 in which 'cheese and wine' were present

21st December
Prime Minister Boris Johnson confirms there will be no new COVID restrictions for England before Christmas, but does not rule them out for afterwards

22nd December
The self-isolation requirement for contacts of anyone testing positive for COVID in England is shortened from ten to seven days

24th December
Dr Jenny Harries describes data indicating the Omicron variant is less serious than the Delta variant as a glimmer of hope

29th December
Pharmacists are warning of patchy supplies of lateral flow tests following changes that allow anyone testing positive for COVID to end their self-isolation after seven days if they test negative

2nd January
The UK government announces that face masks are to be worn in schools in England when classes resume following the Christmas holiday

5th January
As figures suggest one in fifteen people in the UK had COVID on New Year's Eve, Prime Minister Boris Johnson confirms that Plan B measures in England will stay in place for a further three weeks

7th January
Fully vaccinated people no longer need to test before travelling abroad while double-jabbed arrivals no longer need to isolate whilst waiting for PCR results

10th January
Witnesses tell BBC News that as many as 100 people were invited to a "bring-your-own-booze" drinks event in the Downing Street garden during first lockdown

11th January
People in England without COVID symptoms no longer need a PCR test to confirm a positive lateral flow test following a change in the rules

13th January
The Government announces that anyone isolating can leave isolation after five days if they test negative on days five and six

14th January
The Omicron variant is relatively mild for most adults and this can be stated with good confidence, according to the UK Health Security Agency assessment

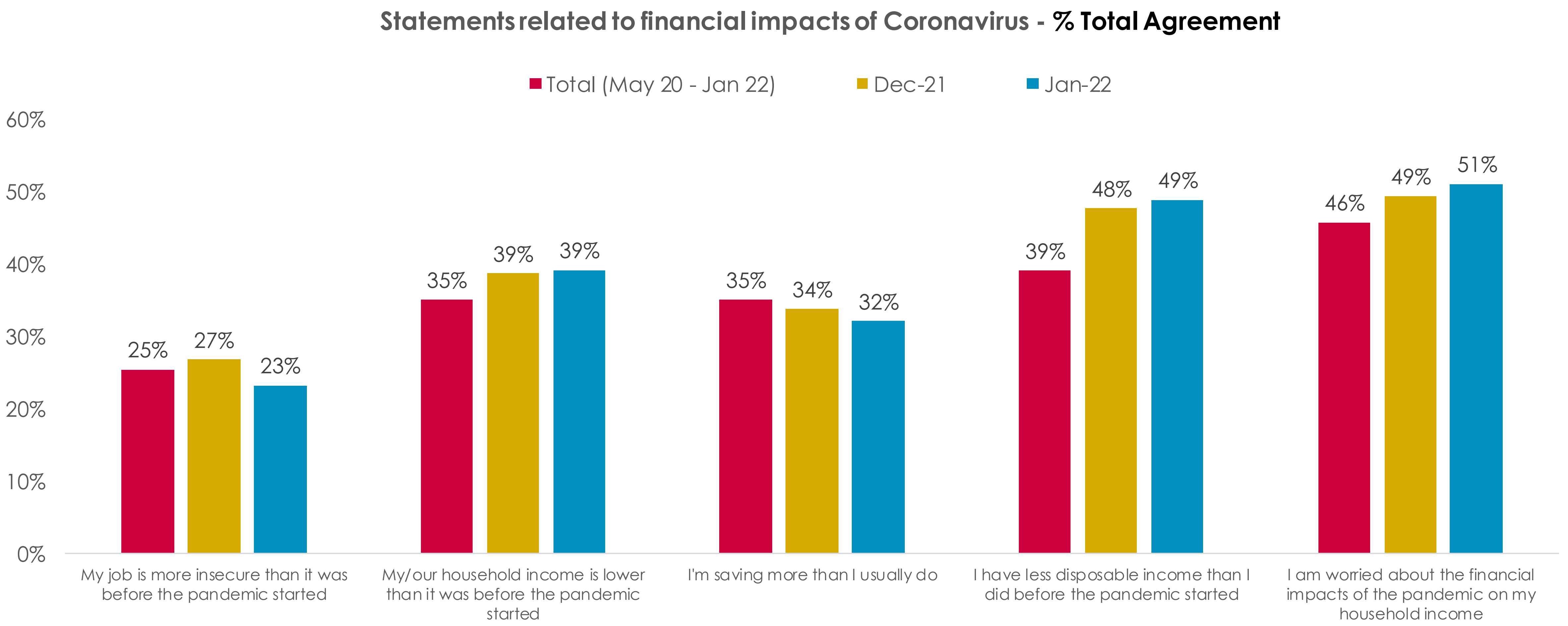
18th January
Boris Johnson "categorically" rejects claims he was told a drinks party in the garden of 10 Downing Street broke COVID regulations

Fieldwork: 11th – 19th January

Financial Implications

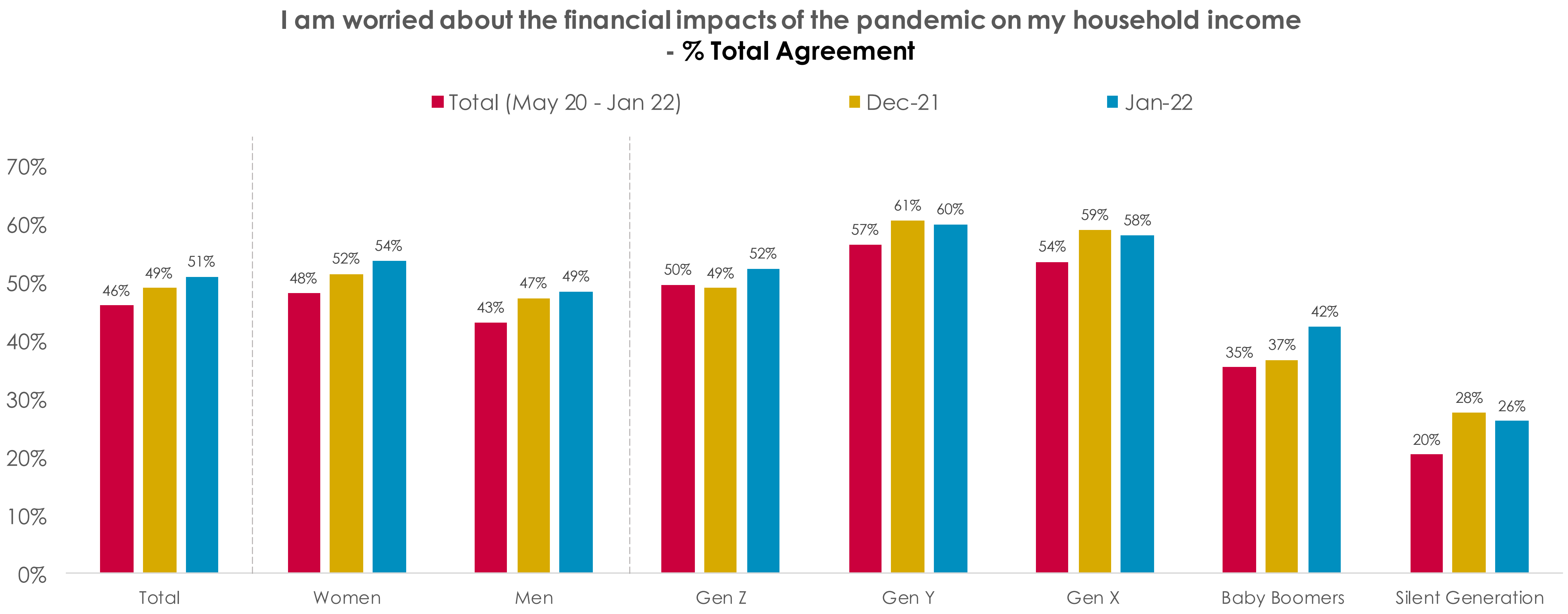
Financial concerns grow further as cost of living crisis worsens

- More than half (51%) now worried about financial impacts of the pandemic - up 5% compared to pandemic average
- Concerning proportion say they have less disposable income than pre-pandemic, now up to 49%
- Savings are also in decline, with just one in three (32%) saving more than usual



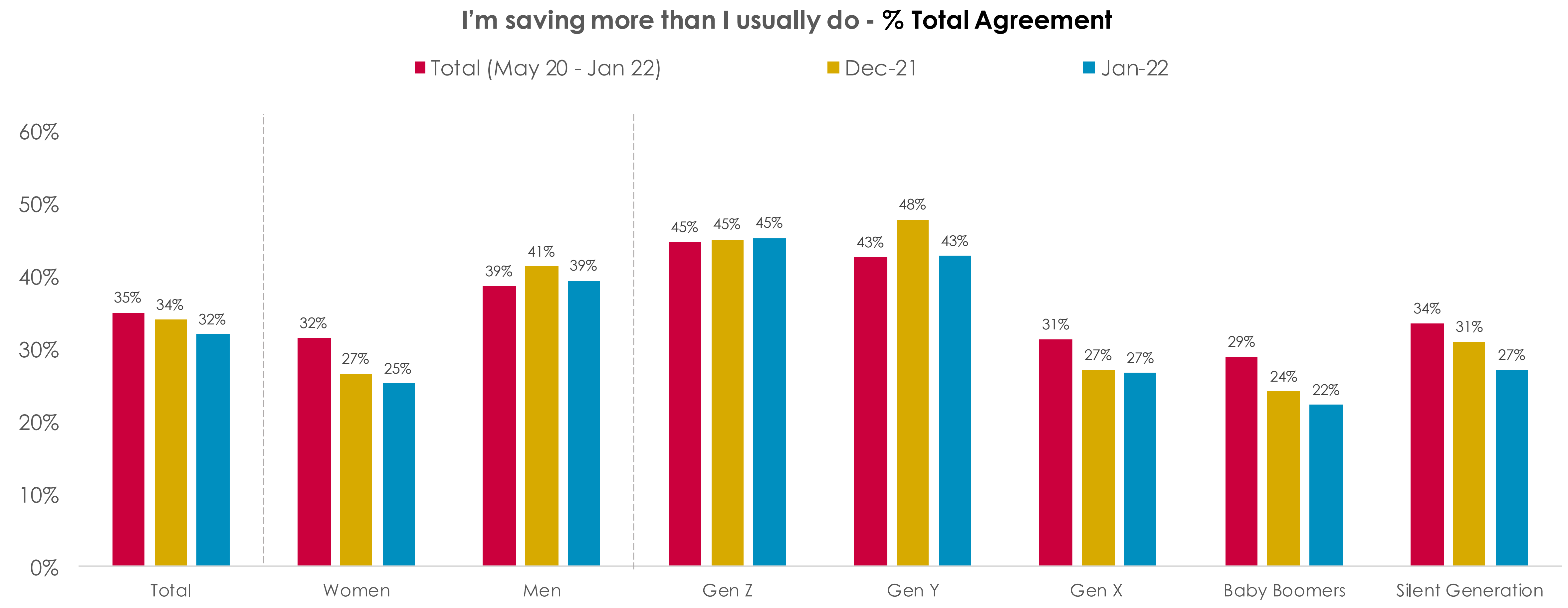
Women and younger cohorts continue to drive rise in financial concerns

- Men and women both see a 2% increase in financial concerns, with women remaining more cautious than men (54% to 49%)
- Despite both seeing a slight decline this month, Gen Y and Gen X remain most concerned about household finances
- Baby Boomers experience the sharpest rise in concerns this month – up 5% from 37% to 42%



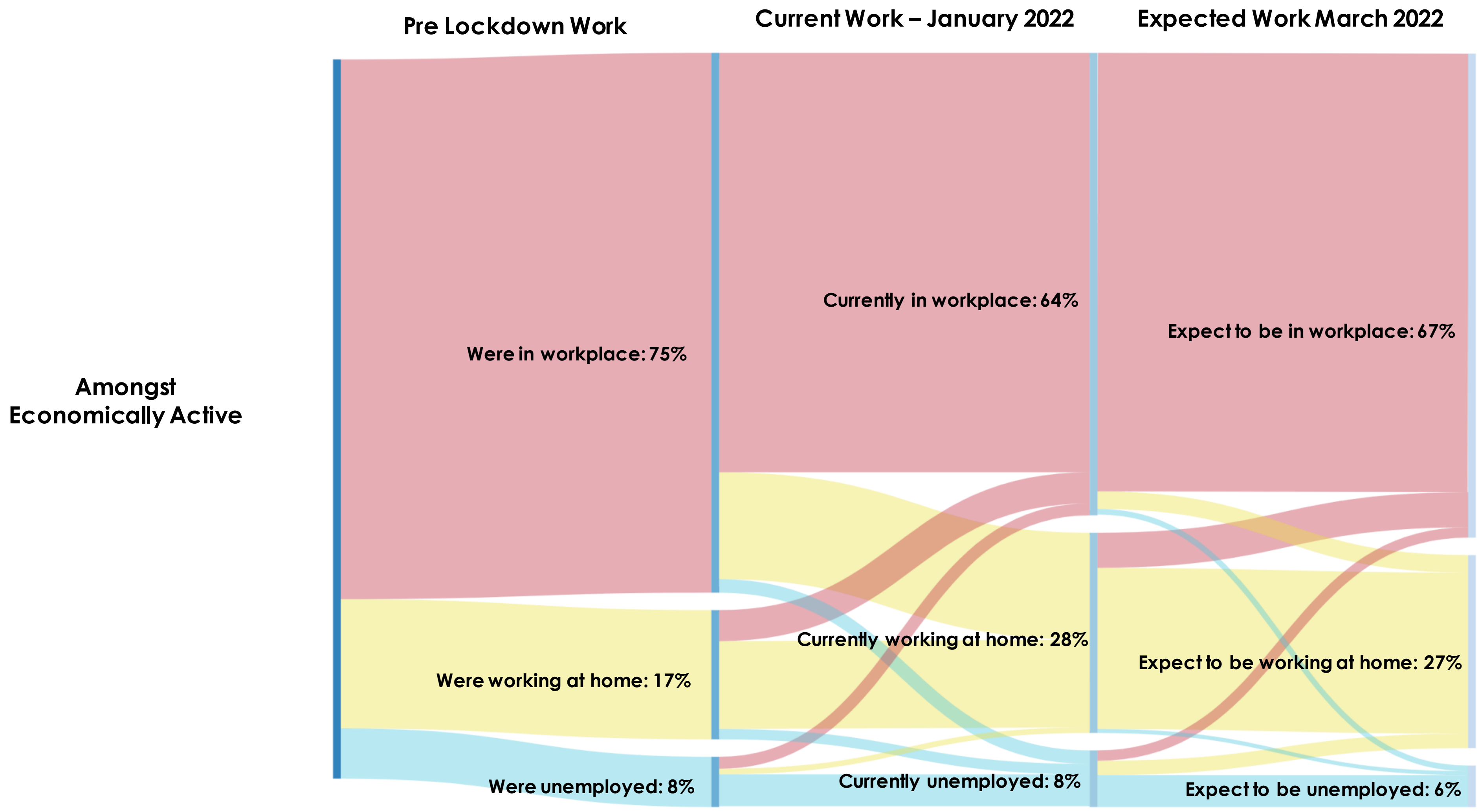
Men and younger generations the key drivers of excess saving

- Women and older generations now far less likely than pandemic average to be saving more than they usually would be
- Despite a slight decrease this month, almost four in ten men are still saving more than they normally would be
- Almost half of under 40s are still saving more than usual despite rising cost of living for majority



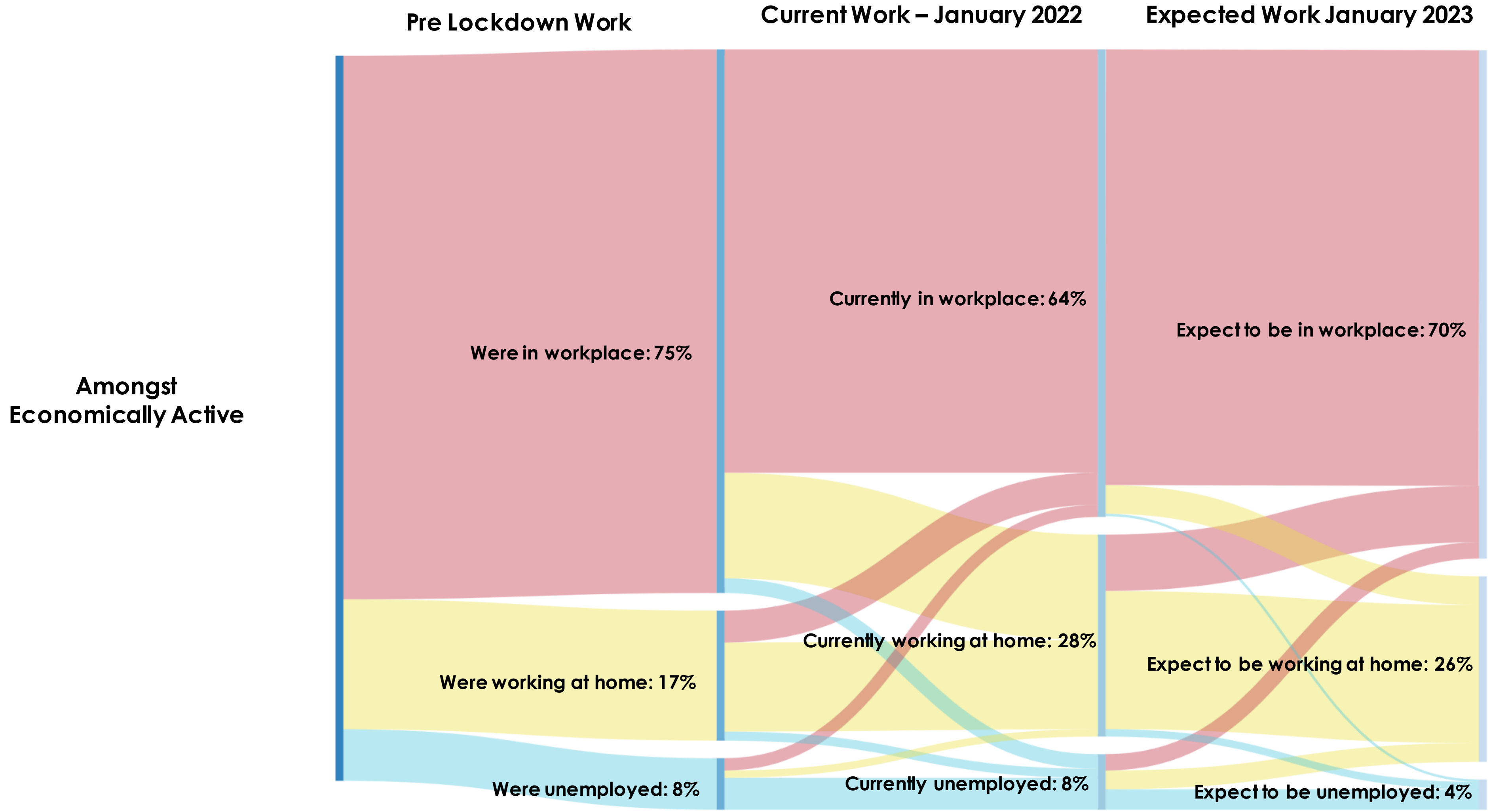
Proportion in workplace still down 11% compared to pre-pandemic

- Despite calls for return to workplace, fewer than two thirds are currently in the workplace (64%)
- Remote working is still prominent, and more than one in four still expect to be doing so by March of this year (27%)



Longer term expectations indicate no slowdown for remote working

- Whilst 28% are currently working from home, this falls down by just 2% when examining expectations for this time next year
- Consumers are optimistic regarding unemployment, with just half of those currently unemployed expecting to still be in January 2023



Impacts on Shopping Habits

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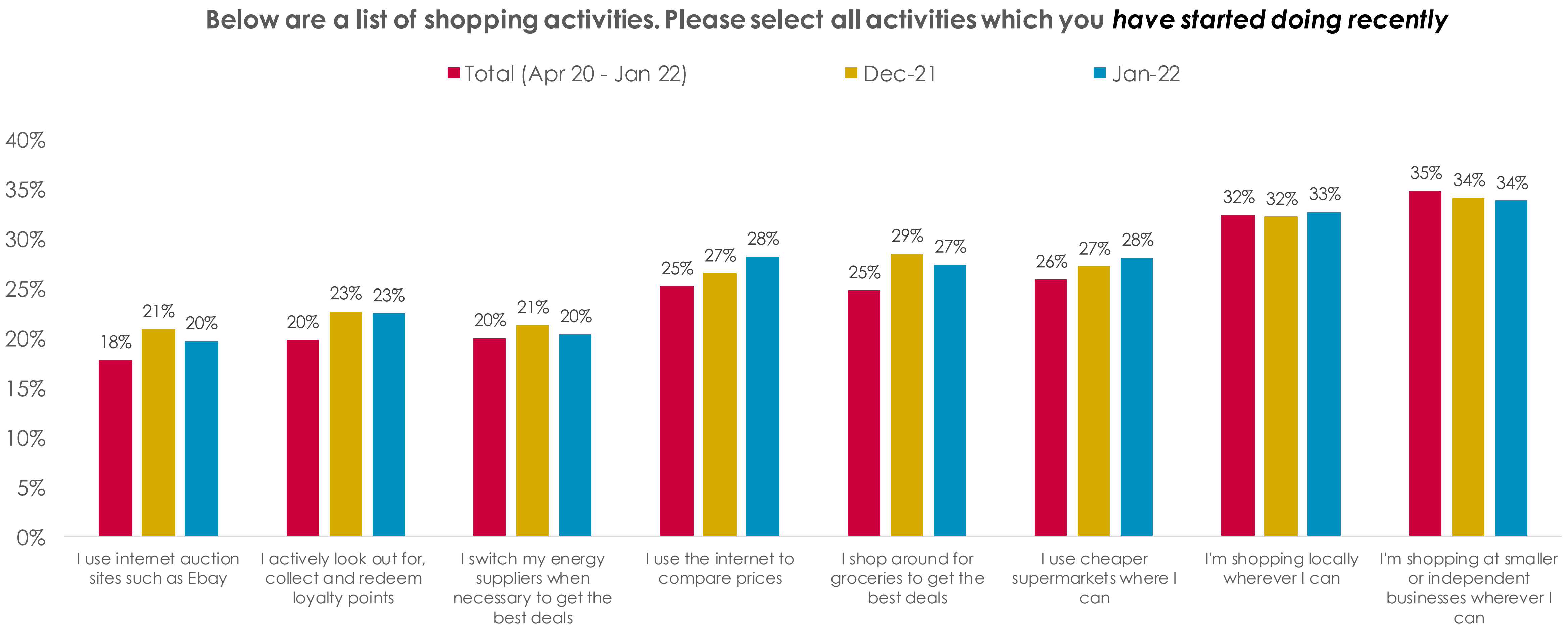
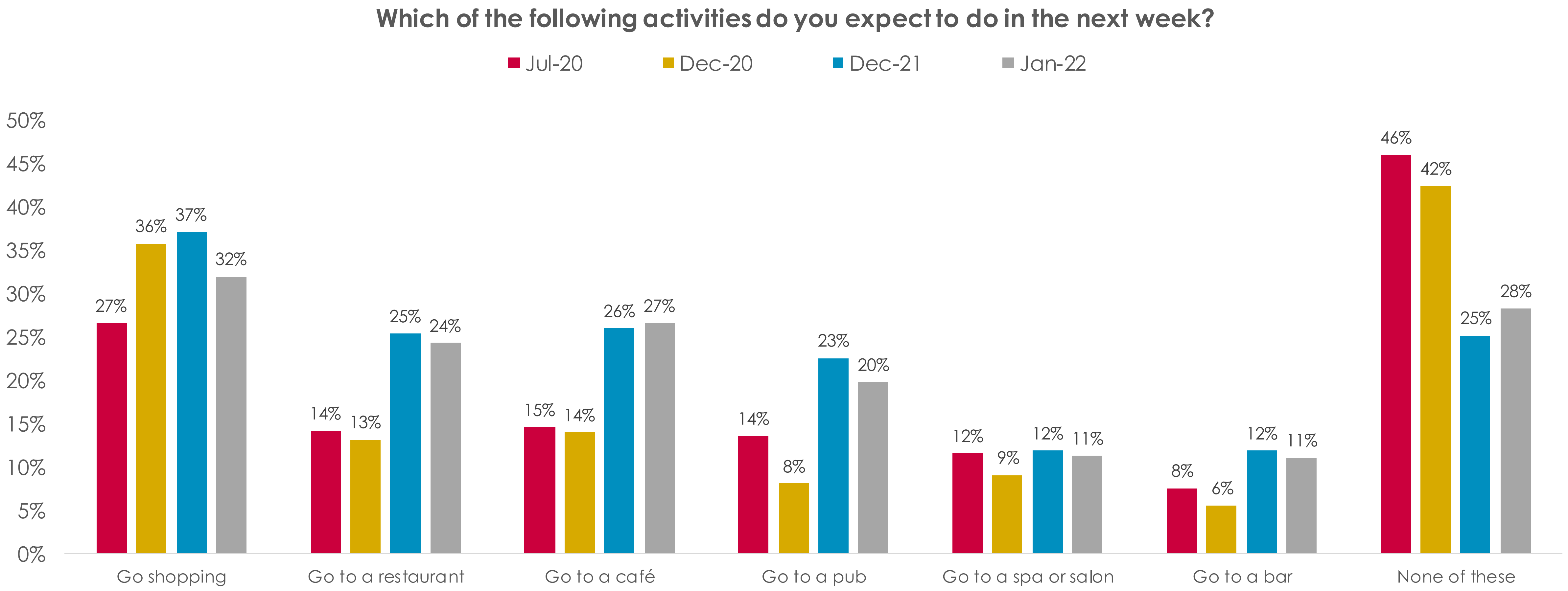
Price consciousness growing more prominent amongst consumers

- Proportion who have recently begun using cheaper supermarkets where possible now up to 28% - 2% higher than average
- We see similar growth in the proportion who have recently started using the internet to compare prices
- Local and independent businesses continue to hold support from consumers despite rising costs



Out of home leisure demand dampens after festive period

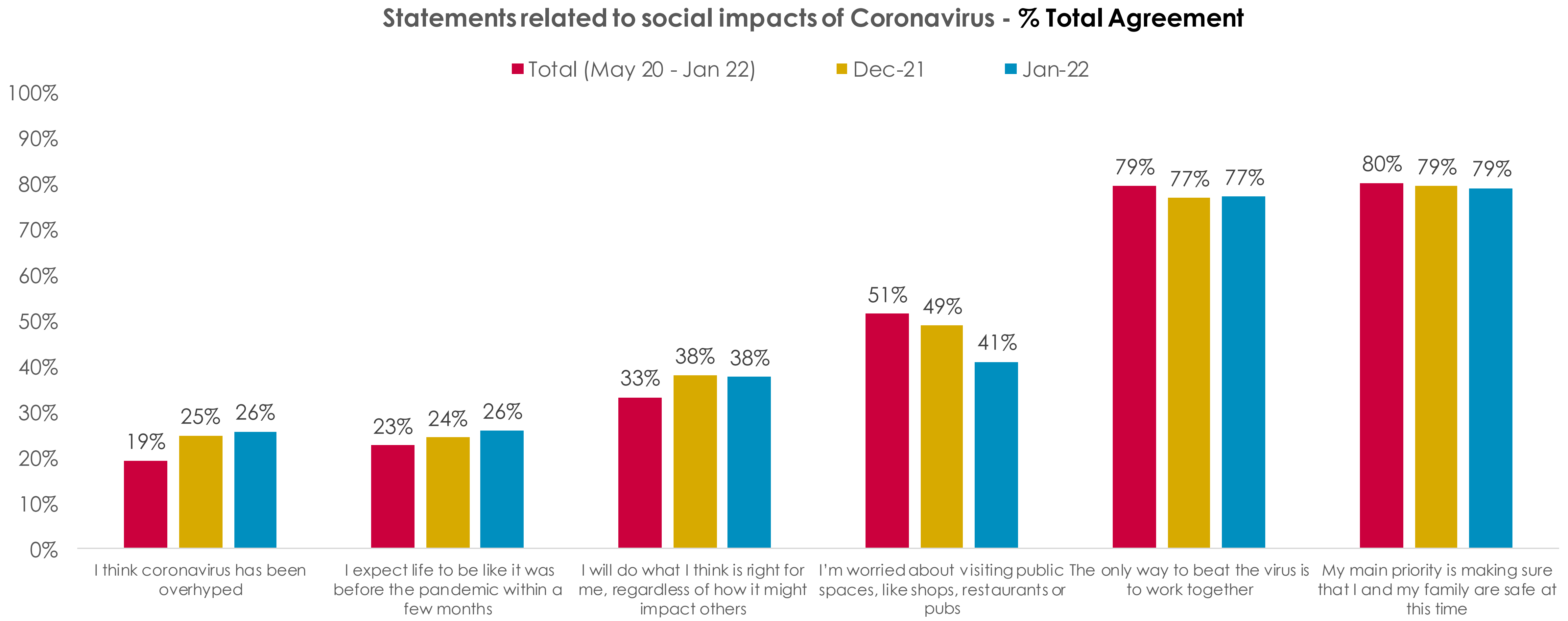
- Non-grocery shopping sees the sharpest fall in demand, with less than a third (32%) expecting to do so in next week
- Both pubs (23% to 20%) and restaurants (25% to 24%) also see decline in short term demand, but this could be a seasonal influence
- More than one in four (28%) expect to do none of the listed activities within the next week



Social Implications

Concerns about visiting public spaces fall sharply this month

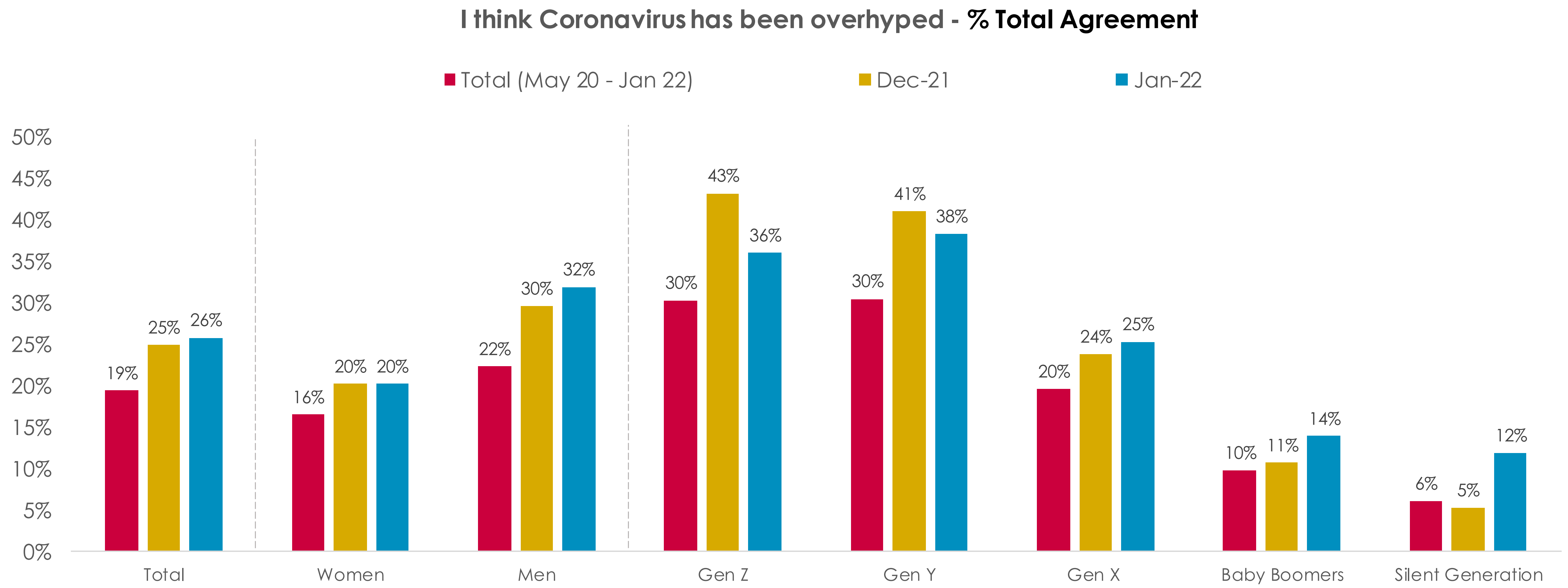
- Driven by a mixture of Government sleaze and falling case numbers, the proportion worried about going out in public falls by 8%
- Recent growth in pandemic cynicism continues this month, with more than one in four (26%) feeling it has been overhyped



Men and older generations driving growth in pandemic cynicism

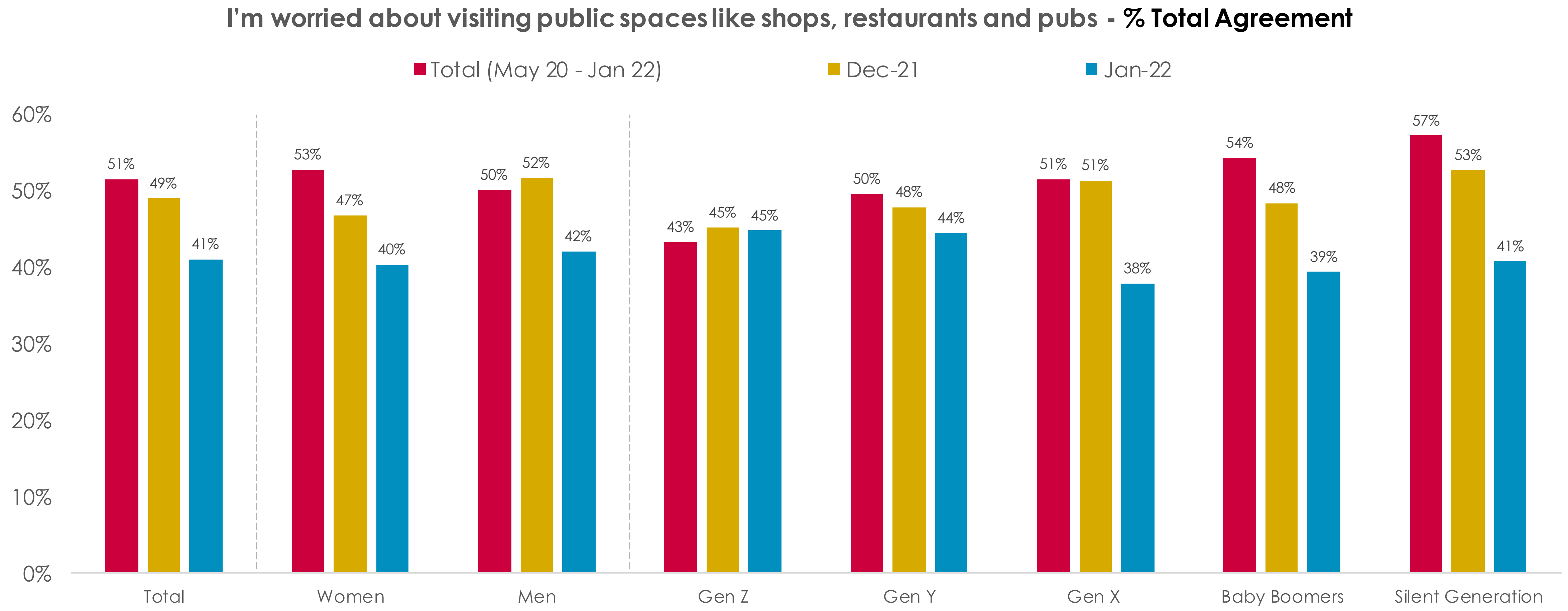
- Men continue to adopt a more cynical outlook on pandemic than women, with a 2% rise this month (30% to 32%)

- Trends in cynicism diverge across generations this month, with over 40s adopting greater cynicism whilst under 40s shows more caution



Older generations also driving sharp decline in concerns about public spaces

- Whilst Gen Z and Gen Y see little change in the degree of concern showed towards going out in public spaces, each cohort over the age of 40 sees a decline of at least 9% this month, with this being most notable amongst Gen X (51% to 38%)
- Concern remains similar amongst both men and women, despite men seeing a sharper decline this month

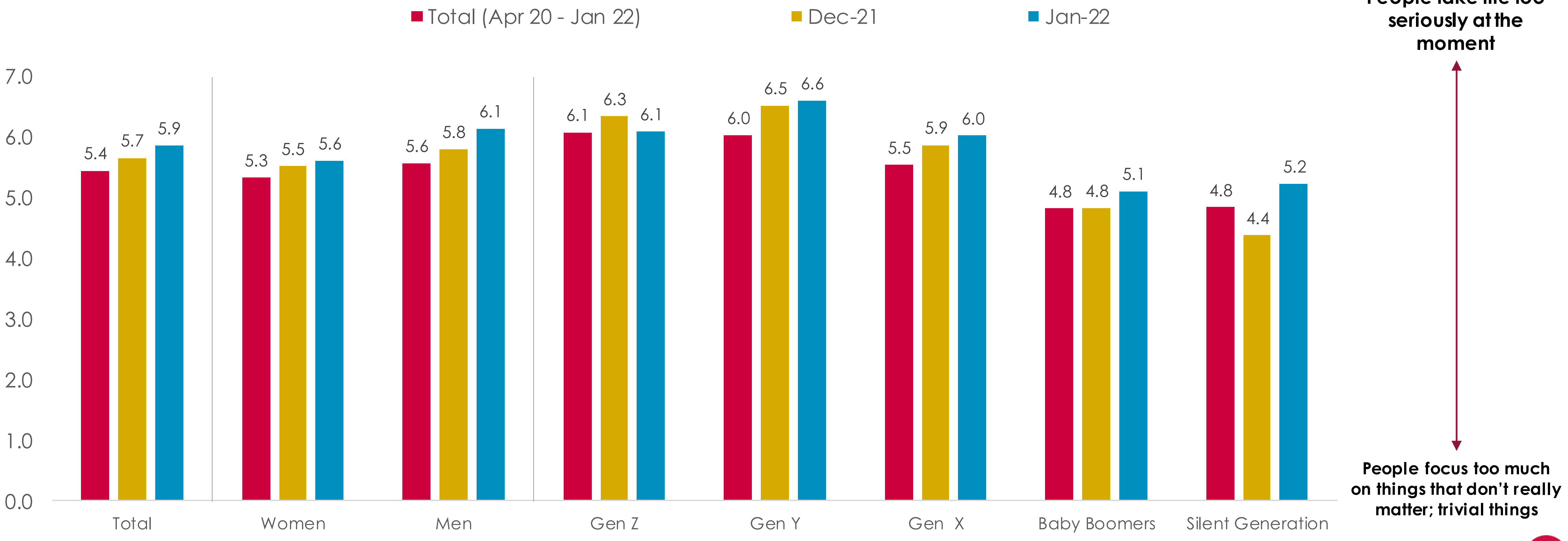


Rise in covid cynicism paralleled by dampened sense of new seriousness

- Average scores up a further 0.2 across the total sample this month, now up 0.5 compared to the pandemic average (5.9 to 5.4)
- Despite older generations still adopting a greater sense of new seriousness, it is amongst over 55s that the sharpest rise is seen
- Women continue to adopt a greater sense of new seriousness than men, seeing just a 0.1 point rise this month

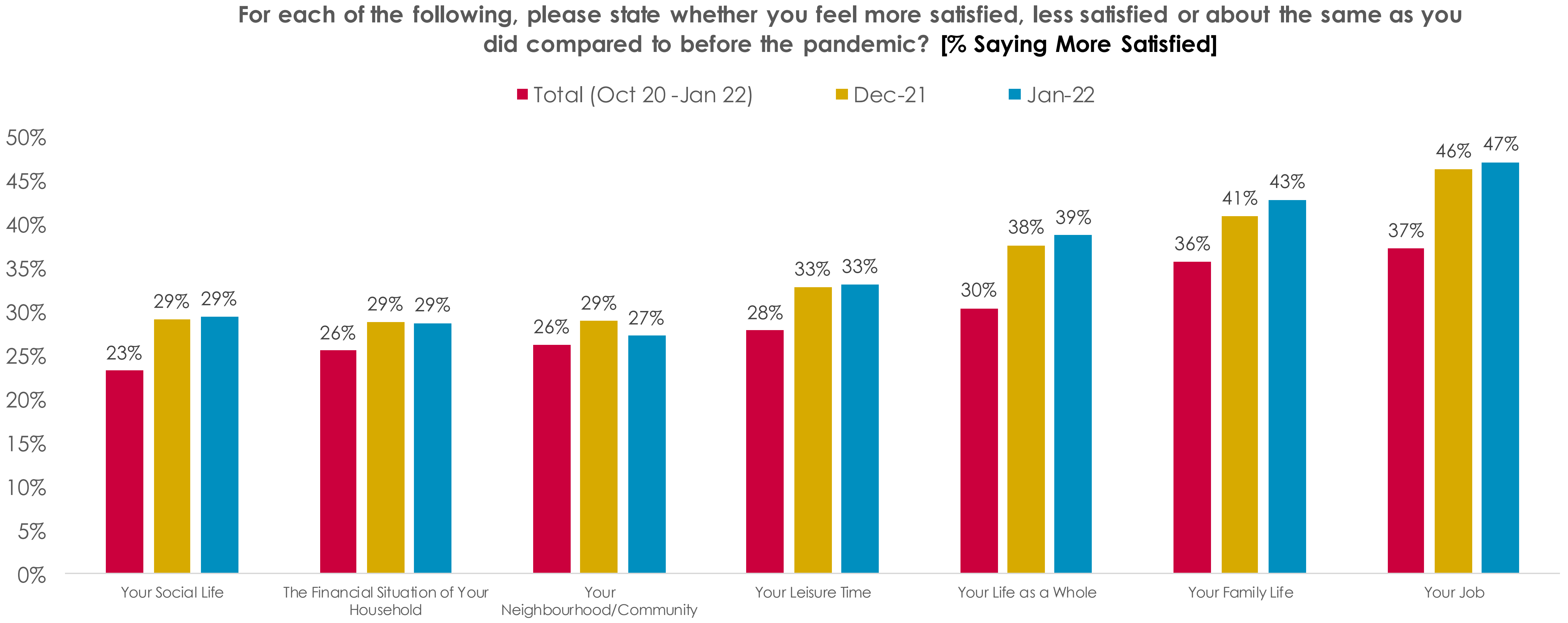
On a scale from 1 to 10, please indicate to what extent you feel people take life too seriously

[Average Response]



Job satisfaction continues to improve as remote working looks set to stay

- Almost half (47%) of those economically active say they are now more satisfied with their job compared to pre-pandemic
- Impacts appear to be stretching beyond the workplace, with satisfaction improving further for both family life and life as a whole

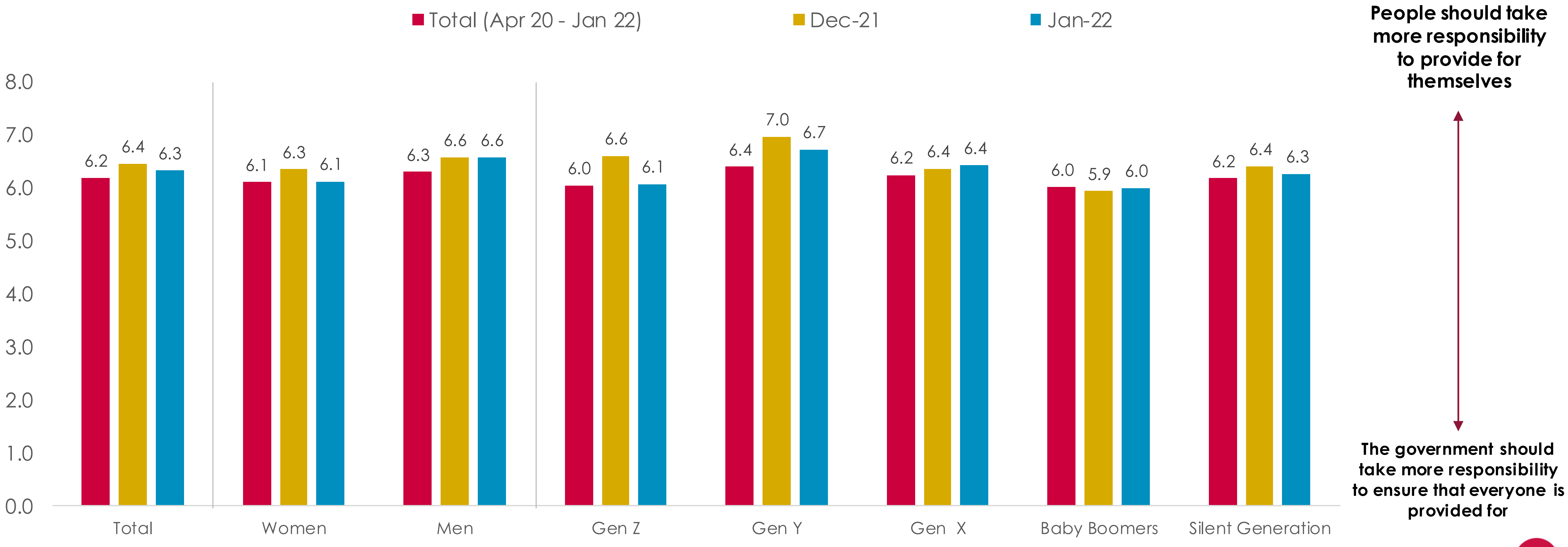


Priorities

Younger generations show greater preference for Government responsibility

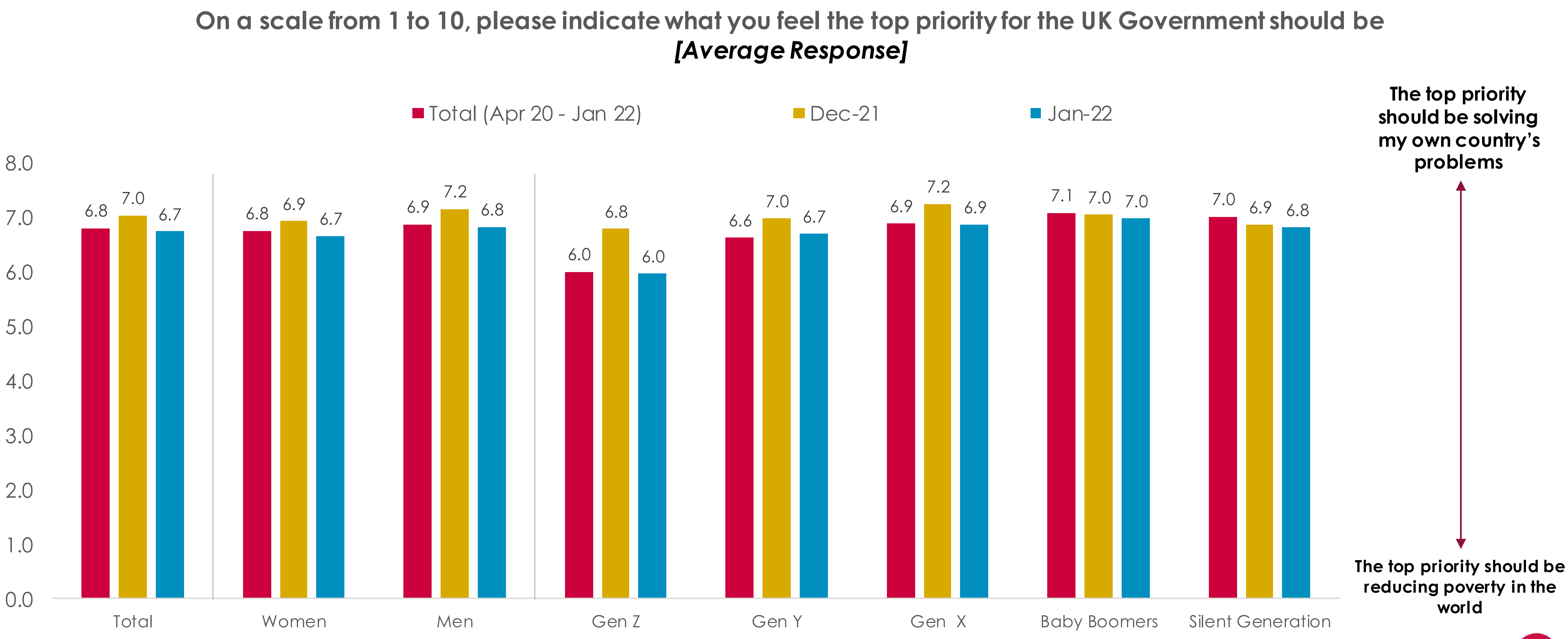
- Despite just a 0.1 point decrease amongst the total sample, this month Gen Y see a 0.3 point fall (7.0 to 6.7) whilst Gen Z see a fall of 0.5
- Men remain more likely to feel a greater sense of personal responsibility, being 0.5 points higher than women on average (6.6 to 6.1)

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]*



Gen Z drive significant shift towards focus on reducing world poverty

- Topline decline of 0.3 points this month heavily influenced by trends amongst Gen Z, who see a 0.8 point decline themselves (6.8 to 6.0)
- Almost every generation sees decline to some degree this month, with only Baby Boomers remaining at same average score



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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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