

# Impact of the COVID-19 crisis on short- and medium-term consumer behavior

**Will the COVID-19 crisis have a lasting  
effect on consumption?**



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# Introduction

The initial appearance of COVID-19 and its European spread in 2020 has changed the lives of millions of people. During this crisis, the world has observed the imposition of international travel bans, lockdowns of whole countries and the closure of shops and service points. Consequently, health care systems have been exposed to a large patient load while turnover within the world's economies is declining. Considering these effects, COVID-19 is not only a risk for global human health but also for the social and economic balance in each affected country. Without a doubt, the virus is one of the greatest crises for humanity within the past 100 years and influences consumer behavior.

Already, leading economic experts recognize a high effect of COVID-19 on both consumption and GDP. Some even predict the largest recession since the Great Depression with a worldwide impact (Rappeport & Smialek, 2020). Estimates for the decline in economic activities within Germany go up to -10 percent for the second quarter (Börsch, 2020), while estimates for the recovery from the GDP recession range from three to 12 quarters (Wirtschaftsdienst, 2020). Although GDP and consumption crises do not always go together, these facts highlight a wide range of possible options in the coming months and years. In addition, the high uncertainty regarding the easing of lockdown measures and reopening of stores makes it difficult for companies to prepare for the future.

Companies are trying to counteract the current situation with new sales and service solutions to secure at least a minimum level of business. Some have adapted to the current situation by changing their business models (e.g., implementation of online shops, digital customer service, etc.). In doing so, companies not only execute

long-standing but never-introduced plans, but are also reacting to alleged changes in consumer behavior. Exemplary numbers prove them right. During the COVID-19 crisis, 13 percent of the people who normally buy medicine offline have bought it online instead (Statista, 2020), and more than half of Girocard payments have recently been contactless compared to one-third in 2019 (Beller, 2020). Consumers are changing their behavior during the crisis, and the crucial questions are: Does the crisis have the power to change consumer behavior not only in the short term but also in the medium and long term, and what will the behavior look like once restrictions on contact and store openings have been eased? These questions are especially important for B2C companies, which need to find a fast recovery and resolute way out of the COVID-19 crisis. Finding the right answers to the questions is essential to building a lasting competitive advantage and a sustainable business model for the future.

# Approach and core questions?

With this study, Monitor Deloitte sheds light on how consumers are expecting their behaviors to change during and after the COVID-19 crisis. The identified consumer megatrends of recent years provided the basis for the development of propositions that answer the following questions:

- Will demand move back from global toward local products?
- Will consumers prefer owning over sharing again?
- Will digital selling channels finally be the most promising selling strategy?
- Will consumers continue to buy in-home and not return to out-of-home consumption?
- Will consumers take less care of data security as convenience and electronic services become more important?

A survey as well as expert interviews delivered the necessary information to test these propositions and declare them true or false. The survey used a two-stage approach, which captured both the broad consumer behavior and in-depth industry insights. More than 2,000 participants took

part in the survey and completed it the last weeks of April 2020, during the COVID-19 crisis. Participants revealed insights on their behavior before and during COVID-19, and gave indications regarding their intended behavior after the crisis. Additionally, interviews with experts from different industries were conducted to provide a complete picture on changes in consumer behavior. In doing so, the Monitor Deloitte study covered all major industries affected by the forced shift in consumer behavior including retail, consumer goods, banking, telecommunication, tourism, etc. Additionally, the survey provides detailed behavioral insights regarding different demographical levers (residence, age, etc.).

The section “Key takeaways” summarizes the results and the most important facts. In the end, the survey helps to understand the detailed changes in consumer behavior during the crisis and changes possible in the 12 months after it. Thus, it enables companies to adapt offerings.

# Proposition discussion: Impact of COVID-19 on consumer behavior and trends

The study's observations focus on German consumers and the defined trends of consumer behavior before the COVID-19 crisis, which are a combination of several megatrends. These megatrends are worldwide developments, but have also shaped German consumer behavior in recent years. They range from connectivity/digitalization to sustainability, and from individualization and health to new work. This study focuses on the consumer behavior contradictions, their development before the COVID-19 crisis and their effects on consumer trends after the crisis. For example, the consumer contradiction of local vs. global is composed of several megatrends that have influenced its development: globalization, sustainability, health, urbanization and digitalization. These megatrends lead to a contradiction in consumer behavior in Germany: buying local groceries, but ordering the latest international fashion from overseas. The contradictions are a tool to describe complex and heterogeneous consumer mindsets in Germany. However, most consumer contradictions have a clear development direction for each consumer trend and only

minor subsections, or categories of consumption, show a different development. The target of this study is to understand the short- and medium-term impact of these changes on consumer behavior. It is important for companies to understand the shift in consumer behavior early and to potentially adapt their future-proof business model. Successful companies, as proven during the crisis, will adapt to new consumer behaviors quickly and create a competitive or first-mover advantage in their specific market, whether it is grocery shopping or digital payment. The COVID-19 crisis is disrupting and strengthening the previous development of consumer trends. Consumer behavior adapts to new developments and restrictions. The main questions are: Which trends expect a temporary shift due to new restrictions, and which trends are changing consumer behavior in the medium run? Based on the assumption that consumer behavior does not only change currently but also in the medium run, a proposition for each contradiction was developed and tested. Furthermore, several relevant industries were evaluated.

**Increased utilization of goods and services via digital channels**

**Proposition: Online vs. offline**

**Proposition**  
 Because people were forced to switch to online channels for purchase of goods or utilization of services, it is expected that a large proportion of customers will continue to utilize those channels even after stores have reopened.

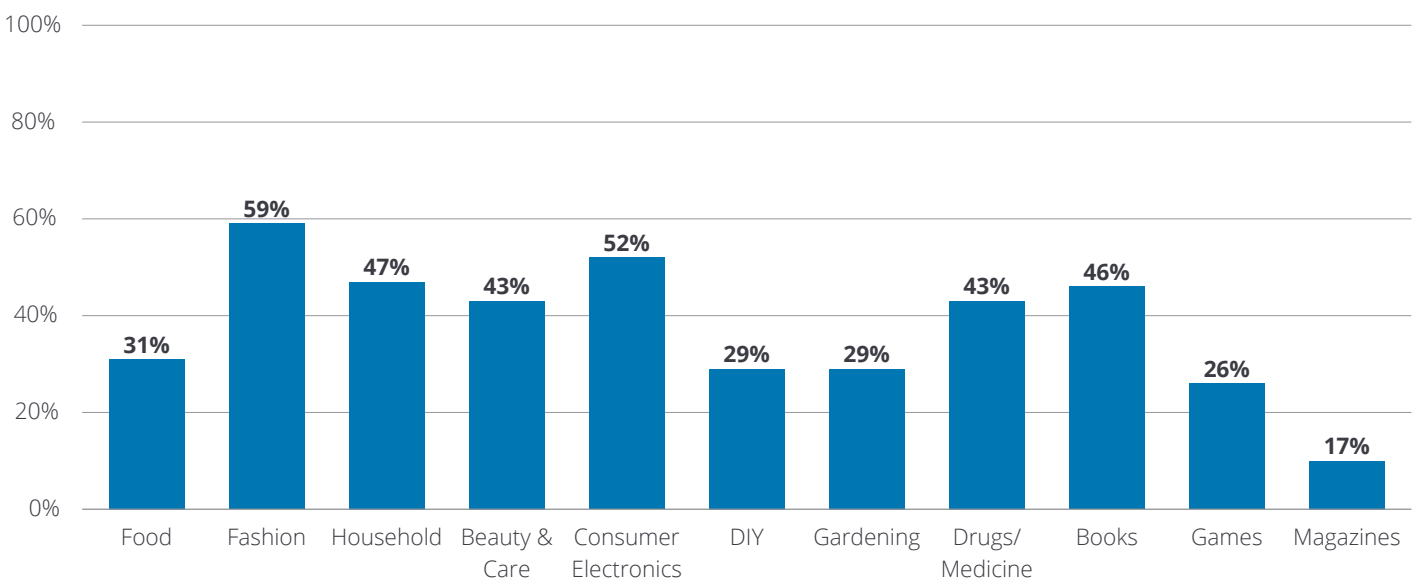
In the course of the past years, more and more people have been using online channels to buy goods and utilize services. Because of closed stores and contact bans, this utilization has risen even more during the COVID-19 crisis in Germany. However, the question is whether this forced change of behavior will last even after the strict bans are loosened. To assess this, consumers were asked about their behavior concerning eCommerce in different categories, their preferences in terms of digital payment and banking solutions as well as utilization of online customer services.

As expected, consumers have been using online channels for shopping, payment and services more during the crisis. However, the increased usage strongly depends on whether the consumer has used those channels before the crisis. First-time usage of those channels during the crisis is more unlikely than the more intense or frequent usage of experienced users. However, from the consumers who used online more during the crisis, a long-lasting effect can be expected. For almost all categories, respondents state they will continue the increased online activity. When looking at the reasons, convenience, time savings and increased selection online are ranked alongside health concerns. Because these benefits will not disappear after the crisis, it is likely the usage behavior will stay.

**Purchasing goods online**

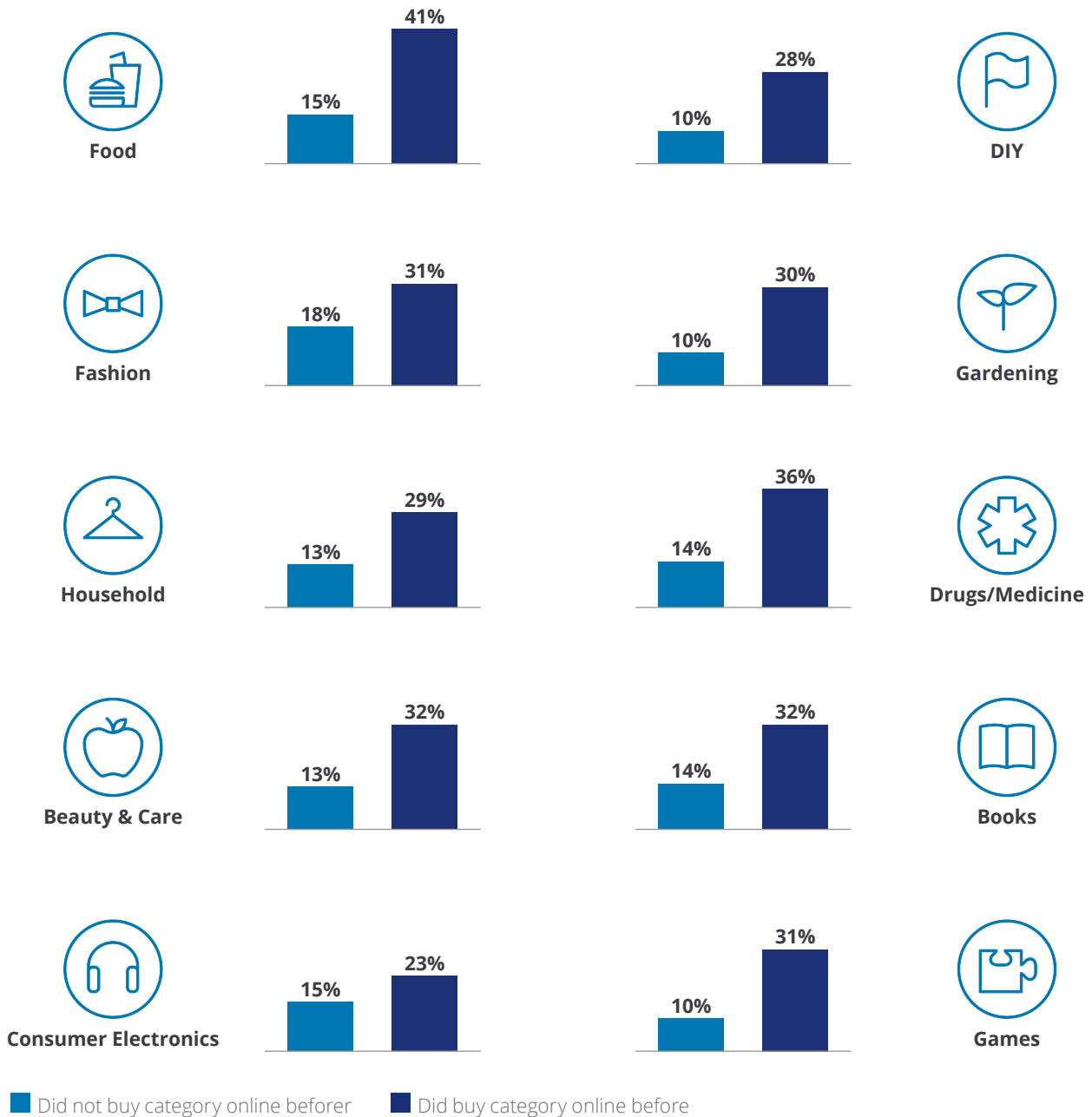
The global eCommerce market grew considerably during the past years, and the global online retail volume is expected to grow further at the rate of about 15 percent until 2023.<sup>1</sup> However, this does not mean it has made shopping in brick-and-mortar stores obsolete. On the contrary, in many categories the proportion of goods sold online is comparably low. This is especially true for the German market where the share of food bought online is about 1 percent of the total 125.3 billion euros.<sup>2</sup> Some consumers have tried shopping online, but it has not yet become a consistent consumer pattern and differs heavily within categories. When asked, most survey respondents reported having bought fashion, consumer electronics, books and drugs/medicine online. Again, it can be observed that food has only been bought online before by around one-third of people.

**Fig. 1 – People were asked whether they have ever bought a certain category of goods online before the crisis (N = 2007)**



While supermarkets, DIY markets and drugstores were still allowed to keep their doors open, many other stores had to close for several weeks. This has naturally increased online sales, but was it sufficient to convince people who have never done it before to shop online and for categories they have never bought online before?

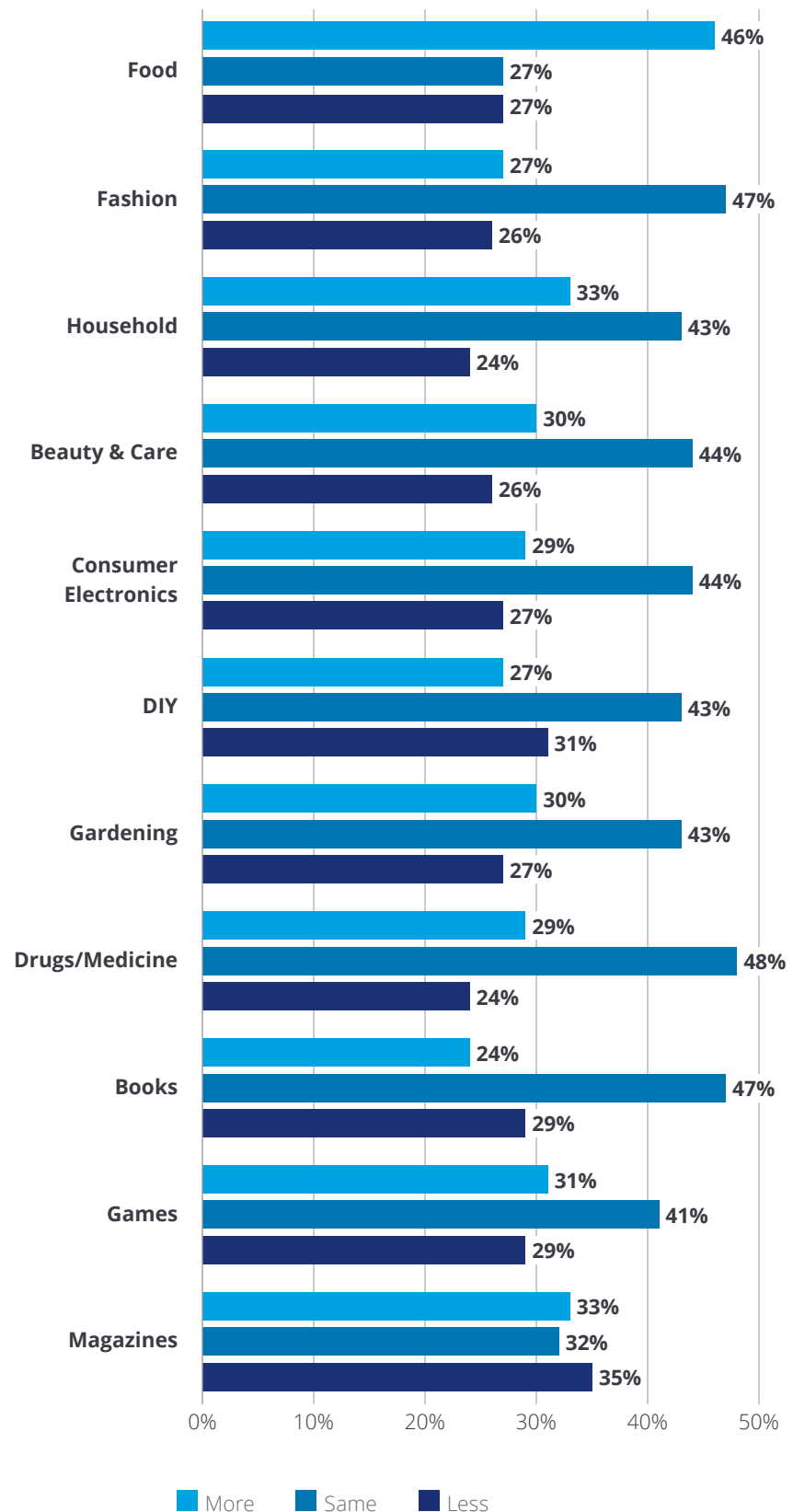
**Fig. 2 – People were asked whether they have bought a category more often during the COVID-19 crisis, split by whether they have bought it online before or not (N= 2007)**





The consumer data reveals that there is a large difference between increased usage of people who were used to buying goods online and people who tried out buying online for the first time. Depending on the category, 25–45 percent of respondents who bought a category online before stated that they increased their online shopping activities during the crisis. The clear winners are food and drugs, which seem to have received a real push in their online channels. Compared to people who have not bought the respective category before, only 10–18 percent bought them more online now. One reason especially for this is that stores for food, drugs and DIY were still open during the crisis and did not force consumers to switch to online if they had not done it before. The relevant question for retailers remains whether the trend of increased usage of online channels can only be attributed to the special circumstances and rules imposed by the government, or whether consumers will now adapt their online shopping behavior going forward.

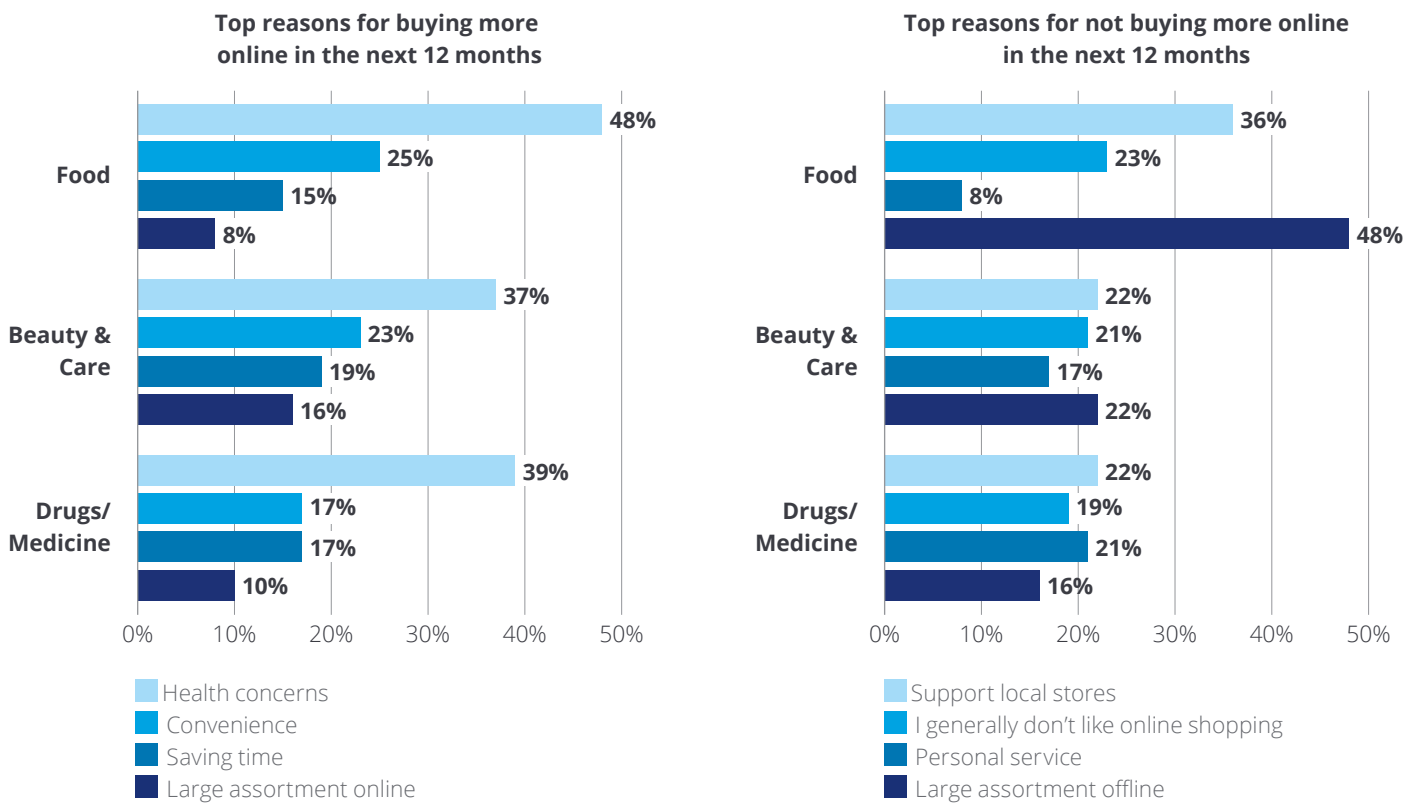
**Fig. 3 – People who said they have increased online shopping behavior during COVID-19 were asked how they think they will purchase online during the next 12 months: more, same, or less than before the crisis**



For most categories, about 40–50 percent of respondents who bought more online during COVID-19 stated that the crisis will not have any lasting effect on their online shopping behavior in the next 12 months. However, a still considerable number say that they will buy more online compared to before the crisis. This is particularly true for food with 46 percent of respondents. For

the other categories, between 24 percent and 33 percent of respondents said they will buy more online mid-term. When looking at the reasons for or against shopping online more during the next 12 months, arguments stay more or less the same across categories, as can be seen for three exemplary ones:

**Fig. 4 – Depending on their previous answer, people were asked the main reason why they will buy more online or less online in the respective category (N = 2007)**

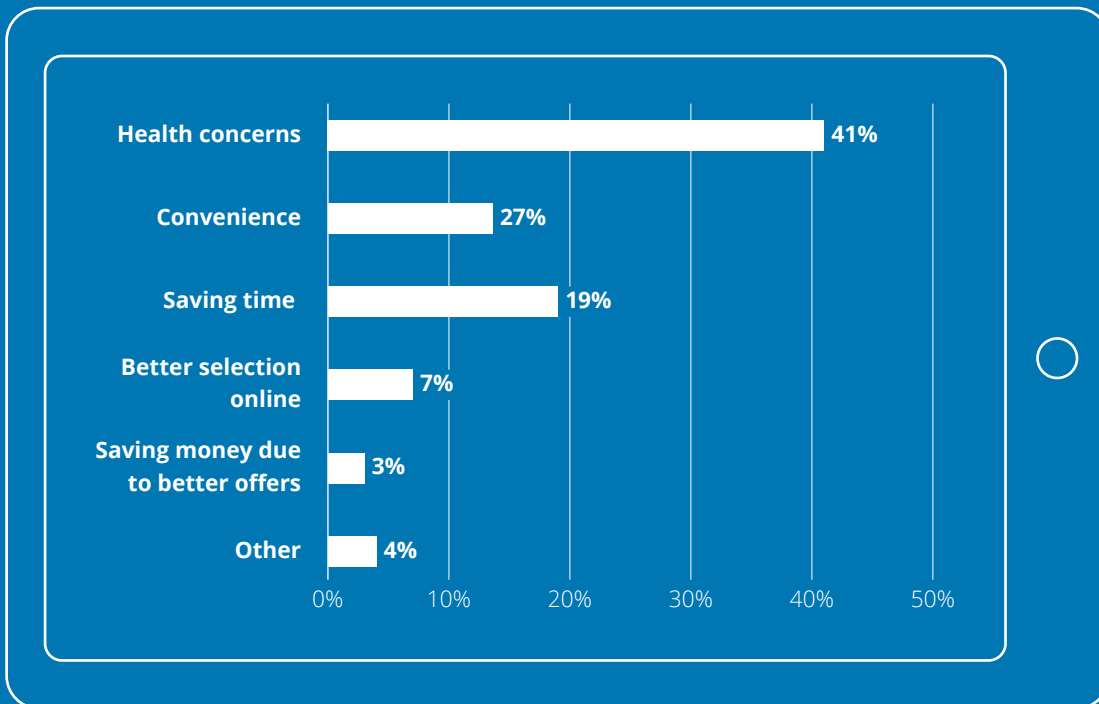


While between 40–50 percent of respondents predominantly state health concerns as a reason to increase online shopping, the experience in terms of time savings, increased convenience and assortment online also matter, indicating that the effect cannot be attributed to COVID-19 alone and might be longer lasting.

This is of course not an accurate prediction of the future and is based on consumer sentiments. Our way of life might still be very much restricted during the upcoming months. But if in all those category experiences the online shoppers increase utilization of online channels, the crisis will have a lasting impact on channel management for retailers.

## Excuse: Buying online in the Telco sector

Only 15 percent of respondents bought Telco products such as cellphone contracts during the crisis, mainly due to the fact that they are not seen as essentials and most of the stores were closed. That said, 81 percent of these buyers reported using digital channels such as websites or apps to make those purchases. A learning curve seems to be taking effect in the sector, however, as 36 percent state that they plan to use digital channels more often to buy this type of product during the coming 12 months.



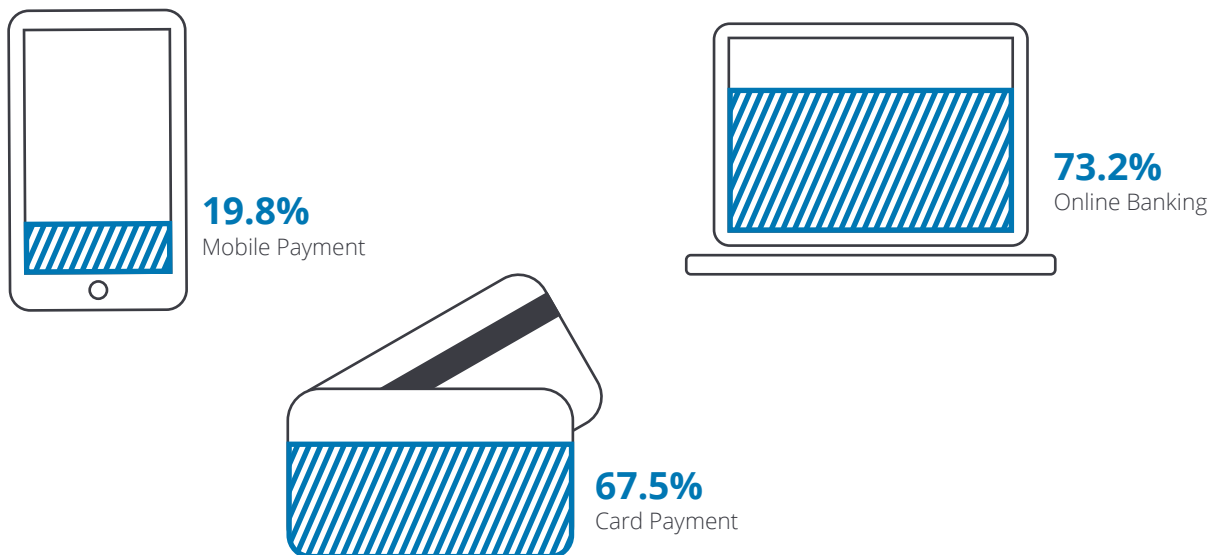
Reason for continuing to buy online

### Digital banking and payment

Germany is seen internationally as a country not known for its advancements in non-cash payment methods. Many German retailers, especially the smaller ones, still refuse to offer card payment options for their customers. As a result, in 2018 less than 50 percent of payment transactions in Germany were cash.<sup>3</sup> The study respondents paint a similar picture. Before COVID-19, about 40 percent of people had

used online banking and card payments before. However, the penetration of mobile payment solutions (e.g., ApplePay, GooglePay) remained even lower, which can be seen in only about 12 percent of respondents having used them before.

**Fig. 5 – People were asked whether they had used digital banking and payment solutions before the crisis (N = 2007)**

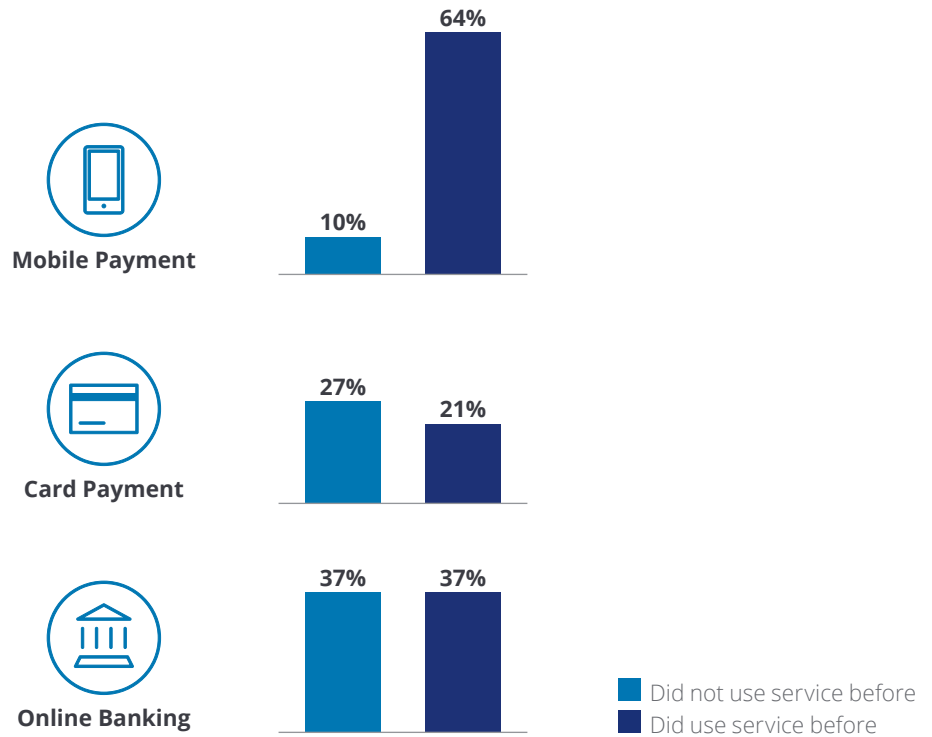


“Even though we can observe rising usage numbers for mobile payment this does not mean that consumers that were non-digital before are now drastically changing their behavior.”

**Aydin Sahin, Managing Director Marketing of Commerzbank AG**

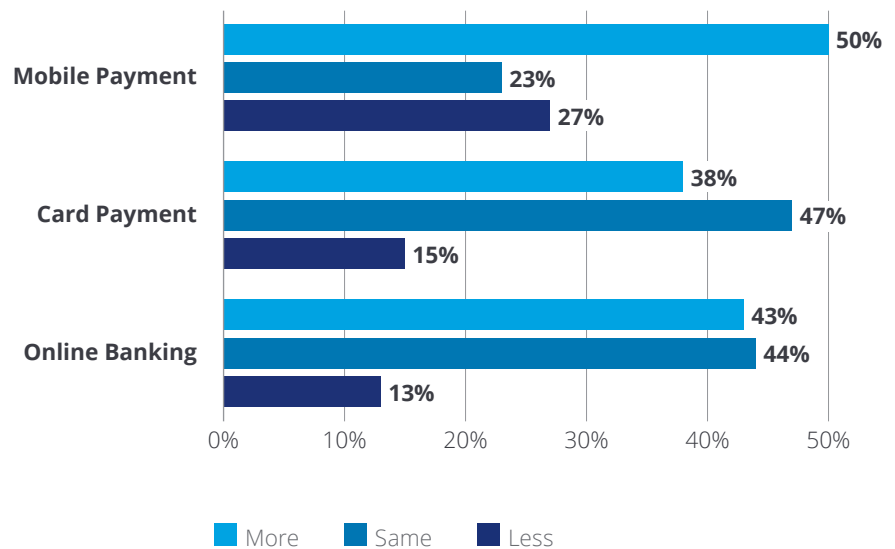
To limit contact points during the COVID-19 crisis, many retailers – from supermarkets to small bakeries – have decided to offer card payment solutions. Combined with consumer consciousness, this increase has led to a steep rise in digital payment methods.

**Fig. 6 – People were asked whether they use digital banking or another payment method more often during the COVID-19 crisis, split by whether they have bought online before or not (N = 2007)**



On the contrary, for online shopping the dependencies between usage before and increased usage during the crisis cannot be found for online banking and card payment. For both groups of people increases range high, between 20–40 percent, for online banking, driven by the fact that many banks needed to close up to 80 percent of their branches. Usage of mobile payment has skyrocketed during the crisis, with 65 percent of those who tried it before stating that they use it more often now. Only 10 percent of respondents reported using it for the first time in the crisis. This goes in line with the opinion of Aydin Sahin, head of marketing at Commerzbank. He states that even though usage numbers are going up, he does not see that consumers who were not digitally perceptive before will change 180 degrees. When taking the example of mobile banking, people who wanted to use it instead of credit cards had migrated already before the crisis.

**Fig. 7 – People who said they had increased online shopping behavior during COVID-19 were asked how they think they will use digital banking and payment solutions during the next 12 months: more, same, or less than before the crisis**

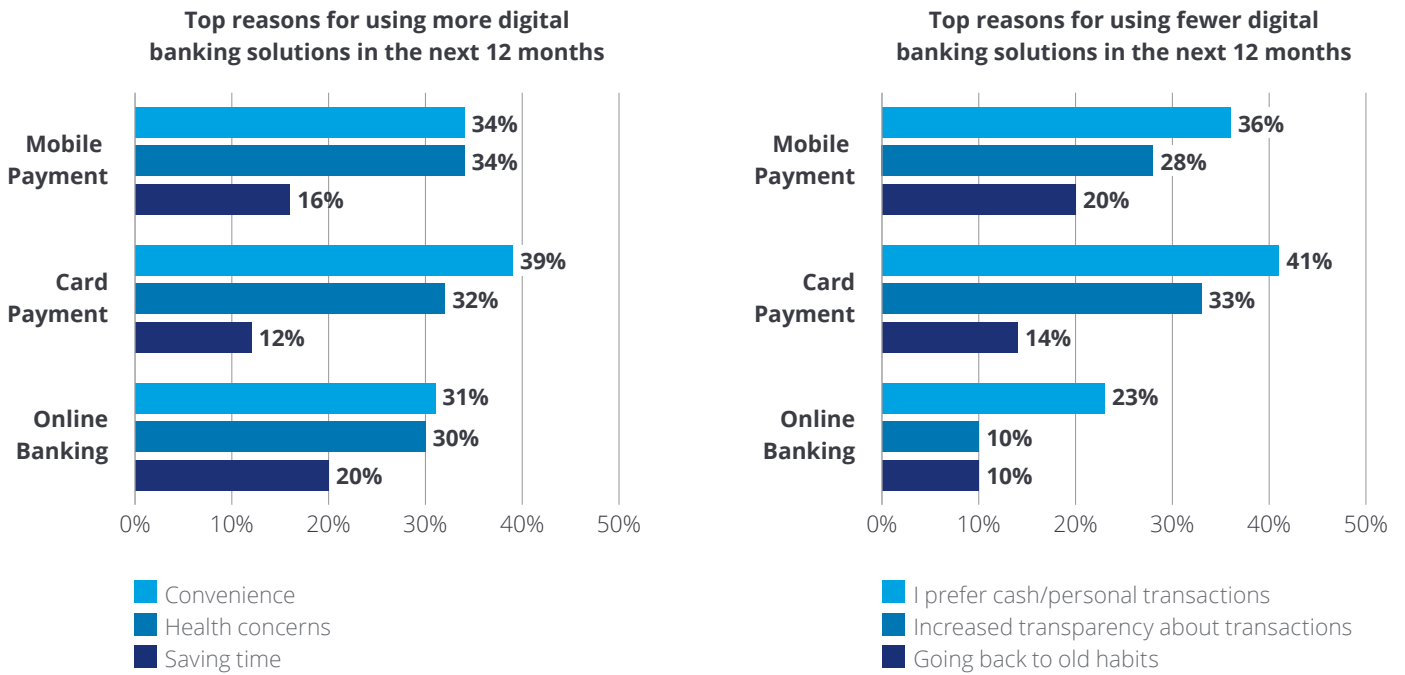


From respondents who said they will utilize the methods more during the crisis, a clear continuation of the trend can be seen with 38 percent (card payment) to 50 percent (mobile payment) of respondents expecting they will use it more than before COVID-19.

respondents reported convenience followed by health concerns. Combined with the increased infrastructure, this leads to the conclusion that the increased usage will last during the next year.

Looking at the main reasons why or why not people will use digital banking and payment solutions, 30–40 percent of

**Fig. 8 – Depending on their previous answer, people were asked the main reason why they will use digital banking methods more or less in the respective category (N = 2007)**

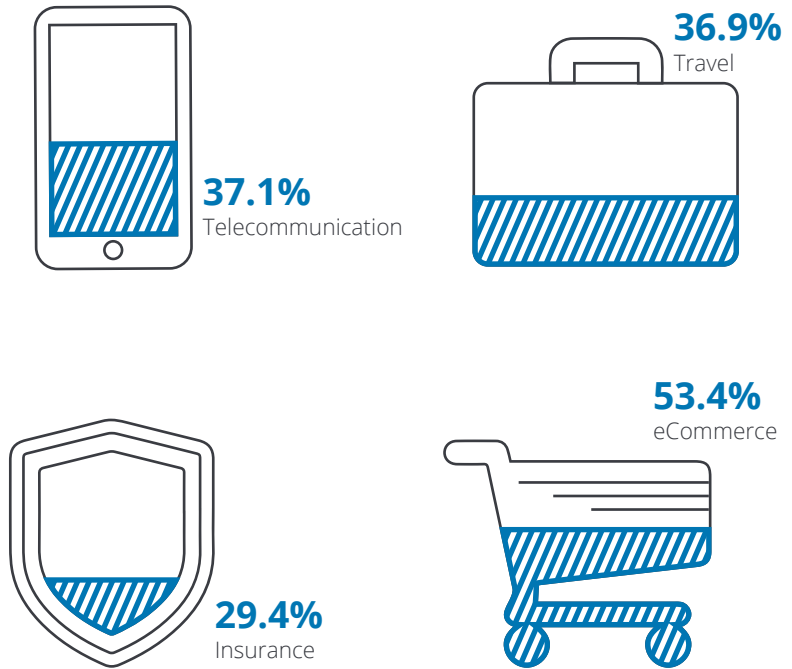


**Digital customer services**

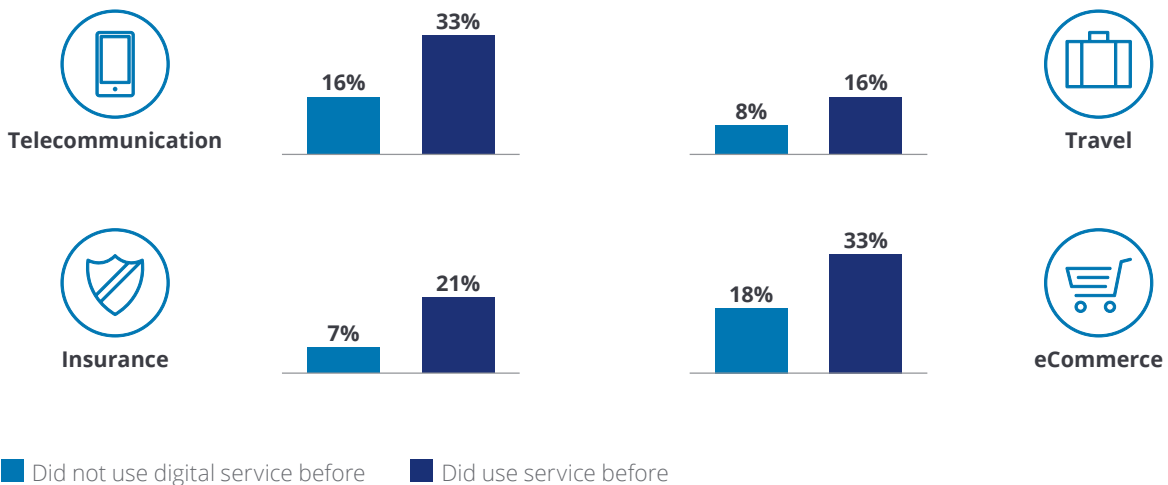
Many customer-facing companies have had digitalization and automation of their customer services on their strategic plans for the past years. While some studies suggest that many customers would consider using digital service solutions such as websites and self-service options in the future, the reality looks different in Germany. For critical issues (e.g., Complaint), about 90 percent of customers still prefer a personal contact to solve the problem.<sup>4</sup> However, a considerable number of people have used digital self-services before the crisis – related to online shopping over 50 percent state they have used it before.

A hope or expectation of many companies is that the forced migration to digital services will create a learning effect with customers and that many problems can be successfully solved without customers going to a store or calling hotlines.

**Fig. 9 – Proportion of respondents who state that they have (at least once) used a digital self-service before – split into four exemplary sectors**



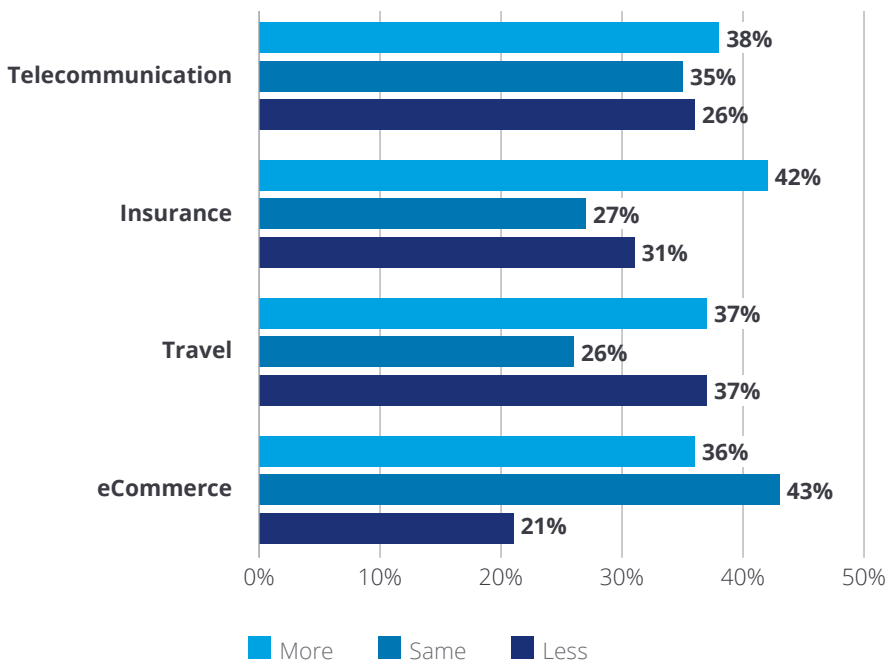
**Fig. 10 – People were asked whether they use digital services more often during the COVID-19 crisis and split by whether they have bought it online before or not (N = 2007)**



Survey data shows that those who were already using digital services before the crisis are also the ones who use it more now, likely because they already had positive experiences with it or knew how to use it. Still, some forced migration can be seen as between 10 percent and 20 percent of con-

sumers are now using these services for the first time. Data from companies also shows that service experiences are going quite well. Sahin states, "For Commerzbank, around half of service requests are successfully being solved without any human interaction."

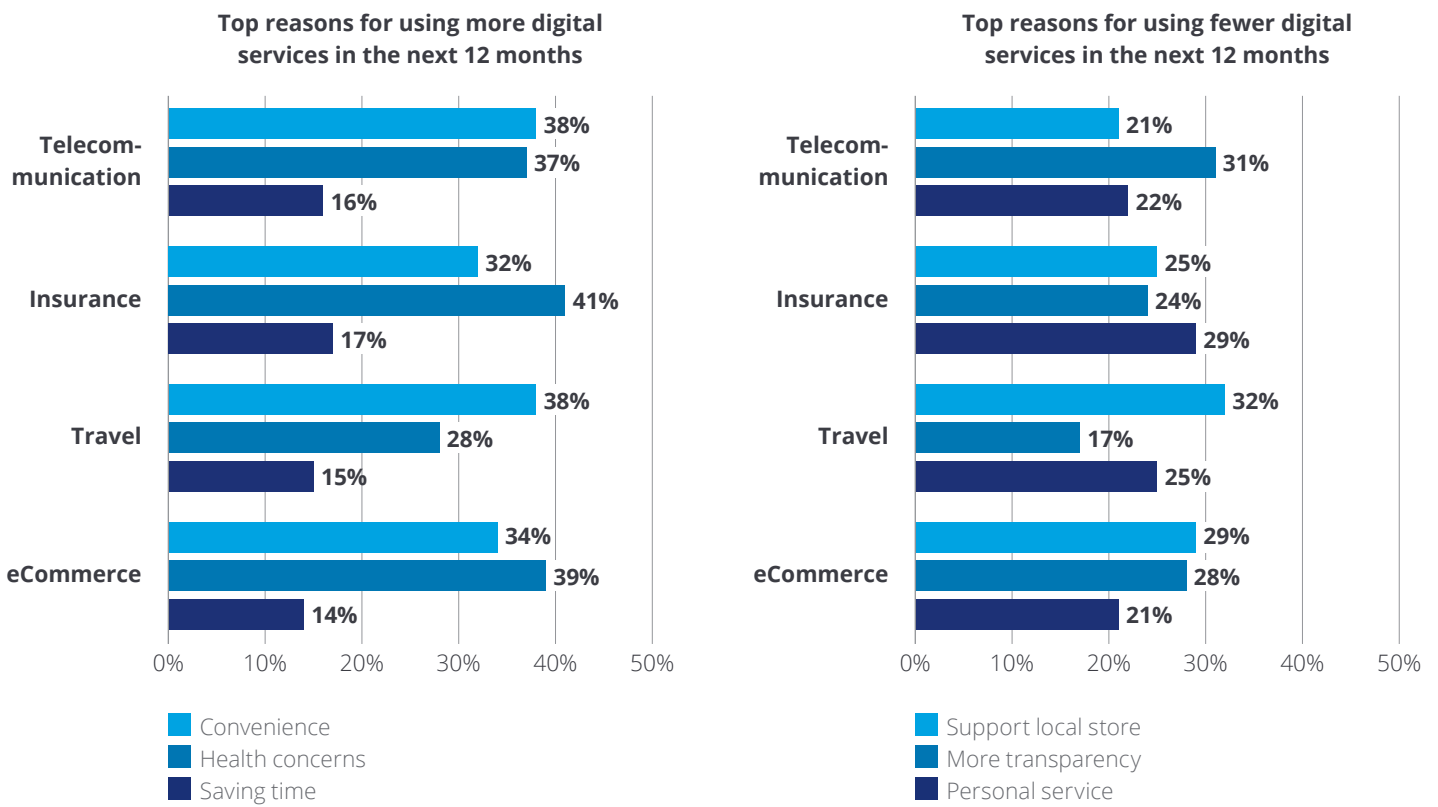
**Fig. 11 – People who said they used more digital services during COVID-19 were asked how they think they will use digital services during the next 12 months: more, same, or less than before the crisis**





Positive reinforcement comes from the consumers who are using digital services more during the crisis, with more than one-third stating they will use digital services more in the next 12 months compared to before the crisis. The fact that these people will likely change their behavior is also reflected by the reasons they gave, with the combination of convenience and saving time stated more often than health concerns.

**Fig. 12 - Top reasons for using digital services in the next 12 month across industries**



## New focus on ownership and reduced use of sharing

### Proposition: Sharing vs. owning

#### Proposition

Because of the perceived higher risk of infections in shared spaces, it is expected that a large number of consumers will demand notably fewer services from the sharing economy even after the COVID-19 crisis.

In recent years, the sharing economy has experienced a tremendous success story in many business areas, from mobility solutions via sharing of holiday apartments to co-working spaces. Nearly everything could be shared before COVID-19, and the sector was growing rapidly. For example, the total number of car-sharing vehicles for stationary services in Germany grew from 9,100 in 2016 to 12,000 vehicles in 2020 (Statista, 2020) Nevertheless, the consumer contradiction of sharing vs. owning still exists as customers also value owning things. In the past, the strong growth of the sharing economy and the corresponding platforms was fueled by increasing digitalization of vehicles and the growing connectivity of people via mobile phones. In October 2019, 19 percent of Germans had already used sharing solutions and a further 19 percent were planning to use sharing solutions in the future (YouGov, 2019). According to the same study, the most-used sharing offerings were mobility and travel (YouGov, 2019). Mobility sharing became visible for all types of demand ranging from micro-mobility (e.g., bikes and scooters) over medium distance (ride hailing) to long-distance offerings (e.g., car sharing). Not only did mobility-sharing solutions grow quickly in the past decade, but so did other sharing services such as flats, co-working spaces, home services and even goods. This is underlined by the most-known sharing providers in Germany, namely Airbnb (47%), BlaBlaCar (42%), Kleiderkreisel (49%) and Uber (39%).<sup>5</sup>

A few global megatrends have supported the consumer trend for sharing. Foremost, increasing urbanization has led to a higher density of people and limited space in

German cities. In addition, sharing solutions have reached a critical mass to be successful with an increasing number of connected devices. Moreover, individualization is a crucial lever for the growth of sharing solutions. The requirements for individualized solutions with different purposes – such as riding a bike to work, renting a convertible on the weekend, or renting a local apartment for weekend trips instead of a standardized hotel room – have helped sharing solutions to grow. Above all, the increasing demand of people for mobility, whether for professional or private purposes, supports the business model of the sharing economy. The development was further supported by the environmental-friendly and sustainable purpose of the sharing economy and the proposed higher efficiency compared to individual ownership. Overall, the consumer trend developed further toward sharing, from major cities to smaller areas.

In Germany, 67 percent of people have already used mobility sharing and 84 percent plan to use it in the future, while 61 percent have used sharing for travel and 70 percent plan to use it in the future (YouGov, 2019). Those developments indicate the enormous growth rates of the sharing economy in recent years. However, the sharing economy has suffered significantly under the new consumer behavior caused by the COVID-19 crisis. The implementation of mobility restrictions, the discontinuation of services and the forced limitation of socially shared spaces have hit the sharing economy hard. The increased risk of infection with sharing services also created a new security concern for consumers. The overall shift in consumer behavior will extend beyond the current crisis as consumers put health and infection risk above convenience. This infection risk is perceived as being much higher in shared spaces and vehicles. Furthermore, sharing services are viewed as more expensive than other forms of transportation and will likely suffer in a potential economic downturn.

In conclusion, there is a clear shift of a consumer trend toward owning and a reduction of sharing for a minimum of 12 months after the COVID-19 crisis. Overall, the sharing economy will be one of the most-

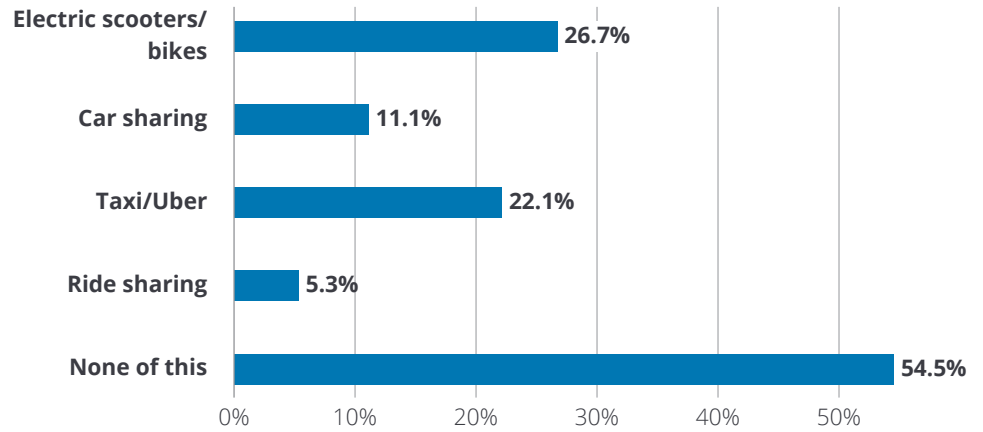
affected sectors in the whole economy, a proposition supported by the survey data. Even after the lockdown phase, consumers fear a high infection risk in the shared economy, and the decreased demand will put all sharing business models at risk. Nonetheless, some niche areas could profit from the changed consumer behavior in the post-pandemic phase depending on the competition they face. For example, micro-mobility solutions could gain market share as users on a scooter interact less with other people compared to public transportation, the direct competition in many big cities.

### Sharing mobility

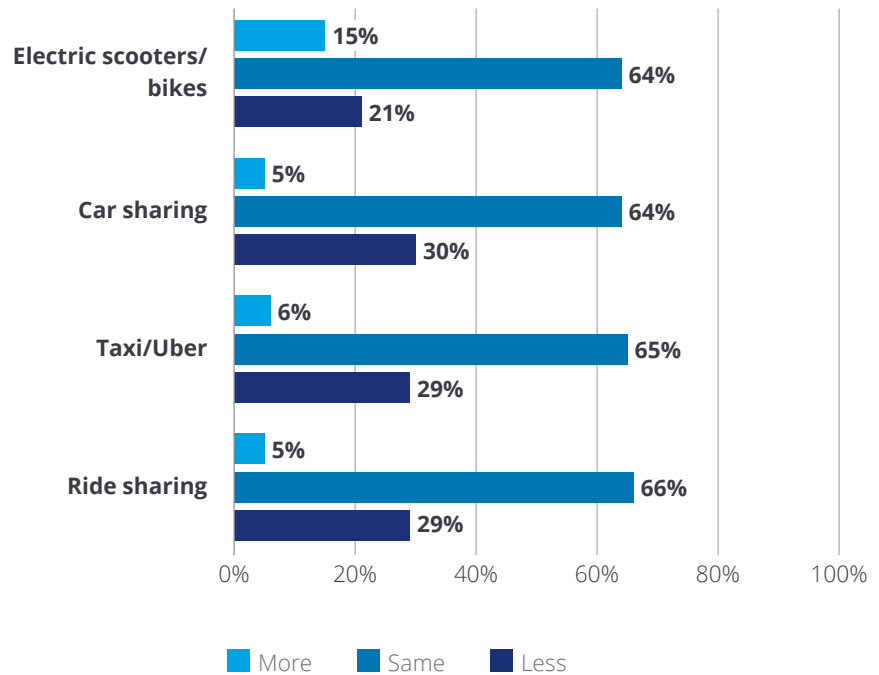
Even before the crisis, most mobility-sharing solutions had profitability issues and were more of a bet on the future than an efficient business model, mainly because of too-high costs.<sup>6</sup> Before COVID-19, more than 45 percent of survey participants used some form of mobility sharing, 27.4 percent used ride sharing or on-demand ride services, 26.7 percent used micro-mobility solutions such as bikes or scooters and 11.1 percent used car sharing.

After the COVID-19 crisis, car sharing and ride sharing could especially suffer from the decreased usage of mobility solutions with approximately 30 percent less demand. For car sharing, customers will likely return to their own vehicles (bike or car) because they want to decrease infection risk (37%), became accustomed to driving their own car or bike during the crisis (26.7%), or they just want to save money after the crisis (19.5%).

**Fig. 13 - Which mobility solutions did you use before COVID-19? (N = 2007)**



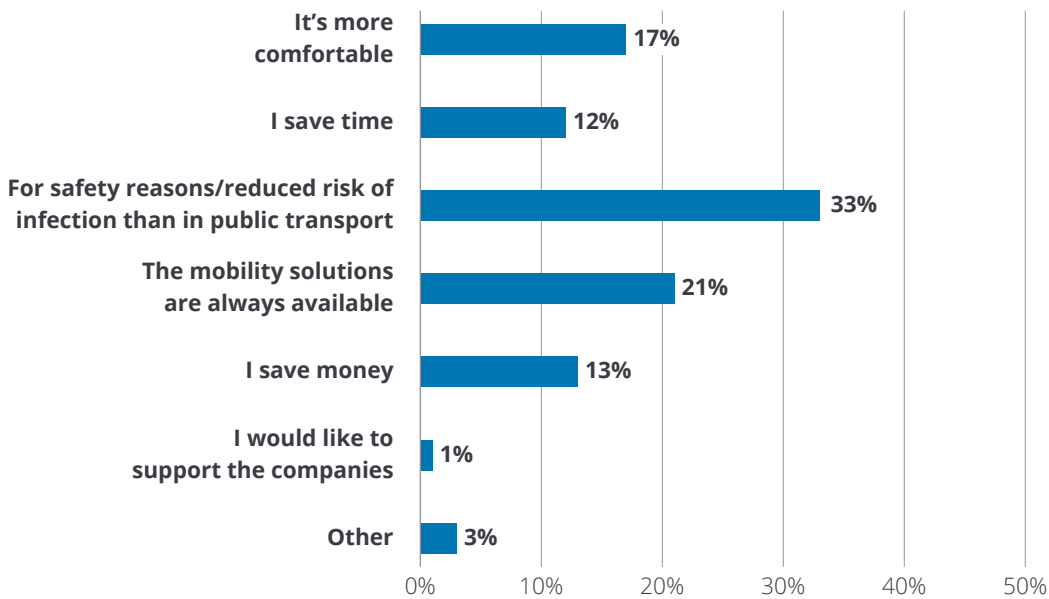
**Fig. 14 - Do you think the COVID-19 crisis will change the way you will use these mobility solutions in the future? (N = 2007)**



These implications will put many market players at risk and lead to market adjustments, with consolidations and even bankruptcies in these sectors possible during and after the COVID-19 crisis. For micro-mobility solutions, 15.3 percent of customers expect to increase their usage of these services, which is a relatively high number in contrast to the other mobility-sharing options, which range from 2.6 percent to 5.9 percent. The major reasons for this consumer behavior are the reduction of infection risk in public transportation (32.8%), the availability of these mobility solutions (21.4%) and

their convenience (17.2%). It seems as if consumers are afraid of infections in shared cars but are not afraid of the infection risk of a scooter. This could create additional potential for some micro-mobility providers if they make it through the current crisis with its reduced demand for mobility. In addition, the number of people who want to use this mobility solution less after the pandemic is significantly lower. However, 21 percent of consumers also want to reduce their usage of micro-mobility solutions such as electric scooters or bikes.

**Fig. 15 – Why do you think that you will use these mobility solutions more often in the future? Electric scooter/bicycle (N = 2007)**



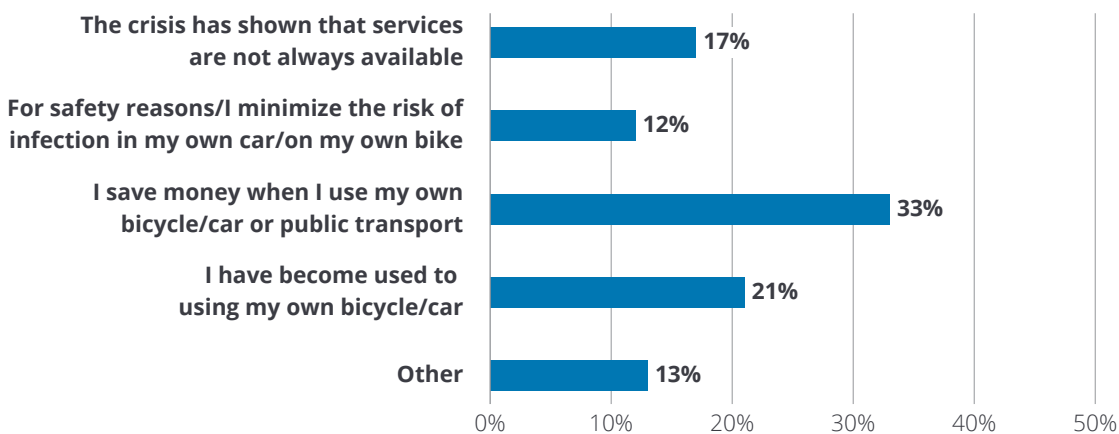
Furthermore, some demographic differences can be observed in the consumer survey. There are no major shifts between bigger cities and rural living areas. However, the percentage of participants who have used mobility solutions in the past differs between these regions, which is probably due to the availability of services. Concerning age groups, young consumers (18–35 yrs.) seem to be more afraid of an infection with mobility sharing than the older generation (over 56 yrs.) as the young indicate they want to use these services less in the future. This does not

hold true for micro-mobility with a similar expected usage after the crisis, as a similar percentage of users wants to increase and decrease demand.

In conclusion, mobility sharing is one of the hardest hit industries in the COVID-19 crisis, and the concerns of the higher infection risk within shared vehicles will have a negative effect after the crisis. Besides, some forms of mobility have the potential to grow as they mainly compete with public transportation, where infection risk might be much higher because of the higher

number of people. If sharing companies can use this differentiation potential, they could survive and stabilize their business model.

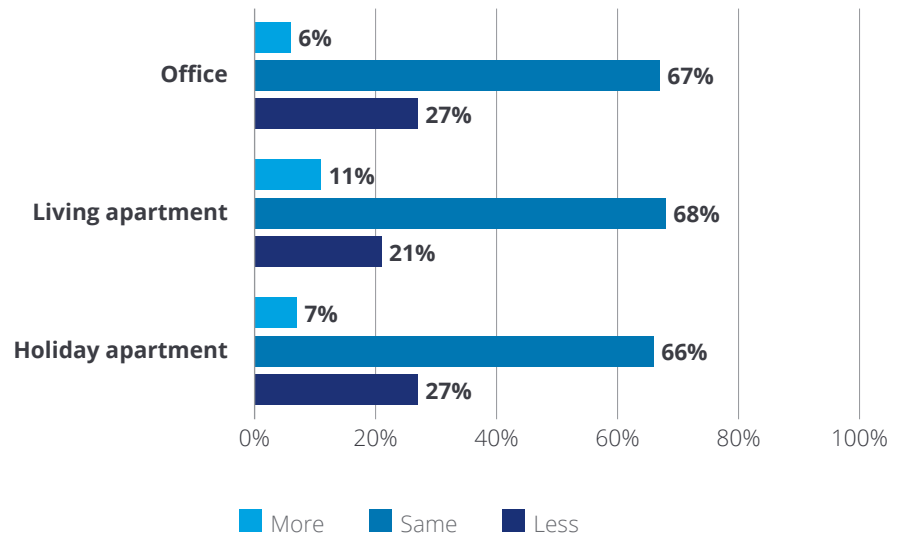
**Fig. 16 – Why do you think that you will use these mobility solutions less in the future? Car sharing (N= 2007)**



**Other sharing economies (including work and vacation)**

The sharing economy grew rapidly beyond mobility solutions and covered nearly all aspects of life, which is why the sharing sectors for work and vacation are heavily affected by the current pandemic. Before COVID-19, other sharing economies besides mobility solutions had lower usage rates as nearly 70 percent of participants have not used any of those services. Respondents indicated they are less likely to use shared office spaces (27%) and shared apartments for vacations (27%) after COVID-19, while they reported their usage of shared apartments for living purposes may only decrease by 21 percent. This is likely because young consumers with lower available income mainly use apartment sharing.

**Fig. 17 - Do you think the COVID-19 crisis will change the way you will use these sharing solutions in the future? (N = 2007)**



Respondents said the most important reasons for the indicated decrease in usage of shared office space are the increased infection risk (42%) and the familiarization of working at home (26%). This indicates the major effect the lockdown and closures have had on the way of working in Germany: Many people are now used to working in the home office. This will allow companies to reduce shared office spaces. Besides, some participants said they will use the workspace sharing (6%) and vacation apartments (7%) more often after the crisis, most likely because of the convenience and bigger choice in sharing solutions for workspace and vacation apartments. First implications can already be seen with mass layoffs at Airbnb and other sharing providers (NZZ, 2020) during COVID-19.

Furthermore, consumer demographics play a role in the shared economy. Younger generations say they will use the shared services for work and vacation more frequently after the crisis compared to older generations. There are no major differences between the different living areas, from rural to metropolitan, but income is playing a role in future consumer behavior. About 50 percent of the people with a higher monthly income plan to keep their consumption of the sharing economy constant, while about 70 percent of people within the lowest income category plan to keep their consumption constant after the crisis, representing lower usage levels of these sharing services.

## Rising consumption in the home further strengthened

### Proposition: In-home vs. out-of-home

#### Proposition

The current COVID-19 crisis heavily supports the growth of in-home offerings in terms of usage across all categories, and customers will use these services more in the 12 months after the crisis.

The consumer contradiction of in-home vs. out-of-home consumption is one of the most interesting contradictions of this study. The increasing importance of consumption within the private home through new opportunities enabled by connectivity and new ways of working stands in contrast to the growth of activities/experiences and offers outside of the home. Out-of-home consumption especially has increased during the past few years in Germany. The number of people frequently going out for lunch or dinner grew from 9.93 million in 2015 to 11.88 million in 2019 (Allensbach, 2019).

This contradiction consists of a few global megatrends that have shaped consumer behavior in recent years. Urbanization is a major factor in the development of out-of-home consumption. High rent prices and smaller apartments have led to much more out-of-home consumption. Another important factor is connectivity and digitalization. The availability of digital services for nearly all potential users via smartphones and other digital interfaces influences the contradiction toward in-home consumption. The growing information culture supports this evolution with its dynamic spread of information. Besides, the growing number of older citizens, especially in Germany, underlines the out-of-home consumption. Older age groups are more mobile than before and increasingly consume out-of-home.

The current restrictions in the pandemic have forced consumer trends to change from out-of-home to in-home consumption and will heavily affect many industries. Restaurants and bars were not allowed

to open, and consumers had to cook for themselves or use food delivery services and platforms. As stated by Christoph Liefländer from Just Eat Takeaway.com "Restaurant owners are one of the hardest hit by COVID-19 and they will be lucky if they can make up for the losses accumulated during the crisis." Further, all entertainment attractions such as museums, cinemas and concert halls as well as activity centers for sports and other leisure activities were closed. This development during the COVID-19 crisis forced many consumers to stay at home, and thereby many have adapted to the new ways of work and leisure. This part of the consumer survey focuses on the leisure activities of people doing sports, meeting friends, preparing meals and ordering readymade food via platforms. Most of these activities have been done outside before but must be done at home now. The core question is whether this is a forced short-term trend or if consumers will change their behavior in the long term after the crisis.

Overall, the consumer contradiction toward out-of-home consumption developed before the COVID-19 crisis. The overall trend to a higher demand for out-of-home offerings takes place particularly in major cities and living areas. The holistic contradiction is broad and centers on the question of where consumption takes place, but also covers many different areas of consumers' habits and lifestyle. Out-of-home is particularly strong within urban areas, and in-home is mainly pushed through digitalization of offerings. This Monitor Deloitte study focuses on the effects of the COVID-19 crisis on meal preparation and food delivery as well as digital sports offerings and digital services for social interactions. Within these three segments, German consumers have developed in recent years a clear direction toward out-of-home consumption of food, sports and increased social interaction.

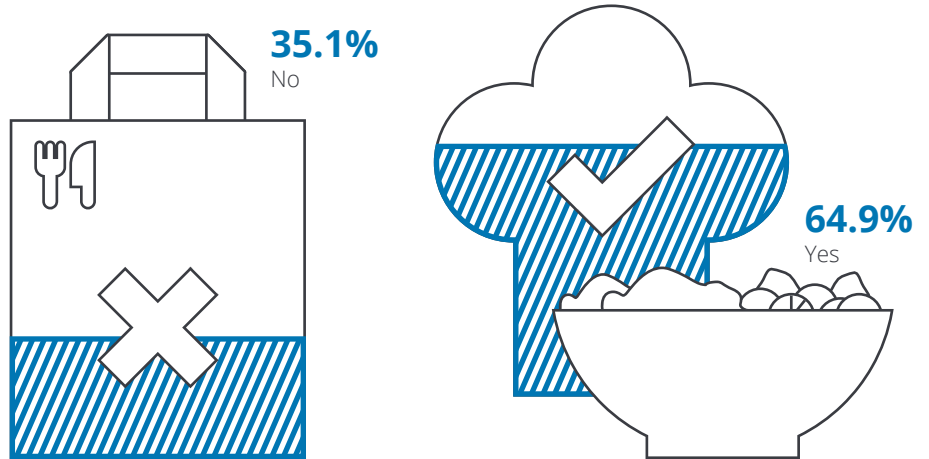
### Home cooking

Although nearly 64.9 percent of study participants prepared meals several times a week at home before the crisis, more than one-fourth of consumers (26.8%) indicated they will continue to prepare more meals at home after COVID-19. This is due to the increased awareness of infection risk in public places.

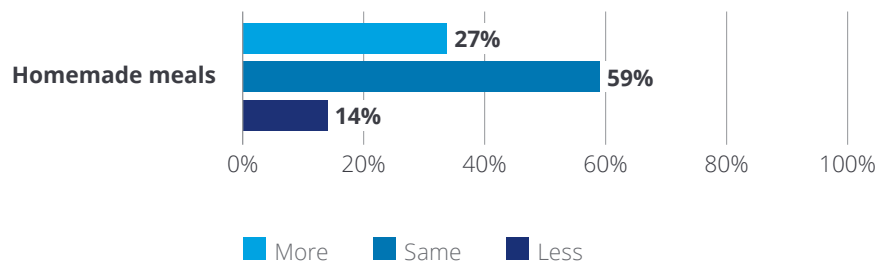
Of the consumers who say they will continue to prepare more meals at home after the COVID-19 crisis, 39.8 percent cite the reduced infection risk and 14.5 percent the better control of security and quality of groceries at home as reasons. Only 10.8 percent of consumers named cost savings as the primary reason to eat more at home in the future. These figures underline the growing importance of health and infection risk reduction in consumer behavior even after the crisis. This behavior and awareness shift directly leads to more in-home preparation and consumption of meals. This is also in line with the trend toward consumer awareness of local food.

However, another trend can be observed from the survey results as 14.1 percent say they plan to prepare fewer meals at home after the crisis. The reasons given for this behavior are the return to old habits (40.6%) and the support for local restaurants (21.9%). Additionally, our expert from a major FMCG company expects this consumer behavior for some consumer groups. In his opinion, young consumers have the desire to restart a social life again and gather in restaurants and bars after the crisis because they want to compensate for the time spent in lockdown. However, another expert from a leading food delivery platform does not expect a major backlash of consumer behavior. He says that "a small uplift for some consumer categories will not move the needle towards more out-of-home consumption after the pandemic."

**Fig. 18 - Have you prepared meals more often (i.e., several times a week) during the COVID-19 crisis? (N = 2007)**

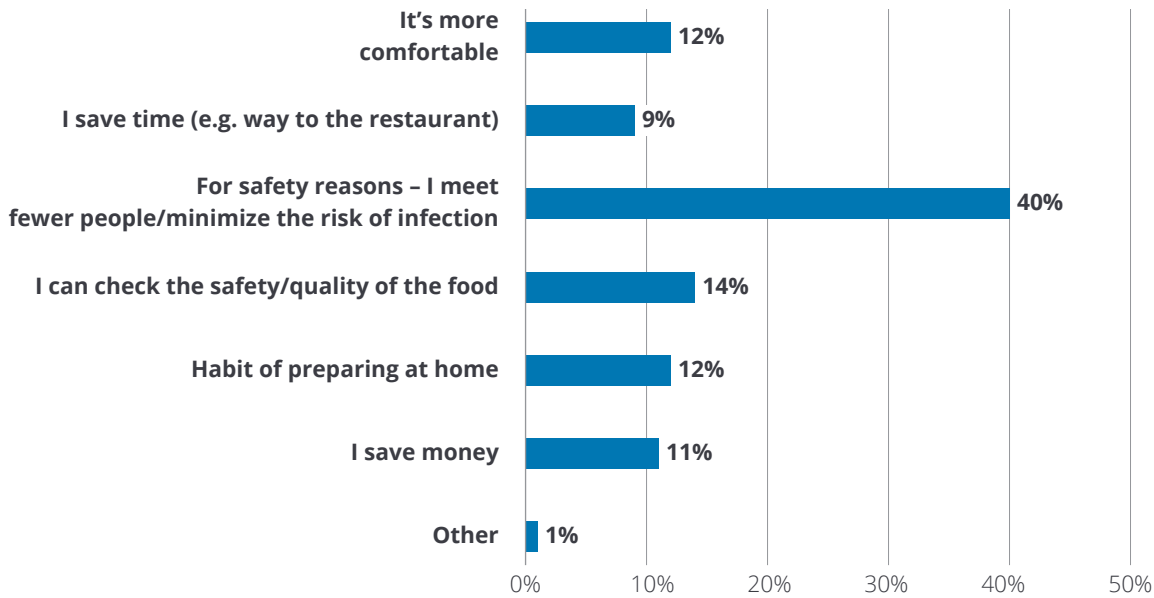


**Fig. 19 - Will you prepare meals at home more often in the future than before COVID-19? (N = 2007)**





**Fig. 20 – Why do you think that you will prepare meals at home more often in the future than before COVID-19? (N = 2007)**



The survey results underline this behavior and outline the distinction between the generations. While only 8 percent of consumers of the older generation (above 65) expect to prepare fewer meals at home after the crisis, 21 percent of the younger generation expect to do so. Interestingly, young people from rural areas anticipate preparing fewer meals at home (38.5%), which is mainly driven by the desire to return to pre-crisis habits and consumption behavior (60%). In total, consumers will continue to cook at home, and the decrease of out-of-home consumption of food will have a lasting effect.

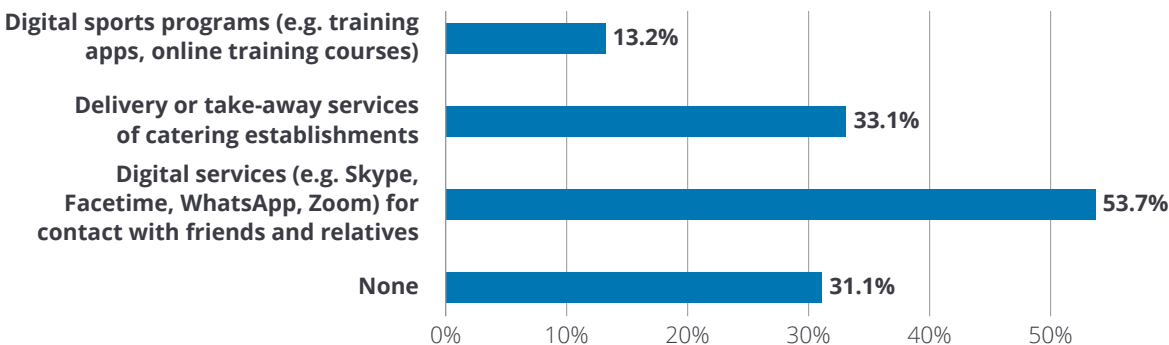
## Sports

The fitness and sports industry was hit hard by the lockdown measures. All sports institutions, gyms and facilities are closed, so people are forced to do sports at home or outside. In general, only a small number of consumers had used digital sports offerings before the crisis (13.2%). However, more than 20 percent state that they have used digital sports programs more frequently during the crisis. Fitness companies and studios that digitalized their offerings in the past have profited from this development toward consumption in digital channels. Accordingly, some consumers (10%) say they will use these services more frequently after the crisis compared to before the crisis. However, a higher number of consumers (16.6%) indicate that they will use digital sports offerings less after the pandemic. Nevertheless, digital sports programs seem to have one clear target group: the young generation, in which nearly half

of the consumers (45.2%) have used the services more frequently during COVID-19. This generation indicated it will even increase their usage (22.7%) of digital offerings after the crisis. Therefore, fitness studios and other sport facilities need to cater for this increased demand for digital sport offerings in the future. Across generations, the foremost reasons given to increase digital sports offerings for in-home consumption are the reduced infection risk (33%) and the time savings (23.5%). Nevertheless, the other investigated areas of in-home consumption seem to be more affected by the consumer trend shift. This might be due to the fact that sports are one of the few activities still allowed in public and consumers might use their free time to go running or do another sports activity outside the home without using digital solutions. The main reasons given for consumers to decrease the usage of digital sports offerings are the preference

for personal contact (23.4%) and the return to old sport habits (23.1%), such as going to the gym. Additionally, German consumers still seem to value the additional equipment and instruction from coaches in the gym compared to online solutions. Overall, the findings indicate that customers will mainly return to doing sports at fitness studio and other sports institutions, but the industry needs to integrate digital offerings especially for the young generation into their offline business in order to remain competitive. This is also underlined by the opinion of Markus Vancraeyenest, the CEO of FitX Deutschland GmbH. He states that “digital offerings need to be combined with the offline fitness studio business to create additional value and a tangible USP for the consumer. This is difficult for many small and independent gyms and will lead to further consolidation in the market.”

**Fig. 21 – Which offers did you use before COVID-19? (N= 2007)**



“Digital offerings need to be combined with the offline fitness studio business to create additional value and a tangible USP for the consumer.”

**Markus Vancraeyenest, CEO of FitX Deutschland GmbH**

**Take-away/meal delivery**

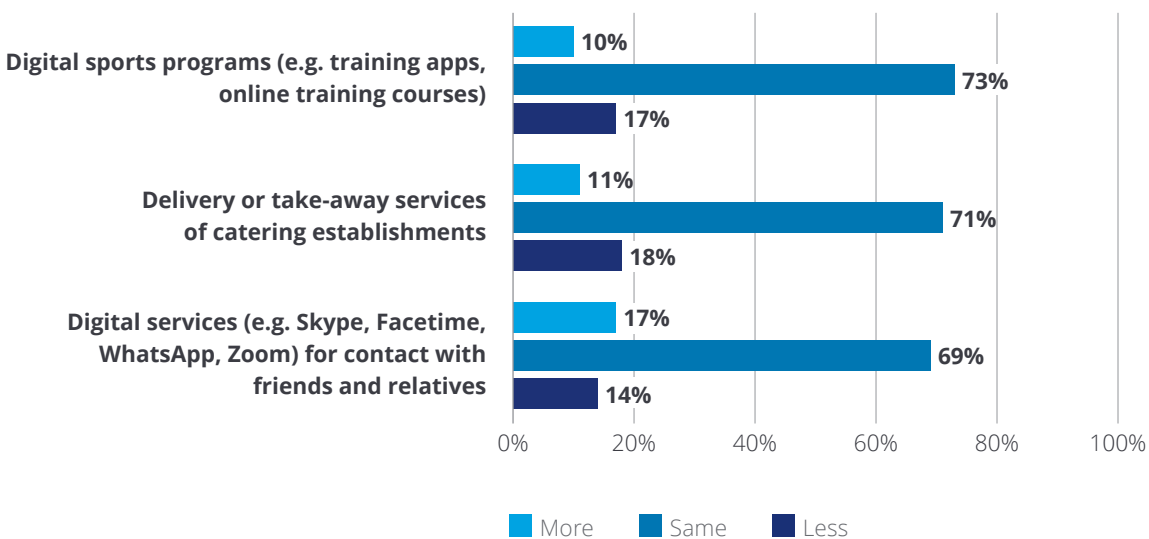
Many meal delivery platforms have quickly grown in the past and major consolidations took place in recent years (Tagesspiegel D., 2018). In this Monitor Deloitte study, 33.1 percent of consumers have used meal delivery services. Many consumers (22.5%) have increased their usage of take-away or meal delivery services during the crisis and 10.9 percent expect to increase their consumption of those services in the future. Christoph Liefländer from Just Eat Takeaway.com not only reported a general increase in usage but also a change in user profiles with consumers from older age groups and outside of urban areas coming more

frequently to the sites. This trend clearly underlines the sustainable adjustment toward more in-home consumption of readymade meals. Data from companies also show that meal delivery platforms have been increasingly popular as Just Eat Takeaway.com's Liefländer states, "Consumer interest in our offering has grown by 20–70 percent depending on the European country".

Concerning meal delivery, survey participants particularly valued the higher convenience of home meal delivery (26.1%) and the security aspects of deliveries as those significantly decrease interactions with other people and therefore reduce

the infection risk (38.5%). Besides, most consumers are planning to decrease (17.9%) their usage of the services, saying they want to support local restaurants (22.8%) or save money (20.6%) after the crisis. Furthermore, this is supported by consumers being forced to switch to meal delivery solutions as restaurants were closed during the COVID-19 lockdown. In addition, consumer habits have changed, as the expert from Just Eat Takeaway.com noted, "Consumers show increasing preference for ordering during the week next to the weekend to answer for the current challenges in their lives. This also goes hand in hand with ordering for more people in the household".

**Fig. 22 – Will you use these online services more often in the future than before COVID-19? (N = 2007)**



“Dine-in restaurant owners are one of the hardest hit by COVID-19 and they will be lucky if they can make up for the losses accumulated during the crisis.”

**Christoph Liefländer, Global Director Performance Marketing of Just Eat Takeaway.com**

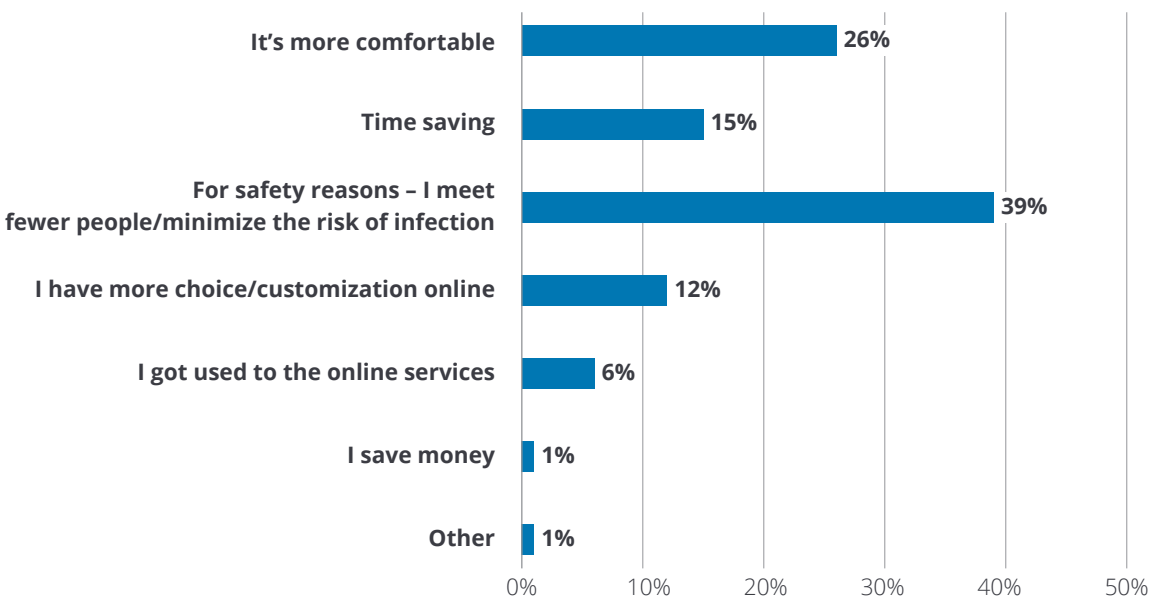
People with smaller household incomes tended to use significantly fewer meal delivery services during the crisis – only 13.3 percent increased their consumption of meal orders – and only 5.8 percent of consumers say they will use more meal delivery services after the crisis. The main reason given for decreasing the usage of these services is to save money (27.5%). Since ordering meals is more costly than cooking at home, people with smaller available incomes use these delivery services less frequently. Besides, new consumer segments are reached by the meal delivery platforms especially in areas that are more rural. In general, meal delivery platforms are the biggest winner from the current crisis with significantly increased demand and consumers who will likely keep a higher level of demand after the pandemic. However, it will be important for those platforms to secure supplies while many restaurants suffered under the current lockdown situation. There are also dangers from a potential economic downturn and increased home consumption.

**Social contact with digital services**

Before the crisis, many people had already used digital services to interact with friends and family (53.7%). This has increased during COVID-19 as 43.2 percent of consumers report having used these services more during the crisis. Interestingly, more women (47%) than men (39%) have used digital services to stay in contact with their friends. However, people also say that this will not continue after the crisis, with only 16.5 percent saying they will continue to use digital solutions to interact with family and friends. This indicates that people still prefer direct social interaction, and digital solutions are just the second-best option. In this in-home digital service, the primary reason given for staying at home and communicating with affiliated people is the security concern, with 40.7 percent of respondents wanting to decrease the infection risk, and because they are more convenient to use (18.7%). Accordingly, the younger and more digital-inclined generations say they will use the services more after the crisis (31%). All in-home

services show a clear growth potential after the COVID-19 crisis, supporting the proposition that consumers will consume more in-home. This is underlined by the expectation of industry experts, such as those in the consumer goods industry. Industry players that quickly adopt to the changes can win after the crisis. Profiting foremost from this shift in consumer behavior will be the services that provide content via digital channels for their customers. The younger generation uses digital in-home services more frequently than the older generation: during the COVID-19 crisis, 47 percent use more digital sport programs, 43 percent use more meal delivery services and 61 percent use more digital services for connecting with friends and relatives.

**Fig. 23 – Why do you think that you will use these offers more often in the future? Delivery or take-away services (e.g., delivery service, online ordering, ready-to-eat) (N = 2007)**



**Increased demand for local/regional products and services**

**Proposition: Local vs. global**

**Proposition**  
 Because of changing economic conditions and regulations during the crisis, it is expected that customers will continue buying local products, services and experiences during the next 12 months.

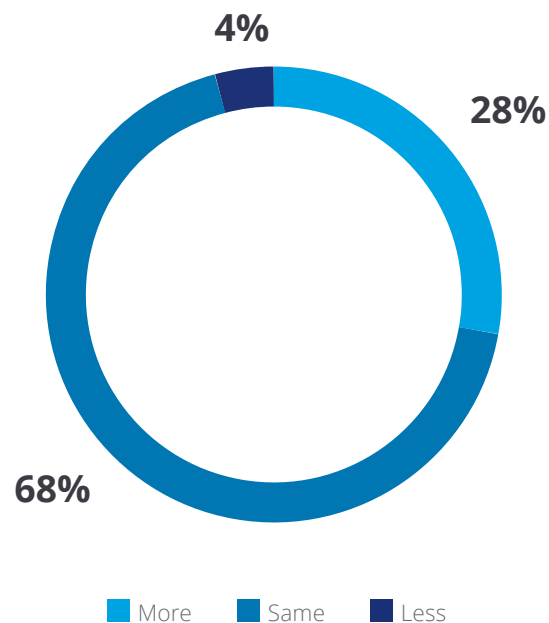
Overall, a trend toward higher demand for locally manufactured products, local retail stores and holidays spent in the local home country can be derived from respondents' answers. Already in 2019, a German study revealed that a trend toward regional products developed with more than half of all people showing a preference for such products<sup>7</sup> for health, environmental and economic reasons. Therefore, it can be concluded that this is not a forced trend but an acceleration of existing behavior. For all consumers who showed this preference during the crisis, a sustainable change in consumption is expected. This theory can be supported because consumers not only expressed health concerns and fear of infection risk but also said they want to support their local economy, with financial reasons of subordinate importance.

**Food with regional/local production**

During the past years, consumers around the world have gained more options than ever before when it comes to brand, assortment and origin, thanks to today's connected world. A trend for locally manufactured products has developed, and the space for ecological production has doubled throughout the past 10 years.<sup>8</sup> It is interesting to see that the desire for regional products is taking over ecological growth, with 78 percent of all consumers buying regional products several times per

month.<sup>9</sup> Whereas older consumer groups mainly drove this trend, a growing number of younger consumers is nowadays developing in the same direction.<sup>10</sup> The majority of consumers is driven by reasons of health (e.g., preservative-free because no long transportation, security standards), environmental benefits (e.g., small farming with lower agricultural footprint), economic benefits or buying a feeling of doing something good (e.g., keeps money in the community, ensures jobs with local companies).<sup>11</sup>

**Fig. 24 – People were asked how frequently they will buy local products in the next 12 months in comparison to their consumption before the crisis (N = 2007)**

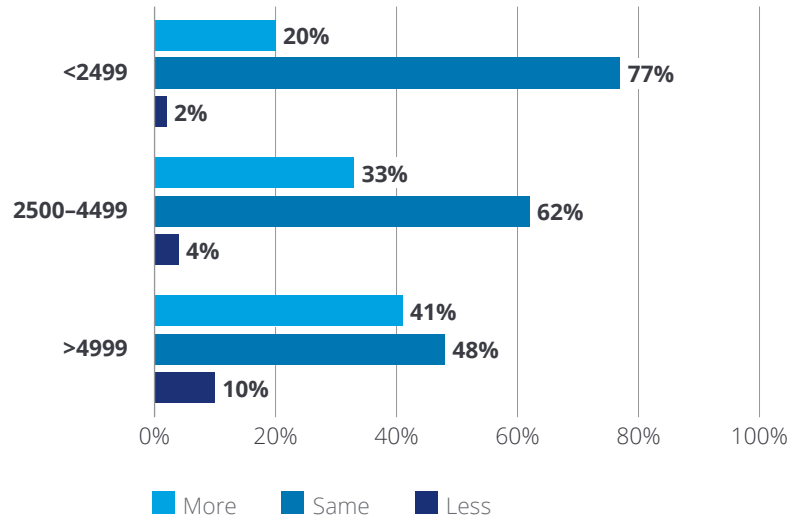


Of all respondents, 60 percent had already bought regional products during the crisis with more than 90 percent saying they are going to maintain or even increase their consumption of locally produced products.

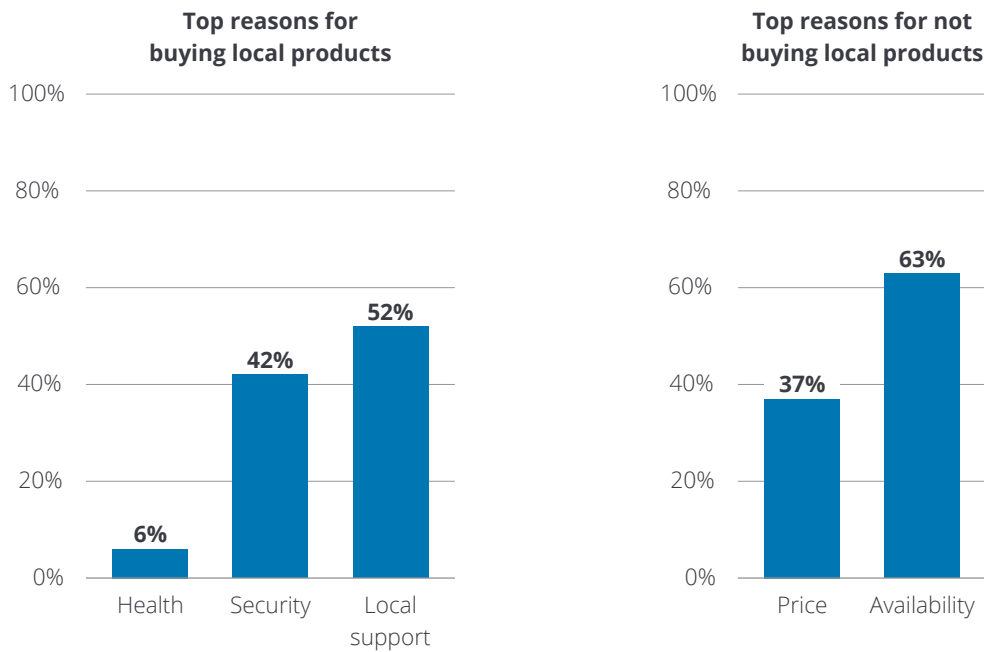
It was no surprise to see a correlation of local consumption with rising income. The trend of younger consumers increasing their share of buying local products both during and after the crisis could also be confirmed with 65 percent of all respondents under 45 years old buying more local products and 40 percent saying they will even increase purchases in the future.

Of all respondents who intend to increase their consumption, health and the support of local manufacturing are the two dominant reasons they gave for buying local products in the future. A lack of regional availability as well as higher prices explain why people are not going for these products.

**Fig. 25 - People were asked how frequently they will buy local products in the next 12 months in comparison to their consumption before the crisis (N = 2007)**



**Fig. 26 - Depending on their previous answer, people were asked the main reason why they will buy more or fewer local products (N = 2007)**

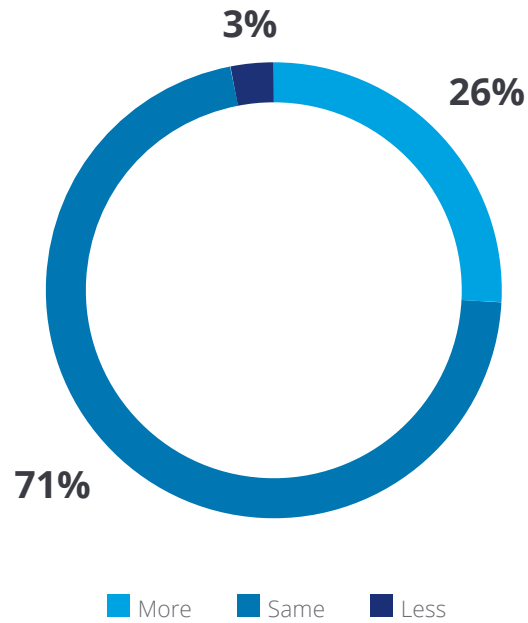


**Products/services from local/regional retailers**

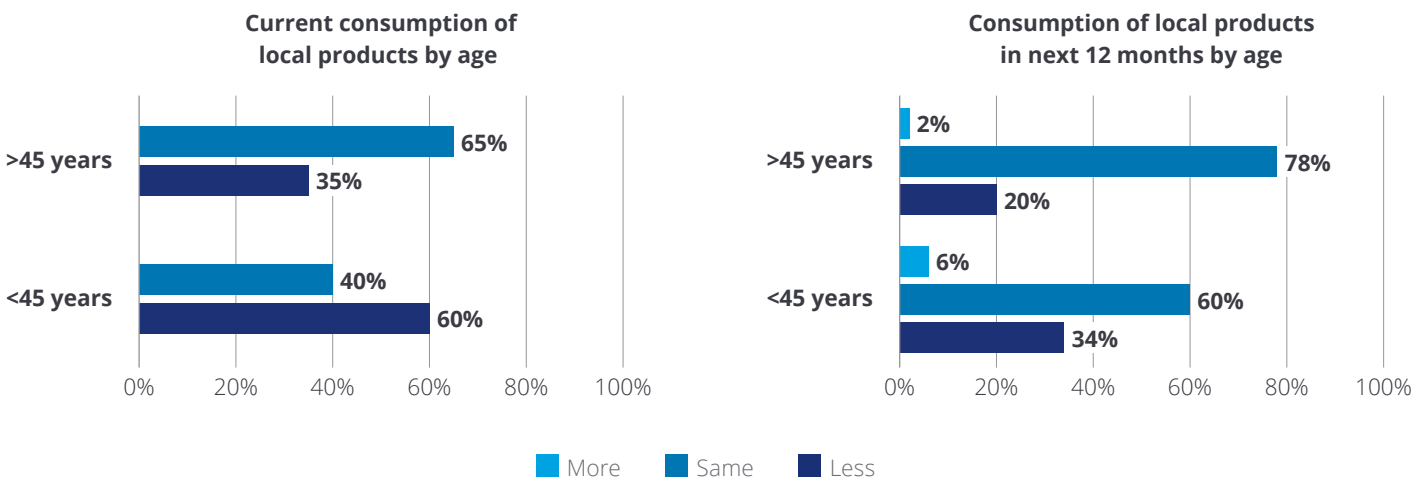
A similar trend to buying locally manufactured products exists for buying at local/regional retailers and stores, which are becoming more popular among consumers. Consumers are driven by economic reasons to support small retailers, the local community and the availability of local products.<sup>12</sup> Sustainability is one of the most important trends experiencing a special rise among younger customers who are not only “demanding sustainable retail”<sup>13</sup> but are also considering sustainability and local origin a “shopping priority”.<sup>14</sup>

In parallel with an increasing demand for locally manufactured products, 70 percent of respondents are buying at local shops during the crisis with more than 90 percent saying they are going to maintain or even increase their consumption of locally produced products.

**Fig. 27 – People were asked how frequently they will buy from local shops in the next 12 months in comparison to their consumption today during the crisis (N = 2007)**



**Fig. 28 – People were asked how frequently they buy from local shops today during the crisis and in the next 12 months in comparison to their previous answer, filtered by age (N = 2007)**

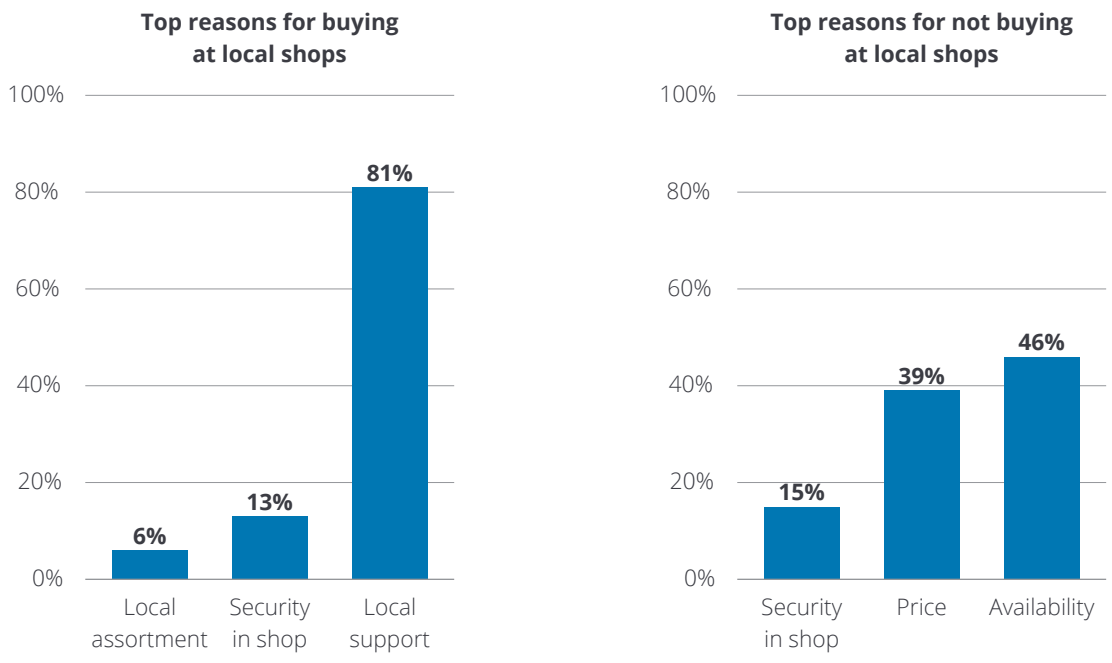


Younger consumers are picking up local shopping and intend to increase that consumption pattern in the future, whereas it can be assumed that older consumers already had a higher level before the crisis.

The dominant reason respondents gave for why they intend to increase their consumption is to financially support the local shops and communities, whereas a lack of availability and higher prices were named

as reasons why consumers are going to larger retailers and chains. It is interesting to see that there was no homogeneous opinion about security and shop size, with 13 percent of all respondents expressing more trust in local shops and fewer people visiting, while 15 percent say they believe that small shops cannot be controlled properly in terms of security standards to reduce infection risk.

**Fig. 29 – Depending on their previous answer, people were asked the main reason why they will buy from local shops (N = 2007)**



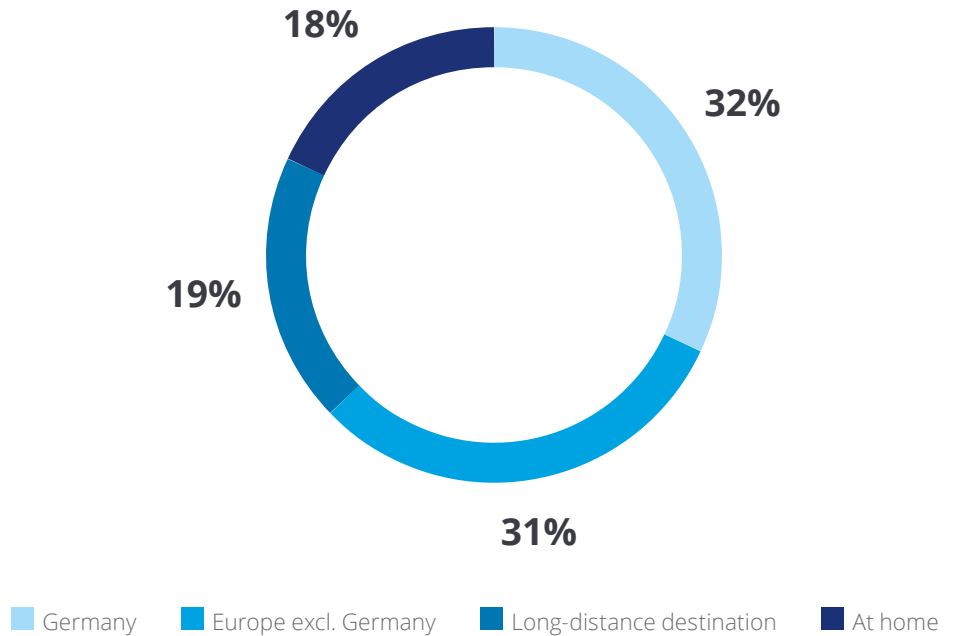


**Vacation/Travel Locations**

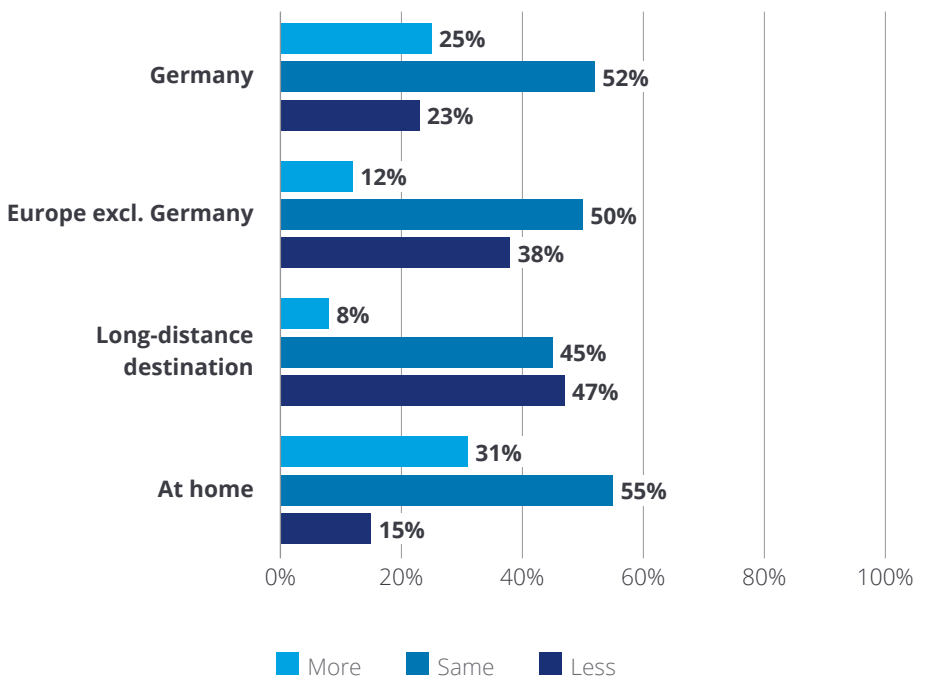
Throughout the past years, the trend of spending holidays at home was rapidly increasing. According to past studies, in 2020 up to 59 percent of all Germans intended to spend their holidays within their home country.<sup>15</sup> This trend was confirmed by our respondents, of which half have spent their holidays in Germany and 18 percent even stayed at home. Younger travelers are especially becoming more conscious about their spending and environmental footprint, with 36 percent of all travelers spending time in nature<sup>16</sup> outlining a trend for holidays in the local mountains and at the coast.

However, how are destinations going to change in the future? It is not surprising that the vacation trend in Germany is further accelerating, but staying at home seems to be becoming a well-considered option.

**Fig. 30 – People were asked what holiday locations they had picked before the start of the COVID-19 crisis (N = 2007)**



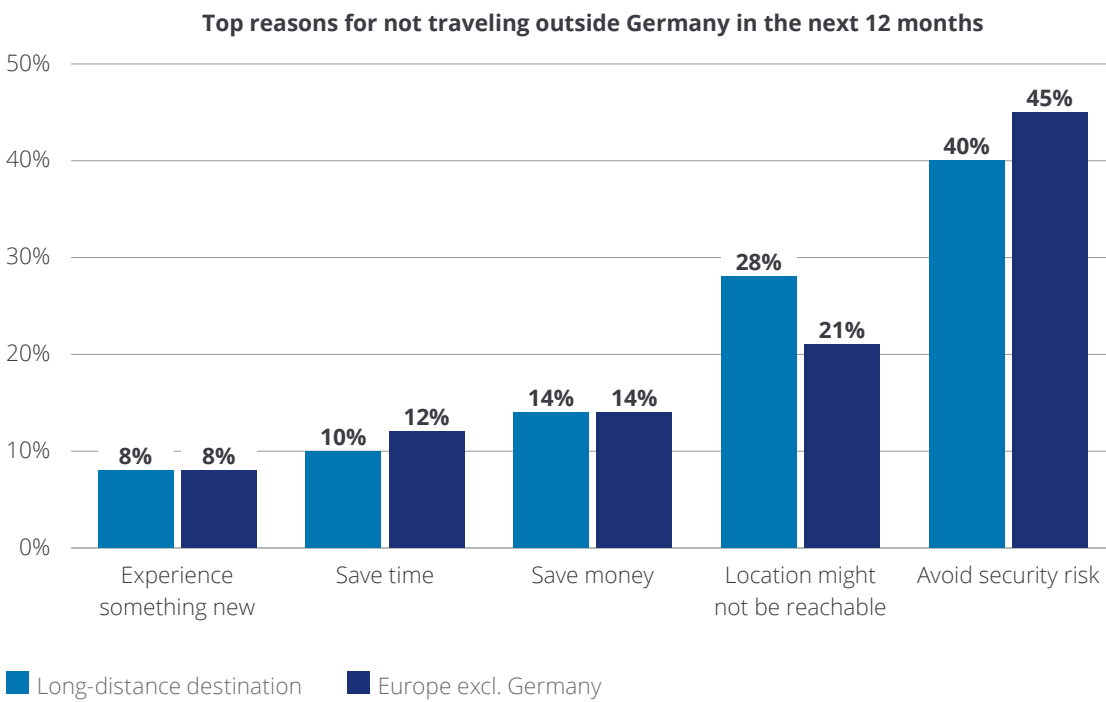
**Fig. 31 – People were asked how frequently they will pick a holiday location in the next 12 months based on their previous answer (N = 2007)**



Looking into the underlying reasons for not traveling outside Germany in the future, besides avoiding security risks, the insecurity that a location can be reached as well as financial concerns play an integral role. Lower income classes show an increased significance of these reasons for not travel-

ling outside of Germany. The predominant reason for 20 percent of travelers still willing to visit European and long-distance destinations is the desire to catch up on a trip that they could not take during the crisis.

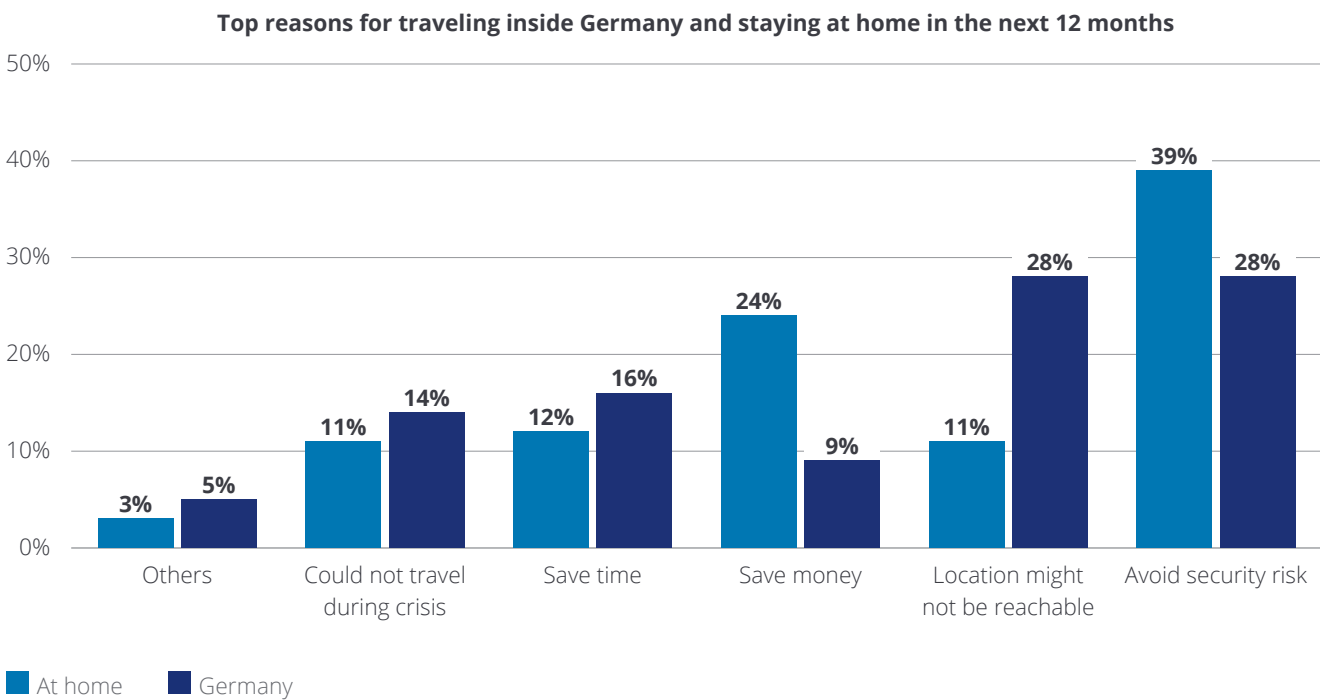
**Fig. 32 – People were asked why they would decide not to travel outside Germany in the next 12 months (N = 2007)**



Looking for reasons why people prefer traveling inside Germany or even staying at home does not give a surprising result: avoidance of security risk, ensuring that destinations are reachable and saving money. Thereby, travelers who prefer staying at home during their holidays are especially

driven by financial and security reasons. Saving money (31%) is the most relevant reason for lower income classes to stay at home for vacations after COVID-19.

**Fig. 33 - People were asked why they would decide to travel inside Germany or stay at home in the next 12 months (N = 2007)**



## Data security and privacy still more important than convenience

### Proposition: Data privacy vs. convenience

#### Proposition

As consumers are required to use more digital solutions for increased flexibility, convenience and connectivity at home, they are expected to change their former strict view on sharing personal data in Germany.

The last consumer contradiction deals with the topic of personal data privacy. The growth of digital channel sales and services has also increased the demand on consumers to share their personal information. In a multi- and omni-channel world where the goal is creating a holistic consumer experience, it is essential for companies to collect information. Consumers demand more and more individualized products and services requiring companies to filter relevant sets for each consumer. Personal data, member accounts and opt-ins enable companies to contact consumers and generate individualized offerings and prices. Hence, data is collected to increase the convenience for consumers and to make interactions more personalized. However, there is still a long way to go before companies can provide a seamless and totally personalized experience for each consumer.

The overall development direction, however, is more regarding data privacy and less about sharing of personal information. The megatrend toward security and the awareness of private data security has increased among consumers. In Germany, data privacy is an intensely discussed topic as consumers still seem to value personal data over convenience of services and offerings in the online and offline channels. Still, about 34 percent of German consumers think personal information is not safe in the internet (Statista, 2019). There are several reasons for this fear of German consumers including the increasing awareness of data security and consumer privacy (e.g., DSGVO, Facebook scandal, investment in Cyber security, etc.) as well as the rising knowledge of consumers about data rights and usage. Additionally, German-specific data issues can be observed in the COVID-19 crisis with the intensely discussed implementation of a tracking app for infected people and potential chains of infection (SueddeutscheZeitung, 2020). The personal data security feelings also differ greatly between age groups, with younger consumers in general being more willing to share personal information in order to receive individualized product offerings and services. Younger consumers value the cross-channel convenience more than older consumers.

### Personal information sharing

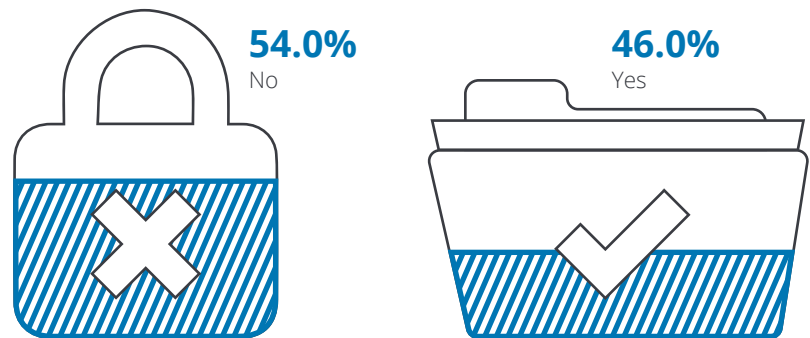
The current restrictions on nearly all offline sales and service channels force consumers to go online. As already mentioned, most consumers in Germany are often not willing to share personal information with companies. In the representative study, 46 percent of participants stated they agreed to the use of private information more often during the COVID-19 pandemic.

Figure 34 supports the trend toward a higher willingness to agree to data use for an increased sales and service experience across channels. The COVID-19 crisis seems to have accelerated the trend toward more private data sharing by consumers. However, for the 12 months after the pandemic, 80.5 percent of respondents say they will be going back to their old behavior. More than 10 percent will increase their agreement and nearly 9 percent will even reduce their agreement on the use of private information.

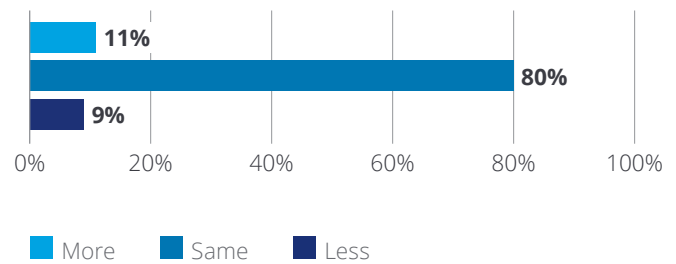
The main reason why consumers do not want to agree to the use of private data is that people still do not want to share personal information with companies. Still, it is not expected that people will retrieve their consent from apps and software they are currently using as seen with video chat providers such as Zoom. Furthermore, the current development is a forced trend as consumers can often only use digital channels, which require the agreement to the use of personal information.

It can be concluded that German consumers will not significantly change their behavior regarding personal information based on the survey results. The current trend is mainly forced by the closure of all offline channels and will not have a major lasting effect. The digital customer expert from the Commerz Bank, Aydin Sahin, also confirmed this finding stating, "The agreement to the use of personal data has not changed in the coronavirus crisis." Therefore, the proposition does not prove to be right, and most German consumers will keep their high reluctance to share personal information with companies.

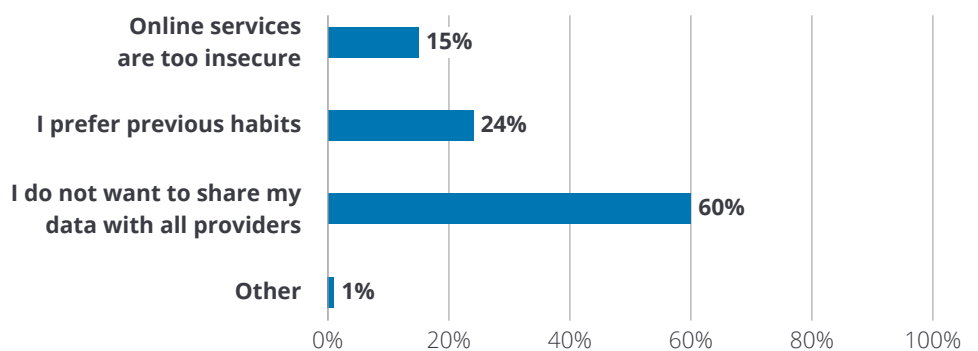
**Fig. 34 – Do you agree to the storage, use and processing of personal data more often during the COVID-19 crisis? (N = 2007)**



**Fig. 35 – Will you agree to the use of private data more often in the future than before COVID-19? (N = 2007)**



**Fig. 36 – Why do you think that you will agree less to the use of private data in the future? (N = 2007)**



# Key takeaways

## Findings across propositions

Besides the findings in each proposition, the study also points out effects across all propositions that relate to the sustainability and drivers of change, the demographics of survey participants and the long-term effects on companies. In so doing, it becomes clear that the COVID-19 crisis affects different groups of people to varying degrees in the short and long term.

### Section 1: Sustainability of change

The results show that the COVID-19 crisis causes strong shifts in consumer behavior across almost all segments. These changes are either short-term and forced by new regulations or long-lasting and triggered by restrictions. The crisis forces consumers to change their habits and ways of living in nearly all aspects of life including travel, shopping, sports and meet-ups with friends. Most of these changes (e.g., the increase in online shopping of medicine) are related to forced restrictions and will show a decreasing effect after the major phase. However, some of the changes (e.g. purchases at local traders) give consumers the opportunity to experience benefits they did not see before. Those changes are here to stay.

Indeed, most consumers expect the crisis to have a strong effect on their behavior with a decrease in the magnitude of change after the crisis. Expressed in numbers, shifts in consumer behavior after COVID-19 lie between 25–50 percent of the shift during the pandemic. Digital sports programs,

for example, show an increase in usage of about 20 percent during the crisis. Ten percent of the consumers say they will continue to use the programs frequently after COVID-19. Although this is a visible decrease in usage, up to 50 percent of the extraordinary and forced shift in consumption will stay beyond the current crisis and have a long-term effect on consumer behavior.

### Section 2: Differentiation by demographics

In addition to the sustainability of change, the survey revealed another fact across all propositions. As shown in Figure 37, the survey revealed that the consumption of the products and services mentioned varies with age and income. While households with a lower income do not show major changes in habits during the COVID-19 crisis, households with a higher income demonstrate bigger shifts in behavior. The explanation behind this pattern relates to behavior before the crisis. Lower income households mostly did not travel outside of Germany, used more public transportation than sharing offerings and consumed more at home. Consequently, the forced restrictions did not affect these lower income households as strongly as households with a higher income.

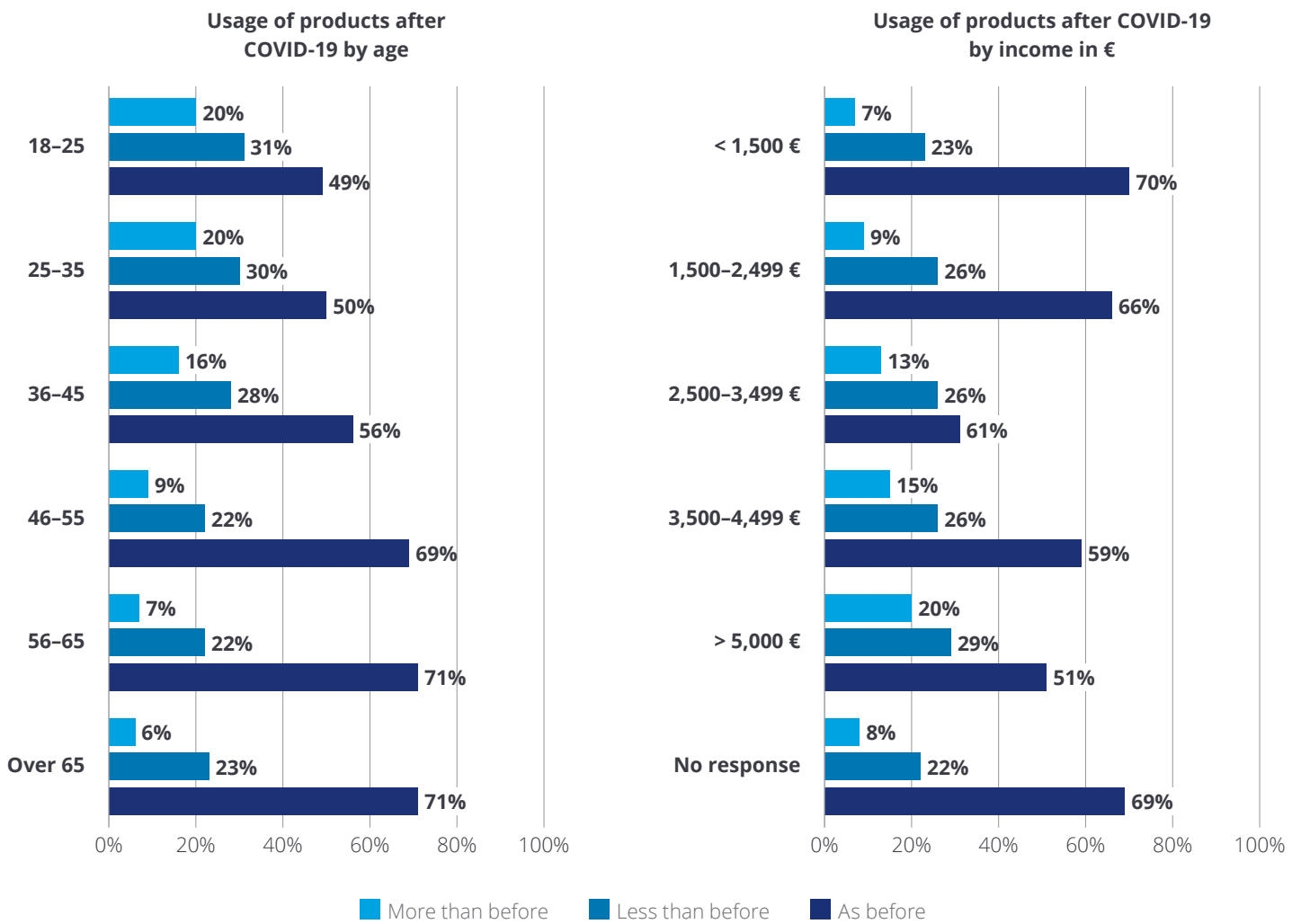
Furthermore, respondent age as a demographic aspect shows a big effect in the survey results. The most recent examination of COVID-19 infections and deaths suggests the virus is most dangerous for

older people. This news is reflected in the current behavior of young consumers, who miss social interaction and activities during forced restrictions. They plan to increase their consumption after the crisis because they say they want to live their lives in full again. Thus, younger generations seem likely go back to “old habits” of shopping, enjoying their meals outside of the home and exploring new places while traveling. Some experts even consider a future “overcompensation of lost times” by young people that might cause a strong shift toward all the activities people are not able to perform during the COVID-19 crisis. In contrast, older generations, being part of the risk group, fear the infection risk in public places and restaurants. Therefore, older people will change their way of consumption and will return to “old habits” only when the risk of infection is mostly eliminated.

### Section 3: Driver for change

COVID-19 caused the lockdown of countries worldwide and led to changes in consumer behavior. The driver for all these changes is major security concerns. Countries fear the fast distribution of the virus spreading by droplet infections. To reduce the increasing velocity of COVID-19 and to protect the capacity of their health systems, countries enforced a reduction of personal interactions and movements. These measures are the leading driver for all shifts in consumer behavior and will not only have an impact during but also after the lockdown.

Fig. 37 – Effects of demographics on long-term behavioral changes after COVID-19.



### Implications across industries

Certainly, the COVID-19 crisis will have future implications for all industries. Many consumers will show increased health concerns, an aspect all companies need to consider when setting up their business model. The health megatrend is gaining importance, and people will consider infection risk as an essential part of their consumption decisions. Consequently, companies will face higher demand for personal care, home care and in particular hygiene products after the crisis. This fact is supported by the survey, which indicates that demand for hygiene products will not stay as high as during the crisis but will remain at a much higher level than before the crisis. This means that companies need to understand their customers and their changed demands even more. In contrast to recent years, the relevant question will not be how consumers buy, but instead what and where they buy. Companies will need differentiated client strategies to be able to cover consumer needs.

This is clearly demonstrated by Figure 38, which gives an overview of how the COVID-19

crisis affects different industries. Based on the degree of change in product offerings and the impact on business abilities, industries are divided into four categories: the change hero, the wave surfer, the restructurer and the redefiner. Change heroes are industries that perceive a strong positive COVID-effect on their business ability and manage it at the same time, adapting their product offering radically to the current situation. Industries in this category include food delivery platforms, which by now offer a new way of delivering food – contactless – while profiting from the strong increase in online orders. Another category, the wave surfer, describes industries that perceive positive effects from the crisis regarding their business abilities. In contrast to change heroes, however, wave surfers do not have the need to change their offering drastically. Industries such as banking belong to this category, profiting from the current “wave” of contactless payments and online banking actions without major efforts. Restructurers do not have the option to enjoy the changes in behavior. Industries in this category are negatively affected by the crisis while their

product offering stays the same. Exemplary for this category are print media, which must restructure their business and build a cost-efficient structure to be able to exit the crisis and have a positive expectation about their “old habits.” Finally, the redefiner describes industries with a strong negative impact on business abilities and a high change in product offering. Tourism and food service are industries belonging to this category, and they not only need to restructure themselves but also need new offerings to overcome the crisis. Food services have started to offer carryout while tourism starts to promote domestic travel and sell vouchers for future trips.

It becomes clear that all categorized industries need to take different measures to exit the crisis in the best ways possible. In so doing, they need to consider that the way back to normality might be a very long one, especially for companies in the restructurer and redefiner categories, which need to set up the right strategy and a stable, cost-efficient structure to survive.

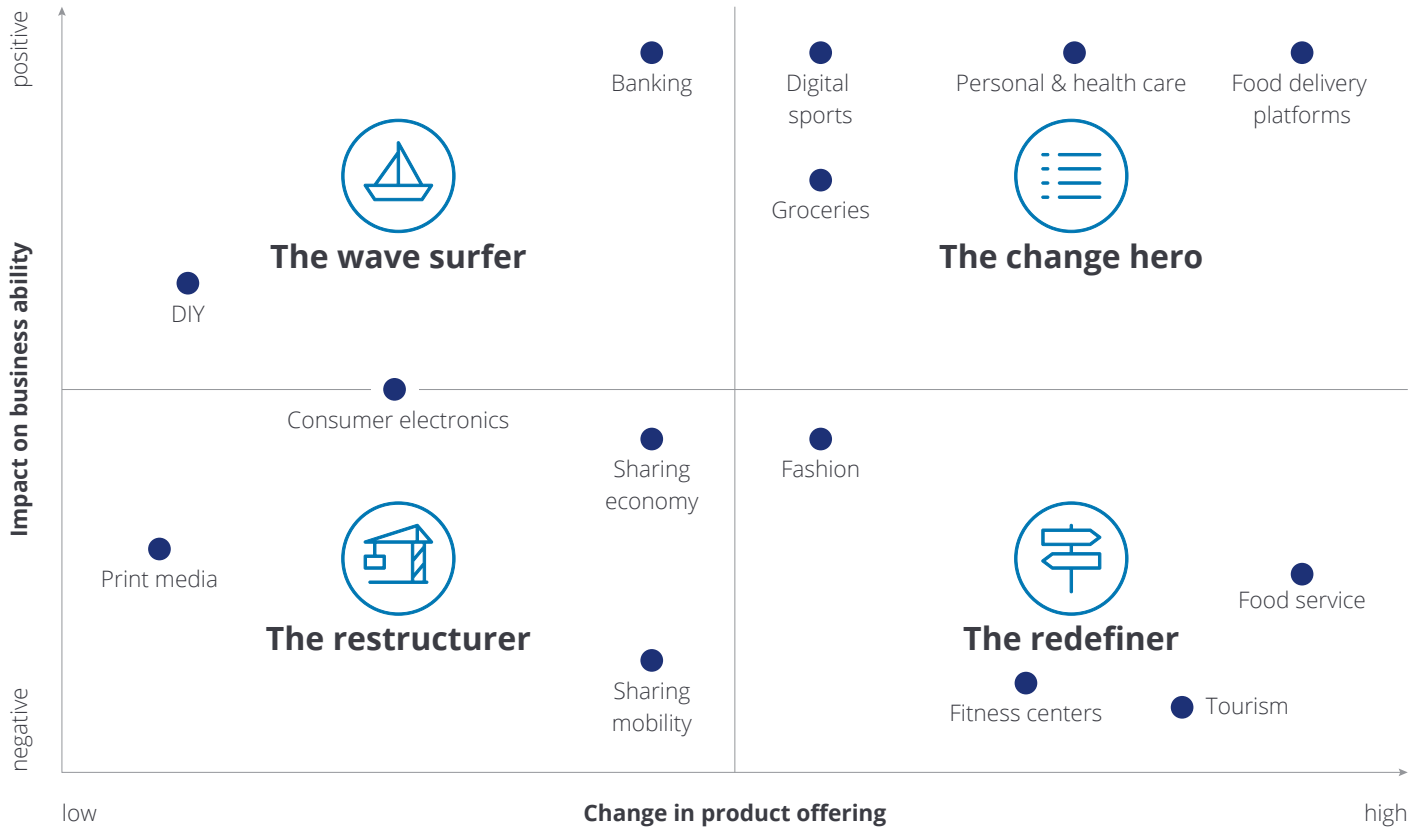


“Some companies find themselves in a catastrophic situation. Particularly in the hospitality and fashion sectors, we will be observing large adjustments and insolvencies in the upcoming year. The effect from COVID-19 is here amplified by the fact that some companies had been unhealthy and unprofitable for years before the crisis hit.”

**Ulrich Spaan, Senior Vice President of EHI Retail Institute**



**Fig. 38 – Categorization of industries regarding effects of COVID-19 (Source: Monitor Deloitte expert interviews)**



**Summary**

In conclusion, the study gives important insights into the short- and medium-term effects of COVID-19 on consumer behavior in Germany and identifies significant shifts because of the COVID-19 pandemic. Five main propositions of consumption were examined and evaluated. A clear trend towards higher usage of online and digital channels for shopping, payment and services can be derived from respondents' answers and expert knowledge. Secondly, the study reveals a trend toward locally manufactured products, local retail stores and holidays in the local area. In addition, it identifies a new focus on ownership: Demand in sharing offerings of all areas (mobility, homes, or travel accommodations) sees a decline because of the restrictions caused by COVID-19. The study also shows that the current restrictions in the pandemic force consumers to move from out-of-home to in-home consumption,

an effect that will influence many industries, especially ones related to sports and events. It also leads to an increase in usage of meal delivery platforms on the one hand as well as a rising demand for digital services to connect with friends and family on the other. Finally, data security and privacy are still important in times of COVID-19 for German consumers. They are not willing to give up parts of their privacy to be able to fully utilize digital services. The study helps to quantify shifts in each sector based on representative data and thus gives a numerical indication of future consumption. Companies must be able to adapt to the consumption shifts and understand their customers in-depth, fulfill their needs and create lasting competitive advantages. This will allow firms to manage the crisis successfully and profit from current and future developments.

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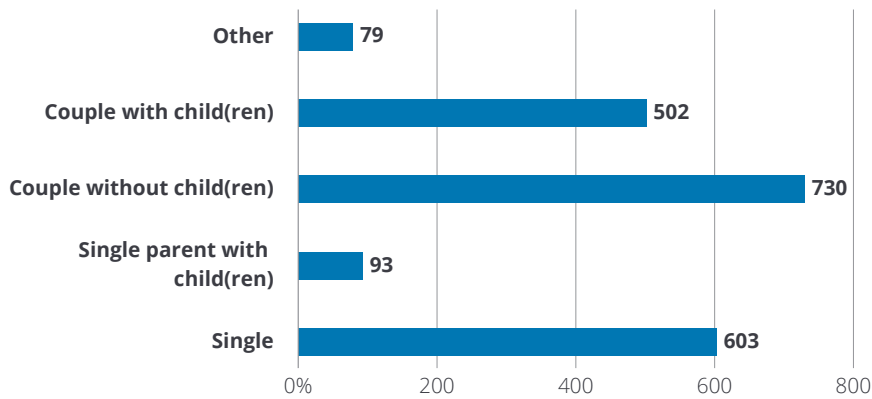
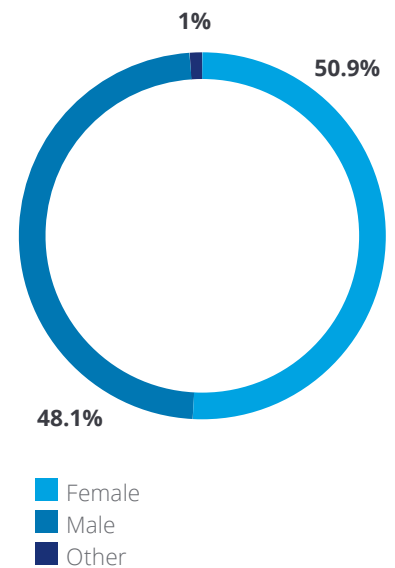
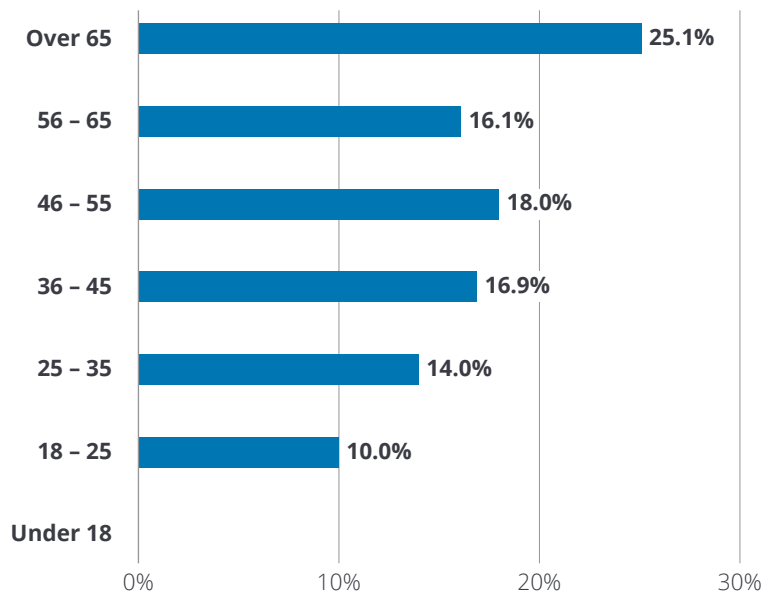
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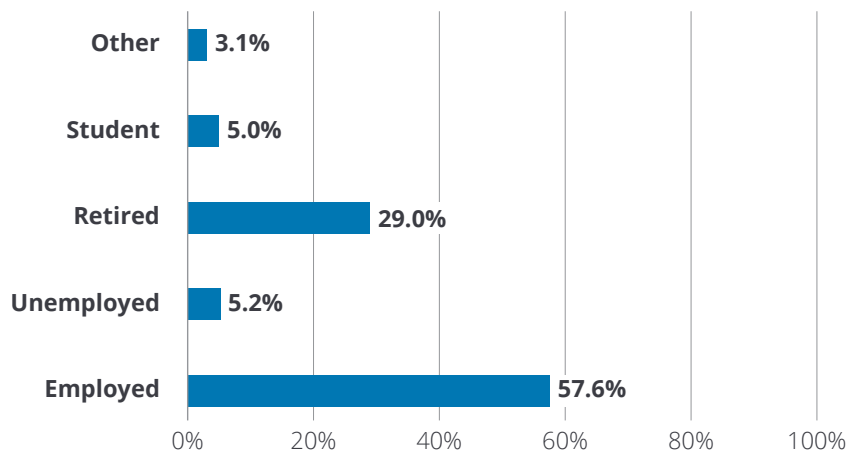
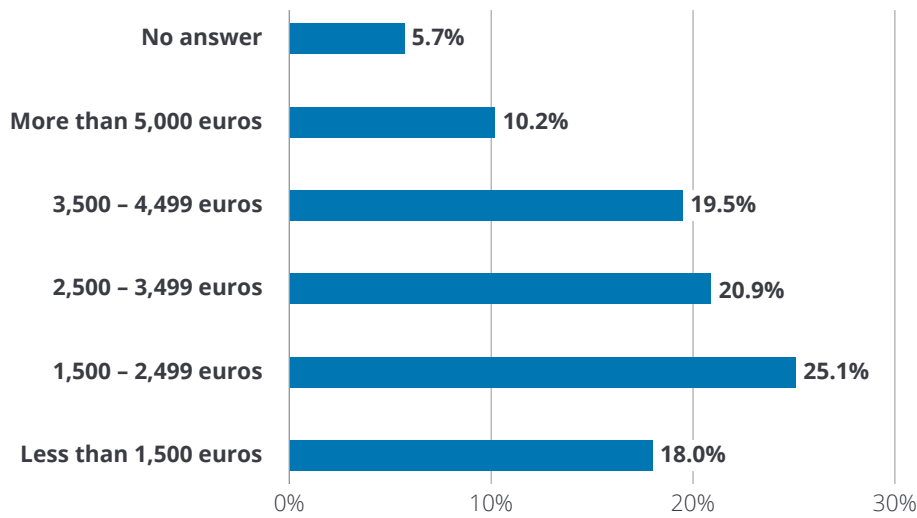
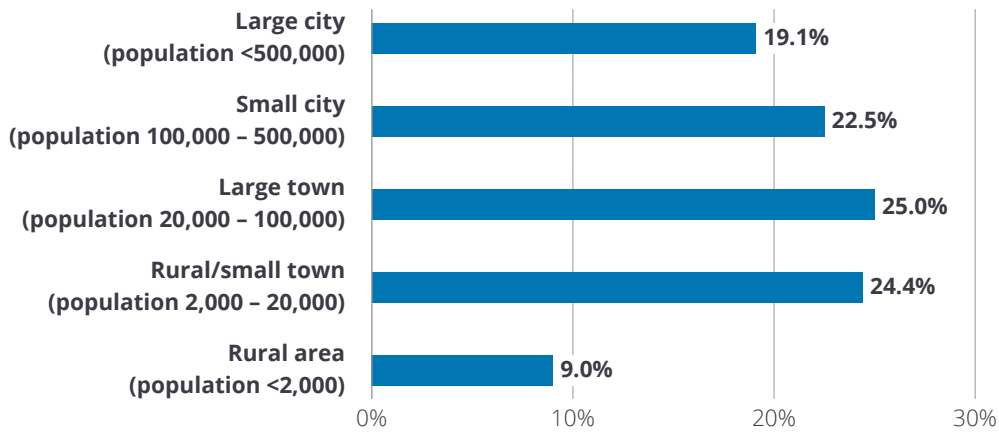
# Endnotes

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# Appendix

## Study demographics





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