

# How the coronavirus is changing the way we shop

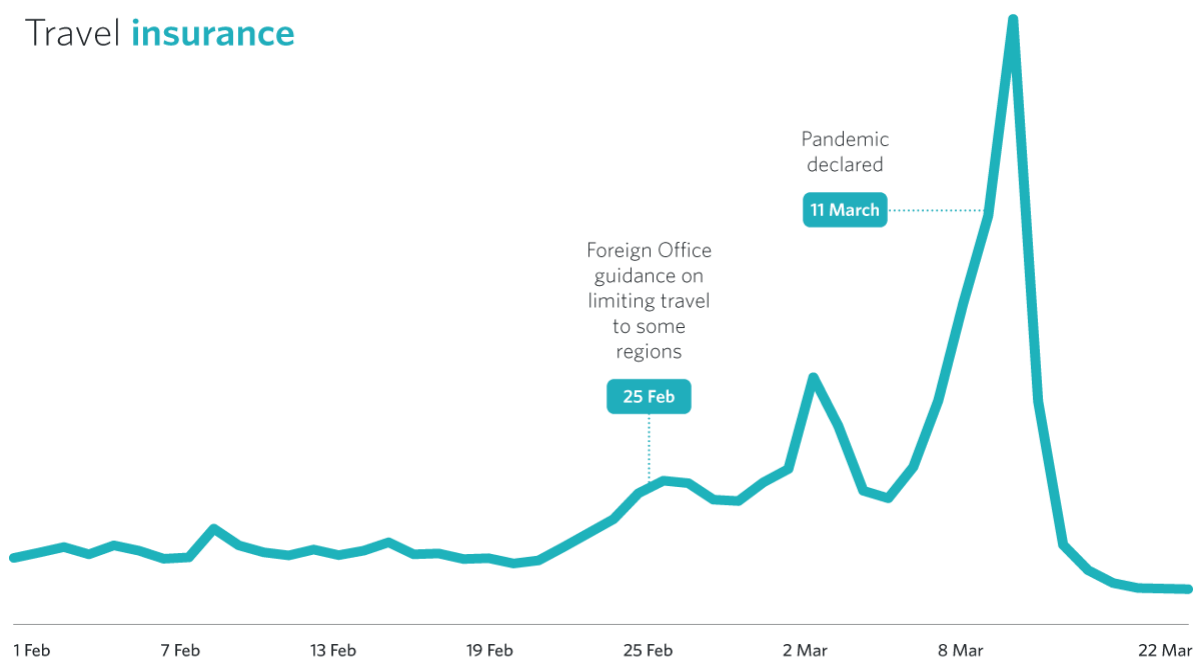
Affiliate marketing research from [Awin.com](https://www.awin.com), March 2020

It seems like the world that we know has been turned upside down. Panic buying, the travel industry in freefall and global lockdowns are the new normal. Such changes filter through into every facet of life, not least consumer buying habits.

How has the disruption caused by the coronavirus manifested itself in the affiliate programmes we manage? Using data from more than 3,000 advertisers, we assessed their performance in March 2020 and found the following ten trends.

## 1. Travel Insurance hits a peak before falling to single digits

### Travel **insurance**



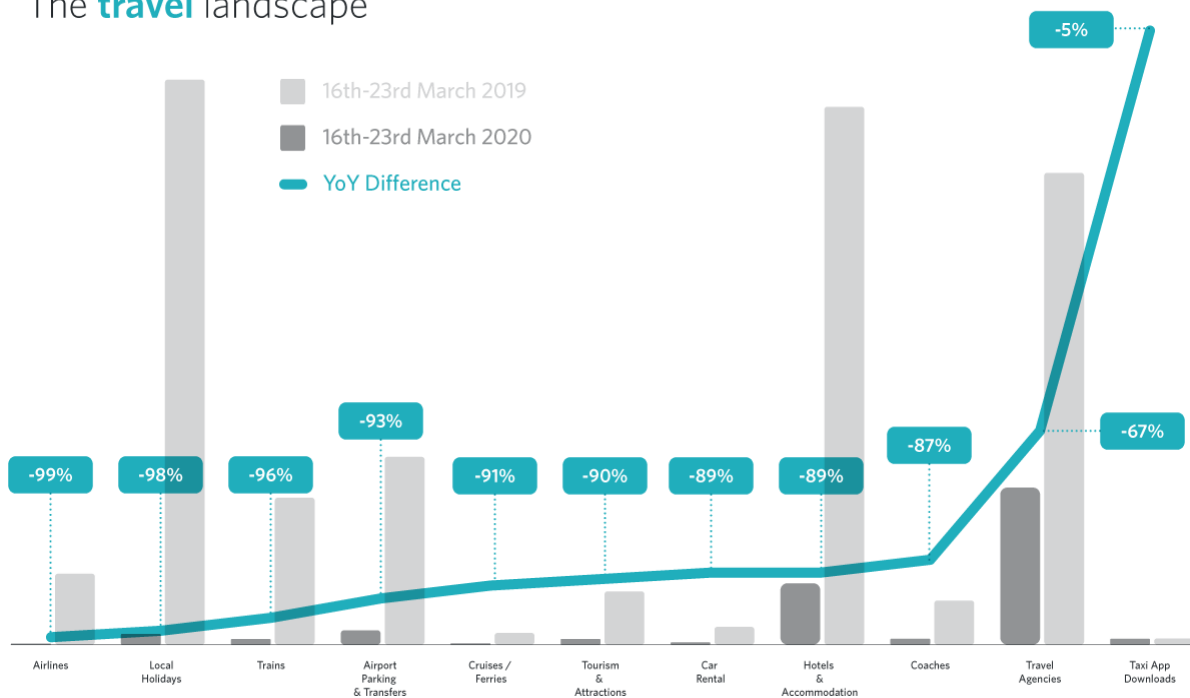
The first case of COVID-19 was reported to the World Health Organisation on New Year's Eve 2019. However, once the virus spread to more countries, governments started issuing more forceful advice against travel from the end of February 2020. As a result the travel insurance sector saw a steady rise in sales as consumers protected their upcoming bookings.

As more countries began to close borders and airlines cancelled flights, we saw rapid acceleration in growth. The WHO declared a pandemic on the 11<sup>th</sup> March and Europe as its epicentre two days later. Once the pandemic was official, future policies no longer covered cancellations linked to pandemics. Combined with the fall in travel, many insurers have now stopped advertising their products and the sector now sees sales in the single digits.

## 2. Travel bookings decline whilst 'book to stay' dates increase

It will be no surprise for anyone to learn the whole travel sector has seen dramatic declines. Airlines and local holidays have taken the biggest hit, down 98% on last year as consumers were asked to 'refrain from all unnecessary travel'. Travel agencies and taxi application downloads have seen less of a decline, -67% and -5% respectively when compared to the previous year.

### The **travel** landscape



Data from one travel agent shows that whilst the total number of bookings are down by 70%, customers are still making bookings, looking at holidays further in the future. The time between booking and stay date increased by 33% in terms of number of days compared to the same period last year.

## 3. People need home entertainment

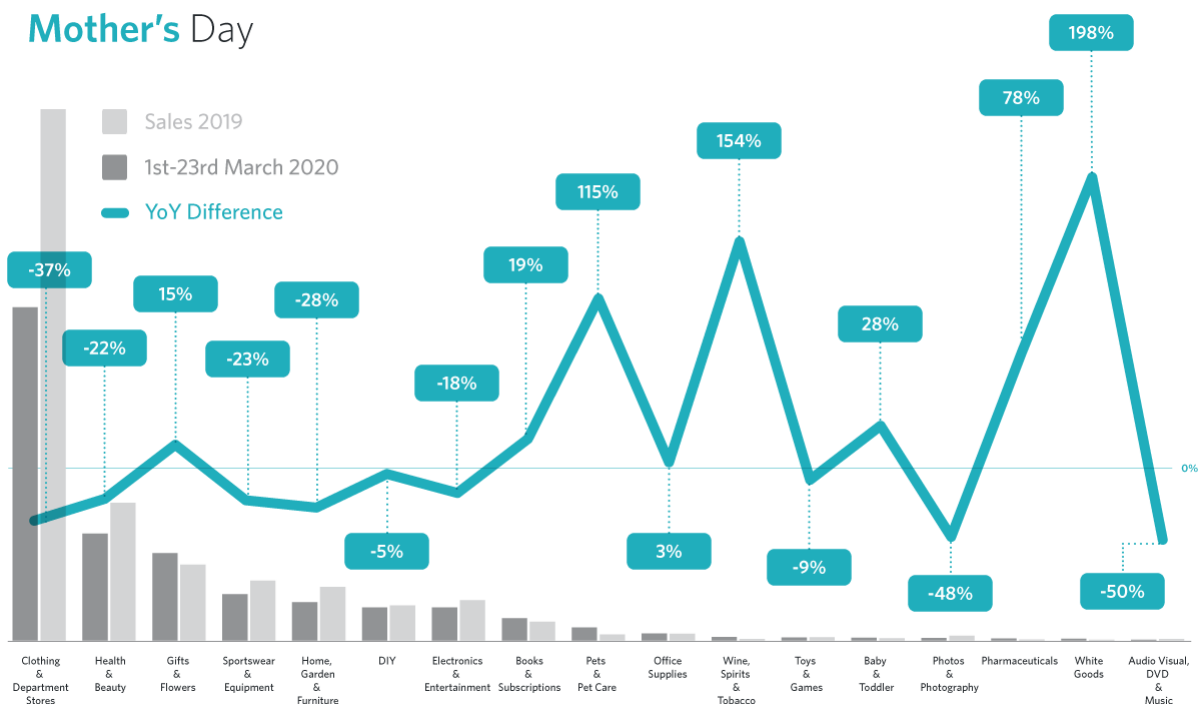
Online entertainment services are booming. Awin data shows digital TV orders and Video On Demand are up 174% versus the same few days the previous year, and online gaming is up a huge 237% year on year.

On a smaller scale there has been a significant increase in terms of consumer demand. We have seen books and subscription sales online up one-third, PC and video games are up one quarter and electronics, gadgets and electronic accessories are up 11% versus the same period in March 2019.

#### 4. Happy Virtual Mother's Day

Mother's Day fell in late March in the UK this year and, for the first time, people were advised to not visit the one person the day was designed for. However, consumers' love for their mothers was undampened by such restrictions and Awin saw Gifting and Flowers sales up +15% YoY, taking third spot in terms of the volume of sales generated across all retail sub-sectors.

#### Mother's Day



As well as gifting, many Awin families took to having virtual calls and even Sunday dinners together through many social media and group-calling apps allowing us to stay connected to our families.

#### 5. Home work-outs become important to all

As countries began to take advice to work from and stay at home seriously, Awin saw UK sports equipment sales up 11% overall versus the same week the previous month.

Over the weekend of 20th to 22nd March, fitness product sales were up 53% versus the previous month, with the average basket value also spiking by 42%.

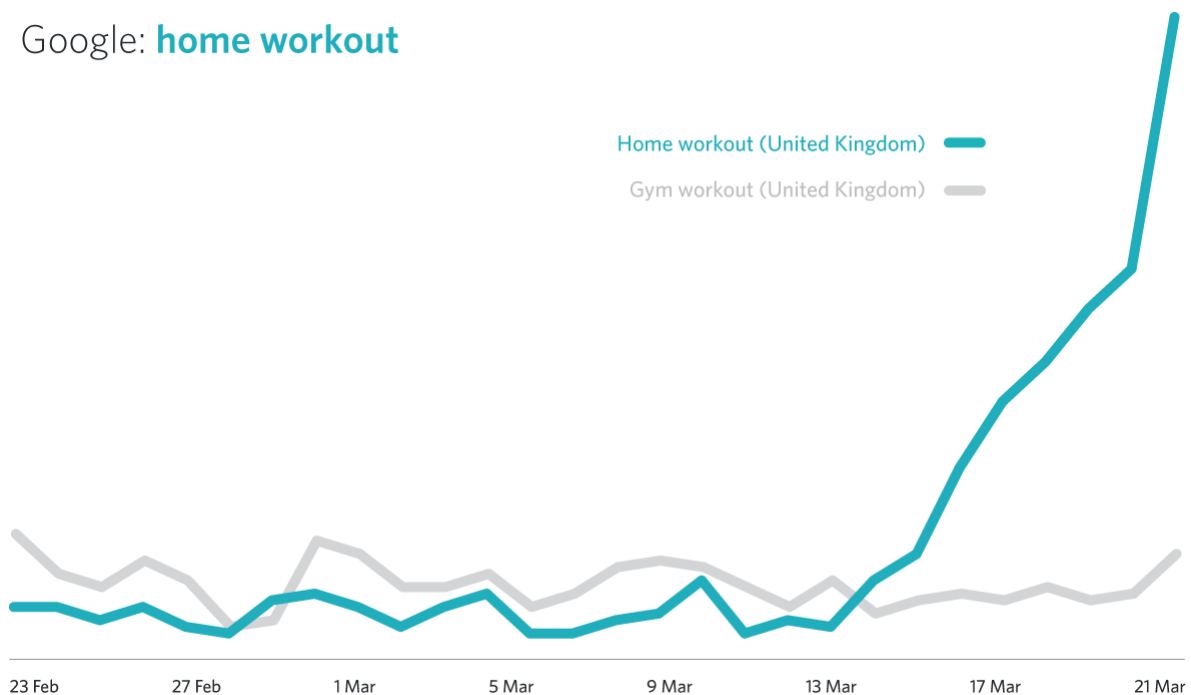
Those brands seeing the biggest increases in terms of number of orders, specialise in products including cross trainers, treadmills, exercise bikes, rowers and general strength equipment. Many of these brands are offering free home delivery, paired with alternative payment options like Klarna,

allowing shoppers to spread their costs across several payments. Many sites are now also experiencing some downtime as they process the influx in orders.

We have seen a surge in online content focused on supporting those staying at home who want to continue to work out as UK gyms are now shut, including The Body Coach, Joe Wicks, who has been running a live fitness class every morning at 9am on Instagram Live in a bid to be the ‘nation’s P.E. teacher’ as well as workouts tailored for seniors.

Looking at Google search statistics in the UK, we have seen a decline in ‘gym workout’ alongside a huge surge in searches for ‘home workout’. Queries for ‘home workout equipment’ specifically are up 90% versus the previous 30 days.

### Google: **home workout**



## 6. Store closures see brick and mortar retailers’ online orders soar

The lockdown has seen the closure of numerous physical stores that do not sell ‘essential items’. However on the weekend prior to the announcement, we saw some well-known department stores, clothing and beauty brands take matters into their own hands, protecting their staff and customers, and shutting earlier than requested.

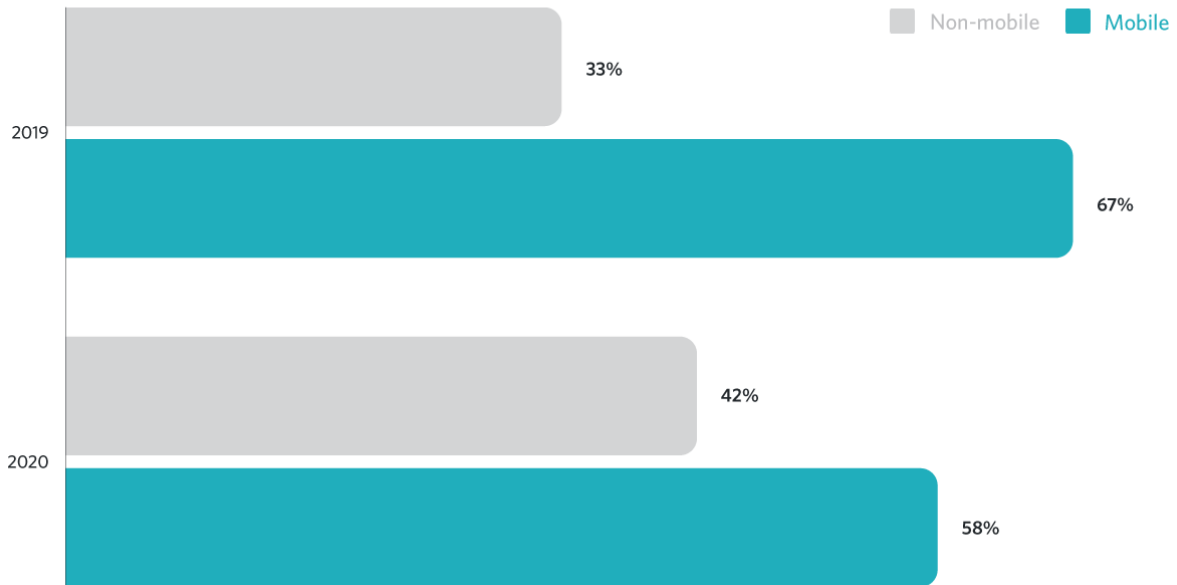
For those retailers, it looks like the decision paid off and consumers continued to support them online.

From Friday 20th through to Monday 23rd, Awin saw the general online traffic for department stores, clothing and beauty brands down 6% versus the same weekend in 2019. However looking at a handful of those high street stores that decided to close early, Awin saw traffic to these sites increase 12% versus the same period the previous year.

## 7. Desktop gains traffic share

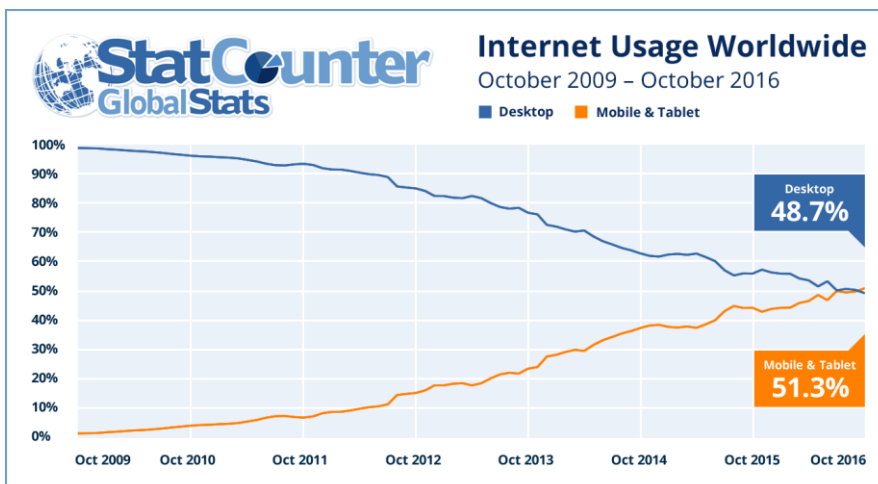
With people staying indoors, the proportion of traffic from mobile devices is beginning to shift to traditional non-mobile devices. From Monday 16th March 2020 to Monday 23rd March we saw the proportion of online traffic for non-mobile devices increase to 42% compared to only 33% in the same week the previous year.

### Proportion of traffic by device type



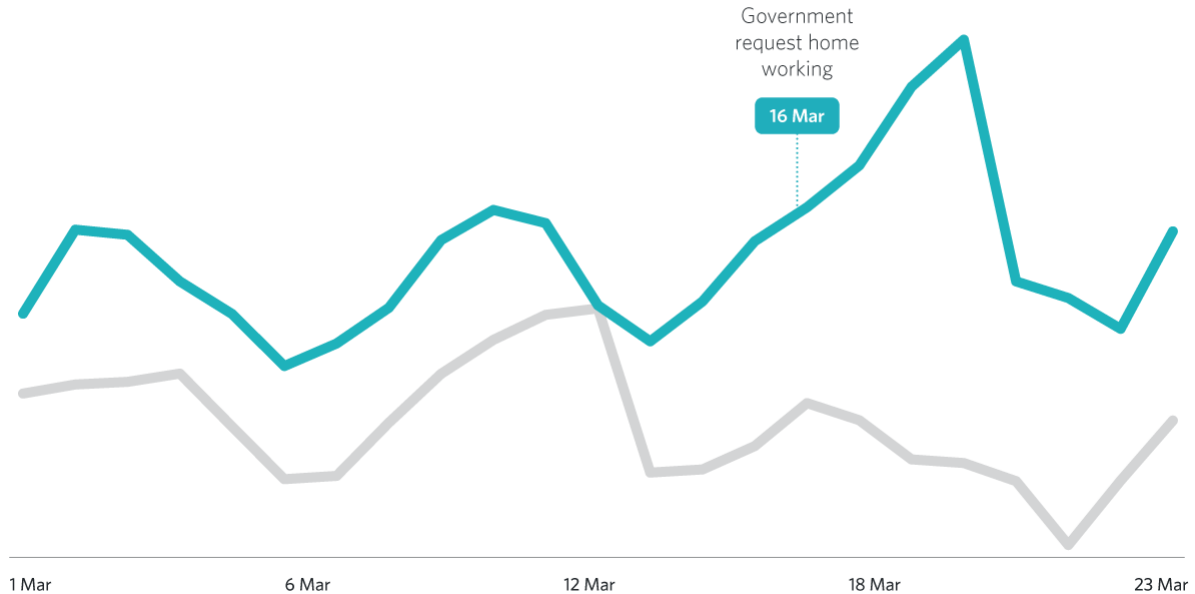
According to StatCounter, mobile and tablet internet usage overtook that of desktop back in October 2016 and has continued to take share from desktop and non-mobile devices right up until Covid-19.

Many brands have spent the last few years focusing on mobile-first websites and marketing strategies, including Google who started 'mobile first' indexing from July 2019. Will we see a shift back to the desktop consumer during this stay-at-home experience?



## 8. Broadband sales spiked with increased home working

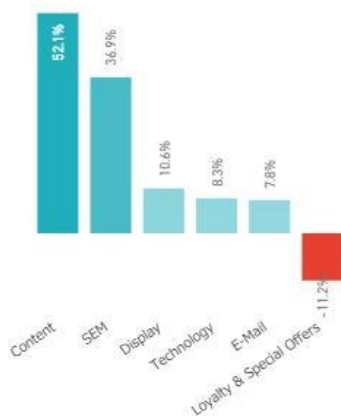
### Broadband market



March tends to be a relatively slow month within the Home Broadband space. Following the Government's request to stay at home, our data shows that this spurred many people to begin preparing their home for an increased reliance on the internet. The graph shows an instant increase in broadband sales, peaking on the 19th with over 4,000 customers switching providers, the biggest day in 2020 within the space.

However with a number of ISPs now looking at the impact on their operations teams and engineers, there may now be a bit of a slowdown and reduction in availability. Openreach, who power the infrastructure for most home connections in the UK, announced on 24th March they may limit the amount of engineering work undertaken which, in turn, could restrict any future switching. With that in mind we may see more of a push to plug-and-play solutions such as mobile broadband in the future.

Growth per Vertical



This spike was echoed within the publisher type data, which showed Content-focused publishers seeing the highest growth over the last week, a category which includes Comparison sites. Specifically Broadband Comparison websites saw very strong increases as customers increasingly searched for the best broadband deals.

This data also showed a decline in Loyalty and Special offers despite some cashback sites topping up rates by up to 60% on retail brands for premium members, and other discount sites hosting specific areas dedicated to NHS worker discounts promoting deals such as Vodafone's offer of no data fees for NHS staff online.

## 9. We are panic buying - and we all want food delivered

The issue of panic buying still persists. Supermarkets are opening with empty shelves as they can't re-stock fast enough, grocery apps have been shut down, new customers can't buy groceries online at all, and existing customers are forced to wait hours in virtual queues.

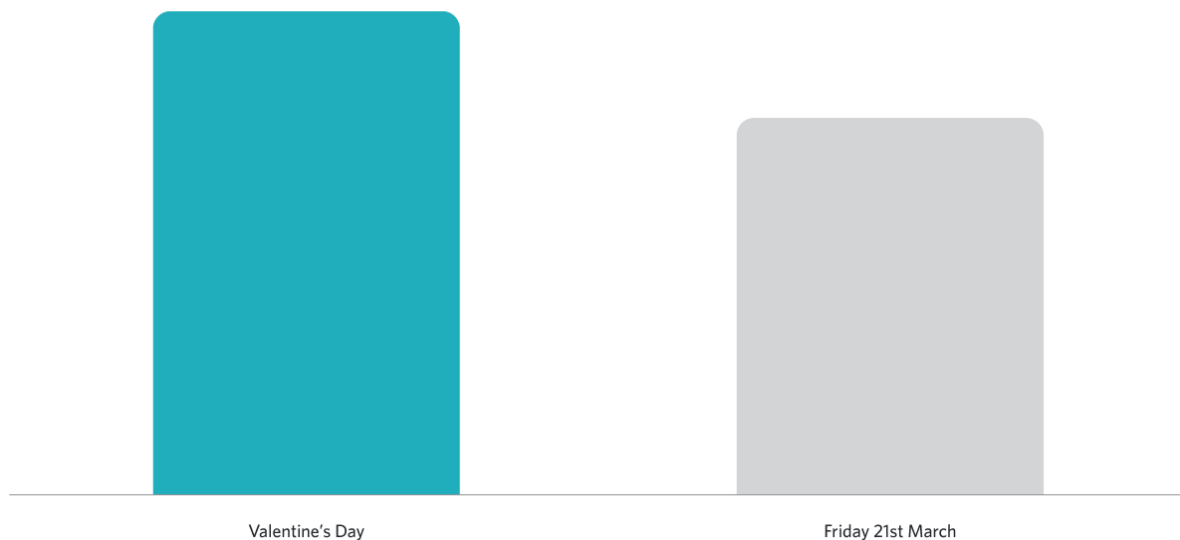
Awin data shows that demand has so far not quite reached the peaks we traditionally see over the Christmas period, however school closures corresponded with the largest increase so far.

When looking at takeaway food delivery the data tells a similar story. Local restaurants are flocking to Deliveroo and Uber Eats as well as others using B2B platforms to provide a direct delivery service under their own brand.

However, looking at key delivery brand data, Awin hasn't yet seen volumes over the past week to match the spike of Valentine's Day last month. Friday 21<sup>st</sup> was the largest day so far, but still 23% less than Friday 14<sup>th</sup> February.

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### Panic buying and food

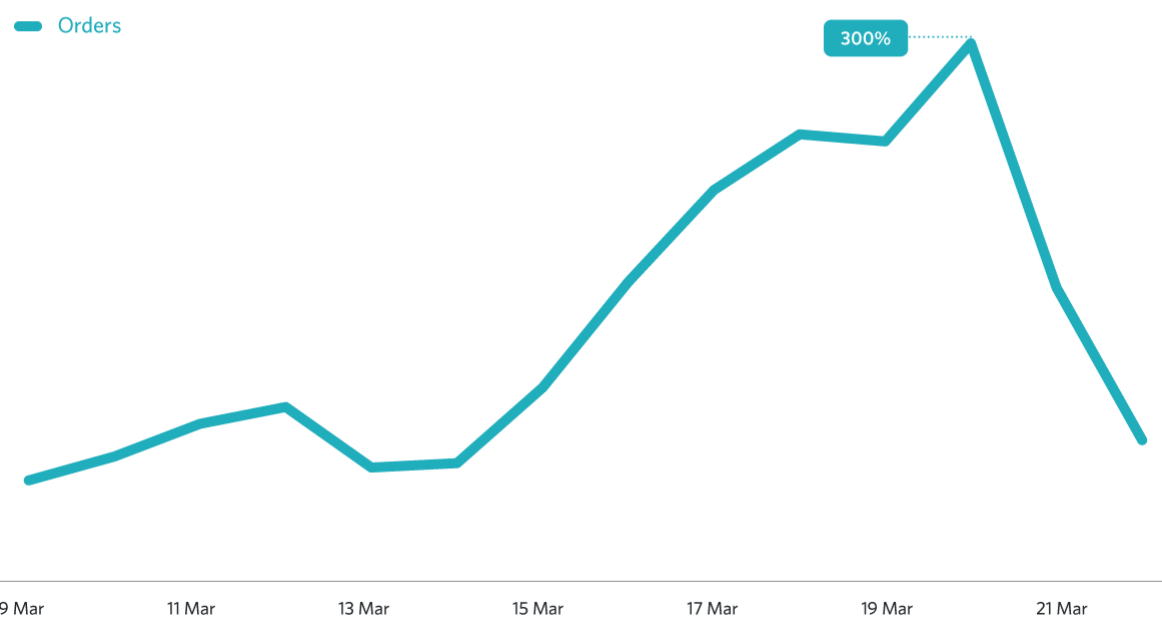


## 10. We all need a stiff drink

While we adapt to virtual socialising many of us are joining online social events such as concerts and plays as well as partying with friends and family on the newly trending app 'House Party.'

However the lack of face-to-face contact hasn't dampened our spirits for a weekend alcoholic beverage. Looking at the week commencing 16th March 2020 we saw the wine, spirit and tobacco sub-sector up a huge 371% compared to the same week in 2019.

### Wine, spirits and tobacco



As the nation was asked to stay home, paired with the shutting of all bars, pubs and restaurants, consumers began to stock up online. Friday 20<sup>th</sup> saw a 300% increase in orders of wine, spirits and cigarettes compared to the previous week. And, in a not entirely unrelated subject, one online pharmacy brand saw a 159% increase in condom sales through Awin the day that the pub closures were announced.

[Awin's global affiliate network](#) is powered by 15 offices worldwide, over 1,000 employees, 205,000 contributing publishers and 14,600 advertisers.

Connecting businesses with customers around the world across the retail, telecommunications, travel and finance verticals, Awin generated £10 billion in revenue for its advertisers and £706 million for its publishers in the last financial year.

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