We are pleased to present the findings of our annual comprehensive study of consumer activity in Russia.

It is our honor to share the results of Deloitte CIS’ annual Consumption in Russia survey, which we have conducted for a second year in a row. We expect that our findings will be useful for businesses as they develop strategies to serve current and prospective customers.

Over the last several months, the global economy has experienced sweeping changes with serious implications for consumers. Not only has the consumption structure changed, so also have the ways in which people consume goods and services.

Growing opportunities lead to an increase in consumer activity, while the overall economic slowdown decreases it proportionally; this is a scenario we have been able to observe and study since the outbreak of COVID-19 in 2020. In this survey, we have attempted to cover not only general consumer business trends, but also key changes brought about by the COVID-19 pandemic.

We are currently experiencing an anticipated slump in offline shopping for all categories of goods due to the epidemiological situation. According to our survey, only 39% of Russians feel safe inside a shop. Self-isolation has most heavily affected fast foods places, bars and restaurants, where there was a significant decline in customers. In contrast, there was a boom in online retail, which is primarily attributable to essential goods (food, baby and children’s products). There is no doubt that self-isolation alone could not have boosted online sales to the extent which it did if retailers, online stores, and delivery service had not been prepared for this scenario, as such a tendency was not observed during previous epidemics. Advanced technologies and services have allowed most sales to move online, and the COVID-19 epidemic served as a pretext for this transition for some customers.

We are currently unable to assess whether this effect will be lasting; however, the impact of COVID-19 on the consumer business as a whole cannot be understated. Today, consumer companies must be responsive to the needs of end consumers and identify the key drivers behind their preferences. We hope that you will find this survey informative and useful.

We will also be happy to provide you with a full version of this report (tailored to your business’s goals and objectives) comprising in-depth data analysis and highlighting significant distinctions among socio-demographic groups and other social categories, federal districts, million-plus cities, and cities with less than one million inhabitants.

If you are interested in receiving a full version of this report, please contact us at cisresearchteam@deloitte.ru.

Oxana Zhupina
Partner
Consumer Business Group Leader, Deloitte CIS
Methodology

Purpose of the research
Analysis of consumption trends and unique features of the Russian market

Target audience
Russians aged 16+ who use the Internet (due to the survey method used) (hereinafter, “residents of Russia,” “Russians”*)

Research goals
• Highlight the nature of consumption trends in Russia in 2020
• Take a detailed look at the behavior of consumers with regard to various product categories
• Develop a typical shopper profile
• Analyze preferred buying methods, as well as the preferred origin of purchased goods
• Review online purchasing patterns
• Review the effect of COVID-19 on the consumer behavior of Russians with regard to various product categories, both online and offline
• Review the attitudes of Russians to mandatory labeling for various product categories.

Data collection methods
In order to meet the above goals, we used quantitative data collection methods:
• We conducted an online survey of 1,600 respondents, comprising a representative sample of the sociodemographic profile of the Russian population
• The survey was conducted in June 2020 and included 57 questions.

Sampling
We relied on a multistage and stratified sample of the Russian population broken down by gender, age and locality type. It comprised 1,600 persons representing all eight federal districts and over 200 localities.

Legend
- Men
- Women
- Unemployed respondents
- Employed respondents
- High income
- Medium income
- Low income
- Million-plus cities
- Cities (500,000 – 1 million people)
- Cities (less than 500,000 people)

* According to VCIOM (Russian Public Opinion Research Center), in 2019 the share of Internet users in Russia was 81%.
Key findings
Consumption metrics

Shopping patterns

31% of Russians are enthusiastic shoppers who enjoy shopping even when they do not need to buy anything.

96% make online purchases.

70% make online purchases at least once a month.

Changes in consumer activity due to COVID-19

Changes in purchasing activity

For the year  For three months (March, April, May)

Higher frequency

- of food, baby and children’s product purchases, both online and offline

- of bar and restaurant visits, as well as purchases of ready-to-eat meals, food, alcoholic beverages, clothing and footwear, cosmetics and perfumes, consumer electronics and home appliances, and baby and children’s products in traditional stores

51% of Russians report that self-isolation has had an impact on their consumer behavior.

39% of respondents are planning to do more online shopping.

24% of respondents are planning to do less offline shopping.

Lower frequency

- of bar and restaurant visits, as well as purchases of ready-to-eat meals, food, alcoholic beverages, clothing and footwear, cosmetics and perfumes, consumer electronics and home appliances, and baby and children’s products in traditional stores

39% of respondents made purchases to support businesses during self-isolation.

57% of respondents worry about personal data protection when making online purchases.

39% of respondents do not feel vulnerable in traditional stores.

73% of Russian shoppers take advantage of sales events when making purchases.

The percentage of Russian shoppers who took advantage of:

- Short-term sales — 34%
- New Year’s sales — 32%
- Sales in April-May 2020 — 39%
- Off-season sales — 18%

Most frequently purchased goods during sales events

<table>
<thead>
<tr>
<th>Offline</th>
<th>Online</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food</td>
<td>Clothing and footwear</td>
</tr>
<tr>
<td>61%</td>
<td>37%</td>
</tr>
<tr>
<td>Home care products</td>
<td>Home appliances and consumer electronics</td>
</tr>
<tr>
<td>55%</td>
<td>37%</td>
</tr>
<tr>
<td>Alcohol</td>
<td>Cosmetics</td>
</tr>
<tr>
<td>54%</td>
<td>31%</td>
</tr>
</tbody>
</table>
## Consumption metrics

### Current structure of family budgets
- Mandatory payments: 25%
- Food and alcohol: 31%
- Clothing and footwear: 11%
- Consumer electronics and home appliances: 8%
- Leisure and tourism: 7%
- Other expenses: 10%
- Savings: 8%

### Positive trends for family budgets
- Decreased spending on mandatory payments (by 11 pp) and food (by 6 pp)
- Increased spending on leisure and recreation (by 7 pp) and savings (by 6 pp)

### Product categories where shoppers are cutting back on spending
- Most often:
  - Ready-to-eat meals: 68%
  - Cosmetics: 66%
- Least often:
  - Drugs: 38%
  - Baby and children’s products and toys: 36%

### Poor-quality goods
- 38% of respondents encountered poor-quality goods in the six-month period
- Products most likely to be poor-quality:
  - Food: 21%
  - Ready-to-eat food: 17%
  - Clothing and footwear: 13%

### Counterfeit goods
- 28% of respondents encountered counterfeit goods in the six-month period
- Products most likely to be counterfeit:
  - Alcohol: 12%
  - Clothing and footwear: 11%
  - Perfumes: 11%
Food

Satisfaction rate for customers’ last purchase

<table>
<thead>
<tr>
<th>Quality of the purchase</th>
<th>Quality of the store</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.14 out of 5</td>
<td>4.20 out of 5</td>
</tr>
</tbody>
</table>

Grocery categories where Russian buyers prefer imports

Most often:
- Pasta
- Fresh fruit and vegetables
- Frozen or canned fruit and vegetables
- Chilled or frozen meat

Least often:
- Baked goods
- Dairy products
- Porridge, cereals and other staple foods

84% of buyers regularly check the expiry date
63% regularly check the ingredients
45% regularly check the country of origin

Most popular grocery categories

At hypermarkets
- Chilled or frozen meat — 30%
- Fish and seafood — 27%
- Frozen or canned fruit and vegetables — 22%

At supermarkets
- Sausage products, meat, and ready-to-cook products — 13%
- Fish and seafood — 13%
- Chilled or frozen meat — 12%

At convenience stores
- Pasta — 53%
- Porridge, cereals, and other staple foods — 52%
- Dairy products — 51%

At corner stores
- Bread and baked goods — 30%
- Fresh fruit and vegetables — 26%
- Sweets — 23%

55% of respondents pay attention to labels
27% consider environmental issues when making a purchase

Eco-labels are most sought-after in the following categories of groceries:

- 30% Frozen or canned fruit and vegetables
- 29% Dairy products
- 29% Fish and seafood
- 29% Sausage and meat products

Typical shopper profile

Traditional stores (99% of respondents)
- Female
- Aged 30–44
- Employed
- Below-average income

Online stores (58% of respondents)
- Male
- Aged 45–59
- Employed
- High income
Cosmetics and perfumes

Notable characteristics of the cosmetics and perfumes market

- 69% of respondents prefer natural cosmetics and are prepared to buy them even if they are significantly more expensive than similar goods.
- 64% prefer eco-labeled products and biodegradable packaging.
- 44% of Russian shoppers oppose animal testing for cosmetics.

Top three criteria for choosing an online store when buying cosmetics and perfumes

- 76% Reasonable price
- 56% Availability of discounts
- 34% Positive reviews

Willingness to buy familiar cosmetics and perfume brands, based on country of origin and price

- The average Russian shopper prefers European and Russian brands, which they choose over similar goods from other countries if the price is the same.
- American, Japanese and Korean brands are less popular: they are chosen if they are cheaper than their European and Russian counterparts.
- Russian buyers are only willing to buy Arab, Thai and Chinese brands if they are significantly cheaper than equivalents from other countries.
Alcoholic beverages

Notable characteristics of the alcohol market

Typical shopper profile

Traditional stores (90% of respondents)
- Male
- Aged 30–59
- Employed
- Average or above-average income

46% of respondents believe that they are alcohol connoisseurs and are confident in their choices when making purchases.

Alcohol categories for which Russian buyers prefer imports

Whiskey
- Northern Europe — 32%
- North America — 25%

Vermouth
- Southern Europe — 27%
- Western Europe — 19%

Liqueur
- Western Europe — 27%
- Southern Europe — 18%

Most popular alcoholic beverages

- Beer: 60%
- Still wine: 48%
- Cognac: 32%
- Sparkling wine: 32%
- Vodka: 31%

Attitudes towards the potential legalization of online alcohol sales

Supported by 50%, Opposed by 35%

Reasons:
- Convenience (25%)
- Lower prices (13%)
- Ability to compare prices in different stores (12%)

Reasons:
- Risk of selling alcohol to minors (23%)
- Risk of selling alcohol after legal hours (5%)
- Increased Internet advertising (4%)

Credibility of stores

A high level of concern is felt by Russian buyers towards purchasing counterfeit alcohol from the Internet.

Corner stores
Least credible for Russian alcohol buyers

Specialized alcohol stores
Most credible alcohol stores for Russians

Duty Free
Less familiar to Russian shoppers, but highly credible
### Catering

**Typical shopper profile**

#### Fast food places (88% of respondents)
- Female
- Aged 16–44
- Employed
- Average or above-average income

88% of respondents visited fast food restaurants

#### Restaurants and bars (84% of respondents)
- Female
- Aged 30–44
- Employed
- Average or above-average income

84% visited restaurants and bars

33% visited fast food restaurants less often during the COVID-19 outbreak

30% cut spending on fast food places during the COVID-19 outbreak

33% cut spending on restaurants and bars during the COVID-19 outbreak

30% visited fast food restaurants less often during the COVID-19 outbreak

**Most popular food delivery services**

<table>
<thead>
<tr>
<th>Service</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Delivery Club</td>
<td>29%</td>
</tr>
<tr>
<td>Yandex.Eda</td>
<td>25%</td>
</tr>
<tr>
<td>Restaurants’ own delivery services</td>
<td>21%</td>
</tr>
</tbody>
</table>

**Typical shopper profile**

#### Ready-to-eat food from traditional stores (86% of respondents)
- Male
- Aged 16–29
- Employed
- Average or above-average income

#### Ready-to-eat food from online stores (59% of respondents)
- Female
- Aged 16–29
- Employed
- Average or above-average income

---

*Based on a survey of 1,600 respondents from eight federal districts and over 200 towns in Russia.*
### Clothing and footwear

#### Typical shopper profile

**Traditional stores** (98% of respondents)
- Female
- Aged 30–44
- Employed
- Average or above-average income

**Online stores** (83% of respondents)
- Female
- Aged 30–44
- Employed
- Above-average income

#### Store selection preferences

<table>
<thead>
<tr>
<th>Preference</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prefer to make purchases in shopping malls</td>
<td>40%</td>
</tr>
<tr>
<td>Do not favor any particular store type, with location being the key factor</td>
<td>26%</td>
</tr>
<tr>
<td>Prefer to make purchases in multi-brand stores</td>
<td>23%</td>
</tr>
</tbody>
</table>

#### Buying trends for clothing and footwear

<table>
<thead>
<tr>
<th>Trend</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prefer genuine leather/fur clothing and footwear</td>
<td>69%</td>
</tr>
<tr>
<td>Prefer brands</td>
<td>34%</td>
</tr>
<tr>
<td>Do not pay attention to brands</td>
<td>34%</td>
</tr>
<tr>
<td>Prefer genuine leather/fur</td>
<td>69%</td>
</tr>
<tr>
<td>Prefer brands</td>
<td>34%</td>
</tr>
<tr>
<td>Do not pay attention to brands</td>
<td>34%</td>
</tr>
<tr>
<td>High-income respondents prefer genuine leather/fur</td>
<td>79%</td>
</tr>
<tr>
<td>High-income respondents believe that genuine leather/fur is important</td>
<td>79%</td>
</tr>
</tbody>
</table>
## Consumer electronics and home appliances

### Store selection preferences

<table>
<thead>
<tr>
<th>Preference</th>
<th>Traditional stores (93% of respondents)</th>
<th>Online stores (75% of respondents)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prefer to make purchases in shopping malls</td>
<td>33%</td>
<td>9%</td>
</tr>
<tr>
<td>Prefer to make purchases on online marketplaces</td>
<td>9%</td>
<td></td>
</tr>
</tbody>
</table>

### Making a purchase decision

<table>
<thead>
<tr>
<th>Preference</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prefer to make purchases in multi-brand stores</td>
<td>32%</td>
</tr>
<tr>
<td>Prefer to make purchases in mono-brand stores</td>
<td>9%</td>
</tr>
</tbody>
</table>

### Typical shopper profile

- Male
- Aged 30–44
- Employed
- Above-average income

### Typical brand loyalist profile

- Male
- Aged 30–44
- Average or above-average income
- Lives in a million-plus city
- Shopping enthusiast

### Characteristics of purchasing electronics and household appliances

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>61%</td>
<td>Of respondents buy specific consumer electronics or home appliance items after reading online reviews</td>
</tr>
<tr>
<td>50%</td>
<td>Of respondents buy specific consumer electronics or home appliance items based on previous experience</td>
</tr>
<tr>
<td>33%</td>
<td>Take into account the experience of friends when buying a specific consumer electronics or home appliances</td>
</tr>
<tr>
<td>32%</td>
<td>Prefer to make purchases in multi-brand stores</td>
</tr>
<tr>
<td>16%</td>
<td>Do not pay attention to brands when buying consumer electronics or home appliances</td>
</tr>
<tr>
<td>13%</td>
<td>Do not pay attention to brands when buying consumer electronics or home appliances</td>
</tr>
</tbody>
</table>

---

**Introduction**

**Methodology**

**Key findings**

**COVID-19’s impact on consumer behavior in Russia**

**Consumption metrics in Russia**

**Contacts**
Baby and children’s products

Typical shopper profile

**Traditional stores (63% of respondents)**
- Female
- Aged 30–44
- Average or above-average income

**Online stores (49% of respondents)**
- Female
- Aged 30–44
- Employed
- Average or above-average income

Most frequently purchased baby and children’s products

- 77% Games and toys
- 73% Baby and children’s clothing/footwear
- 38% Baby care products
- 37% Baby food

Top five criteria baby and children’s products

- Production quality
- Safety
- Natural materials
- Comfort
- Affordable price
COVID-19’s impact on consumer behavior in Russia
### Changes in consumer activity

#### Purchasing frequency

Please specify how regularly you engage in the following activities. How has your purchasing frequency changed over the past year and during the COVID-19 epidemic in Russia?

<table>
<thead>
<tr>
<th>Activity</th>
<th>Number of purchases per month*</th>
<th>Changes in purchasing activity**</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buying food in stores</td>
<td>17.8</td>
<td>For the last year: 6% For the last three months (March, April, May): -9%</td>
</tr>
<tr>
<td>Buying food online</td>
<td>3.8</td>
<td>18% -9%</td>
</tr>
<tr>
<td>Buying alcoholic beverages in stores</td>
<td>5.5</td>
<td>-11% -12%</td>
</tr>
<tr>
<td>Buying ready-to-eat food in stores</td>
<td>5.6</td>
<td>-14% -14%</td>
</tr>
<tr>
<td>Buying ready-to-eat food online</td>
<td>3.6</td>
<td>5% -2%</td>
</tr>
<tr>
<td>Going to fast food places and canteens</td>
<td>4</td>
<td>-35% -33%</td>
</tr>
<tr>
<td>Going to restaurants/bars</td>
<td>2.9</td>
<td>-39% -37%</td>
</tr>
<tr>
<td>Buying clothing and footwear in stores</td>
<td>2.1</td>
<td>-25% -24%</td>
</tr>
<tr>
<td>Buying clothing and footwear online</td>
<td>2.4</td>
<td>2% -6%</td>
</tr>
<tr>
<td>Buying home care products in stores</td>
<td>3.9</td>
<td>3% -7%</td>
</tr>
<tr>
<td>Buying home care products online</td>
<td>3.2</td>
<td>6% -3%</td>
</tr>
<tr>
<td>Buying cosmetics and perfumes in stores</td>
<td>2.5</td>
<td>-16% -16%</td>
</tr>
<tr>
<td>Buying cosmetics and perfumes online</td>
<td>2.7</td>
<td>0% -5%</td>
</tr>
<tr>
<td>Buying consumer electronics and home appliances in stores</td>
<td>2.2</td>
<td>-18% -18%</td>
</tr>
<tr>
<td>Buying consumer electronics and home appliances online</td>
<td>2.2</td>
<td>3% -8%</td>
</tr>
<tr>
<td>Buying baby's products in stores</td>
<td>4.1</td>
<td>-2% -12%</td>
</tr>
<tr>
<td>Buying baby and children's products online</td>
<td>3.7</td>
<td>15% -0%</td>
</tr>
</tbody>
</table>

* Averaged subjective perception of per month purchasing frequency by the respondents.

** Changes in purchasing frequency by product category based on the net balance: [the proportion of those who reported higher frequency minus the proportion of those who reported lower frequency].

---

### Trends

- The growth in consumer activity is primarily attributable to purchases of food and baby/children’s products, which respondents are now buying online much more frequently (by 18 pp and 15 pp).
- As expected, the sharp drop in consumer activity at year-end and during the self-isolation period has affected traditional stores (-24% for clothing and footwear, -18% for consumer electronics and home appliances, -16% for cosmetics and perfumes). This is a common trend for all traditional stores.
- Restaurants and fast food places have suffered the most (-39% and -35% for the year, of which -37% and -33% account for the last three months).
- Consumer activity with respect to alcohol has decreased by 11%.
- Ready-to-eat food from traditional stores has seen a significant decline this year (-14%). However, this category comes in second on average (after food) by number of purchases per month (5.6), which is the same as in 2019.

### Highlights

- Muscovites have started to purchase baby and children’s products more often than residents of St. Petersburg do (by 12% in traditional stores and by 8% online).
- In the last three months, the most significant growth in purchasing frequency belongs to women: they have started making purchases more often than men (by 4% in traditional stores and by 6% online).
- Representatives of the youngest age group (16–29) report the sharpest increase in online purchases of clothing and footwear during self-isolation: they spent an average of 3% more on online purchases for clothing and 2% more on footwear.
## Changes in consumer activity

### Spending on purchases

1. **Please specify how much you spend at one time when making the following purchases.**

How has your spending changed over the last year and during the COVID-19 epidemic in Russia?

<table>
<thead>
<tr>
<th>Activity</th>
<th>Average amount spent* (RUB)</th>
<th>Change in spending dynamics**</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>For the last year</td>
<td>For the last three months</td>
</tr>
<tr>
<td>Buying food in stores</td>
<td>1,230</td>
<td>29%</td>
</tr>
<tr>
<td>Buying food online</td>
<td>1,480</td>
<td>17%</td>
</tr>
<tr>
<td>Buying alcoholic beverages in stores</td>
<td>760</td>
<td>0%</td>
</tr>
<tr>
<td>Buying ready-to-eat food in stores</td>
<td>690</td>
<td>-3%</td>
</tr>
<tr>
<td>Buying ready-to-eat food online</td>
<td>1,070</td>
<td>9%</td>
</tr>
<tr>
<td>Going to fast food places and canteens</td>
<td>870</td>
<td>-18%</td>
</tr>
<tr>
<td>Going to restaurants/bars</td>
<td>1,630</td>
<td>-21%</td>
</tr>
<tr>
<td>Buying clothing and footwear in stores</td>
<td>3,100</td>
<td>-6%</td>
</tr>
<tr>
<td>Buying clothing and footwear online</td>
<td>3,050</td>
<td>4%</td>
</tr>
<tr>
<td>Buying home care products in stores</td>
<td>1,040</td>
<td>14%</td>
</tr>
<tr>
<td>Buying home care products online</td>
<td>1,280</td>
<td>14%</td>
</tr>
<tr>
<td>Buying cosmetics and perfumes in stores</td>
<td>1,630</td>
<td>2%</td>
</tr>
<tr>
<td>Buying cosmetics and perfumes online</td>
<td>1,990</td>
<td>3%</td>
</tr>
<tr>
<td>Buying consumer electronics and home appliances in stores</td>
<td>8,000</td>
<td>2%</td>
</tr>
<tr>
<td>Buying consumer electronics and home appliances online</td>
<td>7,900</td>
<td>9%</td>
</tr>
<tr>
<td>Buying baby and children's products in stores</td>
<td>2,000</td>
<td>12%</td>
</tr>
<tr>
<td>Buying baby and children's products online</td>
<td>2,150</td>
<td>20%</td>
</tr>
</tbody>
</table>

* Estimation of respondents regarding the average amount spent

** Changes in spending dynamics by product category based on the net balance (the proportion of those who indicated higher spending minus the proportion of those who indicated lower spending)

- Due to the restrictive measures introduced to curb the spread of COVID-19, this year our respondents reported a significant decline in spending at restaurants and fast food places (21% and -18% for the year; during the epidemic respondents reported a subjective decrease in spending by one third).
- This is also true for traditional stores. Although respondents reported an increase in spending for the majority of categories during the year, the lockdown period saw a decline in spending on clothing and footwear (-17%) and cosmetics and perfumes (-13%) in offline stores. Purchases in traditional home appliance stores have also decreased by 9%, and spending on ready-to-eat meals has fallen by 12%.
- The only exception to this general trend is spending on food. As food stores did not shut down, and certain deficit products grew in price significantly, 21% of respondents reported an increase in spending in this category during the three months of COVID-19 (this category grew by 29% year-on-year).
- Expenses for daily living needs (food, ready-to-eat meals, home care products, cosmetics and perfumes, baby and children’s products) have tended to grow. The average amount spent on these products at once in online stores is 10% higher than in traditional stores, as delivery services are needed to transport heavy goods.
- At the same time, the average amount spent on online purchases of clothing and footwear, as well as consumer electronics and home appliances, is less than in traditional stores. This may be explained by the fact that online prices are typically lower on average. Online stores also allow customers to search for similar goods quickly and easily, compare prices, and choose the best option, which has an impact on the average amount spent compared to traditional stores.
Changes in consumption due to COVID-19

1. Please specify your preferred ways of shopping for the product categories below over the last three months.

<table>
<thead>
<tr>
<th>Product Category</th>
<th>Only traditional stores</th>
<th>Both traditional stores and online stores</th>
<th>Only online stores (with delivery)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food (including soft drinks)</td>
<td>72%</td>
<td>25%</td>
<td>3%</td>
</tr>
<tr>
<td>Home care products and household goods</td>
<td>67%</td>
<td>29%</td>
<td>4%</td>
</tr>
<tr>
<td>Ready-to-eat food (including at cafes and restaurants)</td>
<td>53%</td>
<td>35%</td>
<td>13%</td>
</tr>
<tr>
<td>Cosmetics and perfumes</td>
<td>48%</td>
<td>44%</td>
<td>8%</td>
</tr>
<tr>
<td>Baby and children’s products and toys</td>
<td>43%</td>
<td>48%</td>
<td>9%</td>
</tr>
<tr>
<td>Clothing and footwear</td>
<td>40%</td>
<td>46%</td>
<td>14%</td>
</tr>
<tr>
<td>Home appliances and consumer electronics</td>
<td>35%</td>
<td>45%</td>
<td>20%</td>
</tr>
</tbody>
</table>

2. In your opinion, will the self-isolation period influence your consumer habits?

- Yes, it will
- No, it will not

3. Changes in planned purchases

<table>
<thead>
<tr>
<th>Online stores</th>
<th>39% increase</th>
<th>15% decrease</th>
</tr>
</thead>
<tbody>
<tr>
<td>Traditional stores</td>
<td>20% increase</td>
<td>24% decrease</td>
</tr>
</tbody>
</table>

- Most respondents buy food in traditional stores (72%). More than half of respondents (67% and 53% respectively) only shop at traditional stores when buying homecare products and ready-to-eat meals. However, a significant share of respondents (13%) buy ready-to-eat meals online only (including via online applications).

- The most popular product category for online purchases is household appliances (20%).

- In million-plus cities, traditional stores account for 43% of purchases in all product categories. In cities with 500,000–1 million residents, this figure goes up to 49%, and it is 54% in small towns. However, only 39% of respondents currently feel safe inside traditional stores.

- Over half of respondents (51%) believe that self-isolation due to COVID-19 will have an impact on their consumer behavior.

4. The growing popularity of online stores has been noted by 39% of respondents, versus 15% who plan to reduce their online purchases after the epidemic.

- After the end of the COVID-19 outbreak, 24% of respondents plan to cut down on purchases in traditional stores, and only 20% of respondents intend to make more offline purchases.
Changes in consumption due to COVID-19

Please specify how often you have used the online services listed below during the two months (April and May) of self-isolation/lockdown.

<table>
<thead>
<tr>
<th>Online Services</th>
<th>Never</th>
<th>Seldom</th>
<th>Often</th>
</tr>
</thead>
<tbody>
<tr>
<td>Psychological counseling (DocDoc, Yasno, Alter, etc.)</td>
<td>84%</td>
<td>11%</td>
<td>5%</td>
</tr>
<tr>
<td>Telehealth (Health.Yandex.ru, Doctor Online, Doctor Ryadom, etc.)</td>
<td>76%</td>
<td>19%</td>
<td>6%</td>
</tr>
<tr>
<td>Applications and platforms for sports activities at home (Nike Training Club, Exercise com, etc.)</td>
<td>73%</td>
<td>16%</td>
<td>11%</td>
</tr>
<tr>
<td>Education (Yandex Uchebnik, Arzamas, etc.)</td>
<td>70%</td>
<td>17%</td>
<td>13%</td>
</tr>
<tr>
<td>Leisure (online museums, online animation for kids, online workshops, etc.)</td>
<td>59%</td>
<td>28%</td>
<td>13%</td>
</tr>
<tr>
<td>Food and ready-to-eat meal-delivery services (Delivery Club, Yandex.Eda, etc.)</td>
<td>49%</td>
<td>39%</td>
<td>12%</td>
</tr>
<tr>
<td>Video conference services (Zoom, Google Meet, Skype, etc.)</td>
<td>30%</td>
<td>32%</td>
<td>38%</td>
</tr>
</tbody>
</table>

- The first group comprises online services that are not very popular among Russians (i.e. online services that are used by less than half of respondents).
- The second group comprises the two online services that are most popular among respondents: food delivery and video conferencing.
- 80% of those who used services from the first group (rarely or all the time) plan to continue using them even after the end of self-isolation.
- 89% of the respondents who used services from the second group plan to continue using them even after the end of self-isolation.
- 57% of respondents are concerned about their data security on the Internet, while only 16% of have no such concerns.

89% of respondents who used food and ready-to-eat meal-delivery services and video conferencing plan to continue doing so after the self-isolation period.
Changes in consumption due to COVID-19

1. Please specify whether you have made purchases in the categories below to support businesses over the last three months.

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food (including soft drinks)</td>
<td>18%</td>
</tr>
<tr>
<td>Ready-to-eat food (including in cafes and restaurants)</td>
<td>16%</td>
</tr>
<tr>
<td>Clothing and footwear</td>
<td>14%</td>
</tr>
<tr>
<td>Home care products and household products</td>
<td>14%</td>
</tr>
<tr>
<td>Cosmetics and perfumes</td>
<td>13%</td>
</tr>
<tr>
<td>Baby and children's products and toys</td>
<td>11%</td>
</tr>
<tr>
<td>Alcoholic beverages</td>
<td>11%</td>
</tr>
<tr>
<td>Services (for example, gift vouchers)</td>
<td>10%</td>
</tr>
</tbody>
</table>

2. Please specify whether you have made purchases in the categories below as a way to invest funds over the last three months.

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer electronics and home appliances</td>
<td>13%</td>
</tr>
<tr>
<td>Clothing and footwear</td>
<td>11%</td>
</tr>
<tr>
<td>Home care products</td>
<td>10%</td>
</tr>
<tr>
<td>Cosmetics and perfumes</td>
<td>9%</td>
</tr>
<tr>
<td>Real estate</td>
<td>8%</td>
</tr>
<tr>
<td>Alcohol</td>
<td>8%</td>
</tr>
<tr>
<td>Baby and children's products and toys</td>
<td>7%</td>
</tr>
<tr>
<td>Cars</td>
<td>7%</td>
</tr>
<tr>
<td>Services (such as gift vouchers)</td>
<td>7%</td>
</tr>
</tbody>
</table>

- Only 41% of respondents made purchases to support businesses during self-isolation.
- The majority of them supported businesses related to food (18%), ready-to-eat meals (16%), clothing and footwear (14%), and home care products (14%).
- Only 23% of respondents plan to ramp up purchases at brand-labeled stores that, according to our respondents, responded properly* to COVID-19. Meanwhile, 36% of Russians do not agree with this statement.
- Purchasing different categories of goods was not a popular investment tool during the epidemic. Only 22% of respondents invested their funds in goods, the most popular category being household appliances (13%) and the least popular being baby and children's products, cars, and services (vouchers) (7%).
- Real estate (33%**) and cars (47%**) were the top investment choices of high-income respondents.
- Twenty percent of respondents are willing to spend more on purchases that improve their level of comfort (i.e., home delivery, subscription to regular deliveries of certain sets of goods, etc.), while 50% of respondents are not willing to pay more for food delivery and/or service subscriptions.

* They took steps to protect their customers' safety (introduced sanitizers and restrictions on the number of visitors at a time), contributed to raising awareness among visitors, made donations to curb the COVID-19 outbreak, etc.

** Of all the investments in the category with respect to this issue.
Consumption metrics in Russia
Consumer activity

Please specify whether you performed the actions listed below.

<table>
<thead>
<tr>
<th>Action</th>
<th>In a traditional store</th>
<th>In an online store</th>
</tr>
</thead>
<tbody>
<tr>
<td>Buying food</td>
<td>99.9%</td>
<td>58%</td>
</tr>
<tr>
<td>Buying clothing</td>
<td>98%</td>
<td>83%</td>
</tr>
<tr>
<td>Buying home care products</td>
<td>98%</td>
<td>60%</td>
</tr>
<tr>
<td>Buying footwear</td>
<td>97%</td>
<td>62%</td>
</tr>
<tr>
<td>Buying consumer electronics and home appliances</td>
<td>93%</td>
<td>75%</td>
</tr>
<tr>
<td>Buying cosmetics</td>
<td>93%</td>
<td>65%</td>
</tr>
<tr>
<td>Buying perfumes</td>
<td>91%</td>
<td>54%</td>
</tr>
<tr>
<td>Buying alcoholic beverages</td>
<td>90%</td>
<td>n/a*</td>
</tr>
<tr>
<td>Going to fast food places and canteens</td>
<td>90%</td>
<td>n/a*</td>
</tr>
<tr>
<td>Buying ready-to-eat food</td>
<td>88%</td>
<td>59%</td>
</tr>
<tr>
<td>Going to restaurants/bars</td>
<td>86%</td>
<td>n/a*</td>
</tr>
<tr>
<td>Buying baby and children's products</td>
<td>84%</td>
<td>n/a*</td>
</tr>
</tbody>
</table>

• Online shopping has become increasingly popular. In 2019, the average popularity index of online shopping for all product categories was 45%. In 2020, this figure went up to 63%. This growth has affected all product categories equally, and it is 15–20% higher than in the previous year.

• A whole 96% of respondents make online purchases in various product categories from time to time, which is 9 pp higher than in the past year (87%). However, online stores are significantly behind traditional ones in certain product categories.

• Traditional stores are the main places for shopping for Russians (over 97% of respondents buy food, home care products, and clothing and footwear in them).

• Over the last year, the percentage of people who made purchases in traditional stores or ate out has not shrunk. Moreover, in certain categories, growth has been recorded as compared to 2019 (offline sales of baby and children’s products have grown by 5 pp). The number of people visiting bars/restaurants has increased by 9 pp.

• The most in-demand categories of goods purchased online include clothing (83%) and consumer electronics and home appliances (75%). Compared to clothing, footwear is bought online much more rarely (only 62% of respondents claimed to have done so).

* n/a – not applicable
Consumer activity
Traditional stores

Do you consider yourself a shopping enthusiast?

<table>
<thead>
<tr>
<th>Behavioral pattern</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes, I enjoy traditional shopping and may go to a store even if I do not need to buy anything in particular</td>
<td>30%</td>
</tr>
<tr>
<td>Yes, I enjoy traditional shopping, but I will go to a store only if I need to buy something</td>
<td>44%</td>
</tr>
<tr>
<td>No, I do not enjoy traditional shopping, but I will go to a store if I need to buy something</td>
<td>24%</td>
</tr>
<tr>
<td>No, I do not enjoy traditional shopping, and I would prefer to buy the goods I need online or ask my friends to buy them for me</td>
<td>2%</td>
</tr>
</tbody>
</table>

Trend
- There have been no significant changes in Russians’ attitude towards shopping. Variations for various behavioral patterns as compared to 2019 amount to 1–2%.
- Around 31% of respondents label themselves shopping enthusiasts: they are willing to go shopping even if they do not need to buy anything in particular.
- 47% of respondents enjoy traditional shopping, but they only go shopping if they need to buy something.
- 21% of respondents do not enjoy traditional shopping, but only 2% are against going to a store even if they really do need to buy something.

Highlights
- In Moscow, the number of shopping enthusiasts is 6 pp higher than the sample average. Meanwhile, in St. Petersburg, this figure is 7 pp below the average.
- The share of shopping enthusiasts in million-plus cities and large cities is about the same, equaling 33%.
- In cities with less than 500,000 inhabitants, this figure is 7 pp lower (26%).
- Women tend to go shopping without a particular purpose much more often than men (38% versus 23%).
- The percentage of shopping enthusiasts tends to increase with income group: ranging from 25% to 41%.
- The share of shopping enthusiasts tends to decrease gradually with respondents’ age: from 37% for respondents aged 16–29 to 20% for respondents over 60 years.
- The most enthusiastic shoppers in the sample are students (43%). Homemakers are also shopping enthusiasts (40%).
Consumer activity
Online stores

### Trend
- The percentage of consumers who made purchases over the last month (70%) is 19 pp higher than in 2019. The percentage of consumers who have made online purchases at some point also grew from 87% to 96%.
- A significant growth in online consumer activity is seen among young people (respondents aged 16–29) +23 pp higher than in 2019.

### Highlights
- Online shopping is very popular among Russian Internet users, with 96% of them making online purchases. 70% of respondents made online purchases during the last month.
- The older the respondent, the less likely they are to take part in online shopping: from 98% for people aged 16–29 to 93% for respondents older than 60. This trend is especially apparent for respondents who made online purchases over the last month: from 74% for young people aged 16–29 to 59% for respondents older than 60.
- Women are more enthusiastic about online shopping than men, with 97% of them claiming to have taken part in online shopping (this figure is 1 pp lower for men). This trend is especially true for online purchases made in the past month, where women are ahead of men by 4 pp (72% versus 68%).
- Online shopping is less popular in small towns. Only 65% of respondents from small towns made online purchases, which is 5% below the sample average.
- The most enthusiastic online shoppers are respondents aged 16–29, with 74% reporting online purchases in the past month. This figure is 4 pp above the sample average.
Please provide the structure of your monthly budget by consumption category, as well as your idea of an optimal budget.

<table>
<thead>
<tr>
<th>Product categories</th>
<th>Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Current</td>
</tr>
<tr>
<td>Mandatory payments (utilities, rent, debt/loan/mortgage repayment, etc.)</td>
<td>25%</td>
</tr>
<tr>
<td>Food (including alcohol)</td>
<td>31%</td>
</tr>
<tr>
<td>Clothing and footwear</td>
<td>11%</td>
</tr>
<tr>
<td>Consumer electronics and home appliances</td>
<td>8%</td>
</tr>
<tr>
<td>Leisure and tourism</td>
<td>7%</td>
</tr>
<tr>
<td>Other expenses</td>
<td>10%</td>
</tr>
<tr>
<td>Savings</td>
<td>8%</td>
</tr>
</tbody>
</table>

Trend

• On average, as in 2019, respondents spend the bulk of their budget on food (31%), as well as mandatory payments (25%). The remaining amount is evenly allocated among other categories.

• Savings (8%) and leisure and tourism (7%) account for the smallest portions of respondents’ current budget. However, these categories are much more prominent in their desired budget (6 and 7 pp higher respectively), comprising 14%, and thus coming in second after food expenses (25%), along with mandatory payments, clothing and footwear. At the same time, mandatory payments and food expenditure are a less prominent part of the desired budget structure, by 11 and 6 pp respectively.

Highlights

• Although food is the most significant expense in budgets, 55% of respondents tend to economize when buying food.

• We can identify two clusters of goods:
  - goods on which people are more likely to cut back. These include 11 categories of goods. Savings in this cluster amount to 55–68%.
  - goods on which people rarely cut back. They include two categories of goods: drugs (38%) and baby and children’s products (36%).

Please specify whether you are considering cutting down on expenses (buying cheaper goods/giving up or postponing purchases) when purchasing goods in the following categories.

<table>
<thead>
<tr>
<th>Product categories</th>
<th>Yes, I am trying to cut spending in this category of goods</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food (including soft drinks)</td>
<td>55%</td>
</tr>
<tr>
<td>Alcohol</td>
<td>63%</td>
</tr>
<tr>
<td>Cosmetics</td>
<td>66%</td>
</tr>
<tr>
<td>Perfumes</td>
<td>63%</td>
</tr>
<tr>
<td>Home care products</td>
<td>61%</td>
</tr>
<tr>
<td>Clothing and footwear</td>
<td>64%</td>
</tr>
<tr>
<td>Drugs</td>
<td>38%</td>
</tr>
<tr>
<td>Consumer electronics and home appliances</td>
<td>62%</td>
</tr>
<tr>
<td>Baby and children’s products and toys</td>
<td>36%</td>
</tr>
<tr>
<td>Ready-to-eat food (including cafes and restaurants)</td>
<td>68%</td>
</tr>
<tr>
<td>Leisure and entertainment outside home</td>
<td>65%</td>
</tr>
<tr>
<td>Recreation and traveling</td>
<td>58%</td>
</tr>
</tbody>
</table>
Consumer habits

Store loyalty

Please specify the behavior pattern that is closest to how you make purchases in various product segments.

Food (including soft drinks) | 62% | 30% | 8%
Alcohol | 59% | 32% | 9%
Drugs | 58% | 30% | 11%
Home care products | 57% | 35% | 8%
Cosmetics | 52% | 36% | 12%
Perfumes | 51% | 37% | 12%
Ready-to-eat food (including in cafes and restaurants) | 49% | 36% | 15%
Consumer electronics and home appliances | 43% | 41% | 16%
Baby and children's products and toys | 42% | 42% | 16%
Clothing and footwear | 38% | 44% | 19%

Trend

- Respondents do not tend to switch habitual stores frequently: 38% to 62% of them make purchases in the same stores (depending on the product category).
- Compared to 2019, the number of customers loyal to the same store has increased by 5 pp on average.
- Respondents tend to make purchases in different stores when buying clothing and footwear (19%), baby and children's products (16%), home appliances (16%) and ready-to-eat food (15%).

Highlights

- Residents of St. Petersburg prefer to make purchases at multiple stores (-19%). This figure is significantly lower than the sample average (by 22 pp). Last year, this trend was less apparent (-1% in 2019).
- Low-income respondents and respondents aged 16–29 tend to display more store loyalty (10% for each category). This figure gradually goes down to -2% as age and income go up.
- Respondents living in small towns are more likely to display store loyalty when compared to the sample average.

* The weighted difference for respondents who tend to stay loyal to or switch stores, average for all categories.
Consumer habits

Please specify the stores in which you make purchases.

<table>
<thead>
<tr>
<th>Category</th>
<th>Respondents who mainly make purchases in Russian stores</th>
<th>Respondents who make purchases in Russian stores and abroad equally</th>
<th>Respondents who mainly make purchases abroad</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food (including soft drinks)</td>
<td>82%</td>
<td>13%</td>
<td>6%</td>
</tr>
<tr>
<td>Ready-to-eat food (including in cafes and restaurants)</td>
<td>80%</td>
<td>15%</td>
<td>5%</td>
</tr>
<tr>
<td>Alcohol</td>
<td>80%</td>
<td>15%</td>
<td>6%</td>
</tr>
<tr>
<td>Drugs</td>
<td>77%</td>
<td>18%</td>
<td>5%</td>
</tr>
<tr>
<td>Home care products</td>
<td>77%</td>
<td>19%</td>
<td>5%</td>
</tr>
<tr>
<td>Baby and children's products and toys</td>
<td>65%</td>
<td>28%</td>
<td>7%</td>
</tr>
<tr>
<td>Consumer electronics and home appliances</td>
<td>65%</td>
<td>26%</td>
<td>9%</td>
</tr>
<tr>
<td>Cosmetics and perfumes</td>
<td>62%</td>
<td>29%</td>
<td>9%</td>
</tr>
<tr>
<td>Clothing and footwear</td>
<td>59%</td>
<td>32%</td>
<td>9%</td>
</tr>
</tbody>
</table>

- Respondents who mainly make purchases in Russian stores
- Respondents who make purchases in Russian stores and abroad equally
- Respondents who mainly make purchases abroad

Trend
Preferences towards Russian vs. foreign stores have remained the same compared to 2019. Goods may be divided into the two following groups:

- Goods most rarely bought in foreign stores: food (82%), ready-to-eat meals (80%), alcohol (80%), drugs (77%) and home care products (77%). Respondents buy these goods primarily in foreign stores (5–6%) or in both foreign and Russian stores equally (about 16%) at about the same rates.

- Goods most often bought in foreign stores on average: baby and children's products (7% of respondents prefer foreign stores), home appliances (9%), cosmetics and perfumes (9%), clothing and footwear (9%). The share of respondents that buys these goods in equal amounts in Russian stores and abroad is significantly higher in this group (about 29%).

Highlights
- Older respondents (51%) of people aged 65–59 and 54% of those over 60) and low-income respondents are most likely to make purchases in Russian stores.
- Men favor purchases in Russian stores significantly less than women (34% versus 48%).
- Muscovites (21%) and high-income respondents (16%) are the least inclined to make purchases in Russian stores. This trend is also typical of young people (28% in the group of respondents aged 16–29).

* Stores abroad include stores outside Russia, as well as online stores capable of delivering goods to Russia from abroad.
** The weighted difference for respondents who make purchases in Russia and abroad, the average for all categories.
Consumer habits

Please specify whether you made purchases during sales events over the past six months.

- Short-term sales (such as Black Friday or Cyber Monday)
- New Year’s sales events
- Sales events in April-May 2020
- Off-season sales

The percentage of respondents who made purchases during sales events over the last six months

|            | 70% | 72% | 69% | 75% | 71% | 75% | 74% | 80% | 73% | 75% | 74% | 69% | 71% | 77% | 72% | 60% | 69% | 75% | 66% | 80% | 72% |
|------------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| Moscow     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |
| St. Petersburg |   |   |   |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |
| Aged 16–29 |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |
| Aged 20–34 |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |
| Aged 30–44 |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |
| Aged 45–59 |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |
| 60 years   |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |     |

Trend

- One third of respondents (27%) did not make purchases during sales events over the six months preceding the survey, which is 13% higher than in the similar period of 2019.
- Black Friday and Cyber Monday are highly popular, with 34% of respondents making purchases during these sales events. New Year’s sales events and sales events in April-May 2020 were also very popular among respondents (32% and 29%, respectively).
- Off-season sales are least in demand, with only 19% of respondents participating in them.

Highlights

- Among older respondents, the share of people taking advantage of sales events has fallen from 75% to 66%.
- The higher their incomes, the more eager respondents are to participate in sales events: with a range of 68% to 77%.
- Shopping enthusiasts participate in sales events the most often (80%).
- The least eager to participate in sales events are respondents who go to stores only if they really need to buy something (60%). We also note that respondents who do not enjoy shopping and prefer online purchases participate in sales events at an average rate for the sample (72%).
- Women make purchases during sales events more often than men: 75% versus 69%.
- Respondents from Moscow and St. Petersburg participate in sales events at a rate below the sample average.
Consumer habits

Please specify which categories of goods/services you bought during sales events over the past six months.

<table>
<thead>
<tr>
<th>Category</th>
<th>Traditional Stores</th>
<th>Online</th>
</tr>
</thead>
<tbody>
<tr>
<td>Food</td>
<td>61%</td>
<td>15%</td>
</tr>
<tr>
<td>Home care products</td>
<td>55%</td>
<td>18%</td>
</tr>
<tr>
<td>Alcohol</td>
<td>54%</td>
<td></td>
</tr>
<tr>
<td>Clothing and footwear</td>
<td>49%</td>
<td>37%</td>
</tr>
<tr>
<td>Cosmetics</td>
<td>43%</td>
<td>31%</td>
</tr>
<tr>
<td>Baby and children’s products and toys</td>
<td>42%</td>
<td>28%</td>
</tr>
<tr>
<td>Peri-peri</td>
<td>42%</td>
<td></td>
</tr>
<tr>
<td>Consumer electronics and home appliances</td>
<td>39%</td>
<td>37%</td>
</tr>
<tr>
<td>Drugs</td>
<td>34%</td>
<td>14%</td>
</tr>
<tr>
<td>Ready-to-eat food (including in cafes and restaurants)</td>
<td>32%</td>
<td>15%</td>
</tr>
</tbody>
</table>

Trend

• In 2019, the average number of respondents who made online purchases in all categories of goods during sales events was 18%. In 2020, this figure rose to 25%. At the same time, the average number of respondents who participated in sales events in traditional stores has remained nearly the same at 41% (+1% on 2019).

• Food (61%), home care products (55%), and alcoholic beverages (55%) were the most frequently purchased items in traditional stores during the six months preceding the survey. The opposite is seen for these categories of goods in online stores, where during sales events the figures are 15% for food and 18% for home care products.

• The items most frequently purchased online include clothing and footwear (37%), consumer electronics and home appliances (37%), cosmetics (31%), baby and children’s products (28%), and perfumes (26%).

Highlights

• Respondents from Moscow buy clothing and footwear and home care products during sales events in traditional stores significantly less frequently than average, by 11 pp and 13 pp respectively.

• Residents of St. Petersburg buy alcohol during sales periods 12% more frequently than the sample average.
Consumer attitudes to mandatory labeling
Poor-quality and counterfeit goods

Please specify whether you have been offered poor-quality (faulty or spoiled) or counterfeit (fake) goods over the last six months.

- **Poor-quality goods**: 72% Yes, 38% No
- **Counterfeit goods**: 62% Yes, 28% No

Please specify whether you have been offered poor-quality (faulty or spoiled) or counterfeit (fake) goods in any of the given categories over the last six months.

<table>
<thead>
<tr>
<th>Category</th>
<th>Poor-quality</th>
<th>Counterfeit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Drugs</td>
<td>89%</td>
<td>6%</td>
</tr>
<tr>
<td>Home care products</td>
<td>88%</td>
<td>7%</td>
</tr>
<tr>
<td>Baby and children's products</td>
<td>85%</td>
<td>7%</td>
</tr>
<tr>
<td>Consumer electronics and home appliances</td>
<td>84%</td>
<td>6%</td>
</tr>
<tr>
<td>Perfumes</td>
<td>84%</td>
<td>11%</td>
</tr>
<tr>
<td>Cosmetics</td>
<td>83%</td>
<td>10%</td>
</tr>
<tr>
<td>Alcohol</td>
<td>80%</td>
<td>12%</td>
</tr>
<tr>
<td>Ready-to-eat food</td>
<td>78%</td>
<td>5%</td>
</tr>
<tr>
<td>Clothing and footwear</td>
<td>76%</td>
<td>11%</td>
</tr>
<tr>
<td>Food</td>
<td>71%</td>
<td>8%</td>
</tr>
</tbody>
</table>

Trend
- **Poor-quality goods**: 38% of respondents report having purchased low-quality (faulty or spoiled) goods during the past six months. This figure has decreased by 12 pp since last year (in 2019, 50% of respondents encountered low-quality goods).
- **Counterfeit goods**: 28% of respondents report having come across counterfeit (fake) goods over the last six months. Over the last year, this figure has decreased by 12 pp (in 2019, 40% of respondents had come across counterfeit goods).

Highlights
- The most common type of low-quality or counterfeit goods is food (29%).
- Most frequently, our respondents reported purchasing counterfeit alcohol (12%), counterfeit clothing and footwear (11%), perfumes (11%) and cosmetics (10%) were encountered equally frequently.
- Most frequently, respondents reported running across low-quality ready-to-eat meals (17%) and food (21%).
Consumer attitudes to mandatory labeling

Awareness of mandatory labeling

1. Do you think that the introduction of mandatory labeling for tobacco, footwear, and drugs will help reduce volumes of counterfeit and/or poor-quality goods?

- After mandatory labeling is adopted, there will be no counterfeit and/or poor-quality goods at all
- After mandatory labeling is adopted, the amount of counterfeit and/or poor-quality goods will be significantly reduced
- Adoption of labeling will not significantly reduce the amount of counterfeit and/or poor-quality goods
- Adoption of labeling will not have an influence on the amount of counterfeit and/or poor-quality goods
- I do not know

- 54% of respondents are aware of mandatory labeling for various categories of goods in Russia. Respondents over 60 years old are the most in-the-know category (67%). Awareness of labeling increases with respondents' age (the figure was 48% for respondents aged 16–29). It also grows gradually with income (from 49% to 62%). Men are much more aware of this issue than women (59% versus 49%).
- 84% believe that after mandatory labeling is introduced, the amount of poor-quality and/or counterfeit goods will decrease.
- 13% believe that there will be no poor-quality and/or counterfeit goods at all. 49% are convinced that such good goods will be significantly reduced in stores, while 22% suppose that these efforts will not significantly reduce the amount of counterfeit and/or poor-quality goods in Russia. 10% are of the opinion that mandatory labeling will not have an impact on the amount of counterfeit and/or poor-quality goods.
- The least in-the-know respondents live in the North Caucasian and Urals Federal Districts (45% and 46% respectively).

The level of mandatory labeling awareness for different categories of goods among Russian residents

- Siberian Federal District
- Northwestern Federal District
- Central Federal District
- Far Eastern Federal District
- Southern Federal District
- Volga Federal District
- Ural Federal District
- North Caucasian Federal District

- 57%
- 56%
- 54%
- 54%
- 54%
- 53%
- 45%
- 45%
Consumer attitudes to mandatory labeling
Attitudes towards mandatory labeling

What is your attitude towards the introduction of mandatory labeling for the following categories of goods?

- On average, 63% of respondents view the introduction of mandatory labeling positively for all categories of goods. About one third of respondents reported a neutral attitude, and a minor portion reported negative views.
- Respondents are most enthusiastic about the labeling of drugs (75%), dairy products (71%), and perfumes (69%).
- Muscovites reported a neutral attitude towards the labeling of various product categories 6% more frequently on average than St. Petersburg residents, who favor labeling 6% more often.
- Men tend to feel more positively towards labeling than women (by 4%).
- Over half of all respondents believe that it is necessary to introduce labeling for cosmetics (61%), baby and children’s products and toys (60%), food (59%), consumer electronics and home appliances (56%), and home care products (53%).

Please specify what other categories of goods you think should be labeled.

- Cosmetics
- Baby and children’s products and toys
- Food (including soft drinks)
- Consumer electronics and home appliances
- Home care products
Consumption in Russia – 2020

Contacts

If you have any questions regarding the survey, please do not hesitate to contact us.

Oxana Zhupina
Partner Consumer Products Leader
Deloitte CIS
ozhupina@deloitte.ru

Mikhail Sokolov
Junior Research Specialist
Deloitte CIS
msokolov@deloitte.ru

Ekaterina Kirasirova
Senior Industry Development Coordinator, Consumer Products
Deloitte CIS
ekirasirova@deloitte.ru