CONNECTING WITH CONSUMERS IN THE POST-LOCKDOWN WORLD

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CreativeRace®

FROM CRISIS TO POST CRISIS

As we move out of lockdown people's lives and their shopping behaviour are changing, and at pace.

To survive, businesses and brands must react to these changes. To thrive, they must also anticipate how their audience will think, feel and behave; and rapidly evolve their strategy to meet these emerging needs.

Increasingly, we're seeing that shopper's attitudes and behaviour are diverging to levels we haven't previously experienced. What used to be a normal activity for someone may now feel risky, or simply has stopped being part of their daily routine.

That leaves marketers with a dilemma. If you don't know who your brand audience has now become, how can you ever plan to win?

WHERE WE HAVE BEEN

The Covid-19 crisis has disrupted the lives of everybody in the UK in a way not seen since the Second World War.

Even the financial crisis of 2008 doesn't compare, as it largely only affected one aspect of life, money. The pandemic has impacted our finances, freedom of movement, health (whether directly or indirectly) and, perhaps most importantly, our psychological outlook on personal safety and what matters most to us in life.

Living in varying states of lockdown has meant mass behaviour change which brands and businesses have been forced to react to. Some of these changes have been new, others have accelerated existing trends.

+145%

Growth in ecommerce during 2020 vs 2019 (ONS)

+207M

Extra spent on soap, bath and shower products in 2020 (Mintel)

+15%

+15% increase in time people spent at home starting 23rd March 2020 (Google)

+3.8BN

+3.8BN increase in convenience store sales in 2020 (Lumina Intelligence)

People's behaviour in lockdown was relatively consistent.
For example, if the pubs are shut, no one can go for a drink.
But, what happens now the pubs, and society, are open once more?

WHERE ARE WE GOING?

The transition out of lockdown is a mass turning point in all our lives, and our behaviour will continue to change as society does.

Such seismic shifts are golden windows of opportunity for brands. New habits are formed, new shopping behaviour adopted. And new customers can be recruited en masse. But, there is a risk. Brands that get their strategy wrong in the coming months could lose ground to competitors.

It's our belief that as lockdown ends, we'll see a much greater divergence in shopper behaviour than before the pandemic. Behaviour that's not just defined by a person's financial situation but also by their psychological outlook.

50%

People who are worried about their finances (YouGov)

£7,100

Average amount saved by UK households in 2020 (CEBR)

37%

People who say they are uncomfortable visiting reopened clothing stores (YouGov)

18%

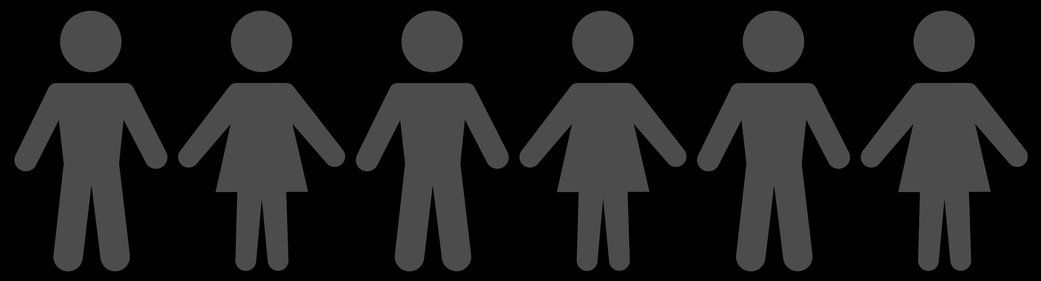
People would still go on holiday if their destination country moved from 'green' to 'amber' (YouGov)

To win in the post-lockdown world brands need to know how their audience is feeling.

Are they ready to spend their lockdown savings or are they living paycheck to paycheck?

Are they desperate to get out and party or are they enjoying life in the home they've spent time and money creating?

THE 6 TYPES OF POST-LOCKDOWN CUSTOMER



By combining wide-ranging desk research and in-depth analysis of YouGov Profiles data, we've identified 6 distinct segments within the UK population that reveal their likely attitudes and behaviour post-lockdown.

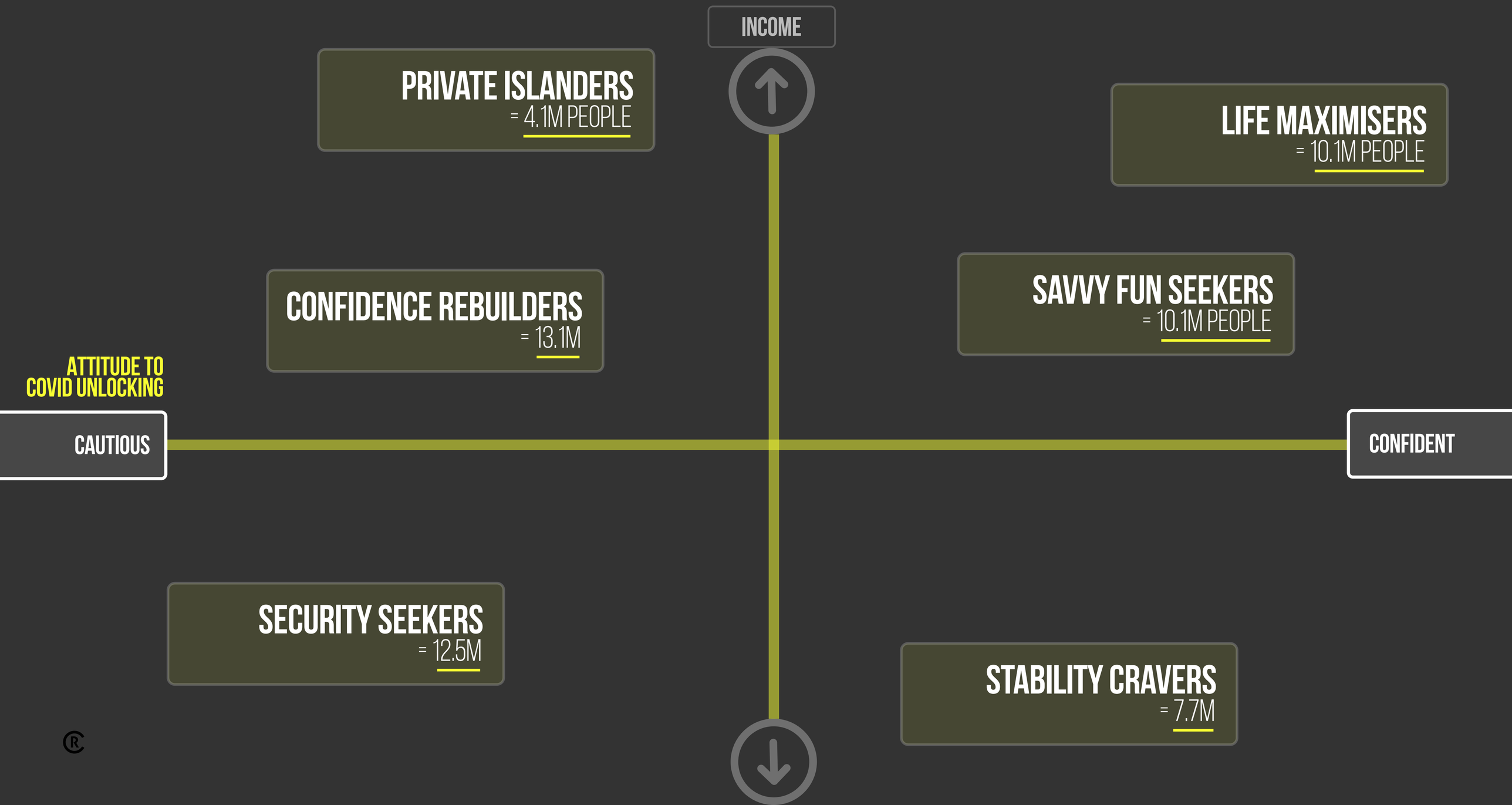
Using income levels, attitude towards risk, personal values and other rich data, we can overlay your brand's audience onto this segmentation, and discover answers to such key questions as:

How have they been affected financially by lockdown?

What's their outlook on personal safety?

How has their lifestyle evolved?

What are the messages that will influence them?


INCOME
PRIVATE ISLANDERS
= 4.1M PEOPLE
LIFE MAXIMISERS
= 10.1M PEOPLE
CONFIDENCE REBUILDERS
= 13.1M
SAVVY FUN SEEKERS
= 10.1M PEOPLE
ATTITUDE TO COVID UNLOCKING
CAUTIOUS
CONFIDENT
SECURITY SEEKERS
= 12.5M
STABILITY CRAVERS
= 7.7M

LIFE MAXIMISERS

9% OF UK - 4.7M

Affluent and outgoing, this segment is optimistic about the future and ready for the world to get back to normal. From socialising to travelling they're keen to make up for lost time. They want brands to provide quality products and solutions that will let them enjoy themselves the way they used to.

01 LIFE STAGE AND FINANCES

- Youngest group - 81% are under 55
- Pre-family couples and families of 1 or 2 kids
- Half own their home with a mortgage
- Finances are stable or improving

02 OUTLOOK ON LIFE

- Like to plan ahead
- Physical and emotional health are high on their agenda
- Life is there to be lived
- At ease with modern world, love to travel

03 IMPACT AND OUTLOOK ON COVID

- Generally found lockdown easy
- Impact was on social life, travel and having to work from home
- Feel positive about the UK's future
- Want to get back to life as it was before

04 WHAT THEY WANT FROM BRANDS AND SHOPPING

- Enable my life
- Great quality and convenience
- Strongly influenced by recommendations from experts
- Have an opinion but don't take life too seriously

PRIVATE ISLANDERS

8% OF UK- 4.1M

This group has been least affected by the pandemic. They've adapted well to the routine of lockdown and haven't missed social contact as much as others. They're likely to maintain lockdown habits especially online shopping. As restrictions are lifted, they'll make their own judgements about what they feel comfortable doing rather than following the herd.

01 LIFE STAGE AND FINANCES

- Young. Split across pre-family, young and older families.
- Own their home with mortgage
- Finances are stable or improving
- The group that are the least worried about finances

02 OUTLOOK ON LIFE

- Rules should be followed
- Focused on themselves or immediate family
- Emotional health less of a concern than for other segments
- Like to stick to a routine

03 IMPACT AND OUTLOOK ON COVID

- Group least worried about health due to Covid
- Learned about themselves during the pandemic and will miss elements of lockdown
- Most pessimistic about economic outlook
- Delaying getting back to normal life

04 WHAT THEY WANT FROM BRANDS AND SHOPPING

- Prefer to shop 'big and less often'
- Quality and range
- Biggest users of online supermarket shopping
- Authenticity, consistency, and trust
- Want to make their own informed decisions

SAVVY FUN SEEKERS

19% OF UK - 10.1M

The main impact of the pandemic upon this group was on their leisure activity. They're now keen to get back to normal life. However, due to the experience of furlough, or a reduction in working hours, they feel less financially secure. So, while they're looking to engage once more with family, friends and the community, they also want to get value for money through quality products and meaningful deals.

01 LIFE STAGE AND FINANCES

- High proportion of pre-family and younger families
- 25-45 year olds
- Most are homeowners
- Finances stable but half are worried about money

02 OUTLOOK ON LIFE

- Emotional and physical health is very important to them
- Family is their focus
- Time more important than money
- Top priority is to enjoy themselves

03 IMPACT AND OUTLOOK ON COVID

- Group most likely to have been furloughed or had working hours reduced
- Leisure also heavily impacted
- Want UK to prioritise vaccines at home
- Comfortable getting back to normal life

04 WHAT THEY WANT FROM BRANDS AND SHOPPING

- Local shopping where possible
- Annoyed by advertising
- Looking for quality
- Promotions and loyalty schemes
- Want brands to be socially responsible

CONFIDENCE REBUILDERS

25% OF UK -13.1M

This segment was comfortable spending more time at home during lockdown, and appreciated the extra family time. Health concerns were the main worry for confidence rebuilders and their return to leisure and shopping destinations will be cautious. As they carefully venture back, they'll be looking for brands and retailers that make life simple and which protect the health of them and their family.

01 LIFE STAGE AND FINANCES

- Even distribution across ages and life stages
- 70% own their home
- Almost half are 2 person HH
- Most financially stable group

02 OUTLOOK ON LIFE

- Enjoy time at home
- Family is top priority for most
- Prefer routine

03 IMPACT AND OUTLOOK ON COVID

- Half are worried about health due to Covid
- Over half will miss aspects of lockdown
- Most found lockdown easy
- Slowly going back to out-of-home activities.
- Likely to delay going back to pubs, etc

04 WHAT THEY WANT FROM BRANDS AND SHOPPING

- Prefer offline shopping
- Range of products is important
- Shop less frequently and rarely for fashion
- Trustworthiness is crucial

STABILITY CRAVERS

15% OF UK - 7.7M

This was the group most impacted by the pandemic both financially and through its physiological effects. Even before the crisis they felt the world was an insecure place. Now they want to get back to a normal, stable life. They are looking for reassurance and identity by reconnecting with their family and community. Brands and retailers should seek to provide stability cravers with a personal and empathetic service.

01 LIFE STAGE AND FINANCES

- Split between high proportion of 18-24s and over 55s
- Almost half (46% are renters)
- 1 and 2 person households
- Least stable financially (26% getting worse)

02 OUTLOOK ON LIFE

- Many feel alienated by modern life
- Over half regularly experience anxiety about their lives
- Don't plan ahead
- Community and family focused
- Feel that country has lost its moral compass

03 IMPACT AND OUTLOOK ON COVID

- Over half worried about money due to Covid
- Most likely to have lost their job
- Group that struggled most with lockdown
- Almost a third have learned a lot about themselves during lockdown

04 WHAT THEY WANT FROM BRANDS AND SHOPPING

- Ability to touch and feel before buying
- Local shopping and little and often
- Low prices, don't care about the brand
- Good customer service
- Want to buy from companies that share their traditional values of family, community and duty

SECURITY SEEKERS

24% OF UK 12.5M

The oldest and most isolated group, their daily routines haven't been affected much by the pandemic but their finances are under pressure and the threat to health has loomed large. Home is where they spend most of their time and they're in no rush to go back to public places and shopping. They'll respond to brands who show they're genuinely focussed on improving customers' daily lives.

01 LIFE STAGE AND FINANCES

- Over 55s – 40% retired
- Highest number of single households -35%
- 1/5 have worsening finances

02 OUTLOOK ON LIFE

- Group that are least engaged in looking after overall health
- Home is their focus – and like to holiday in the UK
- Sceptical of technology and feel out of step with modern life
- Like to concentrate on the here and now
- Lack of control over the direction of their lives

03 IMPACT AND OUTLOOK ON COVID

- Most are worried about health due to Covid
- Day to day life not really impacted by pandemic
- Most pessimistic about progress against the virus
- Least likely group to feel comfortable returning to leisure and shopping activities

04 WHAT THEY WANT FROM BRANDS AND SHOPPING

- Shop in store
- Looking for special offers
- Brands must show they care about customers and be authentic
- Not interested in brands' views on societal topics or the environment

DO YOU NEED HELP WITH UNDERSTANDING YOUR NEW AUDIENCE?

GET IN TOUCH

Just as the Covid-19 pandemic has yet to run its course, people's outlook and behaviour will continue to evolve in the coming months.

What is certain is that the marketing landscape has forever changed, with a greater divergence in attitudes and shopping habits than before. Brands are already having to reconnect with customers in a far more complex world than existed 18 months ago.

Only by understanding your audience's underlying attitudes and their current outlook can you make informed decisions about your strategy for the coming months.

The customer segments identified in this report offer the first detailed view of the new marketing world. And we'll continue to review and update them as changes occur. If you would like a tailored analysis of what they mean for your brand and your customers specifically please get in touch.

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