United Divided

The challenge for brands and consumers in a changing COVID culture

1st October 2020

delineate.

Foreword

"Living with uncertainty seems to be the watchword for the foreseeable future. In the early days of the pandemic the public largely followed the government advice but now the trust has dissolved and people are making more of their own decisions. Hence the divisions we see by age, and the liberal grumblings about the continued need for restrictions.

One thing that is certain is that Covid will have a permanent effect on the social and economic life of the country. Long term trends are being accelerated and many weaker businesses and perhaps even sectors will struggle to survive. Working patterns will change and city and town centres will need to evolve. The value of gardens and outdoor spaces will focus attention on the environment and our need to protect it.

Uncertainty brings opportunity too. Businesses that are flexible and can react quickly to changing demand will prosper and be the engines for job growth. Keeping track of the twists and turns in the consumer landscape will need the new research and insight tools developed by companies like Delineate. Understanding on a daily basis what consumers are doing and needing will become essential; fast learning on reaction to new communications will be the 'new normal' for our industry."

Paul Edwards
Chairman, Delineate

Executive Summary

Constant change and the speed of response are most likely how brands will remember 2020. The year continues to throw new challenges based on the ways consumers think, feel and behave.

This is our third and final paper on how the global pandemic has impacted consumers in the UK and what that means for brands. As we come out of the easing of summer and into a potential second wave, it's safe to say that consumers are now recognising that COVID is here for some time yet. 71% of people think COVID will take at least another six months to be brought under control.

71%

of people think COVID will take at least another six months to be brought under control

11%

of UK workers don't want to return to the workplace post-COVID

A shift in attitude

The bonds that united the country at the start of the pandemic ("we're all in this together") appear now to be stretching to breaking point. We're feeling confused, increasingly distrusting of our governments and media, and we're beginning to divide in the ways we individually respond to the virus.

A desire to "go back"

The summer gave us a teaser of what normal could look like, with bars, restaurants and events reopening - albeit with social restrictions in place. This has left many UK consumers (63% as at week twenty-four)* wanting to "go back to how things were" before COVID. But other consumers want to retain some of the changes we've experienced because of lockdown and social distancing. In particular, there's a shift in how some people want to approach their working lives now they've tasted working from home.

Dividing times

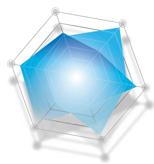
Our feelings are starting to differ about the virus and the way we're engaging with day-to-day activities. Much of this division falls along age lines. Older people are still worried about the impact of the virus on them, while younger people feeling less concerned - as we see in their behaviours and activities. Younger people seem to be engaging in life with an increasing disregard for social distancing and health measures. Older generations, and those with families tend to remain at home or maintain the recommended precautions to enable them to socialise safely.

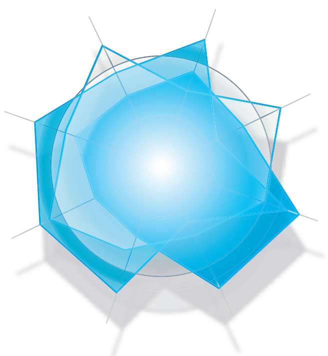
*In this paper 'week one' results refer to results from week commencing 26th March 2020, 'week twenty-four' results refer to week commencing 3rd September 2020.

The new segments

As these divisions surface, we're beginning to see the evolution of new types of consumers. While some of these groups fit within our established customer types, there are signs that these groups think and consume differently. In particular, we can see a difference in their approaches to risk and following the rules. Brands therefore need to pay close attention to the changing needs and opinions of these groups and tailor their marketing to appeal to each one.

A second wave of infection seems increasingly inevitable in the UK (and indeed, may even be here as we publish). The way we interact with one another, our information providers, and our brands will almost definitely continue to shift and evolve. The constant change and speed of response that's been our signature theme for 2020 is likely to remain for the rest of the year, and probably for much of 2021 too.





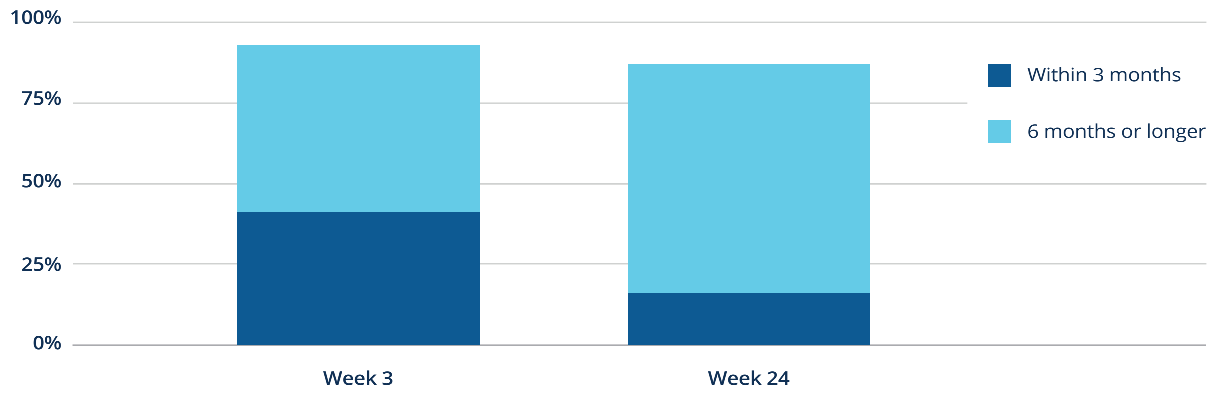
Nothing is Normal Now

Everyone, brand and consumer alike, is finding it hard to navigate the unpredictability of the new COVID culture. As the rules across the UK change with the rise and fall in cases, we now face the added uncertainty over our economic future. It's tough for brands to get to grips with the changing needs and views of their customers. How much disposable income will they have, what will they spend it on, and where will they be making those buying decisions?

2020 has left everyone dazed, confused, and unsure about what's next.

We can be certain that the impact of COVID-19 will last much longer than many people had hoped. At the start of the pandemic, a large proportion of the UK (4 in 10) were optimistic we could bring the outbreak under control and over within three months. Now, half a year later, just one in six (16%) believe that we can control the outbreak within the next six months.

When will the epidemic be contained in the UK?



After our experiences to date, we now know we're in this for the long haul. The vast majority (7 in 10) people now think recovery will take us six months or more. We seem to have accepted that it's going to take time to regain the privileges of our normal way of life. Everyone has been impacted by the pandemic to some extent, so at least we can take comfort in the fact that we're all in this together, right?

Perhaps not.

A unified state?

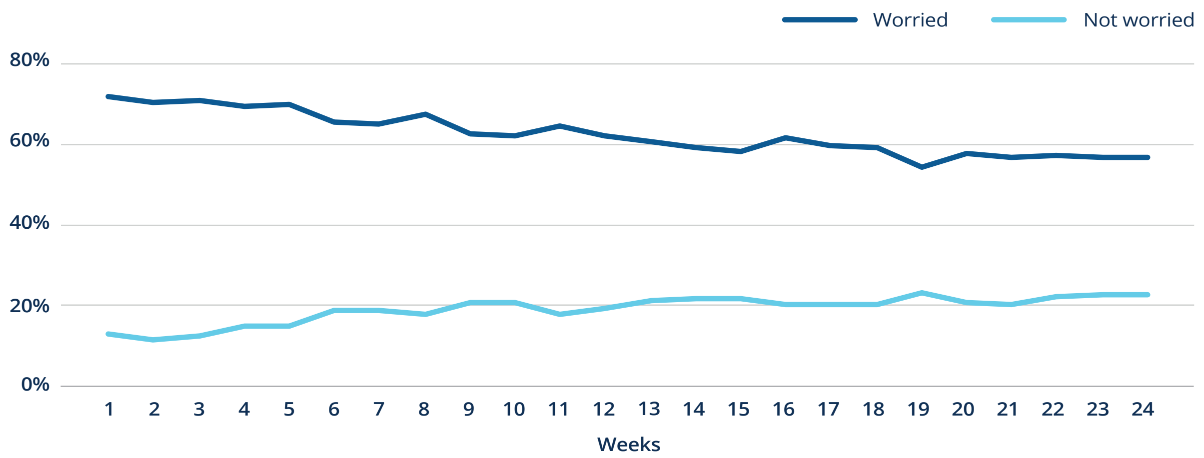
The lockdown threw the whole country into a state of emergency. But after that initial panic, we quickly found ways in isolation to adjust to our new way of life – from buying supplies online and staying in touch with friends and family, to working from home, and finding ways to keep ourselves entertained.

Unifying moments (like the weekly clap for the NHS) ignited a feeling that, as a nation, we could get through this disaster together. We found common ground in our struggles as we moved through the first wave of cases and came to terms with social distancing and isolation as part of our daily lives.

But now that the first wave has ended, and we seem to be less worried about falling ill. In the first week of the pandemic almost three-quarters of us (72%) expressed concern about catching the virus. Twenty-four weeks later and that number has dropped to less than two-thirds (57%).

We've moved from a collective state of emergency to something akin to a chronic condition. A diagnosis that leaves us with prolonged symptoms, is often confusing, and sometimes involves conflicting social restrictions.

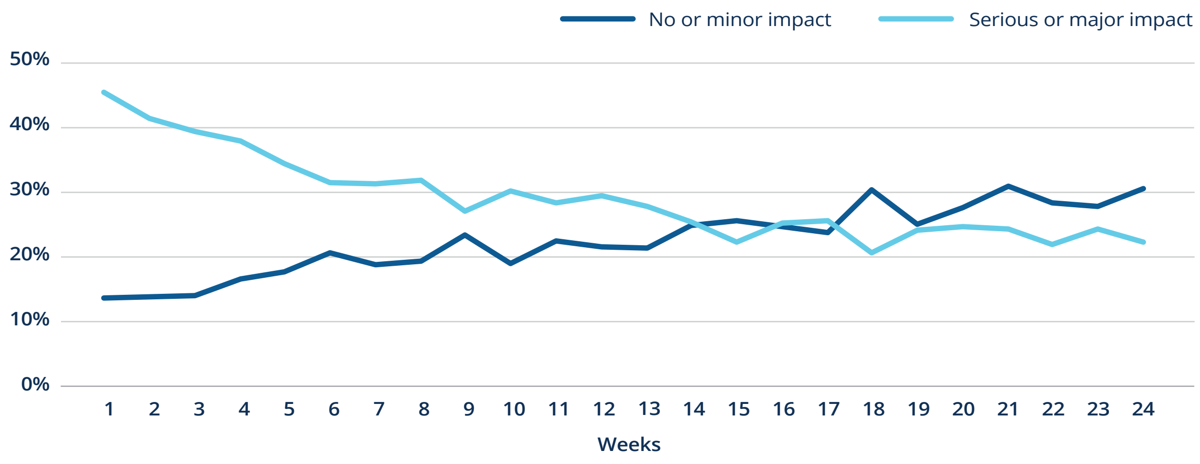
Proportion of population worried about catching COVID-19 themselves



Inevitably, the unity we found in the initial weeks of the pandemic is fading. The first wave impacted many, but not to the extent that the public expected. Most people say they have not experienced any serious impact from COVID, with less than a quarter (22%) saying it has had a major impact on their life.

Our research also shows that currently the rate of unemployment has not actually changed significantly. 60% of us said we were in work at the start of the pandemic, and that has only fallen to 59%. Our standard of living has mostly been maintained and in some cases it has improved. In week one 28% of people said they were struggling to maintain their lifestyle, that's now dropped to just under 24%. Similarly, the number of people who say they feel "comfortable" in their living standards has increased from a little under 32% to just over 35%. Could it be the financial support provided by the government and lenders (payment holidays etc.) has helped?

CV19 Overall personal impact



As such, there's an urgency to have things get back to "the way things were". Furloughed employees are starting to return to their jobs. In week six of the pandemic as many as 17% of employees were on furlough. That has now dropped to only 6%.

Relaxation in social restrictions has been met with enthusiastic participation as we returned to our open spaces, pubs and restaurants over the summer. And as the number of new cases fell, many now feel it's no longer necessary to be stringent with the rules. In week one 96% of us said it was important to avoid public gatherings of more than two people. Now only 71% of people feel this way.

Lost in limbo

The concept of a new normal is evolving, but in different directions. This could be fuelled, in part, by a perceived lack of clarity from the Government. Trust in government now sits at just over a quarter (26%). We're living in a strange state, neither full lockdown, nor the old normal of our pre-lockdown lives. We seem to have settled into an acceptance of our current existence, and our anxieties over the pandemic are down. One in three people (33%) reported feeling anxious in week one, which has dropped to one in five (20%) in week twenty-four. But how long will this acceptance last?

22%

of people report that COVID has had a 'high impact' on their lives

As the threat of the second wave looms, there is worry ahead. The end of the furlough scheme could signal potential mass unemployment, while new lockdowns (local and maybe even national) could see more businesses go under. With restrictions for pubs and restaurants already reinstated, some businesses are reporting they may not be able to keep themselves afloat to the end of the year.

20%

are reporting they feel anxious

So we wait. We wait for the next wave of the virus, and the new restrictions on our ways of living. Rather than a finding a 'new normal', limbo is the order of the day.

Land of Confusion

Trust in the source

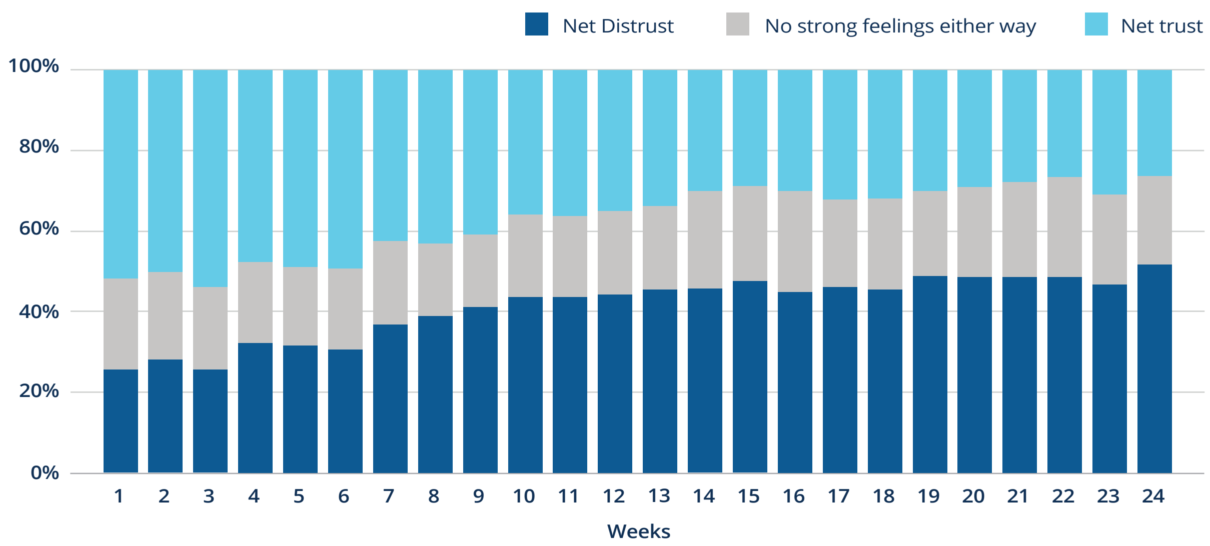
We may have found a new acceptance of our situation, but the different interpretations of what we can and cannot do are creating new divisions within our society.

This is fuelled by the struggle to find trustworthy sources of information as we progress through the pandemic. The Government has been consistently criticised for a lack of clarity in its messaging. So much so, that trust in the Government has halved since we went into lockdown (from 52% week one to 26% week twenty-four).

Trust in the media has also fallen, by more than 10 percentage points (from 29% week one to 18% week twenty-four). In fact, the only source of information that has maintained a consistently high level of trust is with healthcare professionals, which is still trusted by more than two-thirds of the UK public (68%).

Trust has also remained consistent with grocery providers (week one trust was 50%, and now it's 49%), who at the start of the pandemic played such a vital role in feeding the nation. These brands were repositioned as frontline services during lockdown. While we may not have heard brands described this way in the media in the less restricted days of summer, will this change as we head toward the tighter controls of autumn and winter?

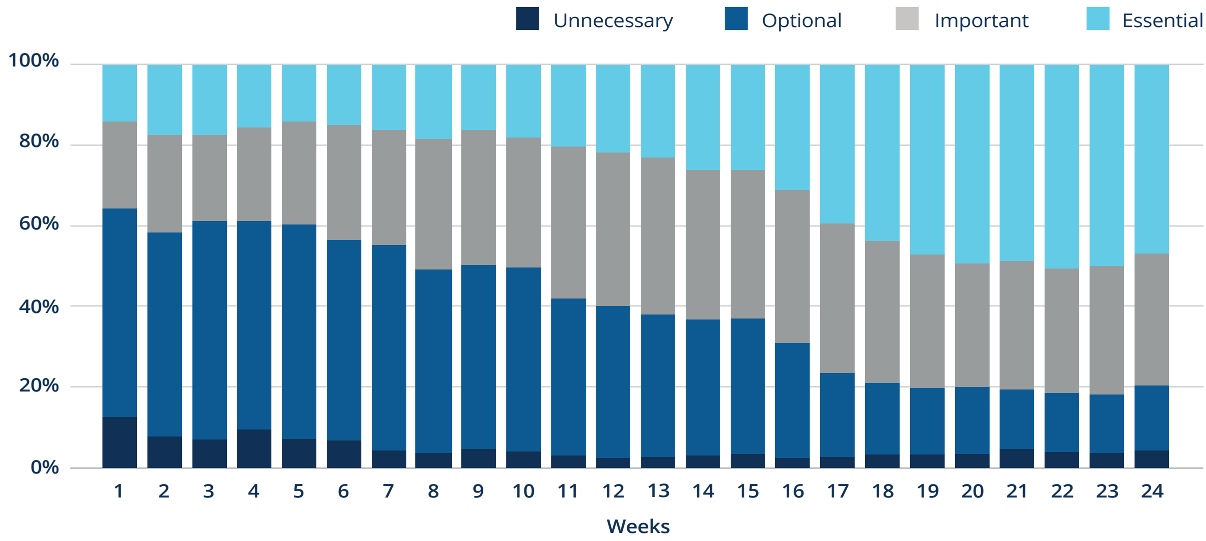
Trust in the Government



Message in a bottle

Despite the lack of clarity, messaging around appropriate COVID behaviours has had some success. Newer messages generally seem to be more consistent and easier to understand. For example, the importance of wearing a mask when going out or meeting people is now increasingly seen as important/essential. As this became part of the Government messaging, support for face coverings has significantly increased. At the start of the pandemic, wearing a mask was only felt to be important or essential by 36% of us. By week ten that figure had increased to 50%, and now 80% of us believe this.

Wearing a mask has evolved from 'optional' to 'essential'



Some earlier messages, however, have lost their importance or now seem confusing.

The necessity of avoiding public gatherings of more than two people has declined over the course of the pandemic. This is perhaps unsurprising given the Government has shifted the advice on the size of groups we can socialise in. The "Rule of Six" is the current language, but how soon before this changes again?

As a result of the virus, social events in our homes and in formal venues have had to be cancelled or postponed. The general feeling that social distancing should continue, however, is becoming increasingly unpopular. In week one, one in twenty (5%) people felt these measures were unnecessary. In week twenty-four that figure has risen to more than one in four of us (28%). This is possibly linked to our ability to socialise in pubs and parks over the summer. If we're able to do that, then why should we need to restrict our events and family gatherings?

In with the old, but also the new…

With lockdown easing, the majority of the population (63%) are keen for their lives to return to the pre-COVID normality. Many of these activities such as going to the pub, using public transport, or getting haircuts/beauty treatments are now once again available to us. But we're seeing signs that this could change in the coming weeks and months if the second wave takes hold.

There is, however, one significant change brought on by lockdown that people want to retain. More than one in ten (11%) of working people say they do not want to return to their workplace office to do their job. They would prefer to work from home on a continual basis after the pandemic has passed. One in ten may not sound much, but in an extra 3.5 million people giving up their office-based desks could have a significant long-term economic impact.

We're already seeing short-term effects on city-based businesses that rely on office-based trade for their livelihood. What other changes are on the horizon for brands as the population's needs evolve?

63%

say "I want to get back to my life exactly, or mostly, as it was before"

Many of the things that we missed about pre-COVID life are starting to become more common:

24%

have been to a pub or bar for a drink

25%

have travelled on public transport

17%

have been to a hairdresser, barber or beauty/nail salon

Divided or Evolving?

Division of risk

The first wave of COVID has created a fundamental shift between individuals who are keen to get back to normal, and those people who see themselves at risk and wish to maintain some or all elements of lockdown.

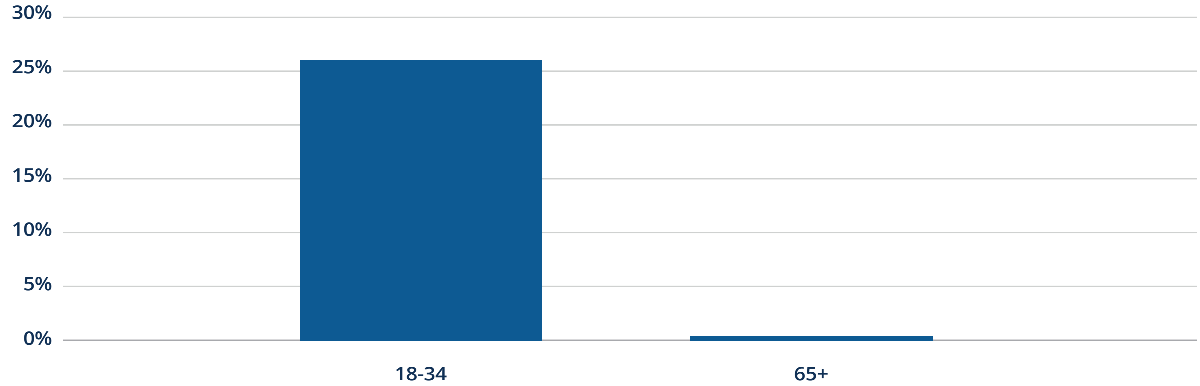
We're dividing more along age lines. The ratio of people aged 65+ who are worried about falling ill with COVID (compared to not worried), is 4 to 1. This is twice as high as those in the 18-34 age group (a 2:1 ratio of worried to not worried).

Older workers (over 55) are also twice as likely to say they never want to return to the office, while 18-34 year olds are three times as likely to have used public transport in the past week.

Most surprisingly, age has a huge impact on whether we're prepared to holiday abroad.
26% of respondents aged between 18-24 say they have taken a holiday abroad in the past month. However just 0.5% of respondents aged 65 and over travelled out of the country.

Age may be a key factor in leaving the home, but one thing that unites all age groups is our desire to see family and friends. In the past week, 67% of 18-34 year olds visited friends and family, compared to 58% of people over the age of 55.

Taken a holiday abroad in the past month



It's more than just age

There are also new groups are also emerging, each of which view the virus and its effects quite differently. In the US and the UK there have been protests about wearing masks and the need to be socially distant at gatherings. At its most extreme, these differences of opinion have tended to fall along political lines, and the impact of restrictions on personal freedom.

What role is the media playing in defining and promoting these groups?

The new segments

One reassuring message from consumers during lockdown was the strong desire to hear from their brands. United in isolation, customers wanted to receive helpful messages on product features, pricing and availability. They wanted their communication to be authentic and cheerful, rather than anything overly serious (for example 65% of all adults wanted communications that were helpful/practical).

This helped marketers through the first wave of the pandemic. But as we settle into our new world and that world continues to change, what will brands need to do now to weather the next storm?

While age is still an important factor in the current pandemic landscape, we see new segments forming that could present new opportunities to marketers:

The Family-First Lockdowners

Naturally this group are focused on family life, and value staying at home to protect their loved ones. This is the strongest motivator for this group - family safety first. They're more likely to be cooking and baking than they are eating or drinking outside of the home. They're very concerned about family members getting ill and they trust sources of advice on COVID. They really want things to return to normal, but they're not taking any risks to recreate it.

The Anxiously Engaged Worriers

This group is are glued to their TV boxsets and to the news. They are worried about the pandemic and report high levels of anxiety in their daily lives. They're more fearful of catching COVID and so are likely to follow the rules laid out in order to protect themselves. They also want clear guidelines that they can follow to ensure they're doing the 'right thing'. They will venture out of the home, closely adhering to all appropriate precautions.

The Pragmatic Positivists

This group is less worried about the pandemic. They express lower levels of concern about catching COVID. They do trust sources of information, but they're not as connected to the news and take less of it onboard when they see it. They recognise the negative impacts that COVID is having in their lives, but don't feel it's impacting them in a significantly negative way. They're less focused on the rules and more inclined to believe that precautions should be a personal choice.

The Healthy Nonchalants

These individuals see themselves in excellent health, to the point that it gives them a sense of invincibility. They have low levels of concern about the virus and its impact on them. They don't expect their standard of living to be impacted greatly, and while they do trust sources of information, they're less likely to pay close attention to them. This group also believes that advised precautions like wearing masks and social distancing is a personal choice. Their nonchalance also feeds their belief that following guidelines and taking personal precautions should also be a matter of personal choice.

The Young and Feckless

As the name suggests, this group is mostly made up of younger people (18-34). They are mainly childless and while they recognise the impact of COVID they don't worry about it. They see the virus as a risk for "the old" and are spending most of their time out of the home. They're regularly using public transport, gyms, bars and restaurants. They're even taking trips abroad, unconcerned by travelling in an enclosed environment like an aircraft.

As we enter the next phase of the COVID story, brands need to understand the attitudes and behaviours of these emerging segments. How will they appeal to these groups, and what role can they play in supporting and educating their new consumers, in the absence of trust in government?

The pandemic has forced rapid changes in consumer behaviour. Marketers will need emerging data that's constantly updating to track how these new customer segments respond and change their buying habits. As we enter the potential challenges of the second wave, and eventually a post-pandemic normal, speed and responsive decision making will be key.

About Delineate

Our mission has always been to put better data and more meaningful insights into the hands of marketers and communicators, so they can make better decisions.

Our platform provides **real-time, ready** for use data for **responsive** decision making. Now more than ever brands need to respond quickly with a data driven approach, to take the right actions.

Get in touch to see how the power of daily data can help you.

London

Delineate Strategy Limited
49 Greek Street
London W1D 4EG

Manchester

Delineate Strategy Limited
Waulk Mill, 51 Bengal Street
Manchester M4 6LN

Call our switchboard on **+44 (0) 333 939 8381**
Visit https://delineate.agency
Email **info@delineate.agency**

@delineateAGENCY

delineate.