

BE YOUR CUSTOMER'S HERO- COME TO THE RESCUE!

A Look at How
Consumers are Making
it Work in the Midst of
COVID-19 and the
Opportunities for
Brands to Innovate



PEOPLE IN NEED

COVID-19 has left people around the world feeling overwhelmed and unsure about what the future holds. This uncertainty is clearly reflected not only in the turbulence of global stock markets, but also in the words and actions of everyday people. Daily routines and needs are quickly changing in ways that no one could have predicted a few months ago, creating huge shifts in the products and services people need to survive and thrive in a time of social distancing. While some companies and brands will buckle under the pressure to adapt, others will come to the rescue with innovations that deliver the balance, connectivity and flexibility their customers require. These “heroes” will be rewarded in the short term, but will also be remembered once the peak of the pandemic has passed.

Successful innovation starts with a deep understanding of the consumer or user, and recent discussions among 352 US adults in an online Ipsos Community help reveal the evolving hopes and fears of a public dealing with a series of losses: loss of jobs, loss of childcare, and loss of access to commodity goods usually taken for granted, just to name a few. When asked to describe their home life, it probably

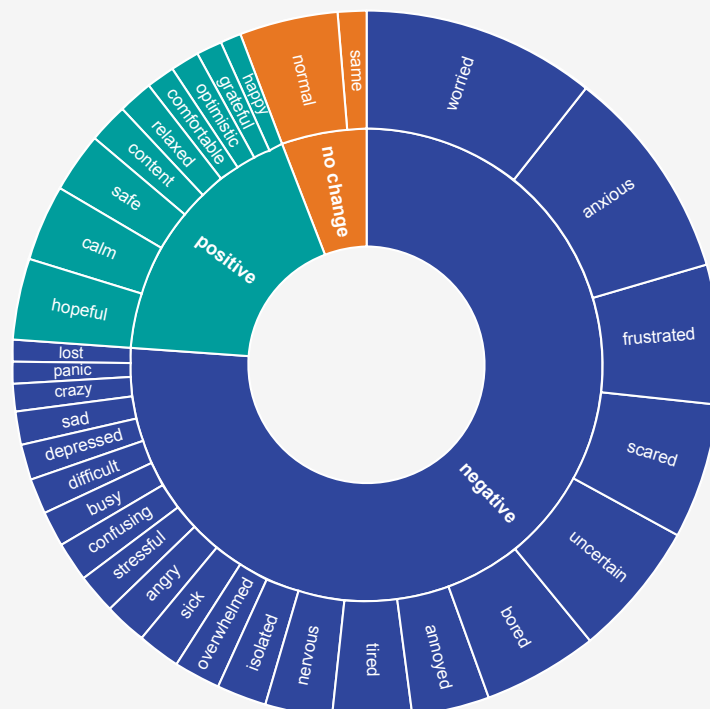
comes as no surprise that “worried”, “anxious” and “frustrated” were some of the most common themes.

“My kids are worried. I am worried. My whole family is worried. People have to pull together and treat each other as human beings to overcome this.”

But while there is fear, there is also hope and a call to action that should have every company sitting up and paying close attention. People are in desperate need of new products and services to help them solve unforeseen challenges that appeared seemingly overnight. They are engaging with each other actively, seeking and sharing advice on everything from “life hacks” to the new products they are trying. This sudden demand for new solutions is, in fact, a huge opportunity for brands that are prepared to adapt their innovation strategies and come to the rescue.

“I would suggest people look at creative ways to adapt to these times -- like try some less popular foods for a change of pace... If events are cancelled, I would miss the fun and togetherness, but we do still have the internet, so you can use web conferencing to stay in touch... So let's use this opportunity to be ever more resourceful!”

If you could put into 3 words how you're feeling about your situation at home right now, what would those 3 words be?
(n=352)



Source: Ipsos US Syndicated Online Community, March 18, 2020 - March 24, 2020

THE END OF THE STATUS QUO

Typically, getting people to adopt new products is no easy task. Why? Because habit is strong. From a Behavioral Science perspective, we know people view any deviation from the “status quo” as a loss, which makes people hesitant to change their behavior (Status Quo Bias). Similarly, Prospect Theory tells us that the perceived “loss” of giving up one’s regular product typically outweighs the benefit of adopting a new one.

But today people have been involuntarily shaken out of the status quo by COVID-19. In fact, 88% of the US adults in our Community indicated that their routine has changed: **“It’s a mess honestly. It isn’t very easy to balance kids being off and trying to work from home at the same time. I haven’t yet gotten into the flow or a routine.”** This massive disruption in people’s lives has spurred a sudden demand for new products and services, which opens a truly unique opportunity for innovations to enter the consideration set and generate trial with an entirely new audience.

COVID-19's Impact on Consumers' Routine (n=327)

It has changed my routine **a lot**

44%

It has changed **some**

25%

It has changed **a little**

17%

It **has not changed** my routine

12%

Source: Ipsos US Syndicated Online Community, March 18, 2020 - March 24, 2020

And while people’s behavior may be changing, Ipsos knows from 40+ years of studying and helping to develop innovations across countries and categories that the DNA of successful product launches generally remains consistent even in times of crisis. Innovations must still be relevant to consumer needs, stand out from the competition, and have a price point that people view as justified. What is likely to change, however, is the core consumer need that an innovation addresses.



ENTER THE HERO

As such, it is more important than ever for companies to connect with people to identify which new needs and tensions they can help alleviate. Even a quick review of the many ways people's day-to-day lives have already changed as a result of COVID-19 should fuel innovation ideas for most brands:

- Childcare/school closures
- Restaurant/shop closures
- Gym closures
- Visitation changes for retirement communities
- Temporary unemployment of service industry
- Social distancing measures
- Work-from-home mandates
- Stock market declines

We are hearing from people about needs that span multiple verticals and categories making this a nearly universal opportunity for companies to identify relevant innovation platforms and better serve their customers.

CREATING WORKSPACES AT HOME

Designated workspaces and cues foster productivity by helping to communicate availability with family members during the workday.

"I close my office door so that I don't get interrupted (hopefully). If the door is open, it means I can be interrupted. If it's an emergency, then by all means interrupt."

"My tips would be to establish your own space if you are able to and don't need to keep a little one in your sight full-time. Even if it just means blocking off an area of a room if you can't spare an extra room or put a table temporarily in your master bedroom and shut yourself in there if you need to get work done."

SHARING NEW RESPONSIBILITIES

Parents use the extra time at home as an opportunity to educate their children around the house. They establish new chores, cook together, etc. as means to share responsibility and keep children occupied.

"Engage everyone in the house in things – chores, fun, movies, games, caring for pets. Being shut in is a good opportunity for kids to learn new things that are everyday responsibilities of running a home."

FEEDING THE FAMILY

Consumers stock up at the grocery to ensure food is on the table. They get creative with recipes, using new ingredients to clear out their pantry.

"My daughter is such a big help to me with my 8-month-old and loves to help out with chores, because I simply let her do them. When she cooks, I'm her sous chef and she's learning great skills for later in life."

KEEPING THEMSELVES AND/OR FAMILY ENTERTAINED

Consumers use games, streaming, crafts, etc. to keep their household entertained and connected. Parents appreciate and utilize thought starters online to keep their kids busy during the day.

"Michaels craft store has a really good website for craft ideas. YouTube has videos of anything you can imagine being created by real people. I have two ideas for others the first one is tailoring the craft to each kid's interests and the second idea is find something that takes a long time for them to do so they keep busy and out of your hair."

MAINTAINING A CONNECTION

Those feeling isolated get creative, connecting with friends and family virtually. They meet via FaceTime, Zoom, etc., for playdates, happy hours, etc. Others use social media as an outlet to laugh and lighten the mood.

"I find and share humorous posts online [to cope] – it lightens the mood and fosters connection."

SHOPPING WITH A DISTANCE

Consumers consider online options, seeking services that can deliver for all shopping needs.

"I am trying to plan out my meals and stay organized so I know what groceries I need and to make as least number of trips to the store as I can. I have done some online ordering instead of shopping."

STAYING HEALTHY

Physical and mental health are top of mind, as consumers are forced to take pause in their home. Fitness routines, spirituality and/or meditation are integrated into consumers' routines, as they aim to foster clarity and comfort amidst chaos.

"Ah, yes... music and meditation, plus not totally immersing oneself in the news (past the point of staying informed, obviously) ... all of those can lower the stress hormones that ramp up during crises."

Fig. 1.a | Source: Ipsos US Syndicated Online Community, March 18, 2020 - March 24, 2020

As one person lamented: **“I can’t sit down for lunch and relax and eat. I can’t go shopping, to the gym, to Disney that was planned for March 25 or a summer vacation. I won’t see my son graduate, or my niece get married. I can’t go to the movies, or to dinner. I can only imagine what else this summer I won’t be able to do with my family.”**

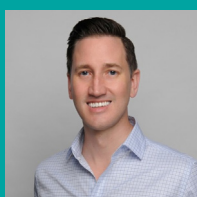
People are coping with the radical shifts in their daily lives by seeking balance, kindness, and flexibility. They are also working to stay healthy and connected, fill their time, and provide for their family within the changing landscape. Innovations that help make this possible are poised for success and are more likely to remain a part of people’s repertoire once COVID-19 is under control.

For companies prepared to come to the rescue, Ipsos offers the unique ability to iteratively co-create innovations rooted in real consumer needs – emotional and functional – while simultaneously assessing in-market potential and optimization opportunities using validated frameworks. Our approach starts with empathy and establishing a respectful dialogue in a virtual environment. We leverage people’s collective intelligence and apply powerful analytics to connect the dots within ideas generated by consumers. We know your customers don’t have all the answers, but they have a lot to share and want to connect with others in this time of crisis. By better understanding who they are and the tensions they experience, we can help companies create better ideas and drive more successful innovation to address the evolving needs of a post-COVID-19 world, regardless of if that innovation is a product, service or new business model.

The path ahead will not be easy for most, but hopefully we will all follow the advice given by one of our Ipsos Community members:
“Patience is the key. Keep your head, be respectful and vigilant.”



Menaka Gopinath
Head of Communities, Ipsos
menaka.gopinath@ipsos.com



Joseph DeVeney
Head of Innovation, Ipsos
joseph.deveney@ipsos.com