

Reopen with Confidence: Ensuring Consumers Feel Safe in the 6-Foot Economy



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As the economy and businesses continue to reopen, brands must take steps to build consumer trust by adapting to new health and safety expectations. With no playbook for success, most companies are struggling to understand which health and safety practices will have the greatest impact on consumer confidence and how these policy changes will improve trust, loyalty, and profits.

Findings from Ipsos' *Consumer Health and Safety Index* show that—for the brands that get it right—there is opportunity to gain market share, charge a premium, and increase enterprise value. See also our recorded webinar: [Reopen with Confidence](#).

The stakes for getting this right are huge—with consumer tensions at an all-time high, organizations might only get one chance to do right by consumers, employees, and society. Failure to deliver an experience that meets consumer standards while complying with federal, state and local regulations will be costly and result in eroded trust, closed locations, and long-term damage to a brand's reputation.

This paper will answer three important questions for businesses:

1. What are consumers' new and evolving attitudes towards health and safety?
2. What specific actions can brands take to make consumers feel safe while shopping or eating at their locations?
3. What can brands do to proactively measure and manage health and safety across their retail network?

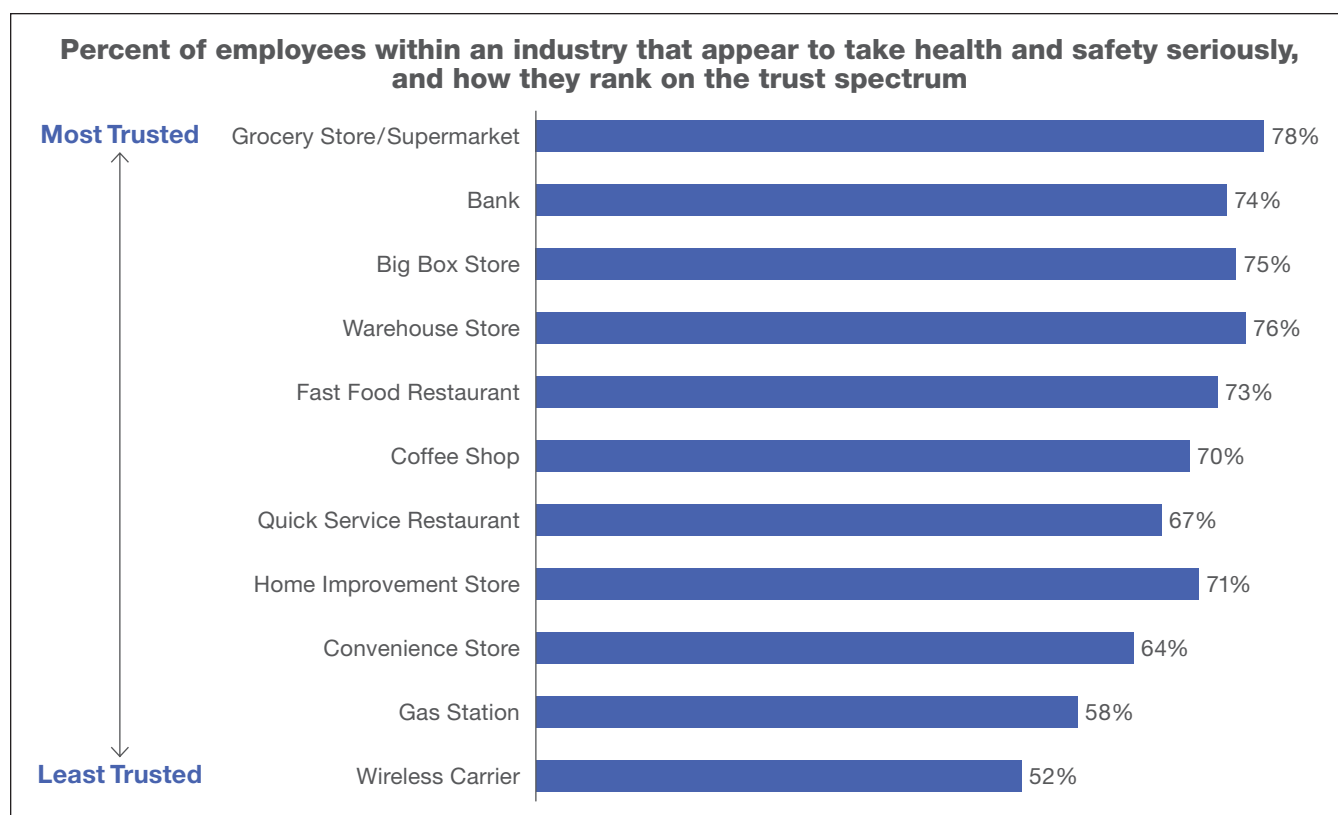
Consumer Trust of Most Brands is Low, and Americans are Concerned About Returning to 'Shopping as Usual'

Consumer trust with brick and mortar retail is low. While grocers have proven to be the industry Americans trust most for their handling of cleanliness and safety protocols, 24% of consumers state they do not trust any brands in any industry.

This lack of trust has resulted in American consumers feeling apprehensive about returning to traditional shopping practices. In fact, two in three American consumers will delay returning to brick and mortar retail for at least one week once restrictions are lifted, and 30% said it will take at least three months before they feel comfortable returning to brick and mortar retail.

Fear of getting sick is driving this sentiment. When asked directly, 61% of Americans cite the concern of getting sick being their main reason for delaying visiting brick and mortar retail.

Further, it should come as little surprise that retailers where employees appear to take health and safety seriously are trusted significantly more by consumers.

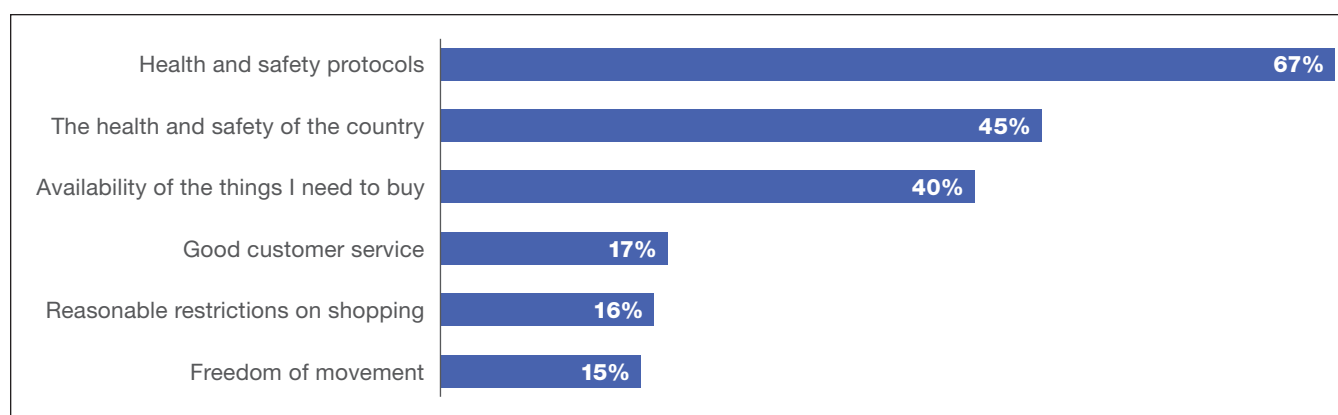


What does this mean for U.S. businesses? Simply, consumer shopping behavior will not return to normal once restrictions are lifted until trust improves and concerns about infection subside. Research from past economic crises shows that these anxieties can persist for years after the peak of the crisis.

Health and Safety is the New Battleground for Customer Experience and Loyalty

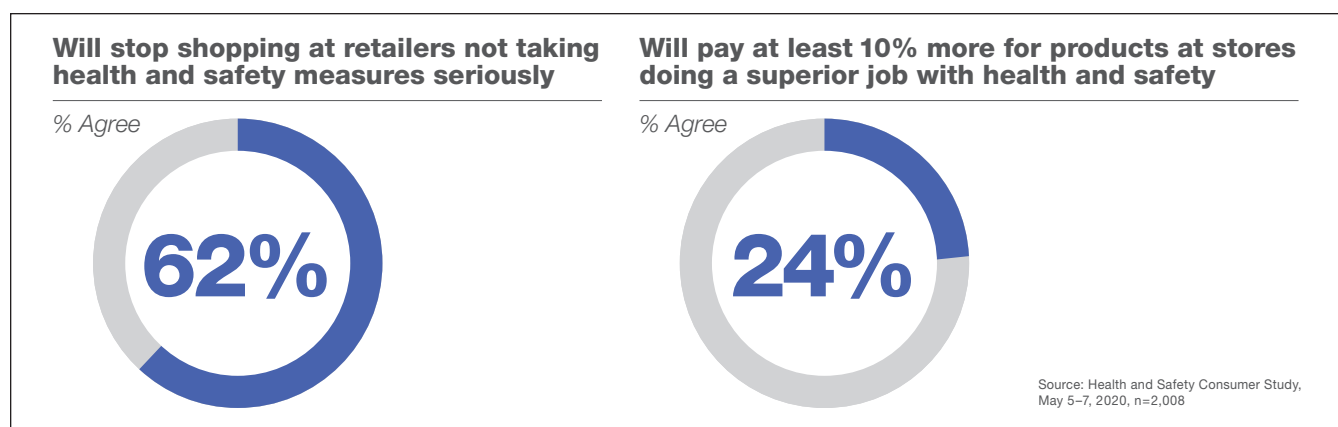
Health and safety has now become the most important element of the customer experience. In fact, taking the safety of consumers and employees seriously is four times more important than delivering good customer service.

Further, when asked which factors were most important when considering returning to a retailer after the stay-at-home orders are withdrawn, American consumers clearly side with health and safety (see below):



Getting Health and Safety Right is Good Business

The implications for companies not exerting enough effort in this area can be damaging to their brand and profits. Research from the *Consumer Health and Safety Index* shows that 62% of Americans will stop shopping at retailers who are not taking health and safety seriously. This potential defection rate leaves little margin for error.



And, for brands that get this right, they are not only growing share of market and share of wallet: they are earning the right to charge a premium for their products and services. In fact, one in four Americans are willing to pay at least 10% more for brands that excel with health and safety. And 5% (approximately 16 million Americans) are willing to pay as much as 25% more.

The billion-dollar questions for brands: which policies and procedures will make consumers feel most comfortable in the new shopping environment, and how can retailers build trust and grow share of wallet with loyalist and trialists alike?

Brands Must Make Investments in Visible Health and Safety Protocols

Stay-at-home orders and mandatory retail closures have placed significant strain on consumer discretionary spending and corporate profits. Brands must take a long-term view to this crisis and immediately invest in consistently implementing health and safety protocols across their retail network.

Many brands are facing the following questions as they look to prioritize investments:

- Should we require all employees to wear face masks and gloves?
- What impact will social distancing markers have on foot traffic and conversion?
- Should we invest in sanitizing equipment and additional labor to ensure carts, fixtures, and high-traffic areas are clean?
- Should we install plexiglass at checkout and motion-sensor faucets and paper towel dispensers in restrooms?
- Are high-cost investments such as motion-sensor faucets worth the spend? What about contactless checkout solutions?

While the specific actions brands should take will also depend on their industry, target consumer, and brand positioning, findings from our *Consumer Health and Safety Index* are clear:

- Certain actions, such as requiring employees to wear masks and providing sanitizer at the entrance of stores have become table stakes. These are “must haves” in terms of actions brands should take.
- Other investments, such as installing plexiglass at checkout and providing company issued face masks and gloves, are highly correlated to the likelihood of consumers returning to your locations. These actions, among others, provide the opportunity for brands to differentiate with consumers and win market share.
- There are several actions that appear to have little impact on consumer confidence in a brand and likelihood to return—at least for now. These including taking the temperatures of and quizzing customers before they enter your locations.

Above all else, shoppers trust retailers who are taking **visible** and **consistent** efforts to keep them healthy and safe, without requiring the customers themselves to take on that responsibility. Knowing this, it's especially important that the actions you take are visible and leverage your greatest asset—your employees. While this may be a costly investment of labor up front, if customers don't see you cleaning, they won't know you did it.

Brands Must Proactively Manage Health and Safety and Understand How They Perform Relative to Industry Peers

Given the broad spectrum of potential policies and procedures a brand can implement, it is imperative that they do so consistently. In the current cautious-consumer environment, the say:do ratio—the relationship between what a brand says it will do, and what it actually does—has never been more important.

Once a brand understands what is most important to their consumers, they must consistently operationalize standards across a geographically dispersed retail network, which presents real challenges.

In a highly competitive retail environment, companies must also concern themselves with understanding how they rank relative to direct competition and cross-industry leaders. Brands must have early warning systems in place to ensure protocols are being implemented and catch when they are not.

Health and safety mystery shops and audits provide a cost-effective and highly practical tool for managing and maintaining an optimum level of performance across a decentralized retail network.

Rapid Learning and Adaptation will Decide the Haves and the Have Nots

All of this, of course, is shifting daily as states and cities reopen at different paces with varying requirements. Forecasts say consumer preferences and expectations will change substantially in the months to come. Brands need to periodically reassess business priorities and adjust policies accordingly.

While there will be many challenges, the brands that will succeed and recover first are those that:

- Review current health and safety protocols and align them with consumer expectations and industry best practices
- Communicate visibly with customers on the steps you are taking to keep them safe and ensure consistent execution
- Measure how you're doing, fix things that are not working, and adapt to changing demands

The information contained within this article came from the Ipsos Consumer Health and Safety Index—a cross-industry, syndicated benchmarking study measuring how effectively brands are delivering on the health and safety initiatives that are most important to consumers.

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