TREND VISION 2020

How To Make The Future Manageable

GAME CHANGERS

Trend Vision 2020 Russia

The world is trying to understand the impact caused by the global COVID-19 pandemic. Uncertainty remains. We do not yet know if there will be a second wave or further consequences, and what our "new reality" will ultimately be.

In this issue of the annual Trend Vision report we talk about trends, signals of change and how to analyze them, **in order to make the future, in which this crisis is not the last one, to be not a frightening «black box», but a platform for exciting experiments for** successful brands and companies focused on long-term sustainability.

A CRISIS LIKE NO OTHER,

AN UNCERTAIN RECOVERY

International Monetary Fund.
World Economic Outlook. June 24th 2020

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Ipsos

ECONOMIC OUTLOOK

COVID-19 AND ITS CONSEQUENCES

Period of non-working days

To prevent the spread of coronavirus pandemic in Russia, non-working days were announced from March 30 to April 5, 2020.

The period of non-working days, were workers didn't work, but kept their salary, was extended twice before ending on 11 May.
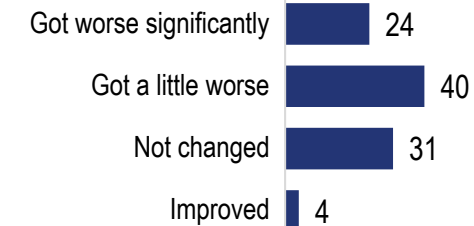
Drop in industrial production

The dynamics of the decline in industrial production in Russia in June on an annualized basis remained negative and almost unchanged compared to May 2020.*

The largest decline is in the commodity sector.

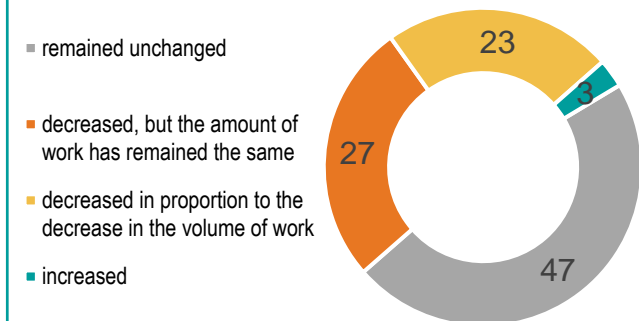Dynamics of industrial production in Russia, %

Jan'20	Feb'20	Mar20	Apr'20	May'20	Jun'20
1,1	3,3	0,3	-6,6	-9,6	-9,4

Source: Federal Sate Statistics Service, Russia

Effect of COVID-19 on family financial status

Got worse significantly	24
Got a little worse	40
Not changed	31
Improved	4

Q: How has COVID-19 / coronavirus affected your family's financial situation (including all cash receipts - salary, pensions, benefits, etc.) over the past 7 days?

Due to COVID-19 your salary…

- remained unchanged
- decreased, but the amount of work has remained the same
- decreased in proportion to the decrease in the volume of work
- increased

23 / 3 / 47 / 27

Source: Ipsos Adapt! June 2020
Base: 18-65 y.o., cities 1 mln+, N=3000

*Source: Interfax IA based Federal Sate Statistics Service Data

Ipsos

THE RECOVERY OF THE RUSSIAN
ECONOMY IS PLANNED IN THREE STAGES

The Russian government's economic recovery plan is designed in three stages. It contains 500 new measures with a budget of approximately RUB 5 trillion over two years.

First step
Until the end of Q3/2020. Stabilize the situation, prevent a further drop in household income
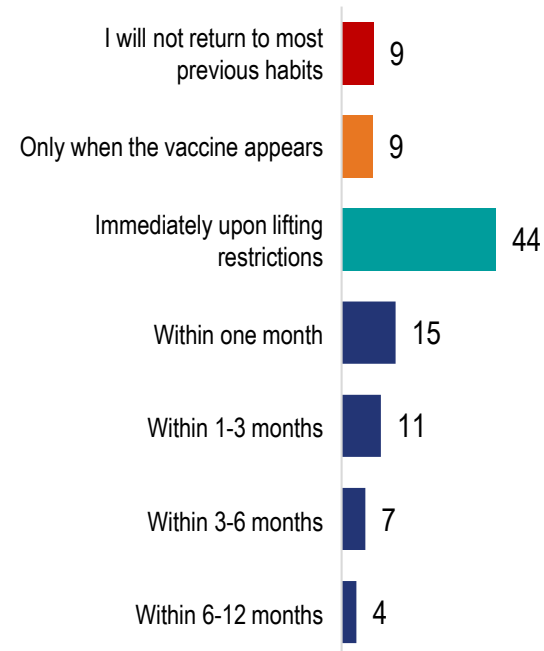
Second phase
Up to Q2/2021. Complete the economic recovery process, reduce the unemployment rate, ensure the growth of citizens' incomes to a level comparable to 2019.

Stage three
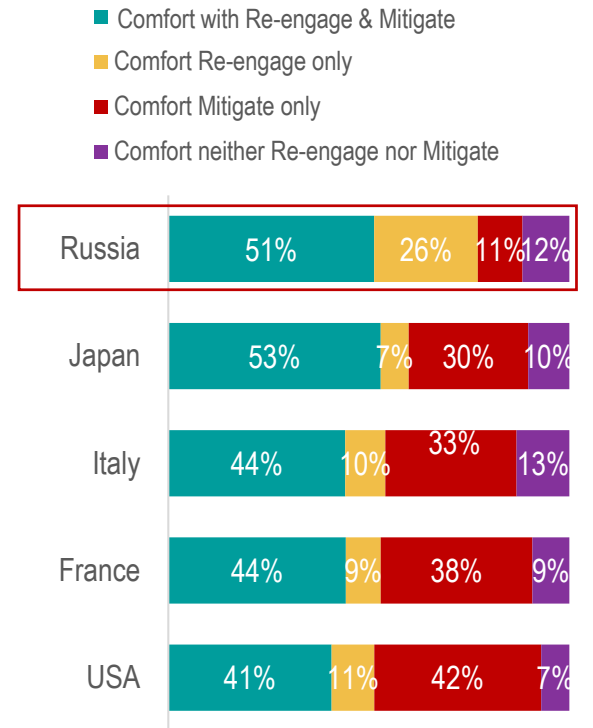Until Q3-Q4/2021. Reaching sustainable economic growth

In July 2020, from the decree on the national development goals of Russia until 2030, the goal for Russia to enter the five largest economies in the world disappeared, which was formulated in the decree of 2018. The reason is the unfavorable market conditions.

Ready to return to "previous life" after ALL restrictions will be removed, %

Category	Value
I will not return to most previous habits	9
Only when the vaccine appears	9
Immediately upon lifting restrictions	44
Within one month	15
Within 1-3 months	11
Within 3-6 months	7
Within 6-12 months	4

Source: Ipsos Adapt! June 2020
Base: 18-65 y.o., cities 1 mln+, N=3000

Russia is in top of countries ready to re-engage

- Comfort with Re-engage & Mitigate
- Comfort Re-engage only
- Comfort Mitigate only
- Comfort neither Re-engage nor Mitigate

Country	Comfort with Re-engage & Mitigate	Comfort Re-engage only	Comfort Mitigate only	Comfort neither Re-engage nor Mitigate
Russia	51%	26%	11%	12%
Japan	53%	7%	30%	10%
Italy	44%	10%	33%	13%
France	44%	9%	38%	9%
USA	41%	11%	42%	7%

Source: Ipsos Global Advisor. Resumption vs Protection
Base: 16-74 y.o. Apr 24 - May 8, 2020. N=19 000

Ipsos

RETURN TO GDP GROWTH
EXPECTED IN 2021

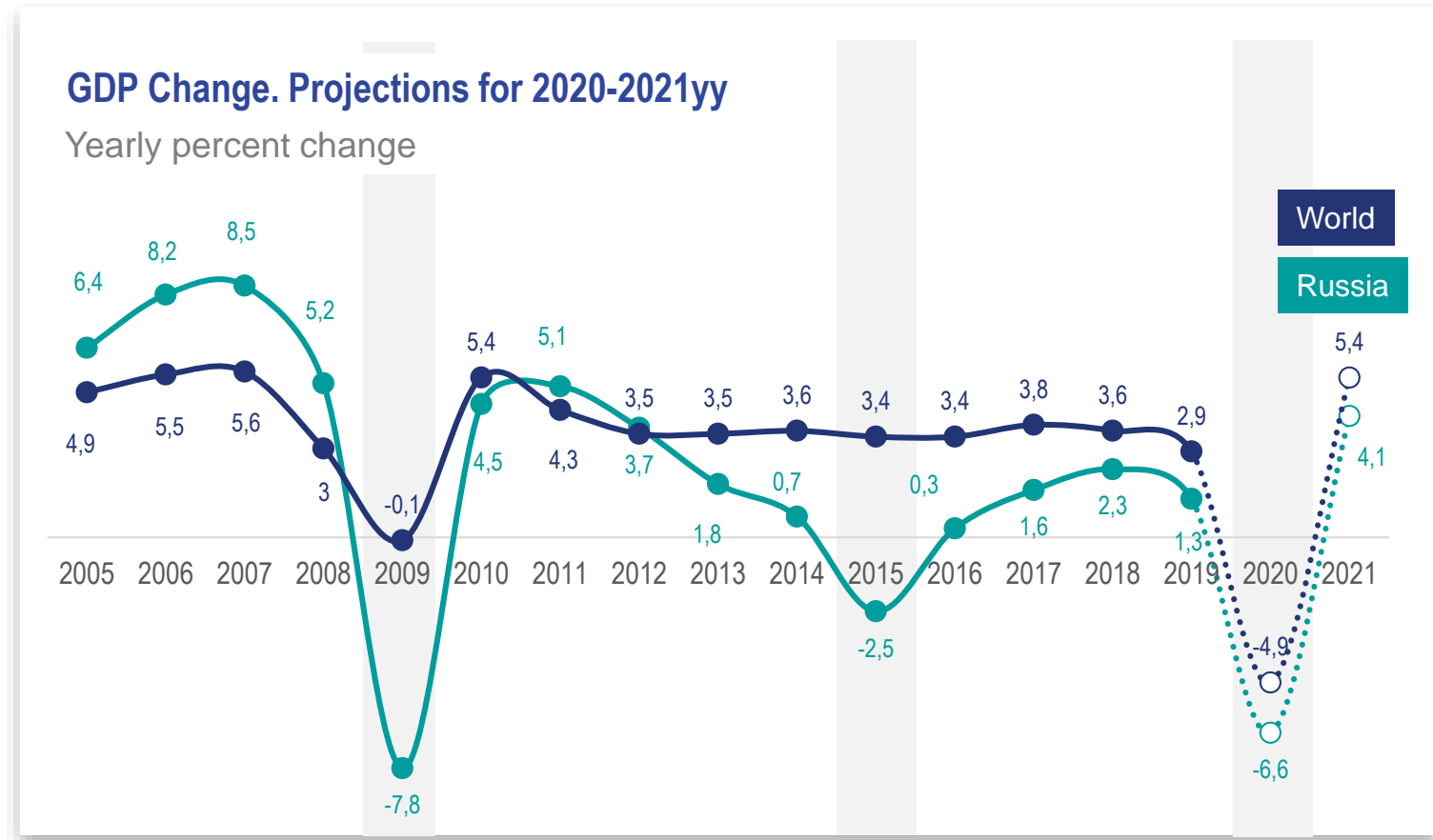**The fall in GDP in 2020 is greater than in 2014, but less than 2009**

At the end of June, the IMF worsened its forecast for Russia, announcing a fall in GDP in 2020 by 6.6% (in April, the forecast was for a fall of 5.5%). In contrast, the forecast for 2021 was raised to 4.1% from 3.5% in April 2020.

The main reason for the decline is crucial drop in oil prices

The reason for the projected sharp decline in Russia in 2020 is the significant decline in disposable income due to the rapid decline in oil prices.

IMF predicts gradual recovery

The COVID-19 pandemic had a more negative impact on economic activity in the first half of 2020 than expected, according to the World Economic Outlook Update. The recovery is forecasted to be more gradual than previously predicted.
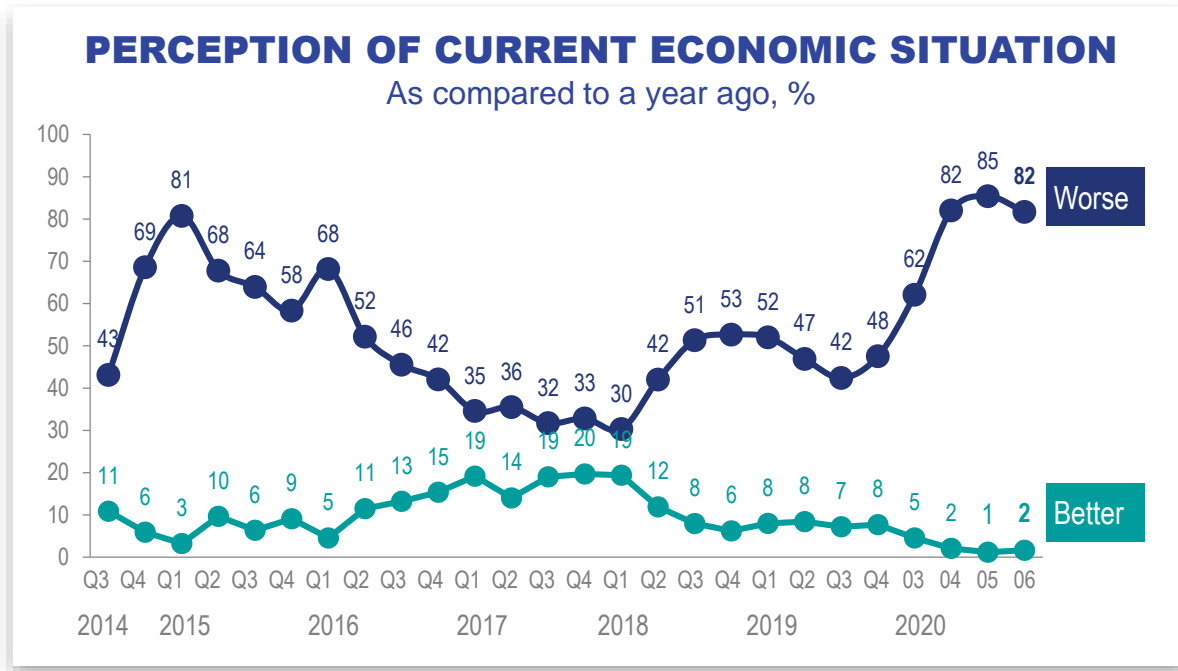
GDP Change. Projections for 2020-2021yy

Yearly percent change

Legend: World, Russia

Russia values: 6,4 / 8,2 / 8,5 / 5,2 / 3 / -7,8 / 4,5 / 5,1 / 3,7 / 1,8 / 0,7 / -2,5 / 0,3 / 1,6 / 2,3 / 1,3 / -6,6 / 4,1

World values: 4,9 / 5,5 / 5,6 / 3 / -0,1 / 5,4 / 4,3 / 3,5 / 3,5 / 3,6 / 3,4 / 3,4 / 3,8 / 3,6 / 2,9 / -4,9 / 5,4

Years: 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021

Source: International Monetary Fund. World Economic Outlook Update, June 2020

CONSUMERS ALSO EXPECT
SITUATION TO BE BETTER IN A YEAR

In May 2020, the negative perception of the current situation in Russia, which has been growing at an increased rate since the beginning of 2020, turned out to be higher than the crisis peak in 2014. Even having decreased by 3ppt in June 2020, the value of the negative perception of the current situation is still higher than the peak in 2014.

People see the situation around the COVID-19 pandemic as less negative than after the VAT increase and the announcement of the pension reform in 2018, but more negative than the crisis in 2014. However, in June 2020 there were signs of optimism.

PERCEPTION OF CURRENT ECONOMIC SITUATION
As compared to a year ago, %

Worse

Better

EXPECTATION
changes in one year, %

Will be worse

Will be better

Q: How the economic situation in Russia has been changed since last year / will be changed in one year?
Source: Ipsos. The "New Reality" Monitoring
Base: 18-65 y.o., Russian cities 100 mln+, N=1000

LIFE STAGE

PERCEPTION OF THE CRISIS
DEPENDING ON THE STAGE OF LIFE

LIFE STAGE
SEGMENTATION

Years of experience in conducting sociological and segmentation studies have shown that the most important differentiating characteristics are age, marital status, the presence of children and the composition of those living together in a household.

The Life Stage segmentation is based on these characteristics. It describes all stages of a person's life path and can most clearly reflect the reaction of people to changes in external environment, including crises.

A total of 11 consumer segments have been identified. For ease of perception, in this review, we have combined segments similar in type of behavior into five enlarged groups that have the most striking differences. Descriptions are on the next slide.

LIFE STAGE SEGMENT PROFILES
AND AGGREGATED GROUPS

Life Stage segmentation characterizes a person's needs at different stages of life

	Young without children			Middle age		Parents				Empty nests	Single pensioners
	Fledglings	Left the nest	Nest Builders	Middle-aged couples without children	Middle-aged singles	Parents of preschool children (0-5 y.o.)	Parents of younger children (6-11 y.o.)	Parents of teenagers (12-18 y.o.)	Parents of adult children (19+ y.o.)	Empty Nests	Single Pensioners
	7%*	3%	8%	2%	2%	15%	8%	8%	14%	16%	6%
Age	16-39	16-39	16-39	40-54	40-54	18-54	23-59	28-65	35+	45+	55+
Family status	Not married / Divorced	Not married / Divorced	Married / Living together	Married / Living together	Not married / Widow(er))	Any	Any	Any	Any	Any	Not married / Widow(er)
Children	No	No	No	No	Yes / No	Yes	Yes	Yes	Yes	Yes	Yes / No
Who lives together in the household	Parents	-	Spouses / Parents	Spouses / Parents	-	Spouses / Parents / Children	Spouses / Parents / Children	Spouses / Parents / Children	Spouses / Parents / Children	Spouses / Parents	-

*Source: Ipsos. RusIndex 2020/I
Base: Russians 16-75, cities 100K+

PERCEPTION OF THE CRISIS
DEPENDING ON THE STAGE OF A PERSON'S LIFE

Three out of four (75%) agree they live in dangerous and anxious times, but only 28% do not believe that they can change their lives. How does the perception of the situation change depending on their stage of life? The analysis is based on statements that most accurately reflect the behavior of the population in terms of the level of anxiety and readiness to act.

Calm – Active
Young people are ambitious and do not feel anxious, because they are not yet burdened with serious life obligations and have the "safety cushion" of their parents, with whom many still live with.
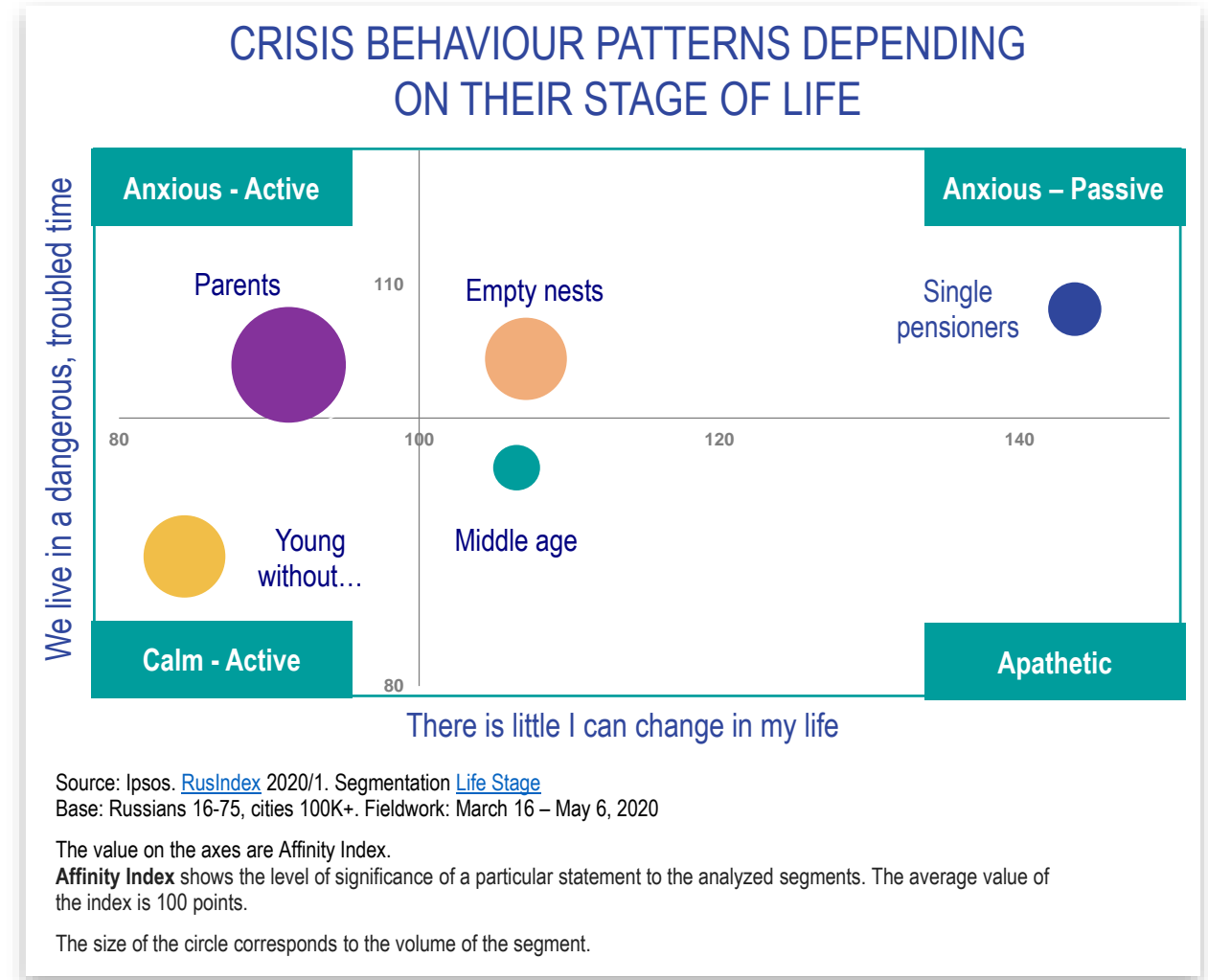
Anxious – Active
Parents, despite mild anxiety, are confident that they are the masters of their lives and are active.

Anxious – Passive
The Lonely Pensioners and Empty Nests groups are anxious but do nothing.

Apathetic
Middle-aged people without children are the only one of all segments to change their emotional state from calm-active to apathetic in a year.

CRISIS BEHAVIOUR PATTERNS DEPENDING ON THEIR STAGE OF LIFE

We live in a dangerous, troubled time

| Anxious - Active | | Anxious – Passive |

Parents 110
Empty nests
Single pensioners

80   100   120   140

Young without…
Middle age

| Calm - Active | 80 | Apathetic |

There is little I can change in my life

Source: Ipsos. RusIndex 2020/1. Segmentation Life Stage
Base: Russians 16-75, cities 100K+. Fieldwork: March 16 – May 6, 2020

The value on the axes are Affinity Index.
Affinity Index shows the level of significance of a particular statement to the analyzed segments. The average value of the index is 100 points.

The size of the circle corresponds to the volume of the segment.

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YOUNG PEOPLE
ARE MOST SENSITIVE TO CRISIS

Adaptation

In the past it was better than now

I'm completely satisfied with my present-day life

Comparison of the data of the first wave of 2020 with the same period last year shows that the younger generation is more susceptible to the deterioration of sentiment in connection with the present time.

Decreased life satisfaction

The share of those who noted that in the past it was better than now increased significantly among young people without children, from 29% to 41%. And the number of those satisfied with their lives among the young population has decreased from 32% to 28%.
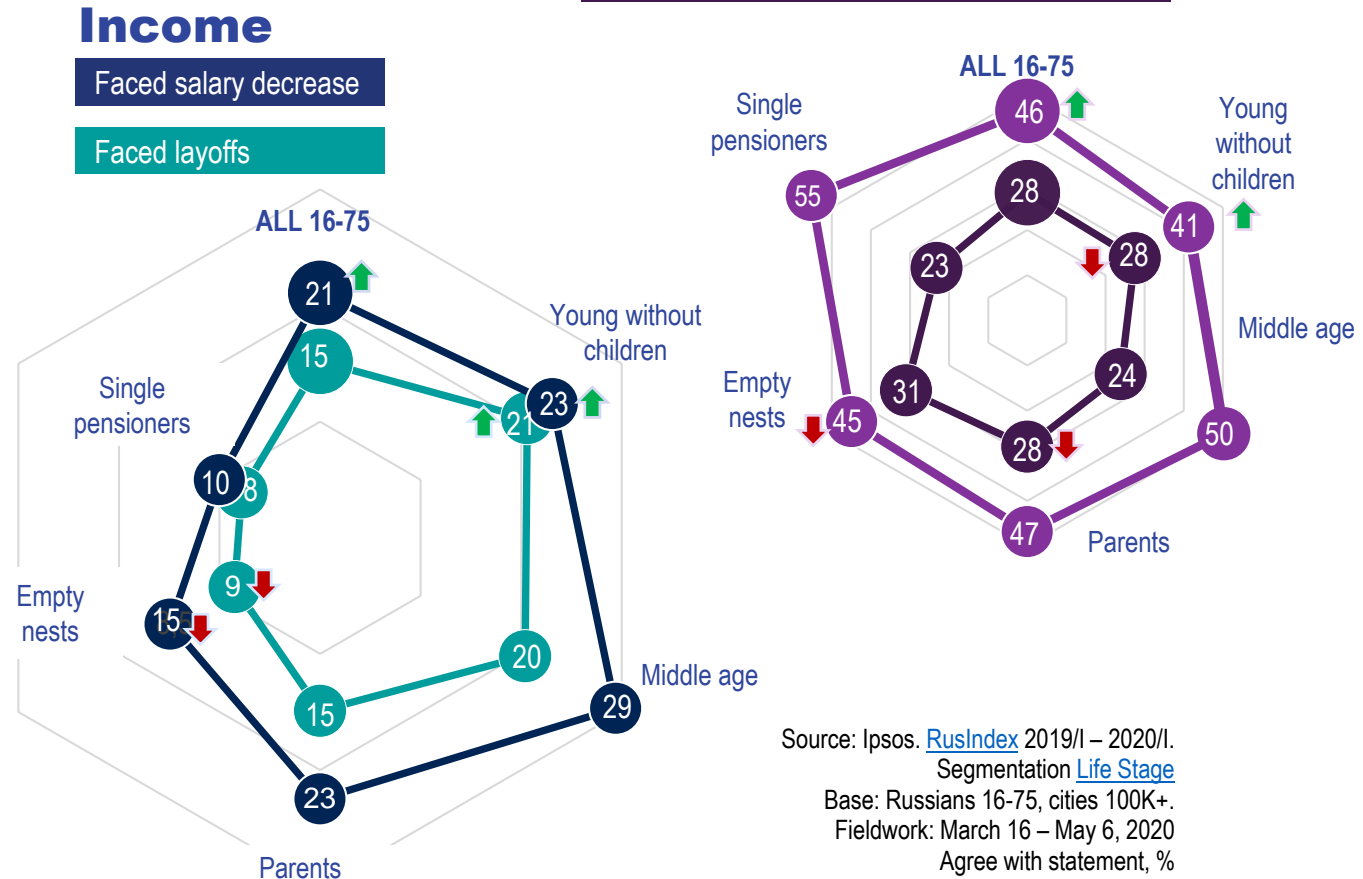
More likely to have suffered fall in income

Young people without children were more likely to have face layoffs - 21%. Also in this group there is a significant increase in the share of those who faced a decrease in salaries.

Income

Faced salary decrease

Faced layoffs

ALL 16-75

Young without children
23
21

Middle age
29
20

Parents
23
15

Empty nests
15
9

Single pensioners
10
8

ALL 16-75
21
15

ALL 16-75
46
28

Young without children
41
28

Middle age
50
24

Parents
47
28

Empty nests
45
31

Single pensioners
55
23

Source: Ipsos. RusIndex 2019/I – 2020/I.
Segmentation Life Stage
Base: Russians 16-75, cities 100K+.
Fieldwork: March 16 – May 6, 2020
Agree with statement, %

Significantly higher 2019/1

Significantly lower 2019/1

JOB TROUBLES
CHANGING THE PRIORITY OF LIFE GOALS

The relevance of job search is growing

The importance of finding or changing jobs in the next 12 months has grown significantly for almost all segments (from 17% to 22%). A healthy lifestyle, the priority of which was stated by half of the respondents in 2019/1. Although it is still top, it fell to 45% - mainly down to those for whom it is now more important to regain employment and income.

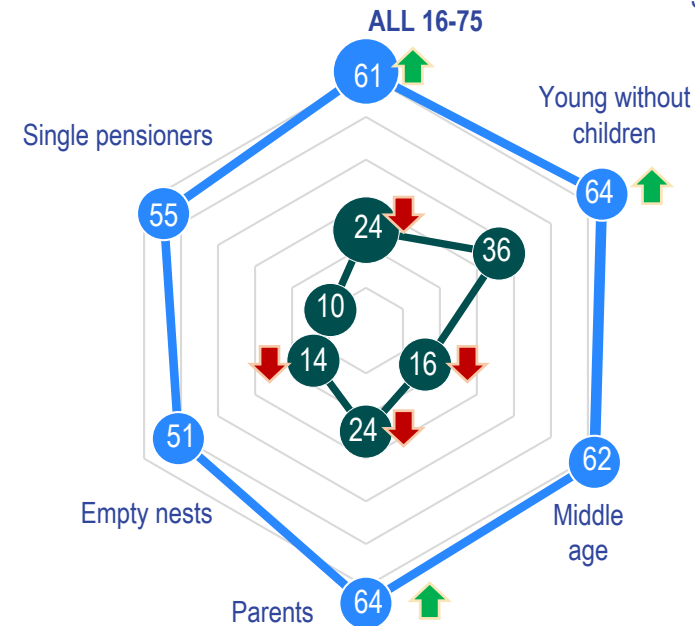**Income is a bigger priority than career**

The number of those who noted that they go to work primarily for money has increased from 55% to 61%. And the number of people who perceive their work as a career, rather than just a job, dropped from 27% to 24%.

Saving income is most important for the young segment and parents. In the middle-aged segment, career ambitions have declined.

ATTITUDE TO WORK

I work primarily for money
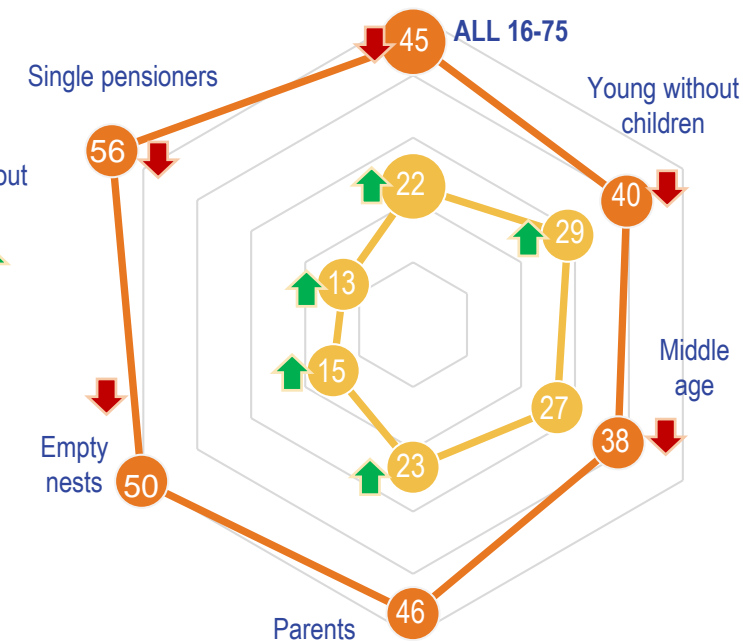
I see my job as a career rather than just a job

LIFE GOALS

Healthy lifestyle

Finding or changing jobs

↑ Significantly higher 2019/1   ↓ Significantly lower 2019/1

THE CREATIVE ROLE OF CRISES

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DUALITY OF CRISES.
CREATION THROUGH DESTRUCTION

Crises associated with the breakdown of familiar patterns and the loss of connections also stimulate the creation of something new. Not all people are ready to see crises as a stimulus for development, only 13.6% of residents of cities with a population of one million have flexible thinking and are not afraid of the new, in particular, only 0.5% of respondents say they are looking for a new challenge.

Salvation in creation

Creation in a crisis can serve as a way to distract from unfavorable external circumstances, and also acts as a protective mechanism.

Leading brands resist crises by activating co-creation resources, involving employees, customers, like-minded people and partners.

See the bright side

CASE: In the IsoIsolation Facebook group, people created copies of world art masterpieces from scratch. The group gathered 600,000 participants.

People struggle with social deprivation through an accessible form of creation and through peer approval.
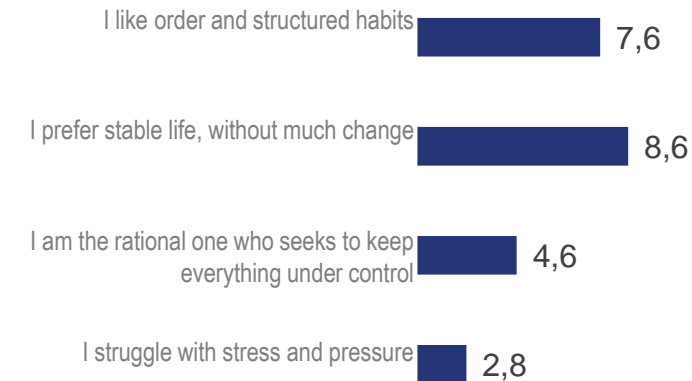
Rescue in 100 hours

CASE: Mercedes created a mass breathing apparatus in 100 hours, based on the same principle that works in racing cars. Drawings are now available free of charge.

The company moved from a forced shutdown of business to creation for the benefit of society.

Crisis = problem

23,6%
Tend to a predetermined order of things

I like order and structured habits	7,6
I prefer stable life, without much change	8,6
I am the rational one who seeks to keep everything under control	4,6
I struggle with stress and pressure	2,8

Crisis = opportunity

13,6%
Have flexible mind and are not afraid of new

I try to find smart ways to solve issues	5,4
I like to restlessly explore new things	4,9
I try to foresees and to be prepared for unpredicted in advance	2,8
I am looking for a new challenge	0,5
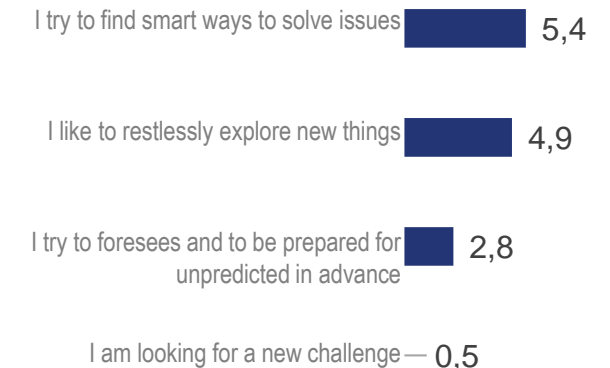
Q: Which one of these attributes describes you best?
Source: Ipsos Adapt! June 2020
Base: 18-65 y.o., Russian cities 1 mln+, N=3000

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What will our future look like

What is outside our control

A future that we can create
Based on four key questions

1 How will our values change over time?

2 How different will the future be from what went before?

3 How can I plan for multiple scenarios?

4 What should I be monitoring and why?

FUTURES
BUILDING SCENARIOS

In English, the plural form of the noun Future - "Futures" is used to denote the multivariance of the future.

There is no plural form of the noun "Future" in Russian.

At the linguistic level, it is predetermined that the future is unique and indefinite.

The scenario-based, multivariate future approach makes uncertainty manageable. Tracking signals of change is at the heart of creating scenarios.

In this issue of Trend Vision 2020, we have collected trends and signals that the COVID-19 pandemic has brought or increased the relevance of.

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WHAT ARE
SIGNALS OF CHANGE?

Signals of change are what is already happening today and may offer an insight into the future.

A signal can be a new invention or product, a new business, or a new behavior.

A signal can be not only the creation of something new, but also the destruction of something existing.

A signal demonstrates that the order of things or our future, can be different.

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ANALYZING SIGNALS OF CHANGE
Ipsos TrendTRAC

Changes in crises does not mean a strict substitution of one for the other. Violation of the existing order of things triggers the search mechanisms for new equilibrium, as a result, there is a rebalancing of interrelated things.

But it is important not just to record the changes taking place at an early stage (to see the signals). It is important to analyze how they can affect the transition from one state to another, and what scenarios of the future will activate or accelerate.

For this, we rely on the Ipsos TrendTRAC framework.

New behaviors, products, services

In tension with pre-existing values or social trends

R REVERSE
Changes that run counter to basic values or previously relevant trends. If these changes do not meet the new needs created by the crisis, these changes will reverse (R) over time.

A ACCELERATE
Some signals seem to 'double down' on global values, and represent new ways of meeting needs which were already strongly expressed and dominant. These are trends which are likely to accelerate (A) values or behaviours which we saw before the pandemic.

Expressing underlying values or social trends

T TRANSFORM
Tensions between consumer or social needs point the way to potential for transformative (T) new trends. These ideas will need to be monitored. They can be used as stimulus for creative strategising, or to inspire innovations which can be piloted.

C CONSOLIDATE
Some changes will simply allow existing trends to continue (C) - these should be monitored to identify where reactive change is not necessary, reassuring you of the areas where consistency is required.

Existing behaviours, products, services

See for more details: New Futures. Building a world after Covid-19

LOOKING FOR BALANCE

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A crisis is a loss of balance between interconnected things

Recovery happens through finding new principles of balancing

Physical security – Digital security

© Ipsos | Trend Vision 2020. Russia

SECURITY 360°
AS A KEY VALUE

The pandemic has dramatically reduced the number of places where people feel safe. The Russian consumer dislikes uncertainty and expects brands and authorities to help overcome anxiety.

The emergence of low-touch economy
The pandemic has spawned a request for purchases while maintaining distance and minimizing touch to external objects.

New hygiene rituals
Revival of hand hygiene. We wash our hands more often. Sanitizers are on every shelf, in every purse and in all public places.

Competition for a seat on a mobile phone
With the growing trend towards contactless, the smartphone is becoming the main tool for interacting with the world. But there are many more brands offering their applications than the memory of a consumer's phone can accommodate.

At the peak of online, the level of cyber threat has increased
Businesses needs to educate their employees on the principles of "network hygiene" and strengthen the protection of customer personal data.

Safety is an obligatory part of corporate responsibility
The role of brands is not just to find common values with the consumer, but to become for him/her an island of calmness in the midst of a disturbing world, a guide and mentor in embracing change.

> THE LOSS OF A BASIC SENSE OF SECURITY IS VERY ACUTELY PERCEIVED BY EVERYONE, BECAUSE IN OUR NOTORIOUS PYRAMID OF NEEDS IT IS PRECISELY AT THE CORE.
>
> AND WHEN WE LOSE OUR SENSE OF SECURITY, WE COLLAPSE VERY QUICKLY.

Larisa Pyzhyanova
Crisis psychologist of the Ministry of Emergency Situations of Russia, psychologist of the children's hospice "House with a lighthouse"
Ph.D., author of books and scientific works

Ipsos

THE TOUCH-LESS ECONOMY
BORN OF THE COVID-19 PANDEMIC

Phrase of the Year 2020 – Social Distance (6ft). Even after COVID-19 is eliminated, other dangerous viruses will remain in the world. In cities, where objects in public places touch thousands of hands, low-touch routines become an important driver of changes in the social environment and the way for organizations and consumers to interact.
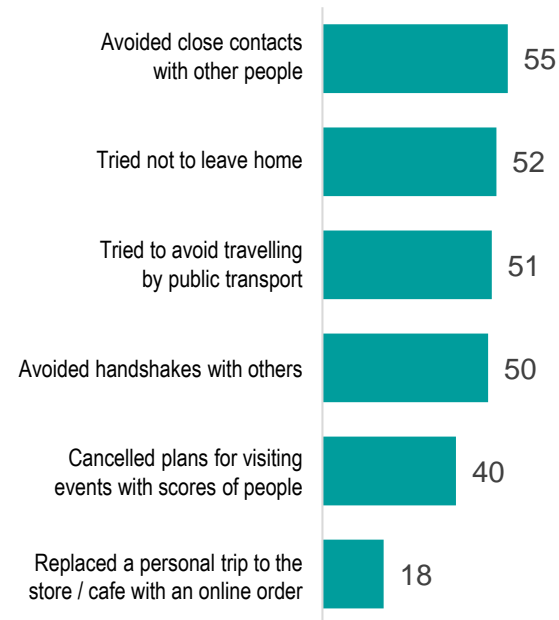
Limited customer care

The consumer seeks a return to a pre-pandemic world, but the business is in a situation of survival, subject to the obligatory observance of official restrictions and can no longer focus only on the wishes of the client.

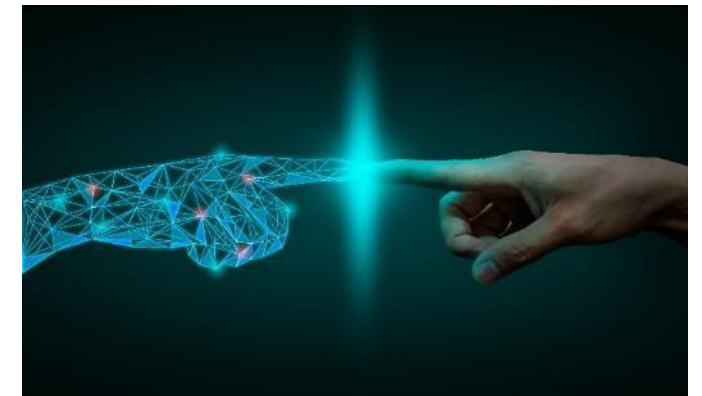**New types of advertising media**

Thermal imaging for non-contact temperature measurement and contactless terminals for hand disinfection have been installed in the Moscow metro, which are already beginning to be equipped with screens for displaying advertising – which indicates the long-term plans for their usage.

Restriction of physical contact because of the COVID-19 pandemic,%

Avoided close contacts with other people	55
Tried not to leave home	52
Tried to avoid travelling by public transport	51
Avoided handshakes with others	50
Cancelled plans for visiting events with scores of people	40
Replaced a personal trip to the store / cafe with an online order	18

Source: Ipsos Adapt! June 2020
Base: 18-65 y.o., cities 1 mln+, N=3000

TOUCH WITHOUT TOUCHING

SIGNAL A kind of a plaster has been developed, which helps <u>to feel the touch of a person in a distance</u> – from anywhere in the world.

WHAT IT CHANGES It becomes possible to transmit tactile sensations to a distance without the need for expensive equipment.

NEW RITUALS OF
THE LOW-TOUCH ECONOMY

Keep distance

In Russia, 75%* of the population lives in cities. In megacities, people are already experiencing a shortage of personal space. Social distancing, the transition of touching strangers to the status of undesirable behavior, for many will make urban spaces more comfortable.

Keep your hands clean

- **Minimum touching** of external objects in public places, incl. to pay for purchases. After the COVID-19 pandemic, there will still be contact-transmitted diseases in the world.

- **Hand washing**, a hundred years after the recognition of its usefulness, is experiencing a renaissance and has gone from a routine chore to an essential part of daily life. As of the Ipsos Adapt! survey, 68% of respondents washed their hands more often than usual.

- **Sanitizers** have appeared in all public places, in handbags and on supermarket shelves. Cosmetic giants L'Oreal and Coty began production of sanitizers. In the Ipsos Adapt! survey, 48% of respondents used antiseptics more often than usual.

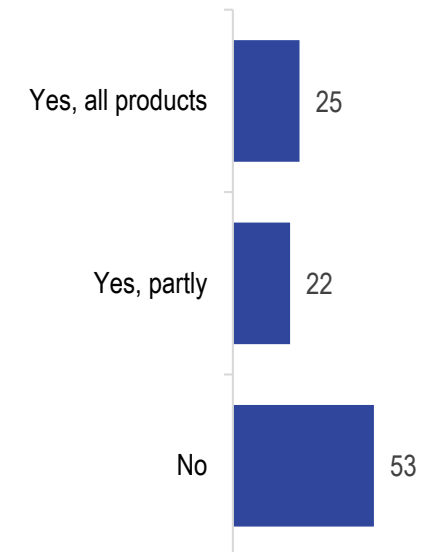> - Did you wash the cookie wrapper, too?
>
> - Sure.
>
> - It's paper!
>
> - I'm not under the tap!
>
> Source:
> social media monitoring

Food hygiene

Did you treat bought food with antiseptic before use or immediately after purchase? %

Yes, all products	25
Yes, partly	22
No	53

Source: Ipsos Adapt! June 2020
Base: 18-65 y.o., cities 1 mln+, N=3000

Ipsos

FIGHT FOR A SPACE
IN A MOBILE PHONE

With the development of the contactless economy, the smartphone becomes an important tool for interacting with the outside world. Users already have the problem of insufficient memory for the applications they need. Each new version, often requiring more memory, each new application forces the user to sacrifice less significant applications ...
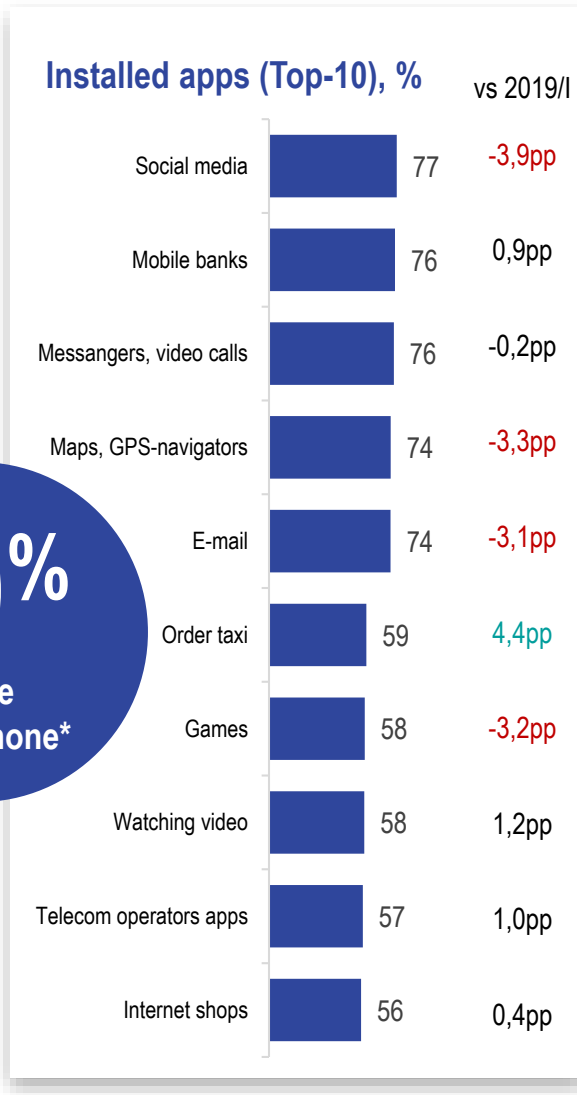
What apps usage is going down?

Over the year, the share of used applications of social media, maps, e-mail and games has significantly decreased. Typically, these applications take up a lot of memory space.

Which ones are used more?

Over the year, the share of installed applications for ordering taxis, restaurants and food delivery services, and coupon service applications increased. Dating apps and personal budget management apps have grown equally, with one in 10 having them installed.

90%
Have smartphone*

Installed apps (Top-10), %

App	%	vs 2019/I
Social media	77	-3,9pp
Mobile banks	76	0,9pp
Messangers, video calls	76	-0,2pp
Maps, GPS-navigators	74	-3,3pp
E-mail	74	-3,1pp
Order taxi	59	4,4pp
Games	58	-3,2pp
Watching video	58	1,2pp
Telecom operators apps	57	1,0pp
Internet shops	56	0,4pp

MINI APPS BY VK

SIGNAL The VKontakte social media has launched the format of mini-applications that are available via the link and do not require installation into a mobile phone.

WHAT IT CHANGES
Mini-apps do not occupy memory space and do not compete with other apps on the phone. They do not pretend to be multifunctional but have a simple interface/ At the peak of lockdown, the COVID-19 mini-app was visited by 1 million people a day.

Ipsos

SPEEDING UP THE TRANSITION TO DIGITAL
HAS INCREASED THE LEVEL OF CYBER THREATS

The higher the rate of digitalization, the higher the digital risks for users who do not have time to realize new threats

- Russia is striving to become a leader in the implementation of digital services. Digital security will be included in the concept of public security of the Russian Federation.

- 93% of respondents in Russia believe that in the future, with the development of technology, people will lose their privacy (Ipsos Global Trends 2020)

- At least once a month, media outlets in Russia report leaks of user databases that leave their data when interacting with organizations.

- At risk are not only those who leave a "digital footprint" online, but also those who unwittingly leave a "digital shadow".

I am concerned about how information being collected about me when I go online is being used by…

69%
Companies

63%
Government

Source:
Ipsos Global Trends 2020
Base: 16-74 y.o.
Russia. N=500
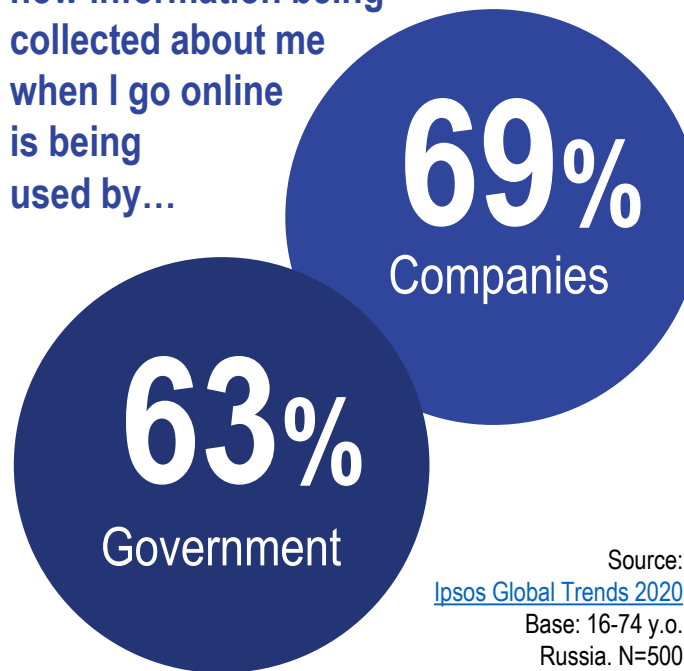
FOCUS ON CYBERSECURITY

SIGNAL A study by Rostelecom showed that during the period of lockdown, the number of cases of theft of corporate data increased by 25%. In Q1/2020, global investment in cybersecurity increased by almost 10% and reached 10.4 billion USD due to the switch to remote work.

WHAT IT CHANGES
The training of the people in the principles of cybersecurity will go, first of all, from the employer to the employees. As consumers, people will demand that brands protect the data they collect and use it in a transparent way.

CONSUMER SAFETY IS PART OF
THE SOCIAL RESPONSIBILITY OF BRANDS

The role of brands in the post-pandemic world is not just to find common values with consumers, but to become an island of tranquility in the middle of a disturbing world, a guide and mentor in embracing change.

During the lockdown brands actively helped consumers:

- **They called to stay at home** – Lay's gave free chips, Lamoda temporarily changed its name to LaDoma, The S7 airline offered consumers to "Fly at home" and gave miles for it.

- **Free masks and gloves** are given out by many online retailers at store entrances, and Twitter has promised to create a post editor if everyone puts on masks.

- **Tables with sanitizers** appeared in retail, and Lush invited customers to wash their hands right in stores. The S7 airline and Tinkoff Bank trained clients to wash their hands using an online game.

- Buy only what you need, not to overeat on lockdown – the Perekrestok retail chain trained its customers – also through online game.

IT'S SAFER NEXT TO BIG BRANDS

SIGNAL Sberbank and Pyaterochka (retail chain) began to contribute to the creation of a safe public environment even before the COVID-19 pandemic, launching a collaboration with the Lisa Alert project to help lost people

WHAT IT CHANGES

There will be an increase in the number of social projects of brands aimed at ensuring consumer safety in a broad sense – offline and in cyberspace

Ipsos TrendTRAC
Analyzing signals

CLEAN.
LOW-TOUCH.
SAFE

In a world where social distancing has become a necessity, and physical and virtual safety are at the top of the agenda, there is a request to minimize touching surrounding objects to increase the level of public safety and minimize the spread of viruses - as COVID-19, the main reason of changes in 2020, and other viruses. What signals reflect changes in the perception of security?

(R) REVERSE

SIGNAL
Mass wearing of medical masks and gloves. Bikini turns into trikini under the influence of coronavirus

WHAT IT CHANGES
Despite the idea of turning a bikini into a trikini, quickly distributed via social media, such a fashion, as well as voluntarily wearing masks and gloves, is unlikely to take root after the end of the pandemic.

(A) ACCELERATE

SIGNAL
In June 2020, KFC in Moscow launched a pilot format with orders only through digital kiosks (without cash registers) and with automatic delivery of orders.

WHAT IT CHANGES
Accelerating adoption of technologies that were perceived to be ahead of the time, such as robots in mass service and self-driving cars, are expected to supplant car sharing.

(T) TRANSFORM

SIGNAL
Recently, the media did not recommend to give biometrics. With the end of lockdown, Sberbank and Visa launched glance payment with the biometric data in the Prime cafe network in Moscow.

WHAT IT CHANGES
Consumers do not always meet new technologies with enthusiasm, often preferring to stay in his "analog" world as long as possible.

- What physical security challenges can digitalization help solve quicker?
- What digitalization challenges can be accelerated due to the growing importance of human physical safety?

(C) CONSOLIDATE

SIGNAL
Further spread of QR codes: QR codes are replacing paper menus in restaurants.

WHAT IT CHANGES
Assigning the function of a "personal control panel" to smartphones by interacting with commercial and public services. But if this trend continues, there will be high competition for space in the consumer's mobile phone due to limited memory resources. The solution can be either in reducing the cost of mobile phone memory or in returning to online solutions adapted to work from a mobile device.

Ipsos

Technology – Humanity

THE CRISIS HIGHLIGHTED
THE IMPORTANCE OF EMOTIONS IN THE WORLD OF TECHNOLOGY

Adoption of technology between crises makes it easier to survive moments of upheaval. People in Russia love technology, but their favorite brands are still the ones that touch them emotionally.

Russia has a high level of technology adoption

People in Russia have a positive attitude to new technologies, as it opens up new opportunities for them

Innovation is not the main thing for brands

Brands are based on an emotional connection with the consumer. Technology brings the danger of "dehumanizing "– by moving too fast brands can lose sight of consumers' emotions and lose their trust. The value of technology through the eyes of consumers is to help people better understand themselves.

The value of empathy and trust is growing

You need to ask questions about the emotional side of automation in advance, so that you don't lose sight of ethics in moments of technological acceleration.

> WE'RE PRACTICALLY CYBORGS ALREADY. THE PHONE, THE COMPUTER-THIS IS YOUR CONTINUATION.
>
> BUT YOUR INTERACTION IS DONE BY MOVING YOUR FINGERS OR SPEECH, WHICH IS VERY SLOW.
>
> A BRAIN-CONTROLLED INTERFACE WILL APPEAR, I THINK, IN FOUR OR FIVE YEARS.

Elon Musk, inventor, entrepreneur, engineer
Tatler.ru

LEVEL OF TECHNOLOGY ADOPTION
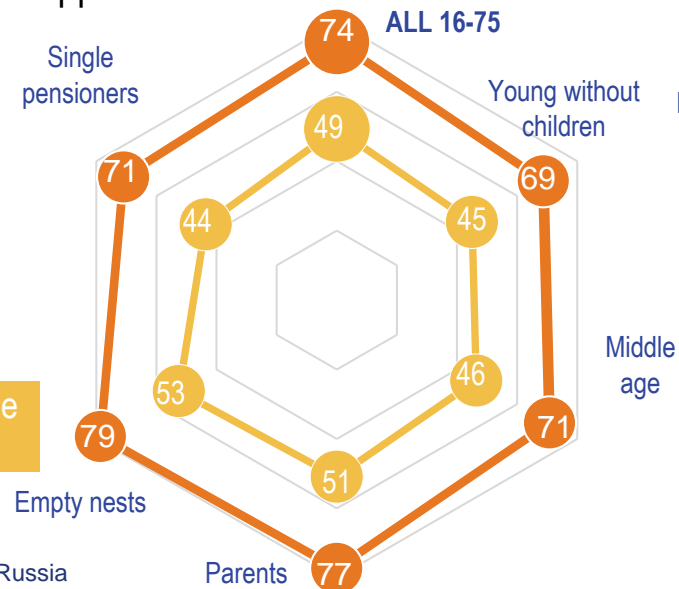## IN RUSSIA, IT IS STILL HIGH

Russia is a country with a high level of technology adoption. Most people use technical innovations to expand their capabilities, but for young people this factor is not so strong - here devices are already a routine. This group is interested in gadgets more as a way to make life more interesting and fill it with new emotions.

Using technology to make life more organized is also widespread, especially in categories of Parents and Empty Nests.

It is less among young people, since the need to complete many tasks at the same time appears in the following stages of life.
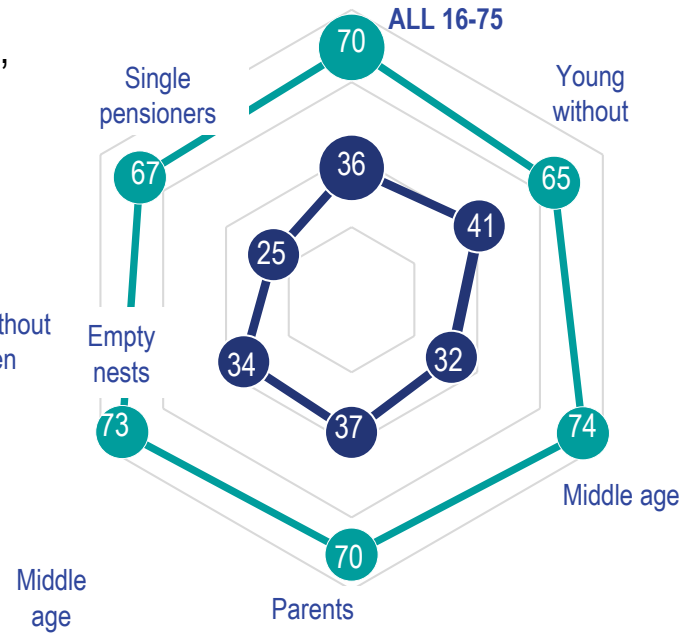
Technology helps me to be more organized

Thanks to technology people communicate better

ALL 16-75
- Single pensioners: 71
- Young without children: 69
- Middle age: 71
- Parents: 77
- Empty nests: 79
- (center yellow) 44, 49, 45, 46, 51, 53
- Top: 74

Technical innovations provide great opportunities

Technical innovations make life more interesting

ALL 16-75
- Single pensioners: 67
- Young without: 65
- Middle age: 74
- Parents: 70
- Empty nests: 73
- Top: 70
- (inner dark blue): 36, 41, 32, 37, 34, 25

Source: Ipsos. RusIndex 2020/I.
Segmentation Life Stage
Base: Russians 16-75, cities 100K+.
Fieldwork: March 16 – May 6, 2020
Agree with statements, %

6G IS JUST AROUND THE CORNER

SIGNAL While Russia is deciding whether to postpone the launch of 5G networks for the sake of economy, Samsung has presented the concept of 6G networks, the commercial and mass use of which is planned from 2028-2030.

WHAT IT CHANGES People and even cars will enable the provision of services such as immersive augmented reality (XR), high quality mobile holograms and digital replication.

Ipsos

BRAND INNOVATION
IS NOT THE MAIN VALUE FOR CONSUMERS

Despite being grateful to technology, Russians tend to see brands as a bulwark of tradition and stability. Technical superiority is not enough to build relationships with consumers. It requires building a close emotional connection.
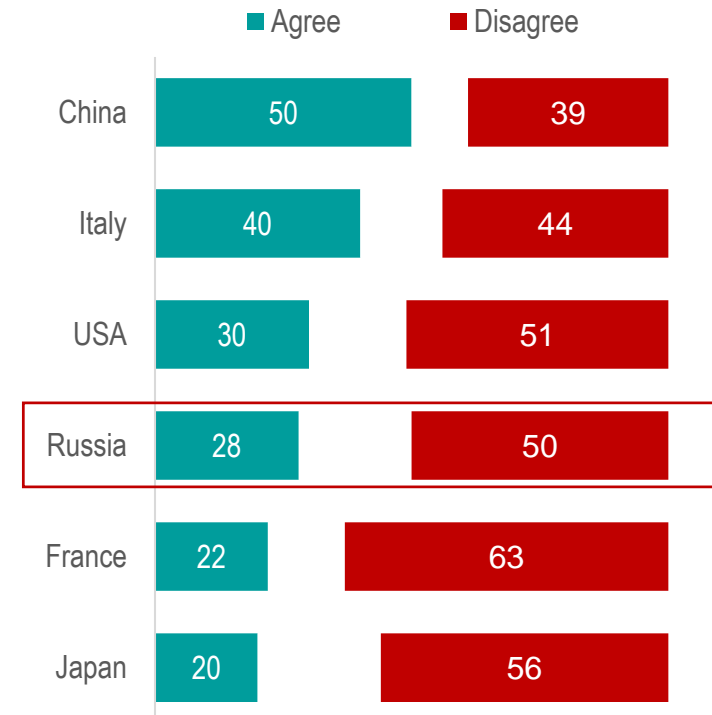
Internal momentum of changes. Acceptance
If the consumer is ready for new technology, buys new devices or installs applications themselves, they accept technologization with joy, because the impulse comes from within.

External momentum of changes. Resistance
If the initiative comes from brands, consumers are faced with the fact of imposed changes. Resistance to changes is activated where you have to rebuild the usual routines.

I will always choose innovative brands over traditional brands, %

■ Agree ■ Disagree

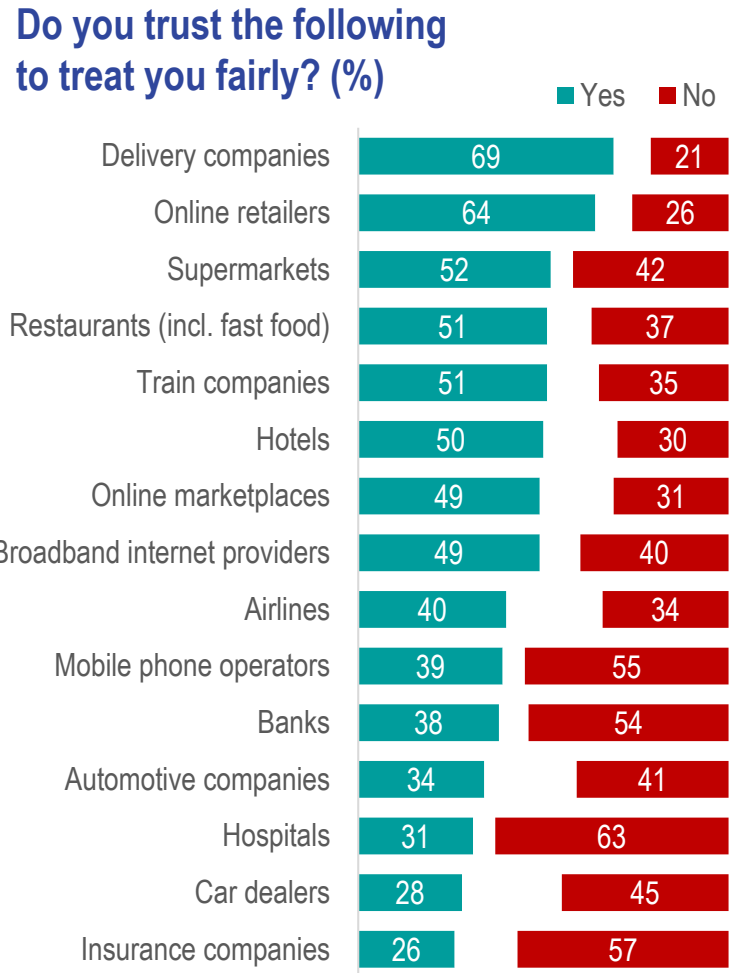| Country	Agree	Disagree
China	50	39
Italy	40	44
USA	30	51
Russia	28	50
France	22	63
Japan	20	56

Source: Ipsos Global Trends 2020
Base: 16-74 y.o., N=500-1000 depending on the country

Ipsos

THE VALUE OF EMPATHY AND TRUST
IS HIGHER THAN EVER

- Trust is at the heart of the emotional connection between the consumer and the brand. The pandemic has raised lots of emotions and forced brands to prove that consumers can trust them.

- When brands go for new technology and forget about empathy and humanity, they risk losing the trust of their customers.

It is interesting that delivery services and online retail, which combine both technology and the ability to quickly satisfy the consumer's desire, are on top of confidence in organizations.

Do you trust the following to treat you fairly? (%)

■ Yes   ■ No

	Yes	No
Delivery companies	69	21
Online retailers	64	26
Supermarkets	52	42
Restaurants (incl. fast food)	51	37
Train companies	51	35
Hotels	50	30
Online marketplaces	49	31
Broadband internet providers	49	40
Airlines	40	34
Mobile phone operators	39	55
Banks	38	54
Automotive companies	34	41
Hospitals	31	63
Car dealers	28	45
Insurance companies	26	57

Source: Ipsos Global Trends 2020
Base: 16-74 y.o. Russia. N=500

SERVICE OR CONTROL?

SIGNAL   Amazon drones can monitor the territories they fly over and report suspicious situations to the police and responsible services. Meanwhile, Dubai is already creating drone ports and a dispatching system for drones

WHAT IT CHANGES
Drones can observe the behavior of residents from the air above and give brands new information about consumer behavior and lifestyle. However, will consumers like it?
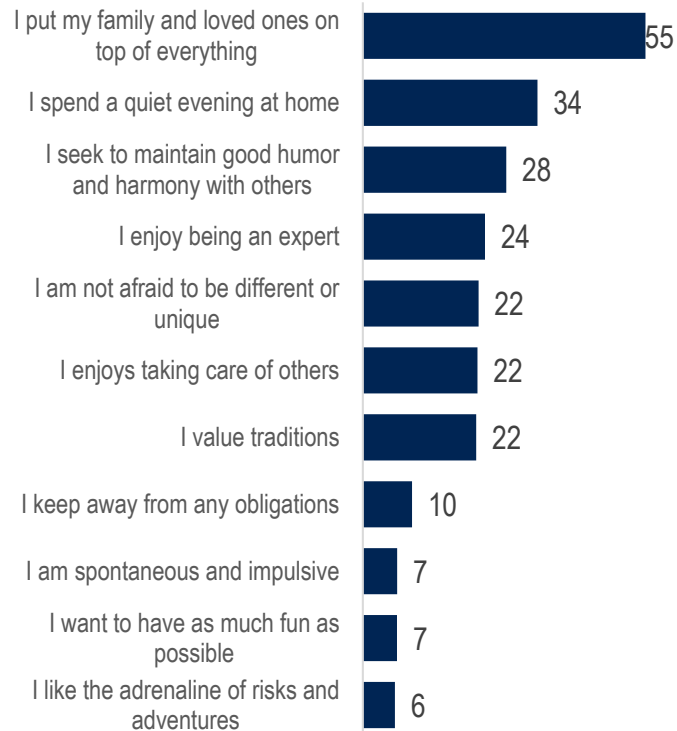
Ipsos

TECHNOLOGY SHOULD HELP CONSUMERS
BETTER UNDERSTAND THEMSELVES

Artificial intelligence already helps the consumer choose a better product, than a person can do themselves. For example, it can help you choose cosmetics.

Data profiling helps the customer make a choice

The role of technology is not only to streamline and speed up the business processes of organizations, but also to help consumers understand their own needs and emotions in order to facilitate the selection and receipt of goods and services. Using the analysis of transactions of a large number of consumers or through external observations of their behavior and emotions, technologies can create a profile of a person and give him recommendations based not only on the data of one particular consumer, but also on other data similar to his/her profile.

How people see themselves?, %

Attribute	%
I put my family and loved ones on top of everything	55
I spend a quiet evening at home	34
I seek to maintain good humor and harmony with others	28
I enjoy being an expert	24
I am not afraid to be different or unique	22
I enjoys taking care of others	22
I value traditions	22
I keep away from any obligations	10
I am spontaneous and impulsive	7
I want to have as much fun as possible	7
I like the adrenaline of risks and adventures	6

Q: Which attributes describes you best?
Source: Ipsos Adapt! June 2020
Base: 18-65 y.o., Russian cities 1 mln+, N=3000

WIRELESS EMPATHY
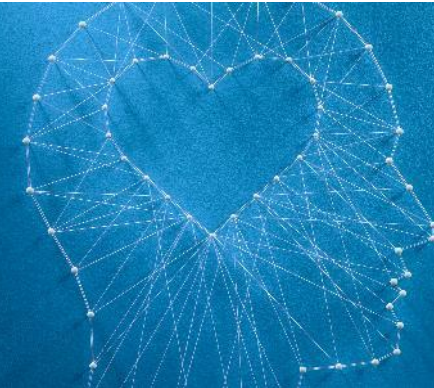
SIGNAL Usually, technological solutions for emotion recognition require the user to install an app, wear gadgets on their head, or be near special devices. But back in 2016, MIT introduced EQ Radio, a radio that recognizes emotions using Wi-Fi technology.

WHAT IT CHANGES
Emotion recognition technology that doesn't require users to use special devices and apps can help brands read and manage consumers' emotions. For example, in retail.

START THINKING ABOUT EMPATHY
RIGHT NOW

Speed is the main enemy of empathy
In crises, when decision making is quick, you risk having no time for empathy.

It is important to give yourself time to discuss all the ethical aspects of implementing new technologies in order to consider all positive and negative effects of innovations and to set clear priorities – while the company is not under pressure from time constraints.

Choice and encouragement
Technology adoption is more comfortable where the consumer still has the choice to use the new or the old, there is no strict time frame and there are incentive programs. In a situation where there is external pressure on the consumer (fines, mandatory passes, etc.), it is important for brands to act through positive reinforcements.

Virtual assistants and chatbots are becoming more and more like people – they talk and learn to recognize emotions. Many companies strive to ensure that their chatbot not only knows everything, but is perceived by the consumer as a full-fledged interlocutor. For example, the soulful chatbot of the Fund "Starost v Radost" Vera Vasilyevna.

ZOJIK KNOWS EVERYTHING ABOUT COVID-19

SIGNAL In April 2020, the Russian Ministry of Health launched a virtual assistant – the Zojik bot. Bot around the clock answers common questions about coronavirus.

WHAT IT CHANGES
The emergence of bots from government services makes them the norm for citizens, accelerating the mass adoption of technology for consumers and creating a request for similar solutions from commercial organizations.

Ipsos TrendTRAC
Analyzing signals

THE PANDEMIC HAS PROVIDED AN OPPORTUNITY TO SHOW HUMANITY

Technology makes it easier to get through crises. In difficult situations, it is easy to focus on optimizing resources, reducing the cost of what seems unnecessary, but which is the "soul" of the organization.

Empathy and humanity during crises are especially important – people are in a state of anxiety and acutely feel the need for support and "friendly shoulder". What signals reflect the trend for empathy in business?

R REVERSE

SIGNAL
To support consumers, brands open access to their services and give a product. Online cinemas and publishing houses give free access to movies and books; Yelli gives its soups to support those whose travel was cancelled due to the pandemic; IKEA shares recipes of their branded meatballs.

WHAT IT CHANGES
Promotions operate in the acute phase of the crisis and stop when the situation is resolved. This improves the brand's reputation and helps to increase its social media subscribers.

A ACCELERATE

SIGNAL
Retail chain Magnit offered to employ KFC employees, which was closed during the pandemic. Retailers Azbuka Vkusa, Perekrestok.ru, Ozon, "Dodo Pizza» and Delivery Club teamed up to install a monument in gratitude to the couriers who worked during quarantine.

WHAT IT CHANGES
The pandemic encourages brand collaborations to address important social issues. The need for such solutions appeared even before the pandemic, because often brands' social campaigns can be similar in message and in visuals.

T TRANSFORM

SIGNAL
Despite user complaints, the Social Monitoring app will continue to be installed on the mobile phones of Muscovites who have contracted COVID-19. Since the end of April 2020, the app does not request identification at nighttime (from 22:00 to 9:00), and fines issued during the night will be withdrawn.

WHAT IT CHANGES
Technical solutions to overcome socially significant problems must simultaneously be ethical. Ethics, empathy, and respect for people's feelings should be inherent in both the managers responsible for implementation and the technical specialists who create the program code.

C CONSOLIDATE

SIGNAL
The pandemic shows real leaders who are ready to help. Crocs distributes its brand's shoes to doctors for free. P&G sends cosmetics and hygiene products to hospitals. Yandex organizes the Help is Near You project. The culinary project "Dasha's pies" raises money for "suspended dinners" for doctors, while simultaneously saving work for its employees and enabling ordinary people to contribute.

WHAT IT CHANGES
The pandemic strengthens the importance of corporate responsibility in business – responsibility not only for their employees, but also for the well-being of society in general.

Online – Offline

TOGETHER, NOT INSTEAD:
ONLINE AS A CONTINUATION OF OFFLINE

During lockdown, people could try to replace real life communication with a virtual one. The digital environment cannot fully replace live communication and tactile contacts as people remain the "analog" ones. People and businesses are looking for an optimal balance between the two environments.

"Remote" work leads to changes in the economy
Don't waste time on the road to work, save money and have a flexible schedule – these are the main advantages for consumers.

Online learning. Shock and new features
The adoption of online learning as a format will go through school children and students.

Recreation and entertainment. A sample of new formats
By going online, cultural projects have increased their audience. Users were able to test new forms of leisure. The request for positivity led to the use of games and gamification.

Increasing the value of health
In times of crisis, the value of health increases. The COVID-19 pandemic has accelerated the introduction of telemedicine and the spread of fitness online.

Retail in search of balance
Retail solves the difficult task of finding a balance between online and offline formats, complying with official regulations, and simultaneously caring about the importance of the consumer experience.

WE CAN ASSUME THAT FOR SOMEONE THIS WILL BE A VALUABLE EXPERIENCE THAT SHOWED: DO NOT BE AFRAID OF EVERYTHING RELATED TO ONLINE.

SUCH A KIND OF TRAINING THAT CHANGED THE BEHAVIOR MODEL

Andrew Kamenuki
Psychotherapist,
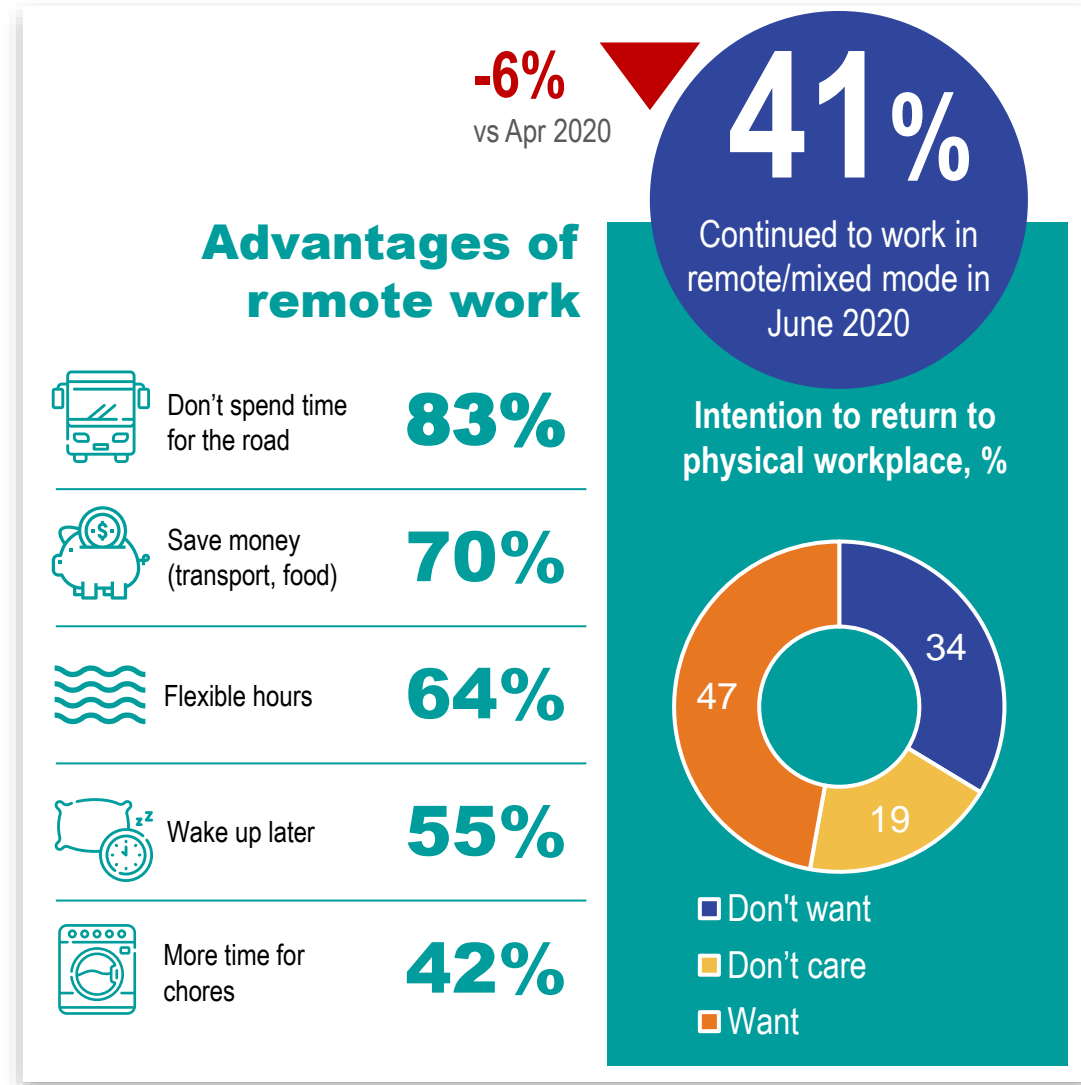General Director of " Clinic of cognitive psychotherapy»

REMOTE WORK –
FORERUNNER OF ECONOMIC CHANGE

Remote work has become a large-scale consequence of the pandemic, allowing many businesses to survive, and employees - to save income and "try on" remote work, even if they never thought about it.

What remote work changes

Taking into account the numerous advantages of remote work (including the possibility of reducing the space rented by a business), it can be assumed that some enterprises will continue to work in this mode even after the restrictions are lifted, which could potentially lead to serious consequences. These include:

- People will migrate from big cities in order to save money and have a greener life; business will hire employees from other regions with cheaper labor;

- Development of digitalization and systematization of business processes; the emergence of new video communication services, such as Telemost from Yandex;

- Transforming office concepts: Activity-based Working instead of the fading Open Space format. With a "mixed" work format, there will be no need to have individual jobs; zoning space for specific offline activities will gain value.

-6%
vs Apr 2020

41%
Continued to work in remote/mixed mode in June 2020

Advantages of remote work

🚌	Don't spend time for the road	**83%**
🐷	Save money (transport, food)	**70%**
〰️	Flexible hours	**64%**
😴	Wake up later	**55%**
🧺	More time for chores	**42%**

Intention to return to physical workplace, %

34
19
47

☐ Don't want
☐ Don't care
☐ Want

ONLINE LEARNING
SHOCK AND NEW OPPORTUNITIES

The transition to online learning has become an exam for students, teachers and parents due to the speed, the inevitability of what happened and the need to quickly master Skype, Zoom, Discord and other tools for conducting virtual lessons, creating tests and quizzes.
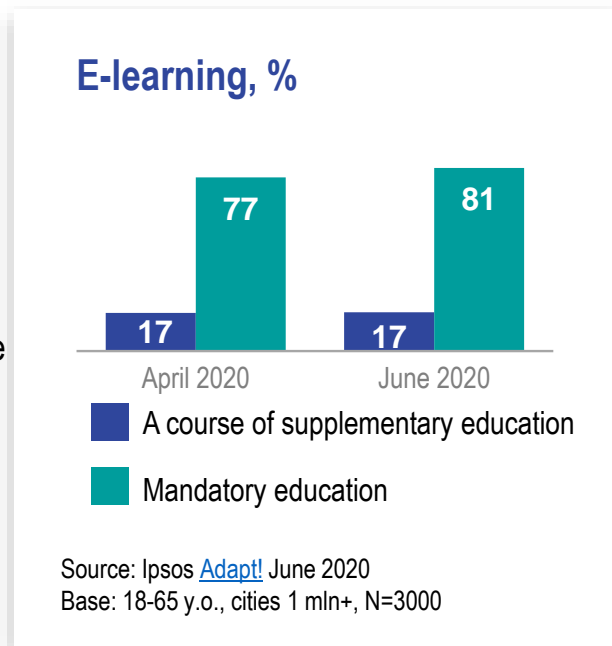
Offline should adapt to online environment

It is necessary to adapt the traditional educational process to the specifics of the Internet: smaller class sizes, pre-recorded lessons, more ways to engage and retain attention, proctoring (monitoring exams online). The problem arises of providing each family in Russia with a computer with Internet access.

Schoolchildren and students drive growth

Further growth in the number of online learners will continue at the expense of schoolchildren and students. As they get older, online learning or a combination of online/offline will become the norm.

Among adults, online supplementary education is not seen as a vital imperative; for them, the lockdown has resulted in an increase in the value of live meetings and events, including live learning.

E-learning, %

	April 2020	June 2020
A course of supplementary education	17	17
Mandatory education	77	81

Source: Ipsos Adapt! June 2020
Base: 18-65 y.o., cities 1 mln+, N=3000

Educational projects that were quickly adapted, or were already working online, were able to expand both their audience and the reach.

SEAMLESS LEARNING

SIGNAL Offline format "New school" launches the project "Zaochka", which will combine online and offline education.

WHAT IT CHANGES Reputable offline schools are launching hybrid online/offline formats. The quality of online education will continue to grow. Basic school education will be accompanied by less stress for students and provide more opportunities for self development in the direction of interest.

LEISURE AND ENTERTAINMENT
TRY OUT NEW ONLINE FORMATS

The massive transfer of offline entertainment to online helped keep people at home and relieve them of the burden of having to spend a long time in the same confined space. Unlike the scary news, entertainment is positive, the value of which will continue after the pandemic.

It fades away
After the first wave of interest in virtual communication, interest in Zoom parties and FaceTime photo shoots began to decline.
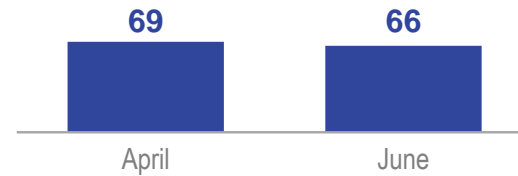
Culture engages the masses
Moving online at lockdown has allowed many cultural projects to significantly expand their audience and offer new formats, for example, behind-the-scenes tours.
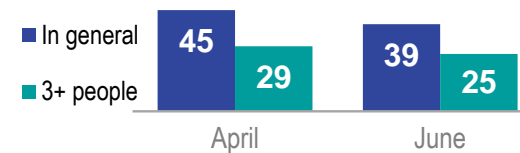
TikTok. A fresh look at the classics
TikTok, a short video platform aimed at young audiences, during lockdown was first used by the Ministry of Culture to host online such a classic format as Museum Night. The Ministry of Education, Rosturizm continue to use TikTok to communicate with young audiences. Meanwhile, Facebook announced the launch of a TikTok rival.

Watching video content at home, %

April	June
69	66

Video communication on personal matters, %

■ In general
■ 3+ people

	April		June
In general	45		39
3+ people		29	25

Watching online performances, online exhibitions, %

April	June
15	13

Source: Ipsos Adapt! June 2020
Base: 18-65 y.o., cities 1 mln+, N=3000

VR IN YOUR HEAD

SIGNAL An immersive show is a format where viewers sit with their eyes closed, imagining a story development in their minds. The format moved from offline to online during self-isolation.

WHAT IT CHANGES To get a strong emotional impression, a person just needs to close his/her eyes. No need for virtual helmets, halls or quest rooms. Only Zoom, blindfold, moderator and viewer imagination.

# GAMIFICATION
ESCAPE FROM REALITY TO THE GAME

The pandemic has accelerated the spread of games and increased demand for the gamification of non-game tasks. In an unstable world, people are looking for a way to escape reality to where they have fun and where the development of events can be controlled.

Brands and consumers in the game

- Participation of people in promotions is growing exponentially – this is not only a way to save money, it is a game of "buying a good product at a low price", "winning" from the seller

- Brands actively use online games to engage and educate consumers on self-isolation: The Perekrestok supermarkets teaches how to buy wisely, S7 aircompany+Tinkoff bank teaches to wash hands.

- Brands diversified the everyday life of consumers with flash mobs and hashtag challenges, in which people did what they were deprived of offline – makeup, outfits, fitness. Examples: #FreelanceFashionWeek from MTS and #plankaspomadoi from Maybelline.

- Perhaps the most striking game case of isolation – everyone could control real inhabitants of the Faroe Islands, like in a computer game.

Computer games

53% of Russians surveyed play games online or in-app. Since 2016, e-sports has been officially recognized in Russia and has already earned the popularity of fans.

36%	40%
Played online	Played in apps
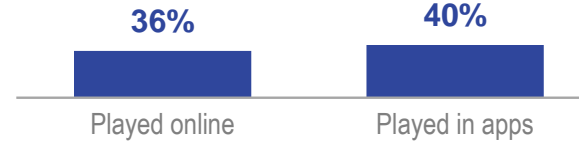
Source: Ipsos RusIndex 2020/I.
Russians 16-75, cities 100K+
Fieldwork: March 16 – May 6 2020

Games are serious

- In the NTI 2.0 initiative, which is working on a foresight of the future of Russia until 2035, games are highlighted as a separate area of GameNet.

- The international association Games for Change promotes gaming tools to solve significant social problems.

HSE AND MIT COPIED IN MINECRAFT

SIGNAL In the midst of lockdown, the Higher School of Economics created a virtual copy of its main building in Minecraft. At the same time, a copy of the famous Massachusetts Institute of Technology (MIT) - Minecraft Institute of Technology appeared in Minecraft

WHAT IT CHANGES Following retail, education is becoming omnichannel, claiming the seamless transition from online to offline. At the same time, there is a growing demand for gamification and edutainment, without which online education is almost unviable.

HEALTHCARE –
## ONLINE EXPANDS THE POSSIBILITIES OF OFFLINE

Each crisis increases the value of health – a person can cope with economic problems or take advantage of new opportunities only if they are healthy.

Fitness

Online fitness has supported people with limited exercise opportunities in lockdown. But even after the restrictions are lifted, offline fitness clubs keep online programs and are looking for ways to monetize them.

During the pandemic, the demand for communication with consumers through sports has grown even more – both by fitness clubs and by companies from other industries. The trend will continue.

- #FitnessProtivVirusa is a joint online training project with the stars of the World Class Club, Okko, more.tv, Sberbank and the Moscow Sports Department.

- Examples of the use of fitness by brands from other industries: workout videos from Wildberries, financial yoga from Raiffeisenbank

48%
did sports at home in June 2020
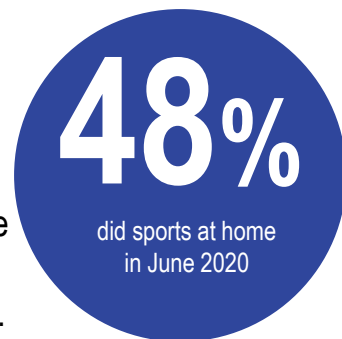
The rise of telemedicine

The pandemic has accelerated the spread of telemedicine. Kaluga Region became the first in Russia where telemedicine was included into the compulsory medical insurance system. You can now consult a doctor remotely for free.

Contacting a doctor remotely, %

■ By phone

■ Via web sites and special apps

	April		June	
	10	8	15	14
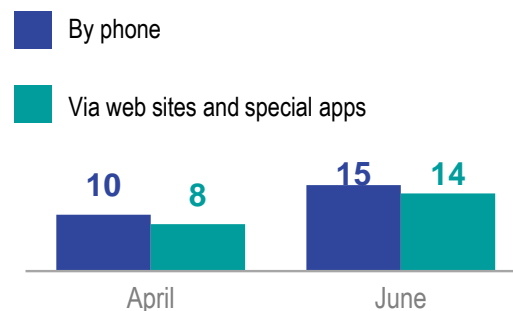
Source: Ipsos Adapt! June 2020
Base: 18-65 y.o., cities 1 mln+, N=3000

SMART HEALTHCARE SPEAKER

SIGNAL   American retailer Walmart has launched sales of HandsFree Health WellBe, a smart healthy lifestyle speaker with voice control. Features include reminders for medication and doctor's appointments, built-in health tracker, prevention information, and more.

WHAT IT CHANGES
Smart speakers learn to help keep consumers healthy. The next step is integration with telemedicine systems.
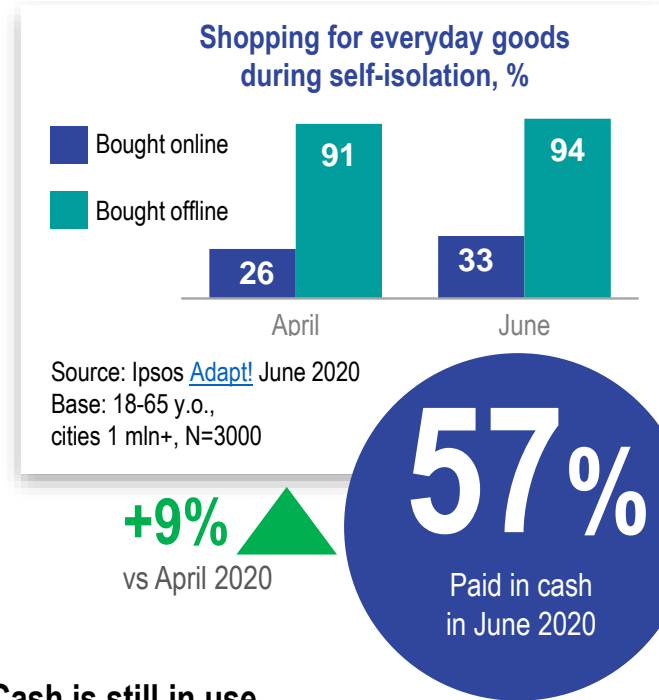
RETAIL
LOOKING FOR A BALANCE

The pandemic has presented retailers with the daunting task of finding the optimal mix of offline and online formats, while meeting official distance and safety requirements, while also keeping in mind the importance of customer experience.

Search for matching formats

X5 Retail Group's emergence as a leader in the e-grocery segment illustrates the role of brand trust when the consumer opted for online versions of traditional players over purely online formats. Business models are being adapted, for example, Starbucks announced the pre-ordering via an app. However, remember that before the pandemic, Amazon and Lamoda opened bricks and mortar stores. The search for balance continues.

Sensitivity to customer experience increases

Requirements to wear masks and gloves, and to keep distance worsen the customer experience in offline retail. Online also does not yet compensate for the experience people were getting offline before the pandemic. For example, this concerns the purchase of premium goods, where a high price has always determined a high level of customer care. One way to compensate for the lack of customer care online can be a positive delivery experience. Overall, retailers need to pay even more attention to the customer experience.

Shopping for everyday goods during self-isolation, %

- Bought online
- Bought offline

	April	June
Bought online	26	33
Bought offline	91	94

Source: Ipsos Adapt! June 2020
Base: 18-65 y.o.,
cities 1 mln+, N=3000

+9% ▲
vs April 2020

57%
Paid in cash
in June 2020

Cash is still in use

Despite the fact that cash is considered the dirtiest carrier of a huge number of bacteria, its use has not decreased during self-isolation, but has increased, since the consumer is not always ready to make a prepayment online, and not all couriers have terminals for paying with a card.

3D ONLINE STORES IN CHINA

SIGNAL   Chinese online store Tmall is testing 3D counterparts of offline stores.

WHAT IT CHANGES

Now, in online retail, a customer cannot wander around the store and spontaneously take "just something new for the soul" from the shelf. The 3D simulator solves this problem by bringing the virtual shopping experience closer to the real one.

Ipsos TrendTRAC
Analyzing signals

LIFESAVING DELIVERY

In what the media termed the "sofa revolution", there was almost a record number of changes in the ways to make purchases during the lockdown.

Consumers definitely like the delivery not just on the day, but at the hour of the order.

Along with the delivery couriers, whose value increased, taxi drivers and consultants of empty stores functioned as delivery couriers too.

R REVERSE

SIGNAL Contactless delivery by couriers

WHAT IT CHANGES
Contactless delivery by couriers as it existed during lockdown is also likely to be a thing of the past. The service was not tuned properly, and if you can move freely, the function of contactless receipt of goods is performed by postamats, as well as vending machines in residential buildings launched in test mode by retailers Azbuka Vkusa and Vkusvill.

A ACCELERATE

SIGNAL Right before lockdown Yandex.Taxi launched the delivery service, which allowed customers to quickly send goods to each other – a timely solution that helped customers, taxi drivers and retailers overcome the coronavirus.

WHAT IT CHANGES
Even before lockdown, delivery within a day was a good one. In quarantine, retail showed "supersonic speeds" – products appeared at the customer's residence 15-20 minutes after they ordered. The customer would like to keep this speed of delivery.

T TRANSFORM

SIGNAL Delivery Club terminated the contract with a partner who did not pay the couriers ' wages and created the threat of a strike.

WHAT IT CHANGES
The high demand for delivery and the complexity of managing a large staff of couriers create prerequisites for replacing couriers with ground and air robots. In July 2020, Yandex tested an unmanned delivery robot Yandex.Rover. Dodo pizza has been working on the use of contactless air delivery since 2014. According to forecasts, in 10 years, the turnover of the contactless air delivery market will exceed the turnover of passenger air transportation.

C CONSOLIDATE

SIGNAL Yandex.Lavka launched delivery of goods to «dachas» (summer houses in suburbs) in the vicinity of Moscow and St. Petersburg. After the successful launch of delivery to dachas in the Moscow region, the eCommerce platform SberMarket plans to launch within the summer a similar service for all 1mln+ cities.

WHAT IT CHANGES
Expanding the delivery area to include suburbs. With the departure of the city population to the countryside due to remote work or the closure of educational institutions for quarantine, the issue of long-distance delivery became acute. Before lockdown, the delivery dachas was performed by a Unkonos, other e-retail players followed it pushed by the coronavirus pandemic.

Accelerate –
Slow down

Ipsos

SLOW DOWN,
TO SEE EACH OTHER BETTER

The pandemic has artificially slowed people down, forcing them to look at life in great detail, to re-examine their everyday, to form a new understanding of personal time, to re-evaluate values, and to start searching for a balance between fast and slow life.

Rethinking time
Slow down for what's really important, speed up routine tasks. People began to appreciate simple things again.

Mental health requires special attention
Physical health has always been a priority, and the pandemic has shown that mental well-being is just as important.

Travelling. Value of rest grows up
Domestic tourism, virtual travel, Google Street View and the potential of digital doubles.

Eating at home-eating slowly
Cook at home, discover new tastes and products. The food carries the "little tasty pleasures".

“ THE FASTEST WAY TO A GOOD LIFE IS TO SLOW DOWN

Geir Berthelsen,
Founder, The World Institute of Slowness
/The World Institute of Slowness/

Ipsos

SLOW DOWN
FOR WHAT REALLY MATTERS

From the value of "catching everything" to the values of living the moment

The pandemic has brought a rethinking of time. The crisis reminds us that a person needs a balance of fast and slow life. "Slowing down" showed the value of seemingly simple and ordinary things in a person's life – to see friends and family, to sit in a cafe and restaurant. Value manifested itself through loss.

New criteria for success: spend as little time as possible on routine, devote the free time to yourself, family, loved ones, focus on smart consumption and mental health.

What is really important to spend time on:

- Family
- Inner harmony and balance (sleep, walks in nature)
- Learning new things (drawing, playing musical instruments, etc.)
- Doing good, helping others (taking a dog from a shelter, volunteering, etc.)
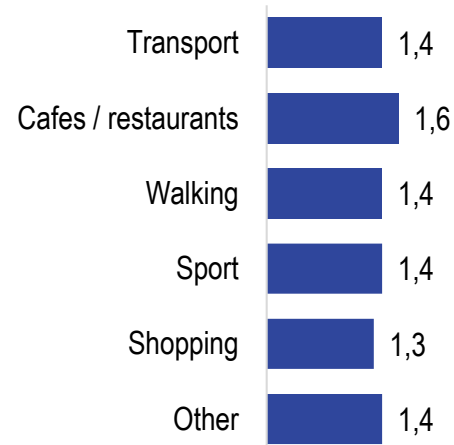
> Previously, I performed many actions on autopilot. Quarantine made me take a break, and I realized that I want to do only really valuable things and not waste time.
>
> Source: Syndicated Community. Ipsos in Russia

Average number of hours per day saved on routine activities

June 15-17 2020

Activity	Hours
Transport	1,4
Cafes / restaurants	1,6
Walking	1,4
Sport	1,4
Shopping	1,3
Other	1,4

Source: Ipsos Adapt! June 2020
Base: 18-65 y.o. cities 1 mln+, N=3000

THE SLOWEST CLOCK

SIGNAL Amazon founder Jeff Bezos builds a clock that will last 10,000 years. The clock will tick once a year.

WHAT IT CHANGES
The aim of this art installation is to encourage people to move from momentary thinking to thinking on long horizons – on the scale of generations and millennia.

SPEED UP
ROUTINE TASKS

Consumers in lockdown sought to speed up their routines, including shopping, cleaning, and cooking.

If a refrigerator and a washer in every home has been a norm for a long time, then a multicooker makes life easier for only every second Russian family (52%), and a dishwasher – for every fifth (19%).

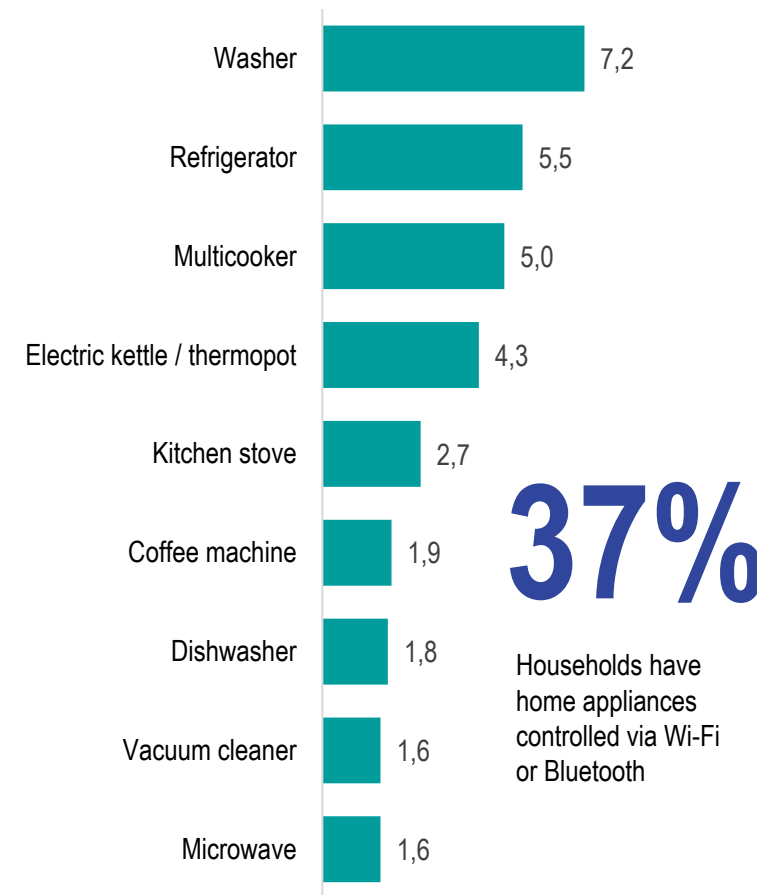**Home appliances with remote control comes to Russian homes**

Although the concept of "smart home" and "Internet of Things" fully correspond to the demand for security and a long-term comfortable stay at home, the Russian consumer does not yet have clear understanding of these categories and the idea of them is very limited. However, 37% of households already have home appliances that can be controlled remotely via Wi-Fi or Bluetooth. 7.2% of them have a "smart" washing machine, 5.5% have a refrigerator and 5% have a multicooker.

> I use delayed start on household appliances, this is also a smart solution so that the porridge is cooked in the morning, the laundry is washed at a certain time, the dishwasher starts up a few hours before getting up, I can operate the kettle. While in the morning I scroll through the feed of social media in bed – the kettle is already boiling
>
> Source: Syndicated Community. Ipsos in Russia

Having in homes household appliances controlled by Wi-Fi or Bluetooth, %

Appliance	%
Washer	7,2
Refrigerator	5,5
Multicooker	5,0
Electric kettle / thermopot	4,3
Kitchen stove	2,7
Coffee machine	1,9
Dishwasher	1,8
Vacuum cleaner	1,6
Microwave	1,6

37%
Households have home appliances controlled via Wi-Fi or Bluetooth

Source: Ipsos. RusIndex 2020/I
Base: Households, having home appliances with Wi-Fi or Bluetooth, cities 100K+
Fieldwork: March 16 – May 6, 2020

Ipsos

MENTAL HEALTH
REQUIRES SPECIAL ATTENTION

Helping to maintain mental balance is a challenge not only for therapists, but also for brands, from interaction with which people will expect maximum mental comfort both in communication and in service without stress.
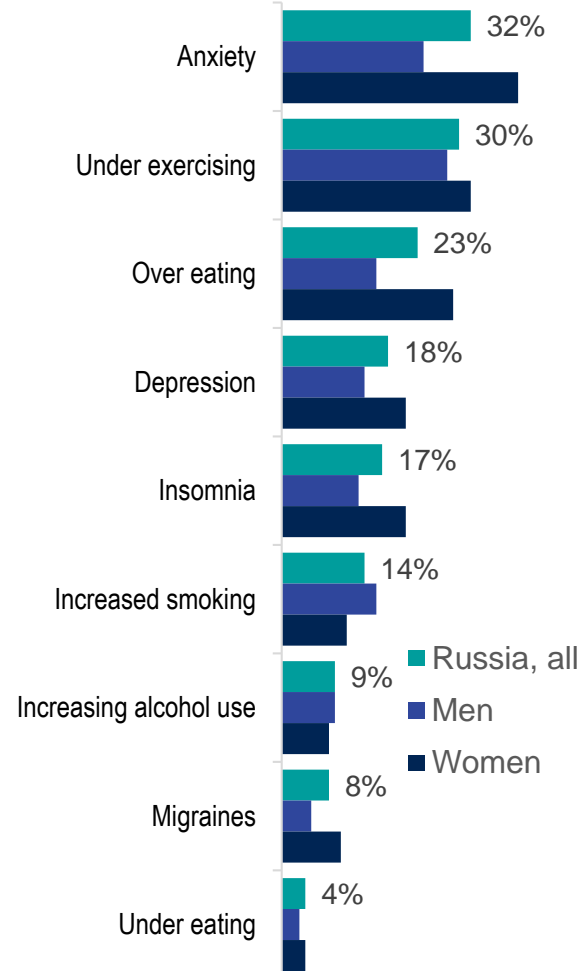
The pandemic switch accents
At the end of 2019, Ipsos surveyed attitudes to mental health in 29 countries around the world. In Russia, only 25% reported that they think about their mental health often or very often. Russia was the last in the list of all countries by this indicator.

Women worry more
After years of accelerating the pace of life, the forced physical slowdown caused anxiety and depression, especially in women. The decrease in physical activity, which offered a way to unload, complicated the situation. 29% of women and 16% of men found salvation in overeating, one in 10 increased their alcohol consumption.

How COVID-19 affects people

- Anxiety — 32%
- Under exercising — 30%
- Over eating — 23%
- Depression — 18%
- Insomnia — 17%
- Increased smoking — 14%
- Increasing alcohol use — 9%
- Migraines — 8%
- Under eating — 4%

Legend:
- Russia, all
- Men
- Women

SCREAM TO ICELAND

SIGNAL To relieve the mental strain caused by prolonged lockdown, you can shout with all your might – so that you can be heard in Iceland. The scream will be recorded on a special website and broadcast via a speaker in a deserted place in Iceland at the person's choice. Feel better?

WHAT IT CHANGES Due to the increasing stress on the psyche caused by fear of the future and abrupt changes, there will be a growing demand for ways to relieve anxiety and mental stress.

Source: Ipsos Global Covid Watch.
Base: Russians 16-74, N=500
Fieldwork May 7-10 2020

TRAVELLING
THE VALUE OF RECREATION IS GROWING

Staying home?
The ability to travel is one of the main components of human well-being. Quarantine restrictions on travel, the need to obtain certificates and the requirement to wear masks during flights or flight cancellations force many to stay at home in 2020, creating deferred demand. Working from home makes travel even more necessary than before.

We travel slower at home
The closure of borders encourages domestic tourism. Russia spans a huge distance that determines the specifics of travel. It is not possible to fit a dozen cities in a week, as in smaller European countries. Natural objects often become the center of attraction. Non-capital Russia is often a «slow leisure» corresponding to improving mental health.
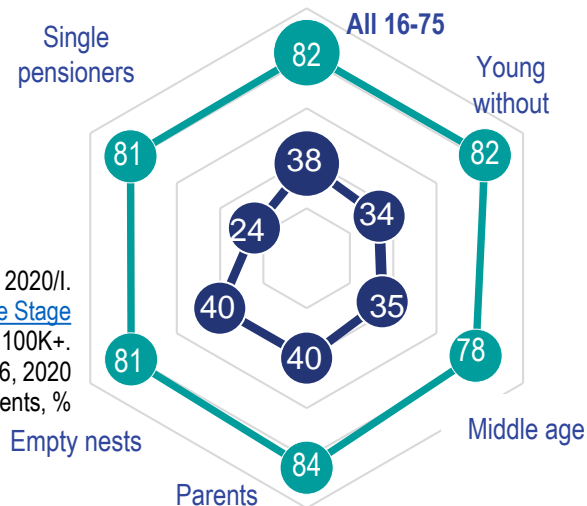
Staycation
The opportunity to change the environment, stay in a hotel, go on excursions in your city or even make a virtual trip without leaving your apartment – a new experience of the epidemic. Time will tell if it will stay with us.

Would like to travel around the world

Vacation, holidays like to spend in the country (dacha)

All 16-75

Single pensioners — 81
Young without — 82
82 / 38 / 34 / 24 / 40 / 35 / 40
Empty nests — 81
Middle age — 78
Parents — 84

Source: Ipsos. RusIndex 2020/I.
Segmentation Life Stage
Base: Russians 16-75, cities 100K+.
Fieldwork: March 16 – May 6, 2020
Agree with statements, %

Travel plans for the first six months after quarantine, %

	Yes	No	DKN
Abroad	18	69	13
In Russia	37	49	14
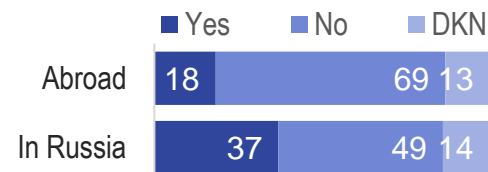
Source: Ipsos Adapt! June 2020
Base: 18-65 y.o., cities 1 mln+, N=3000

ANTI-TRAVELLING ONLINE

SIGNAL During the lockdown, AirBnB and many guides offered virtual experiences. But long before the pandemic, Jackie Kenny, who suffers from agoraphobia, began traveling the world from the comfort of her home – using Google Street View.

WHAT IT CHANGES Virtual travel has a chance of further development – for example, with the help of "digital twins" technology. It is used to create digital copies of businesses and even entire cities, but over time it can help promote new directions and perhaps many will even travel this way to Mars.

EAT AT HOME
EAT SLOWLY

In the" immobilized " world, consumers have received another confirmation that nutrition is a powerful factor in managing health.

Cooking at home
Lockdown opened the way to experiments in the kitchen, turning cooking from chores to a hobby. Is it possible to go on without non-healthy or "junk food"? What new products can be found in a supermarket? Which new dishes to cook and does it really take a long time to cook every day?
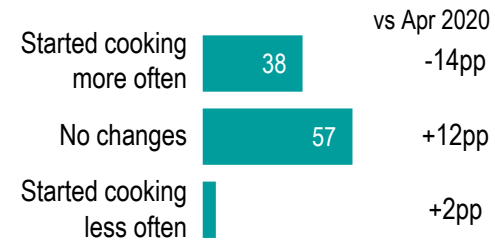
Eating slowly
The time that was usually spent commuting to and from work can now be spent on getting a taste of life – including, literally, the benefits of having breakfast, lunch and dinner.
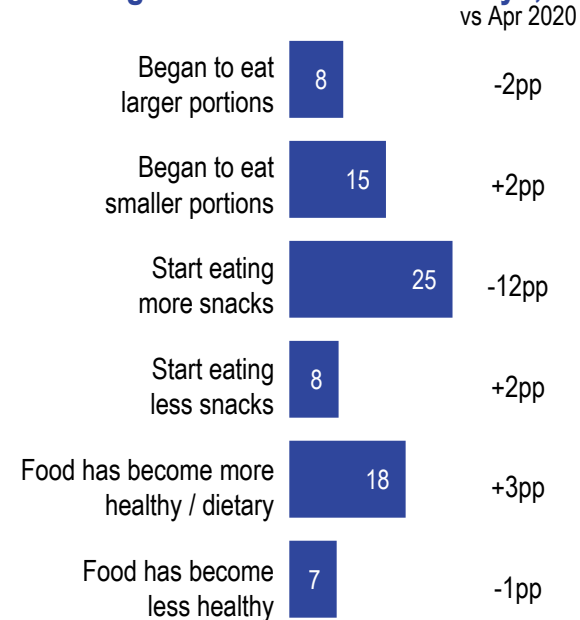
We have fun
Food is not only a basic human need, but also one of the easiest ways to treat yourself when things go wrong in the world. Even healthy and wholesome food should also be tasty and enjoyable. Healthy eating is important, but it also should make you happy.

Cooking at home, %

		vs Apr 2020
Started cooking more often	38	-14pp
No changes	57	+12pp
Started cooking less often		+2pp

Changes in the diet within 7 days, %

vs Apr 2020

		vs Apr 2020
Began to eat larger portions	8	-2pp
Began to eat smaller portions	15	+2pp
Start eating more snacks	25	-12pp
Start eating less snacks	8	+2pp
Food has become more healthy / dietary	18	+3pp
Food has become less healthy	7	-1pp

Source: Ipsos Adapt! April and June 2020
Base: 18-65 y.o., cities 1 mln+, N=3000

GARDEN IN THE APARTMENT?

SIGNAL More time at home is a chance to grow healthy organic vegetables and herbs right in your apartment. Microherbs on the windowsill, hydroponics or vertical farms – a variety of options is available to buy already.

WHAT IT CHANGES
Futurists predict that urban farms - on roofs and in apartments-are the inevitable future of cities. The first attempts to promote vertical farming in Russia did not bring mass success to entrepreneurs, but they do not give up hope of increasing the popularity of the new technology.

Ipsos TrendTRAC
Analyzing signals

MORE THAN FOOD…

Food is not only the satisfaction of a basic need, but also a way to take time, to have fun in the lockdown, when the choice of activities is very limited.

The greater the uncertainty of the surrounding world, the higher the value of "small delicious pleasures". It seems that you will not be able to take away the function of food as an easy way to find happiness. What can be the "solution in a dish" in an unstable world?

(R) REVERSE

SIGNAL
During the lockdown, many consumers have time to cook at home, including trying new complex recipes with new products. For example, you can bake different types of bread, including exotic items like green buckwheat bread.

WHAT IT CHANGES
Closer to the end of lockdown, people are getting tired of cooking complex dishes at home every day and gradually returned to basic and simple dishes.

(A) ACCELERATE

SIGNAL
KFC announced a collaboration with the Russian laboratory 3D Bioprinting Solutions to develop an innovative technology for creating chicken meat using a 3D bioprinter.

WHAT IT CHANGES
Getting meat grown in a lab is a matter of time. Having made the first step in the menu in restaurants, it will eventually be launched into mass production and will appear on supermarket shelves.

(T) TRANSFORM

SIGNAL
In lockdown food became entertainment, there was a "boom" of cooking classes and cooking at home, but at the same time emotional overeating became a health threat.

WHAT IT CHANGES
Finding a solution to make food healthy and enjoyable at the same time opens the way to innovation:
- How to maintain a balance between the pleasure of eating and the health benefits?
- Will charity activities help consumers to control their nutrition (for example, "I cook to feed others", "I don't eat and earn points to help those in need")?

(C) CONSOLIDATE

SIGNAL
The retail and restaurant industry partnership continues. Arkady Novikov, a Russian restaurateur, announced the expansion of cooperation with retailers.

WHAT IT CHANGES
The range of high-quality packaged food on supermarket shelves continues to expand. The consumer wants to save money, but is not ready to reduce their standard of living. Retail and restaurants combine their efforts to offer consumers who are looking for optimal price-quality options a range of "slow" restaurant food, where the enjoyment of taste is already part of the shopping offer.

Ipsos

Ecology –
Economics

«THE WALLET»
OR ECO-RESPONSIBILITY?

On a backstage of the economic crisis caused by the Covid-19 pandemic, there is a high risk that the environmental agenda will become secondary, equating it with "excessive luxury".

Let's think about ecology tomorrow
Despite the fact that the majority of respondents in Russia are aware of their responsibility to keep the planet for future generations, right now people are more concerned about the economic recovery.

The dual impact of the pandemic on the environment
During the time of self-isolation, nature was cleared without people, but at the same time the volume of garbage increased due to the boom in delivery.

The environment is recovering more slowly than the economy
It normally takes a couple of years to restore the economy, but it takes tens or hundreds of years to restore the environment – a strong argument for businesses not to stop environmental initiatives during the recovery.

> WHEN THE ECONOMIC SITUATION IS DIFFICULT, PEOPLE DO NOT CARE ABOUT ECOLOGY.
>
> IN OTHER WORDS, THE PRINCIPLE OF SELF-SURVIVAL POSTPONES ECOLOGY FOR THE LATER.
>
> NOW THERE WILL BE A LOT OF LOBBYISTS WHO WILL PERSUADE YOU TO FORGET ABOUT THE ENVIRONMENT TO RECOVER THE ECONOMY.

Andrey Nagibin,
Chairman of the Board,
Executive Director of the public organization «Green patrol»

Ipsos

WE ARE RESPONSIBLE FOR THE PLANET,
BUT NOW THE ENVIRONMENT IS NOT THE FIRST PRIORITY

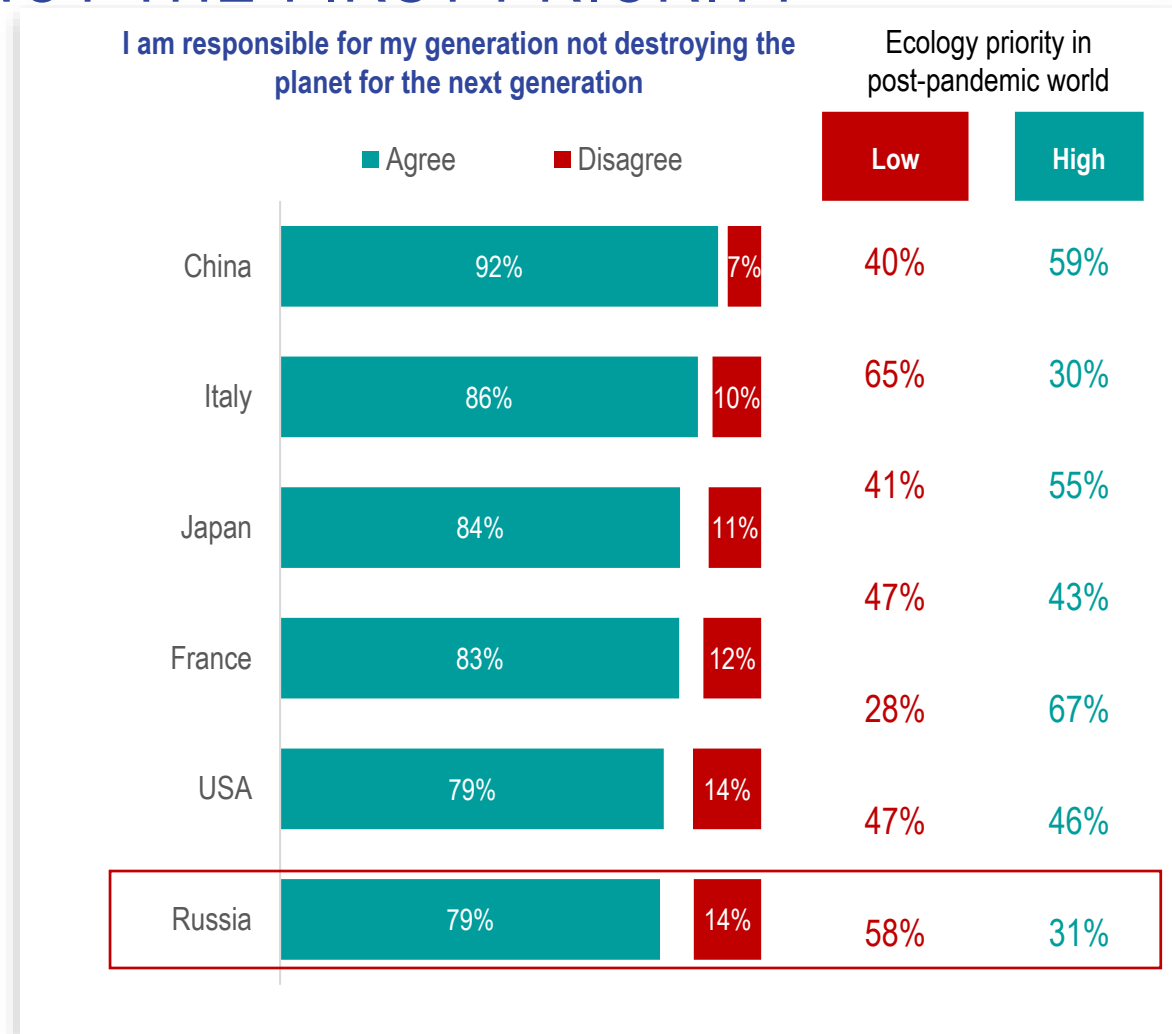**Understanding the importance of sustainability**

Answering the question about preserving the planet for future generations, Russians declare a high level of responsibility. Although even with a high level of support (79%) the lag behind many countries is high. In terms of environmental awareness, China is in the lead among the surveyed countries.

Following eco trends

Although in general a society in Russia is a follower, not a leader of the ecological trend, many already want to perceive environmental friendliness as the norm.
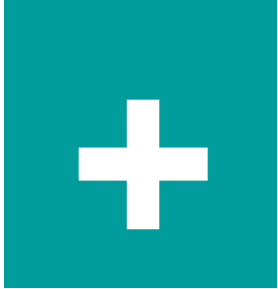
But solving the "burning problems" of the economy comes first

Today in Russia, a quick economic recovery is nevertheless perceived as a higher priority compared to environmental issues. Although every third person does disagrees. Globally, we see stronger opposition to making an "environmental sacrifice" - for example, in France and China.

I am responsible for my generation not destroying the planet for the next generation

Ecology priority in post-pandemic world

	Agree	Disagree	Low	High
China	92%	7%	40%	59%
Italy	86%	10%	65%	30%
Japan	84%	11%	41%	55%
France	83%	12%	47%	43%
USA	79%	14%	28%	67%
Russia	79%	14%	58%	31%

THE DUAL IMPACT OF THE PANDEMIC
ON THE ENVIRONMENT

+

NATURE IMPROVED WITHOUT PEOPLE
While people were at home, everyone's carbon footprint fell, and the air became substantially cleaner. Improving air quality in European countries in April 2020 helped to avoid over 11,000 deaths, according to experts of the Finnish organization Center for Research on Energy and Clean Air, which deals with atmospheric pollution.

—
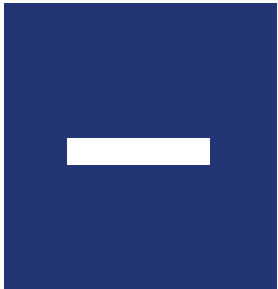
LOW-TOUCH ECONOMY FACES A "GARBAGE CHALLENGE"
The growth in the volume of packaging used for delivery in the new "hygienic economy", as well as the widespread mandatory use of disposable antiviral protection (masks, gloves), the need to use disposable tableware in re-opened cafes has given rise to a new round of garbage problem.

DISPOSAL OF MASKS

SIGNAL The Roskhimzashchita Corporation has created a specialized container for the safe disposal of PPE and expects this to be widely installed across the country.

WHAT IT CHANGES
Next to containers for separate collection of paper, plastic and food waste, containers for safe collection of used personal hygiene products may appear on the streets.

ECOLOGY IS RECOVERING MORE SLOWLY,
THAN CONSUMER ACTIVITY

The urgent problems the pandemic poses cause a desire to postpone environmental issues until more stable times. However, the economy will recover faster than the environment. Businesses need to continue their environmental activism and show leadership in this regard, both in terms of production and in communication with consumers.

A couple of years for economic recovery

According to the experience of previous crises, economic recovery after crises takes, on average, two years. After the abolition of self-isolation, Russians are making up for the deficit in consumer activity. The Russian government expects the economy to return to the pre-crisis level within a year.
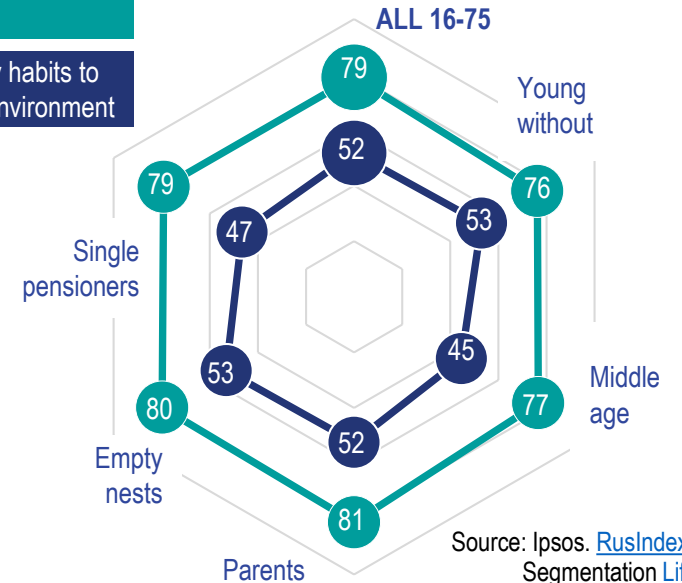
Decades and centuries for environmental recovery

Masks and gloves widely used to protect against the virus contain polypropylene, which takes 450 years to decay. Turning into garbage, they increase the pollution of land and water bodies.

The State Duma of Russia plans to cancel the environmental impact assessment during the construction of the most dangerous facilities. Environmentalists predict that this will increase the number of environmental disasters in Russia, such as, the oil spill near Norilsk, which will take at least 5-10 years to recover.
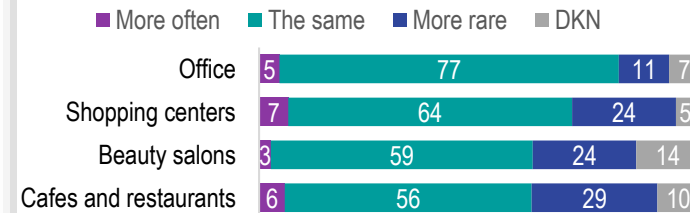
The ecological culture in our country is low

I am ready to change my habits to improve the ecological environment

The environmental agenda is important for all ages, but single pensioners and middle-aged people are less responsive to it.

ALL 16-75

	79 / 52	Young without
79 / 47		76 / 53
Single pensioners		Middle age
80 / 53		77 / 45
Empty nests	81 / 52	
	Parents	

Source: Ipsos. RusIndex 2020/I.
Segmentation Life Stage
Base: Russians 16-75, cities 100K+.
Fieldwork: March 16 – May 6, 2020
Agree with statements, %

After the end of the quarantine, will you visit the following places more often or less often? %

■ More often   ■ The same   ■ More rare   ■ DKN

	More often	The same	More rare	DKN
Office	5	77	11	7
Shopping centers	7	64	24	5
Beauty salons	3	59	24	14
Cafes and restaurants	6	56	29	10

Source: Ipsos Adapt! June 2020
Base: 18-65 y.o., cities 1 mln+, N=3000

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Ipsos TrendTRAC
Analyzing signals

HOW THE ROLE OF PACKAGING CHANGE

In a world where security in every sense is becoming a defining value, the requirements for packaging functionality are also growing.

The role of packaging is not only to protect the product and inform the consumer about its properties. Modern packaging should help to ensure both biological and environmental safety, without increasing the burden on the environment.

R REVERSE

SIGNAL
Return to disposable packaging, which is perceived as better protection against the spread of viruses.

WHAT IT CHANGES
In the short term, with the removal of pandemic restrictions, the trend to reduce the use of single-use packaging will return – until a single-use packaging is created that is completely safe for the environment and at the same time inexpensive for mass use.

A ACCELERATE

SIGNAL
According to the RusIndex study, 61% of Russians carefully read the text on the package to find out the ingredients. How it can be possible to visually determine the quality of a product and its ingredients without touching the packaging?

WHAT IT CHANGES
The growth point of packaging with expiration indicators that change the appearance, as well as with augmented reality elements that pop up when you hover your smartphone. Retail already tests such solutions.

T TRANSFORM

SIGNAL
The return of single-use packaging conflicts with environmental friendliness and calls into question the pre-pandemic trend of switching to reusable packaging.

WHAT IT CHANGES
This conflict forces the search for innovation to answer questions:

- How do I return reusable packaging to safe status? Will antibacterial packaging stop viruses?

- Will edible or compostable packaging help?

- How to combine contactless and weight-based purchases in your container?

C CONSOLIDATE

SIGNAL
The more actively delivery is used, the more urgent is the issue of minimizing protective packaging and its further recyclability.

WHAT IT CHANGES
Consolidation of the trend towards conscious waste disposal, the growth of reverse vending machines and more visible labeling of the recyclability of packaging. For example, the delivery service Yandex.Lavka switches to more durable bags made from polyethylene.

MONITORING OF CHANGES

WHY DO WE NEED
TO TRACK CHANGES

Signals are a set of interrelated indicators that help you track the manifestations of selected scenarios and notice changes in the external environment as early as possible.

This includes:

- macro level measures,

- behavioral and attitudinal indices,

- consumer confidence indices,

- social media monitoring,

- consumer / societal trends and signals of change.

In the next slide, we've put together a few proven tools that will help you monitor changes.

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IPSOS TOOLS
TO MONITOR CHANGES

TREND RADAR

What signals of changes in trends and moods can be seen in social media?

Identification of long-term and short-term trends, understanding their internal dynamics, drivers and barriers to development. Predictive models.

THE «NEW REALITY» MONITORING

How do people react to changes in the economy?

Indexes of the importance of socio-economic events, consumer confidence, changes in consumer behavior, savings on goods and services, and financial behavior. Dynamics since November 2008

SYNDICATED STUDIES

How does the lifestyle, values and consumption of individual target groups change?

Regular studies:
RusIndex (population 16+),
Premier (affluent),
OnLife (active online audience),
New Generation (kids 4-15 y.o.),
Baby Index (moms of babies)

META-ANALYSIS «FUTURE OUTLOOK»

What valuable lessons have we learned from previous crises?

A ready report based on the analysis of existing data from 2008. Consumer segments by type of response to crises.

Consumer response to the crisis in different product categories, key threats and drivers of recovery.

BRAND COMPASS

How do I find landmarks in a changing environment?

1. Category Explorer. Understanding new habits and patterns of behavior, identifying emerging barriers and difficulties.

2. Brand Sprint. Explore possible brand roles in a new context, select a priority response, and activate the results.

QUALITATIVE ONLINE-COMMUNITY

How to quickly gather insights for any idea or scenario?

300 consumers from different cities in Russia are ready to discuss new trends and ideas for developing new categories, products and services

GUIDELINES FOR THE FUTURE

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WHAT MATTERS
TO CONSUMERS

In our recently released Ipsos Global Trends 2020 review, we identified 36 values that affect society in one way or another on a global scale.
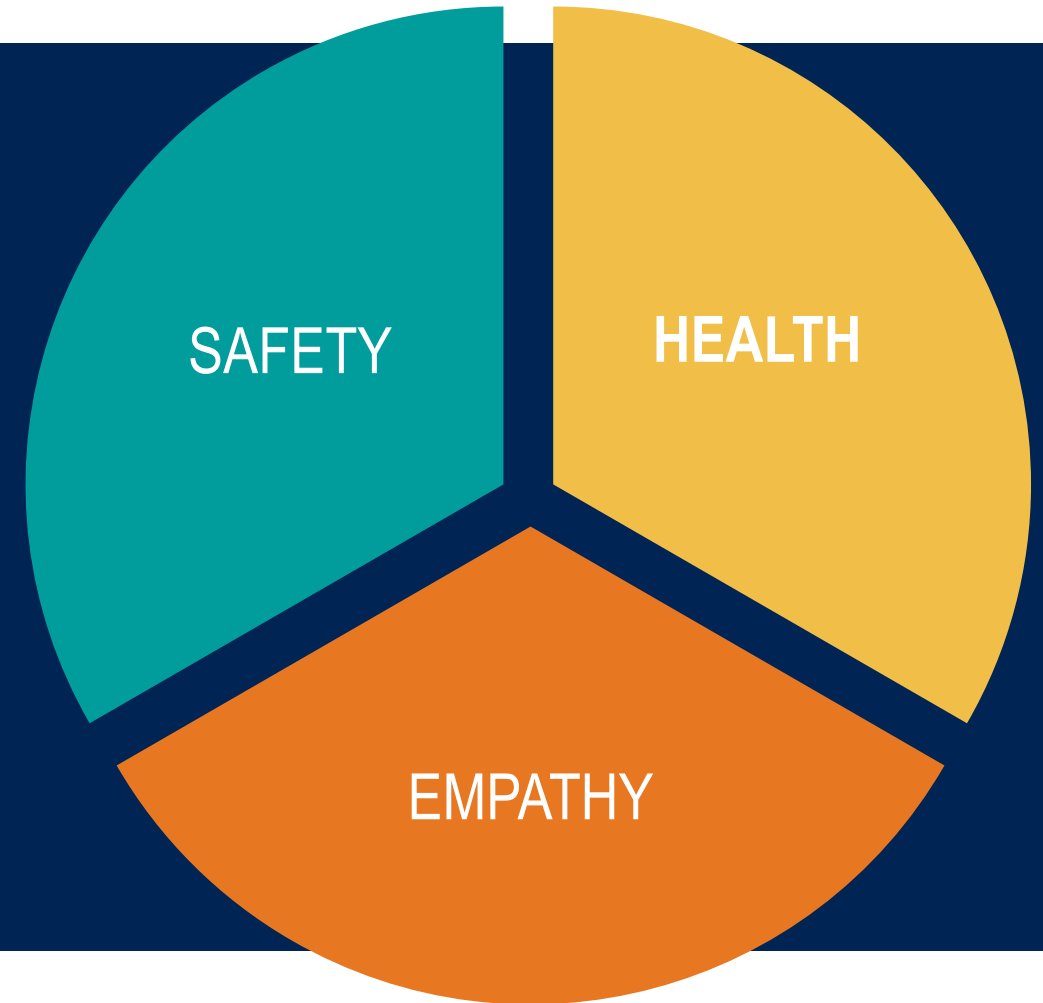
All values were divided into four segments – optimistic, pessimistic, traditional and radical.

Despite the pandemic, the values have not lost their relevance. But the coronavirus has set its priorities.

It can be said with certainty that such basic values as

Safety, Health and Empathy

became key for consumers.

SAFETY

HEALTH

EMPATHY

Ipsos

HOW TO TALK TO A CONSUMER
ABOUT IMPORTANT THINGS

SIMPLICITY

The value of the key reference points for consumers – safety, health and empathy – lies in their versatility and simplicity. The simplicity and inviolability of landmarks helps a person survive in an unstable world.

Uncertainty forces people to look for support among those with similar beliefs, simplifying relations with others to the principle of "friend / foe". This also applies to brands.

POSITIVE EXPERIENCE

In the "world of bad news," there is a growing demand for positive experiences and optimistic attitudes, which, in particular, consumers expect from brands.

Finding new patterns of behavior or creating such patterns and teaching consumers to consumers to adopt them through positive reinforcement will help brands strengthen their connections with target groups.

SOCIAL COLLABORATION

Brands and organizations that have a good reputation and are trusted by consumers and partners can gain an additional boost through collaborations and partnerships.

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Crises happen regularly

Sustainable brands are those who remain flexible during crises and live in a **state of experiment** in between

IPSOS. BE SURE

GAME CHANGERS   **Ipsos**