THE ELECTION IS OVER: WHAT'S NEXT?

An Ipsos Point of View

GAME CHANGERS

Ipsos

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From the beginning, Joe Biden was favored. But President Trump enjoyed structural advantages based on an Ipsos analysis of hundreds of past election results. His incumbency and approval rating gave him about a one-in-four chance at reelection and a 50%+ chance of a tight race. Therefore, Ipsos projected this to be a close race, with the most likely outcome being a narrow Biden victory in the electoral college and a stronger edge in the popular vote. At this writing, the networks have declared Joe Biden is indeed the president-elect.

An analysis of Brand Biden showed that his brand itself isn't that strong, especially without the foil of Brand Trump. He will have to fight to build his own coalition, even within his party, different factions of which will have their own priorities about how to wield their newly won power. Senate control, a key variable in the direction and efficacy of his government, might remain unknown until Georgia's run-off elections in January.

The election will change many things, no doubt, but pre-existing conditions will persist: the pandemic, racial injustice, economic anxiety, income inequality, threats to freedom, concerns about affordable access to healthcare, conflicting values, and overall political gridlock will not disappear overnight. Many are placing hopes on the election to resolve our Age of Uncertainty, but our research suggests that it will continue until these pre-existing conditions are resolved in a meaningful way.

Throughout 2020, Ipsos has been tracking, researching and polling on four overarching topics: the pandemic, the economy, the social justice movement and the election. Now that the election is over, this Point of View represents Ipsos' initial, but data-driven and considered thinking on what comes next.

THE VACCINE

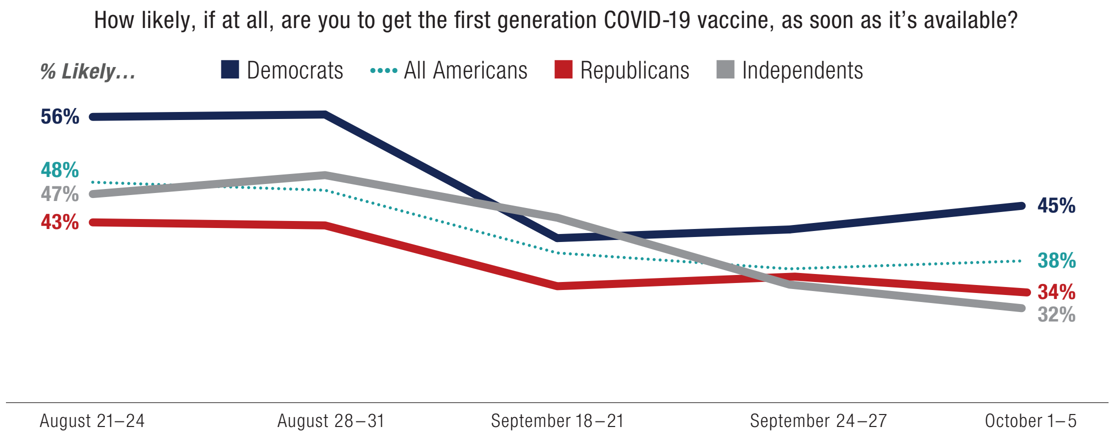
Regardless of the winner, getting enough people to take the vaccine would be an issue. Ipsos has been tracking sentiment around vaccine adoption. As with most things, it's polarized by party identification. But it's also related to how people view their personal risk of contracting the virus.

According to the Ipsos Consumer Coronavirus Tracker, those who view COVID-19 as a high threat are twice as likely to get the vaccine immediately as those who view it as a low threat. 40% of them will get it within a month. But nearly 10% will never get it. A quarter (24%) of those who see it as a low threat will never get the vaccine.

The Trump administration has been working hard to green-light and pave the way for any and all possible vaccines, and there is no indication that those efforts would let up in a Biden administration. The question will be getting it distributed to people safely and effectively, despite the unusually brief production timeline. Ironically, Trump, himself, wasn't helping his own cause. When asked in an Axios/Ipsos poll what would make people more likely to take a vaccine, only 19% said Trump's endorsement. That's less than those who said they'd take it if it cost $100. A doctor's blessing would make 62% more likely.

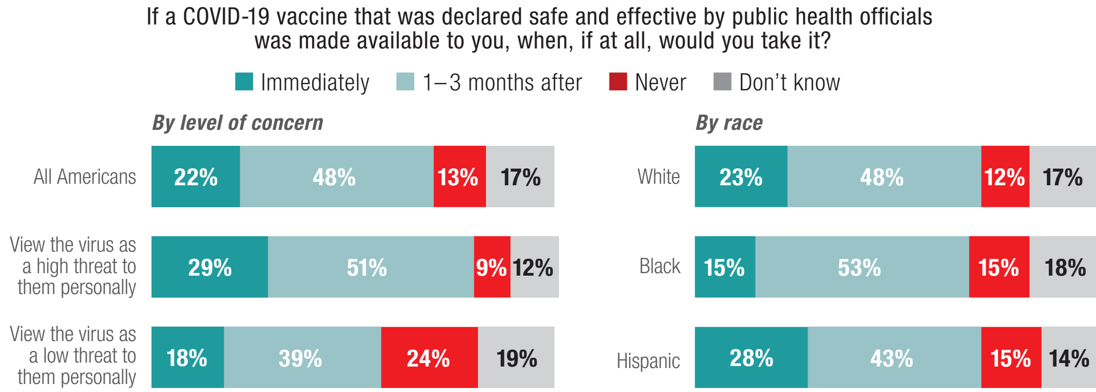
Will Biden's endorsement help? That's tough to gauge. Those who are skeptical of the vaccine lean Republican, so having a vaccine produced under a Biden administration isn't likely to sway them into taking it. But it might sway some Democrats who have been wary of anything Trump endorses.

Figure 1 Growing skepticism of first-generation vaccine



Source: Axios-Ipsos Coronavirus Index © Ipsos

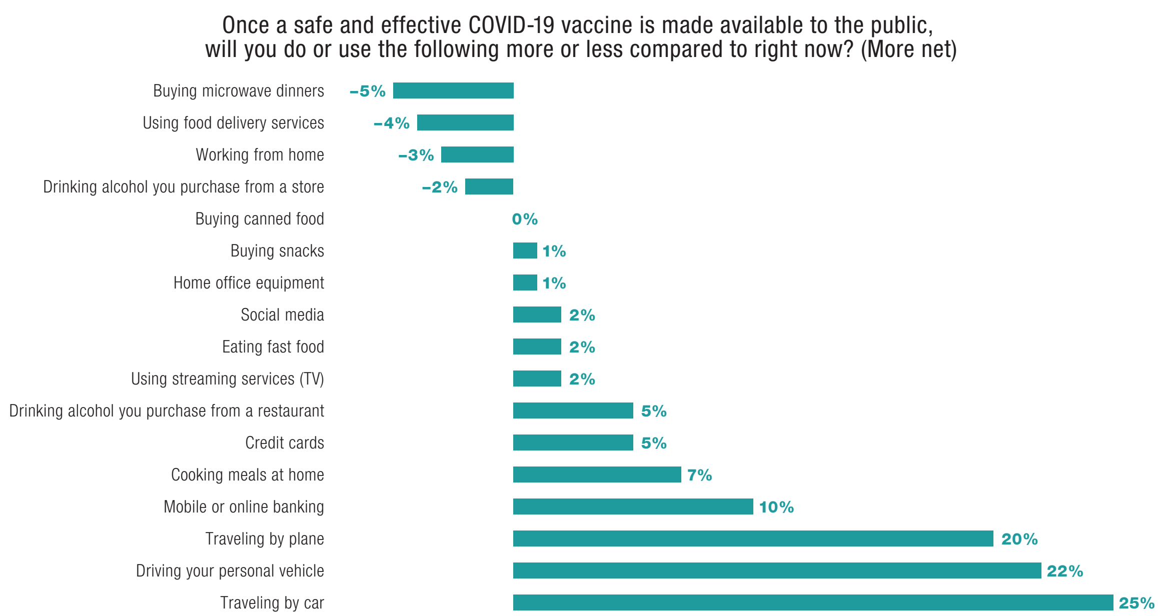
Figure 2 Willingness to quickly take vaccine hinges on perceptions of coronavirus threat and demographic factors



Source: Ipsos Commercial COVID tracker survey of 1,114 Americans conducted October 13–14

Once a vaccine is distributed and adopted, the question is how will our habits and routines evolve? What changes will stick? Ipsos research shows that people are eager to get back to some vestiges of the pre-pandemic times, like travelling. Slightly more are looking to get back to the office rather than work from home. Other new routines, like cooking at home more frequently and using online tools for financial services, look sticky. But food delivery might be a little less so.

Figure 3 What will the vaccine change?



Source: The Ipsos Coronavirus Consumer Tracker, fielded October 13–14, 2020 among 1,114 U.S. adults and October 27–28, 2020 among 1,115 U.S. adults

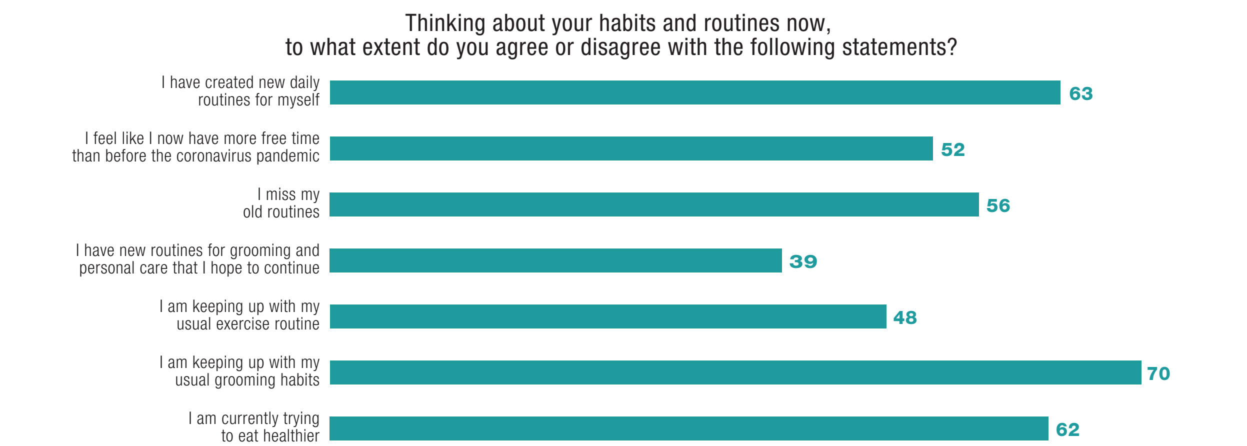
NEW HABITS OF THE PANDEMIC ERA

Anthony Fauci, the nation's top infectious disease expert, is cautioning that the pandemic might linger well into if not for the entirety of 2021. President-elect Biden has signaled unequivocally that he will take a more proactive approach than his predecessor, basing his actions on the best science available. But will a Biden administration be able to contain coronavirus if it is allowed to rage at its current rates until January?

The pandemic has changed Americans' fundamental lifestyles. It's altered how we shop, where we shop, where we eat, how we get our food, and how we dress. The pandemic has shifted where, how, and sadly, even if we work.

As a result, Americans have adopted new routines as they have become entrenched in the "acclimation" and "enduring" phases of the Ipsos Pandemic Adaptability Continuum. People are trying with some success to keep up with old routines for grooming and exercise, and even trying to make positive changes like eating healthier.

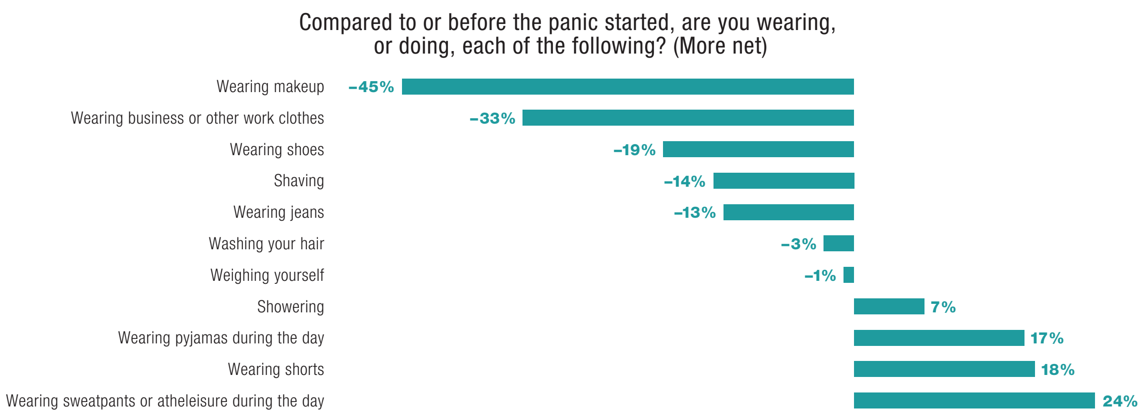
Figure 4 People have new habits and routines. Some will outlast the pandemic, some likely won't.



Source: The Ipsos Coronavirus Consumer Tracker, fielded September 29–30, 2020 among 1,115 U.S. adults © Ipsos

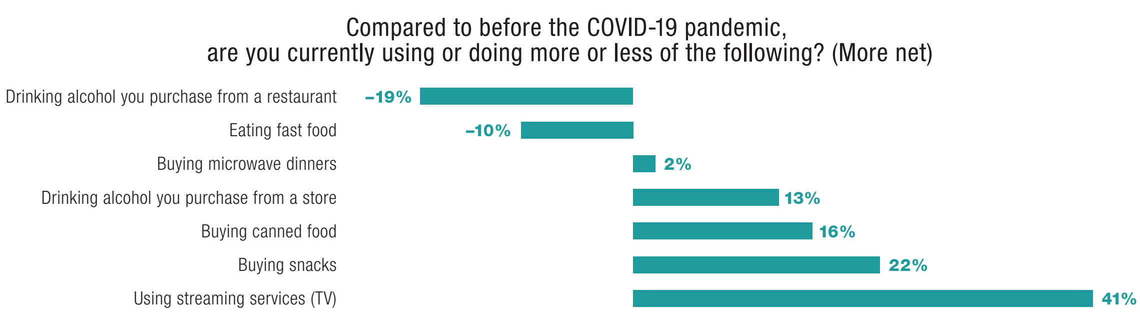
But most miss their old routines, even as they create new ones, especially as they live their lives more at home.

Figure 5 Changed behaviors



Source: The Ipsos Coronavirus Consumer Tracker, fielded October 13–14, 2020 among 1,114 U.S. adults and October 27–28, 2020 among 1,115 U.S. adults

Figure 6 Changed habits



Source: The Ipsos Coronavirus Consumer Tracker, fielded October 27–29, 2020 among 1,115 U.S. adults

Most importantly, the pandemic has created a vast amount of uncertainty for Americans. More than eight-in-ten say they feel uncertain planning for the future, which, of course, impacts their purchasing decisions. The ideal way to solve that is to get the virus under control, and the prime way to do that is with a vaccine. Assuming that people take it, which isn't necessarily a safe bet, as our research highlights.

THE ECONOMY

So far, the U.S. equity market has reacted stably to positively since Election Day. This suggests that certainty over the winner will continue to be stabilizing in the short term. In the longer term, our data suggest consumers would have been more confident investing in the stock market in a Trump win (24% more confident Trump; 19% more confident Biden). Counterbalancing that, economists are yearning for a second stimulus package, and that may be more likely under President-elect Biden. Certainly, a Biden administration will face strong pressure as consumers expect a "return to normalcy" more under Biden (42% vs. 30% for Trump).

The economy at this moment IS the pandemic.
Since March, weekly unemployment claims have surpassed 700,000—at the lower end of the spectrum. Unemployment was at 7.9% nationally in September. And our Ipsos Consumer Confidence Tracker has not fully recovered after abruptly falling 14 points in March. Dark economic clouds, indeed. But we have not experienced a complete implosion in consumer confidence. Why? Our economic resilience comes in **shades** of red and blue. Republicans are much more confident; Democrats less so. Will the election change that?

In the immediate term, this is not a "normal" holiday shopping season. Cash-strapped shoppers are feeling the tension of the pandemic and further shutdowns, an economy potentially on the brink on the one hand. On the other is the need to personally deliver a warm and uplifting holiday season through gift-giving and family time and experiences either in-person or virtually. In all of this, you can reasonably count on these things:

The holiday shopping season will be extended and largely online due to fears of another shutdown and delivery problems. Already, more than a third of shoppers had started shopping or were planning to shortly, per an Ipsos survey fielded in mid-October. Related, brick-and-mortar trips will substantially decline, especially as the pandemic rages and more shutdowns loom. Pragmatic gift giving will rule the day. And finally, emotion and mood matters.

Perhaps due to the restrictions and trials of the pandemic, parents are reporting emotional drivers of purchase decisions for the holidays around enjoyment (61% "something my family will enjoy") and celebration (41% "make this year's holidays special"). During this year's seasonal events they want brands to reinforce family togetherness (52%), bring laughter and fun (40%), and hope for the future (40%).

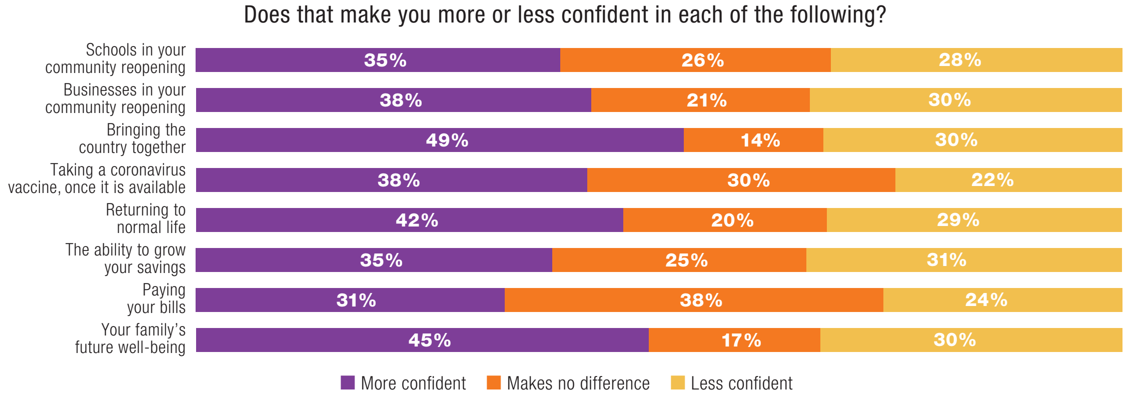
The shift toward e-commerce is not new, but its magnitude in the wake of COVID-19 is unprecedented, and brands must act fast to ensure they retain customers in this arena that is more important than ever.

Where will they shop? During the pandemic, brands have differentiated themselves through innovation and great execution in health and safety, and pickup and delivery. Perhaps the message post-election is that brands will not only need to continue to adapt and innovate to unpredictable circumstances, but they must also demonstrate empathy to both customers and employees. It will be more important than ever to maintain laser focus on consistently delivering on their core brand promises. Measuring performance in this environment is critical.

- Health and safety continue to be four times more important than customer service in stores.
- More than a quarter (27%) of Americans are willing to pay a premium for products at retailers that do a superior job with health and safety measures.
- Six-in-ten (61%) Americans would stop shopping at a store that does not take health and safety seriously.
- Eight-in-ten shoppers in an August Ipsos survey said that they had used delivery in the past 90 days; plus a quarter had used curbside pickup and another quarter said they had used in-store pickup.
- A strong majority have increased their use of curbside pickup and delivery and also plan to keep using those services after the pandemic subsides.

Ultimately, we are unlikely to see a broad economic recovery until the pandemic gets under control. Sectors like business and leisure travel, entertainment and dining will need significant recovery funding if they are even to survive. But, our research shows that leading up to the election, people were more hopeful about themselves, their families, the economy and especially the future of our social cohesion as a nation under a Biden administration, even somewhat beyond typical party splits. A not insignificant amount also feel that despite the hyper-polarized nature of the election, the results will have no meaningful impact on these issues.

Figure 7 If Biden wins…



Source: The Ipsos Coronavirus Consumer Tracker, fielded October 27–28, 2020 among 1,115 U.S. adults

THE GLOBAL VIEW

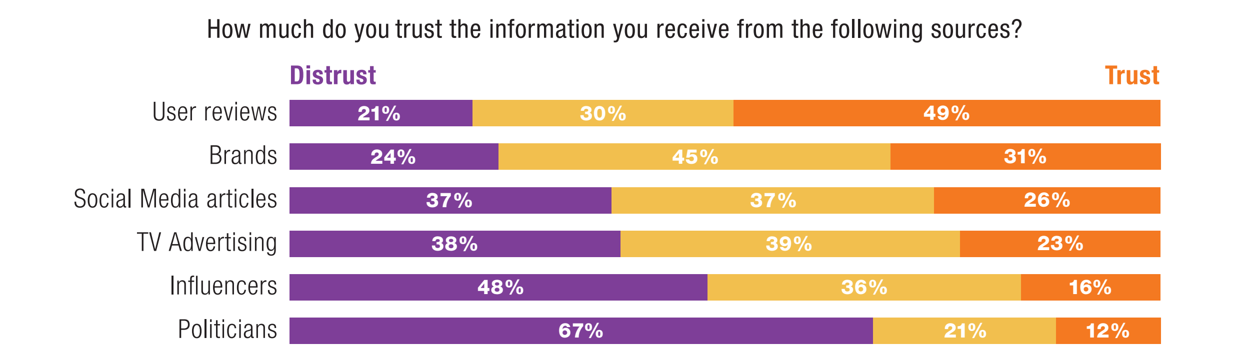
How will the world view the election? A recent Global Advisor study showed a widespread preference for Biden. So what does his election mean for the U.S. as a brand that has taken a major hit in our latest Nations Brand Index—almost plummeting out of the Top 10? What will this mean for how U.S.-based brands are viewed? Consumers expect that a Biden win would go a long way to helping with relationships in Latin America, and also feel relationships with Russia and China will improve more under a President Biden than they would have under a second Trump term.

SOCIAL JUSTICE

Whomever wins the election, the quest for social justice will continue to be one of the critical issues facing a fractured nation. In terms of uniting the nation, a bipartisan plurality of Americans feels that Biden will be better at bringing us back together—but it will be an uphill battle.

Part of the problem is that the institutions that could most easily help bridge that divide are in diminished stature—a trend that existed before but has been exacerbated in recent years. Trump's supporters generally hold President Obama accountable for expanding divisions, while most others see Trump as responsible.

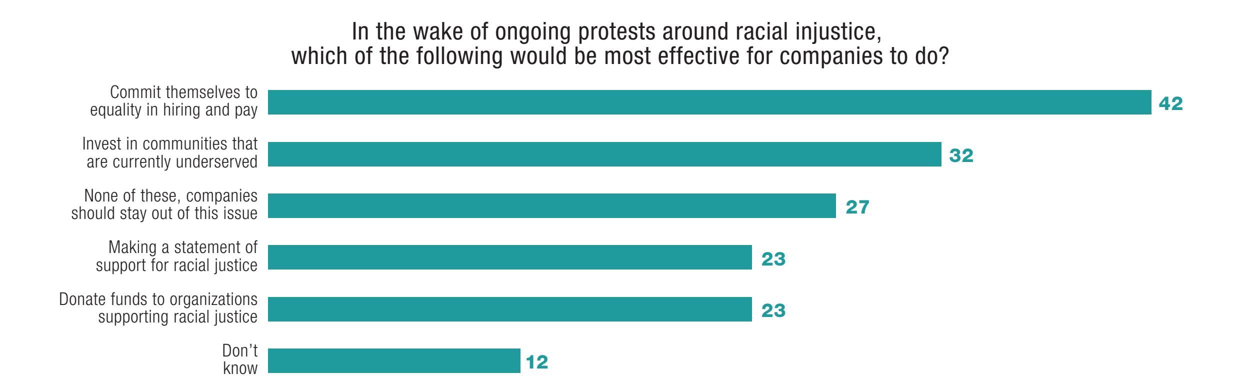
Figure 8 Trust is in Crisis



Source: Ipsos survey conducted between August 25–26, 2020 among 1,003 U.S. adults. © Ipsos

As trust erodes, consumers are looking at brands in sectors like healthcare, financial services and technology to educate and support business and personal customers alike. And Ipsos data consistently shows that consumers expect brands to play a role in furthering causes related to racial and social justice.

Figure 9 Hiring equality is key



Source: The Ipsos Coronavirus Consumer Tracker, fielded September 1–2, 2020 among 1,113 U.S. adults © Ipsos

Members of Ipsos' syndicated online communities weighed in on the impact of the election for the social justice movements and showed some of the deep divisions that will continue in our nation after the election.

"It depends on who wins the election," one community member said. "Either we can have four more years of darkness and despair, or we can have a new leader who is not a hateful racist and helps to actually make this country better."

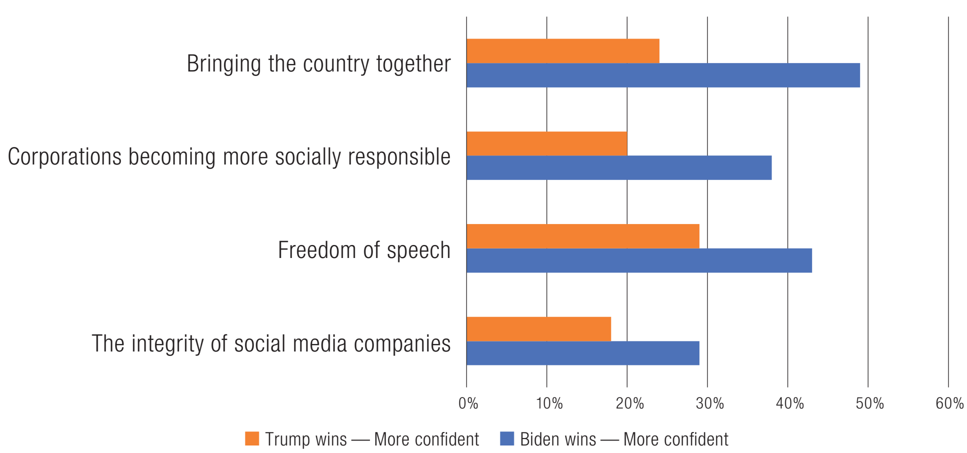
"Setting aside the pandemic, I am more concerned about our election process and the results from that," another member said. "I am horrified about the looting and rioting masked as protests. Worried if Trump wins what the people will do, no one I know will even say they are for Trump due to worries about retribution. Sad world today."

"I worry that no matter who wins, there is going to be civil unrest in my area," another community member said. "I joked about packing the camper and going out onto Bureau of Land Management areas in the desert for the next 3 weeks. We don't own a firearm and never felt a need, but I am wondering if maybe we should. I am THAT scared right now."

Consumers had much higher expectations for a Biden win on the ingredients of social justice. This may be an unattainable order to fulfill given the closeness of the election with such a high turnout of voters.

Figure 10 Biden had higher expectations on the ingredients for social justice

If Biden wins, does that make you more or less confident in each of the following?



Source: The Ipsos Coronavirus Consumer Tracker, fielded October 27–28, 2020 among 1,115 U.S. adults

With Biden taking office in January, brands might feel that it's OK to step back from their recent messaging. We might also see more public/private partnerships as brands and corporations work with the new administration to shape a new agenda.

For all brands and corporations, therefore, this is an opportune time to reaffirm your values and recommit to your action plans. The question will be if you continue with your existing program, expand it or turn down the volume to some extent. Our research with the Ipsos Reputation Council indicates that many brands plan to continue and perhaps expand their messaging in this space, regardless of the outcome. There is risk, as always, in seeming opportunistic. But there is also risk in not taking a stance on these issues that many perceive to be fundamental to bringing our society back together.

Consumers are going deeper beneath the surface of brand and corporate claims, looking for meaningful supporting action that their consumer dollars can contribute toward. For example, 42% of adults claim that they look into the policies and records on diversity and inclusion of the brands they buy. This jumps to 61% for young adults 18–34, and 68% for Black consumers. Many (38%) are more willing to buy products from a company that has taken a public stand against racism, and about half feel that it's not enough to speak out, that companies have to back up those words with actions.

BUT CAN WE MOVE FORWARD TOGETHER?

The closeness of the election could be viewed as neither a repudiation nor a validation of either candidate's agenda. Millions more Americans supported the Biden/Harris ticket and more Americans voted for Biden than any candidate in history. While Americans are still deeply divided on a number of issues, social cohesion is necessary for democratic countries to function. Brands have a role to play, especially as trust in the government to fix our problems wanes. The Ipsos Social Cohesion Index shows Americans feel least connected in identity, trusting the system and fairness. However, one way citizens bond is through a common enemy. For many countries, that has been the coronavirus pandemic.

Ipsos online community research shows how the pandemic offers brands an opportunity to help bridge to a better future. Using Ipsos' Good Innovation Model, global citizens identified several key themes to understand how to move people from a "me" mentality to a "we" mentality. Three opportunities emerged:

Do social good by building greater empathy: In the U.S., consumers expect brands to show up with humanity in their responses to both COVID-19 and Black Lives Matter, especially through donations, support and caring for employees.

Link utility with purpose: Brands can demonstrate the positive impact of their brand on society with real-world information and education actions. In a recent U.S. Ipsos study on brand truth, nearly three-out-of-four people felt that financial services companies are responsible for educating people on investment, money management, and saving. About eight-in-ten see healthcare companies as responsible for educating people on diseases to leading a healthy lifestyle.

Guide policy change for equality and sustainability: Universally, a distrust in leadership drives concerns about the future, which positions brands as a strong guide. For example, 48% of Americans are more likely to trust companies that have sustainability and/or social responsibility programs in place.

As we look to the future, people are seeking a greater sense of empathy, humanity and cooperation. Government at all levels might not bring us together.

Brands therefore have an opportunity to support this vision and shape it through actions and innovations that support positive change.

SO WHAT'S NEXT?

When our Public Affairs team began its content series "The Age of Uncertainty" years ago, even they couldn't foresee the level of uncertainty we are all facing now. America and the world are facing uncertainty about the economy, which is deeply intertwined with uncertainty about the pandemic. We are uncertain about the timing of the vaccine and how quickly it will be a difference-maker. We are uncertain about when things will shift from pandemic living to the post-pandemic era, which will definitely not be "normal" as we were used to thinking of it, but ideally something better and stronger. And importantly, we are uncertain who to trust to provide the shared truth we need to come together and make strong decisions.

Futurists are fond of saying that you can't predict the future but you can prepare for it. One thing that is certain is that brands and corporations have a growing and integral role in shaping that future.

We at Ipsos, of course, know that there is a critical role for research to play in that preparation. The way to be more certain, to be more sure, is to gather the qualitative and quantitative data needed to navigate the product development, the innovation, the messaging, the relationship building and strengthening and the trust earning needed for us to build the future our customers and citizens want and need.

As we move to put 2020 behind us, Ipsos will continue to track the issues discussed here, but we will increasingly do so through this important lens of rebuilding our fractured nation and moving forward.

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ABOUT IPSOS

At Ipsos we are passionately curious about people, markets, brands, and society. We deliver information and analysis that makes our complex world easier and faster to navigate and inspires our clients to make smarter decisions. With a strong presence in 90 countries, Ipsos employs more than 18,000 people and conducts research programs in more than 100 countries. Founded in France in 1975, Ipsos is controlled and managed by research professionals.

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