



# NAVIGATING THE PANDEMIC SIGNALS H1 2021

June 2021

Better decisions, faster.

# Introduction

**This report explores the evidence of what we can expect for life beyond the pandemic, providing an overview of the key consumer signals to help us plan ahead.**

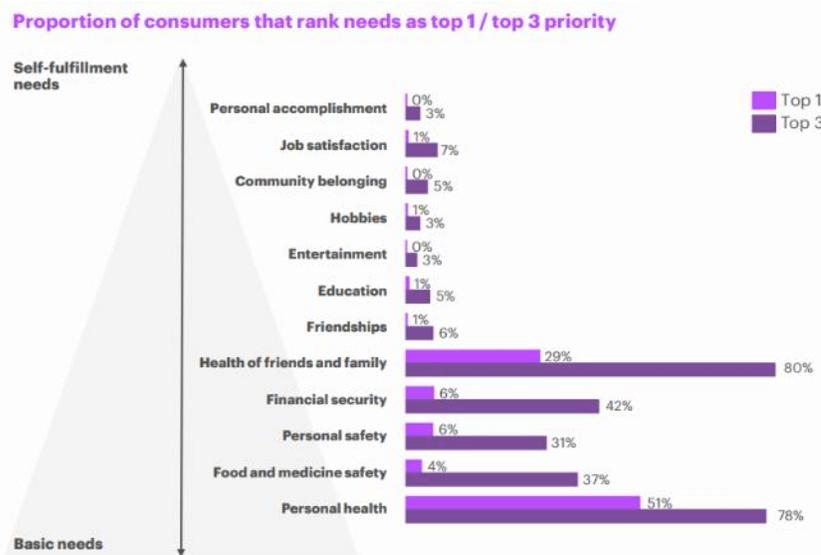
The main lesson we learnt from 2020 is that the future is unpredictable. So, rather than creating a series of future-gazing hypothesis, we are providing data informed guidance on how brands can prepare to embrace the future, with confidence. This document examines the key signals of the first quarter of 2021, a time, within some countries, we are seeing the easing of restrictions and greater confidence in a recovery than 12 months ago.

The COVID-19 pandemic of course sits at the heart of the changes we have observed – from spending more time in our local communities, mass home-schooling and the roll-out of vaccinations. What these events have in common is that they have combined to create new alliances across the globe between people, but also new wedges and division.

We will explore how these changes will play out when restrictions are lifted further and people start merging new and old behaviours, taking an optimistic view for business, with a focus on communication, action and empathy.

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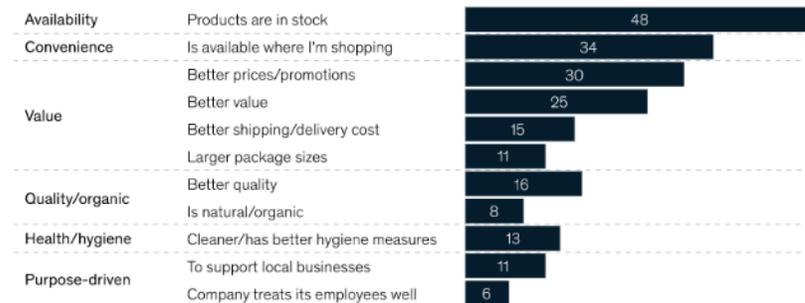
# We've seen the continuation of a collective shift in consumer needs, featured in our overarching 2021 Signals report



**Basic and Immediate Needs at the Fore**

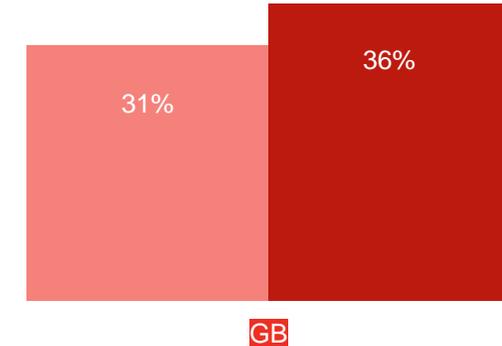
Availability, convenience, and value are the strongest drivers of new brand purchases.

Reason for trying a new brand in the past 3 months<sup>1</sup>  
% of respondents selecting reason in top 3



**Accelerated Need for Convenience**

2019 2020



% who agree they feel a need to be involved in the local community

**Stronger Sense of Local Community**



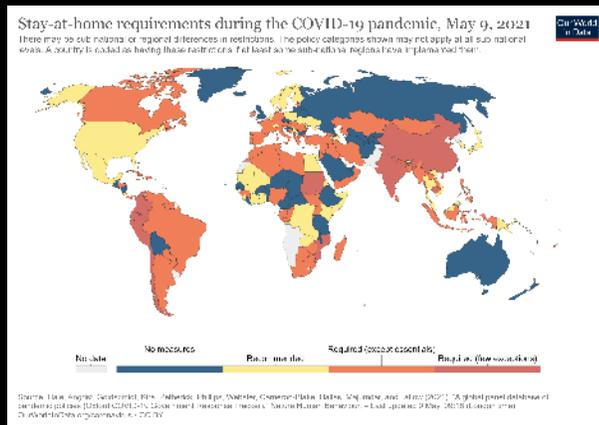
With signals from our December 2020 report becoming key needs for consumers in 2021. Download the report [here](#).

**Signals 2021**  
highlighted the  
importance of  
**empathy,**  
**clarity** and  
**action** this year



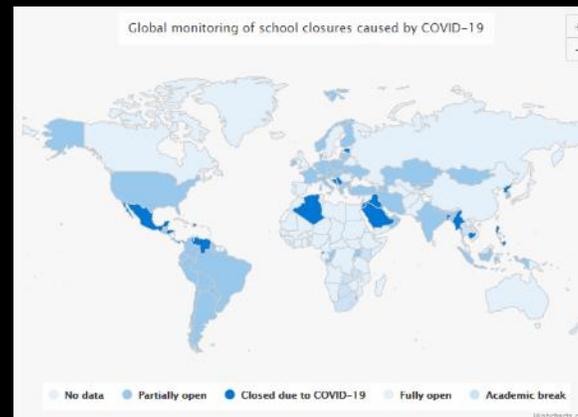
# We are starting to see some positive signals in H1 2021, but uncertainty remains as we see how quickly situations can change

## Fluctuating Restrictions



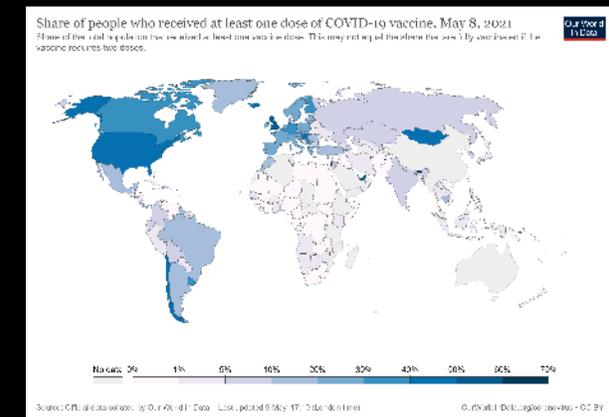
30 countries have reduced their restriction, 130 have had the same restrictions and 24 have increased their restrictions compared to January 2021.

## Schools Closures



There are 174,240,920 affected learners with partially or closed schools, which is equal to 10% of total enrolled learners. There were 27 country-wide closures as of the end of April 2021.

## Vaccination Roll-outs



Globally, there are 8.3% of the total population who have received at least one Covid-19 vaccine dose. The first dose was given on the 8<sup>th</sup> of December 2020.

# Each major event has highlighted the importance of acting with empathy, the importance of quality of communication and the need for action

## Fluctuating Restrictions



McDonald's spot that aired before the Super Bowl coin toss pays tribute to the drive-thru, which has played a pivotal role for many restaurant chains during the pandemic with most establishments closing indoor dining in an effort to slow the spread of COVID-19.

## Schools Closures



Google has partnered with anti-poverty charity Global Citizen to address the global crisis in education. Inspired by research which found that 1.5bn children have had their education impacted by the pandemic urging viewers to "take action" and become a Global Citizen.

## Vaccination Roll-outs



FedEx celebrates 'Moving Forward' which captures the anticipation and moments that the delivery of the vaccines will enable. The film works backwards, reversing the life we've all missed, tracing it to FedEx and its monumental efforts to deliver when it matters most.

# News headlines show the growing tensions so far this year

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## Offices after lockdown — smug middle-aged people working from home will become less relevant

Tempted by life away from the office? It may not be a good idea, Thomas Heatherwick tells Tom Whipple

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## No full-time return to the office for over a million

By Simon Read Business reporter, BBC News

5 days ago | Comments

**Evening Standard** THE ESCAPIST THE REVEILLER COMMENT TECH ES BEST ES MAG HOMES & PROPERTY

## England embraces return of hairdressers, pub pints and high street shopping

Eager customers wasted no time in making the most of the easing of coronavirus restrictions.

**STYLIST** BEAUTY PEOPLE

## Social anxiety: how to stop over-analysing social situations as lockdown eases

Posted by Lauren Geall • 1 day ago

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**CNBC** How local TV stations plan to remain relevant as viewers shift to streaming

TECH

## How local TV stations plan to remain relevant as viewers shift to streaming

PUBLISHED SAT, APR 24 2021-8:54 AM EDT | UPDATED SAT, APR 24 2021-1:54 PM EDT

Alex Sherman @SHERMAN4949

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**KEY POINTS**

- EW Scripps CEO Adam Symson tells CNBC his company is planning an "advocacy campaign" to teach Americans about the value of digital antennas.
- Broadcast station groups need to plan for a streaming era world where retransmission fee growth eventually declines.
- Broadcasters are plotting different paths, with Sinclair Broadcast Group developing its own linear streaming service.

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## Shine comes off the streaming dream as Netflix subscriptions slow

Incumbent facing fiercer competition after pandemic boost with spending on content critical

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## 'Old Habits Will Return.' U.K. Businesses Lay Groundwork for Recovery

Even before nonessential retail opened on April 12, businesses were doing deals, rethinking commercial spaces and preparing for a surge in post-pandemic demand.

By Samantha Conill on April 15, 2021

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How does **BIRCHBOX** know which samples will delight you? They've got **Braze** to help understand your beauty choices.

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## COVID-19: Retail pleads for help on costs as crisis blamed for 5,000 shop closures

An industry body fears the worst may not be over for physical stores despite indications of healthy demand as locations reopen.

James Sillers Business reporter @SkyNewsBiz

# Broadcasting conflicting statements

Continued eCommerce

Increased savings

Full time return to the office

Increase in social anxieties

Return of lockdown

Travel bookings surge

Rise in home deliveries

New normal will remain

VS

VS

VS

VS

VS

VS

VS

VS

Return of in-store shopping

Increased poverty

Continued flexible and remote working

Mass return of socialising

Ease of restriction

Travel warnings and restrictions

Rise in local shopping

Return of old habits

## Human needs don't shift as quickly as news headlines suggest



“

It took millions of years for man's instincts to develop. It will take millions more for them to even vary. It is fashionable to talk about changing man. **A communicator must be concerned with unchanging man.** With his obsessive drive to survive, to be admired, to succeed, to love, to take care of his own.

”

Bill Bernbach

# Exploring the tensions that are increasing in 2021

**We don't believe in the term 'new' normal as an expectation that old norms will have shifted permanently from 2019 to 2021. People will navigate their post-pandemic expectations with new behaviours that have been established throughout the pandemic.**

Rather than creating a series of future-gazing hypothesis on what will happen this year, we are providing data informed guidance on how brands can prepare to embrace the future with confidence, focusing on communication, action and empathy.

**Lifestyle Negotiations**

**Sense of Novelty**

**Sense of Occasion**

*Restrictions and personal concerns ripped up the patterns of where people spent their time and who they spent it with.*

*In making the best of the situations they found themselves in, many have formed new priorities on how they'd like to live their lives into the next year and beyond.*

*But as we've seen regularly over the past year, personal desires often have to be reassessed due to friction from the wider world.*

*The key tension will be in how balance is found, managing demands and prioritising desires to compromise on a lifestyle which matches expectations with obligations.*

*Expect negotiations between work and home, family and friends to return and a further consumer reappraisal of the products and brands they identify with to be driven by the needs of these new formative lifestyles.*

# Lifestyle Negotiations





# Lifestyle negotiations in: People's relationship with **Work**

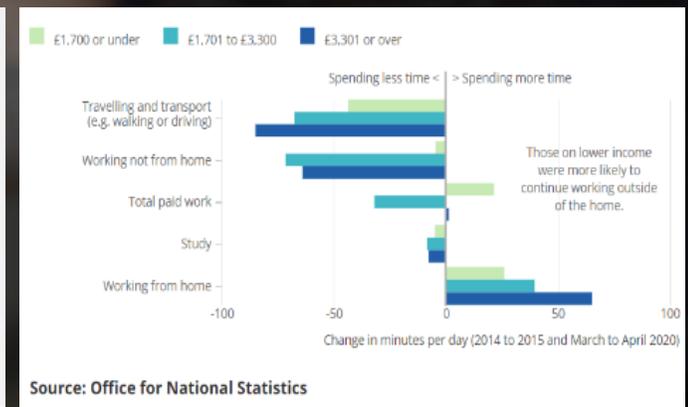
## Headline

Flexible and remote enabled working will mean people go to the office less, spend less time travelling to achieve a better work life balance.



## Reality

Working from home has been wide spread. However, this has not been and will not be universal with the certain sectors and lower income workers being more likely to work away from home.



## Implication

The implications of location and economic dynamics on audience has shifted. Location of work, inside or outside of the home, has become a strong indicator of education and affluence.



# Lifestyle negotiations in:

## People's relationships with **Others**

### Headline

We will jump right back into our old socialising schedules and behaviours.



79% of UK young people (13-25 years old) agreed in January 2021 that their mental health would start to improve when most restrictions were lifted.

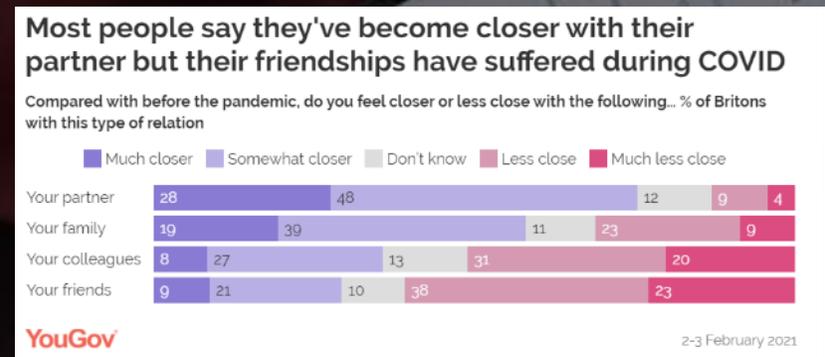
### Implication

The way people prioritise and interact with others has changed, it is important revisit how you understand and define your audiences and their relationships.

### Reality

15% of surveyed internet users expect to continue spending more time using social media post-pandemic.

Our relationships have shifted during the pandemic, with family bonds growing stronger and more distant relationships growing weaker.



*As lockdowns became a normality the sense of “Groundhog Day” became a common theme and consumers who had previously enjoyed a burgeoning choice of physical and virtual environments found themselves refined to their homes.*

*Increases in home and garden improvements, highlights the effort spent to updating the environments many found themselves in. New hobbies and increases to both digital entertainment and old fashioned choices of puzzles and fiction helped inject some variety and purpose.*

*Now, with online entertainment options widely exhausted, consumers are craving experiences which provide a tangible, in real life, sense of novelty.*

*Pent up demand is high for experiences which were previously taken for granted, however that doesn't mean consumers will return en masse to tired or uninspiring offerings.*

# Sense of novelty





# Sense of novelty in: People's relationship with **Shopping**

## Headline

People will have a big shopping spree in city centres once restrictions are removed, buying their delayed purchases.



## Implication

Revisit how you understand and define your audiences. Consider how your brand's retail experience can be optimised to new shopping behaviours.

## Reality

There are more people who are shopping online, raising expectations offline. There has also been a widening gap between income differences.

**61%**

of European consumers have tried a new shopping behaviour, many for convenience and value

**70-80%**

intend to continue their adopted behaviour going forward

Those who are tried online shopping for the first time as of November 2020:



The UK Census Bureau estimates that about 11% of households are experiencing some type of food insecurity while about 35% are having trouble paying for usual household goods.



Sense of novelty in:

# People's relationship with **Fitness & Wellness**

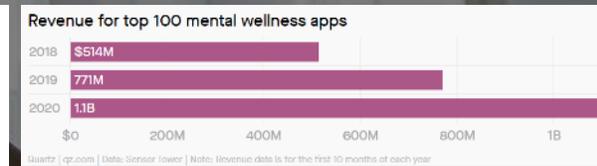
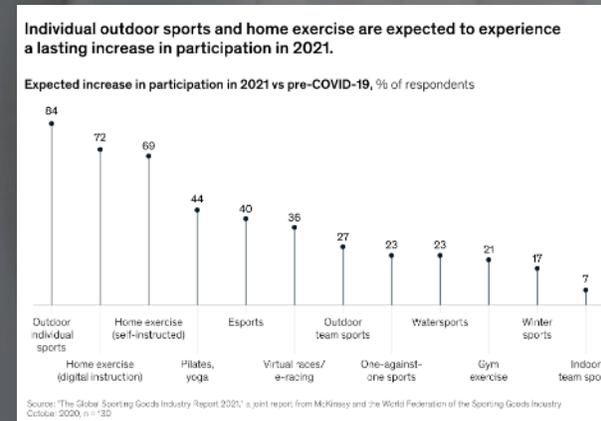
## Headline

People will flock back to gyms, giving up their new remote workouts that they picked up during the pandemic.



## Reality

People crave in-person experiences that gyms provide. However, people have also built habits around exercising at home, as well as investing in their overall wellness during the pandemic.



45% of UK 16-34 year-olds say reducing stress or anxiety is the reason they've been increasing their beauty and personal care activities during the pandemic

## Implication

People's basic needs of health and wellness have been brought to the fore during the pandemic, which are extending beyond their workouts to their overall wellness from mental health to lifestyle brand partners and in-store shopping experiences, etc.



Sense of novelty in:

# People's relationship with **Travel**

## Headline

The travel industry will get back to normal and holidays aboard will become the default again.



Bookings for Portugal holidays are surging, despite the country's borders remaining closed to tourists. With the UK's green list announcement on the 8<sup>th</sup> of May, tour operator Jet2 has reported a 1,300pc week-on-week rise in holiday reservations, while Ryanair has released an additional 175,000 seats on its UK-Portugal routes this summer.

## Reality

Countries are experiencing unique roads to recovery, as a result Domestic travel is the main planned holiday type for 2021.

Travel bans and restrictions by region



Australia will remain closed to the majority of international arrivals until at least the start of 2022.

## Implication

We are likely to observe substantial differences between countries and their ability to open borders and allow citizens to travel again.

*In addition to rolling back the range of physical environments consumers experience, Covid has also restricted the range of occasions we can share.*

*Again, solutions have emerged to take advantage of the opportunities presented, home meal kits, food delivery and speciality retailers have boomed. This digitally driven choice may create tensions as consumers return to out of home dining and find their selections limited by availability.*

*Additionally, as sales of leisurewear and outdoor clothing have indicated, fashion choices largely became functional. We expect consumers to embrace dressing to impress, especially as workplaces and latterly entertainment venues open again. The ground is fertile for new fashion trends.*

*Speaking of entertainment, live events - which build anticipation at the same time as developing collective sense of belonging - are returning, especially festivals and sports for summer of 2021 (fingers crossed).*

## **Sense of occasion**





# Sense of occasion in: People's relationship with **Restaurants**

## Headline

People can't wait to get back to restaurants, pubs and bars.



## Implication

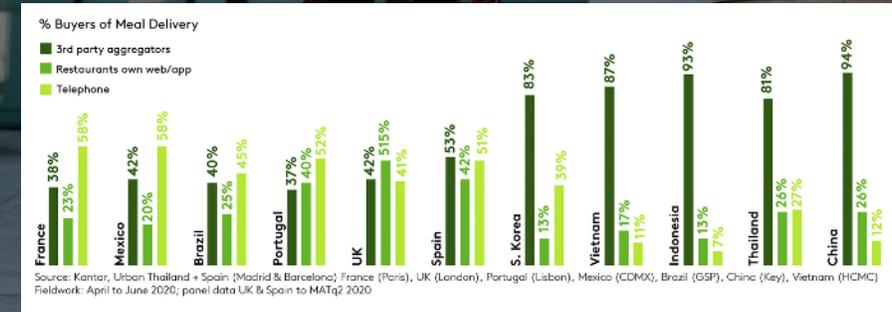
Revisit dining occasions – a new hybrid model may emerge with a need to balance at home and out of home moments. Audience incomes may have changed affecting their dining considerations.

## Reality

The restaurant industry has needed to pivot with restrictions, as a result we have seen a surge in home meal and box deliveries.

Comparison of current capacity to pre-pandemic capacity across select markets

Name	3/15	3/14	3/13	3/12	3/11	3/10	3/9	3/8
Global	76.52%	80.83%	82.99%	78.1%	71.05%	66.15%	66.71%	70.36%
Canada	70.92%	58.34%	64.83%	62.53%	58.72%	61%	58%	65.77%
Germany	-	-	-	-	-	-	-	-
Mexico	66.15%	65.13%	70.12%	63%	55.23%	54.58%	54.09%	60.48%
United Kingdom	-	-	-	-	-	-	-	-
United States	77.96%	82.8%	84.61%	79.59%	72.56%	66.92%	67.75%	70.58%





# Sense of occasion in: People's relationship with **Fashion**

## Headline

We will retire our at home wear and take more opportunities to dress up.

### 'Hate-wear' and 'sadwear': fashion's new names for lockdown dressing

NYT and Esquire coin terms for the ways people are expressing frustration through clothes

- Coronavirus - latest updates
- See all our coronavirus coverage



## Implication

Returning to the office is likely to be a novelty and may become an occasion to dress up, reversing the work casual trend of the 2000's to date.

## Reality

People have decreased their clothing during the pandemic and over half of people miss getting dressed up for work and special occasions.

Over the April-to-August comparison period, 46% of people in the UK, Spain and Germany spent less on special occasion wear, 43% spent less on business attire and 49% spent more on basics, casual wear and home wear.

27% of men in the US plan to dress more casually after the pandemic, compared to 16% of women who said the same. While 54% said they miss getting dressed up for work and special occasions, 33% aren't wanting for it at all.



Sense of occasion in:

# People's relationship with Entertainment

## Headline

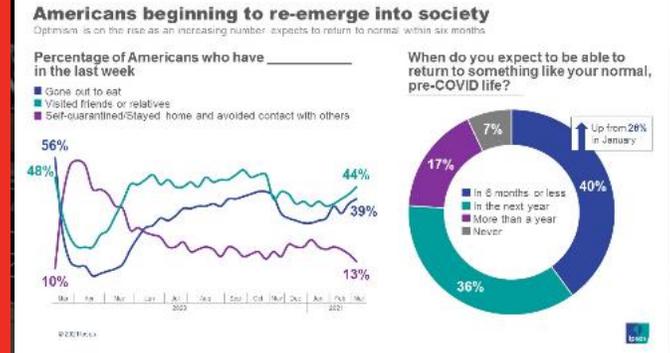
The pandemic fuelled a rise in individually curated entertainment, signalling the end of broadcast media.



## Reality and/or New Behaviour

Many habits are now formed but the novelty of many new platforms is likely to have passed. There will be a period of settlement as people balance expanded mobility with personal choice in media.

Netflix added another 8.5 million subscribers during the October-December period, ending the year with nearly million worldwide subscribers. While Disney Plus accumulated nearly 90 million subscribers in its first year.



## Implication

Broadcast and events media is likely to rebound as people experience and share the excitement of collective moments again.