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Covid-19 Barometer

March 2020

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Kantar's C19 Barometer is the leading study on how Covid-19 is influencing consumers' behaviours, attitudes and expectations

Across over 30 markets and over 25,000 consumers…

…and counting

Setting the context

First wave of research has been conducted between the 14th and 23rd of March, and covers:

Consumer attitudes

Level and nature of concern

Trusted sources of information

Areas of advice sought

Media habits:

Impact on media channel usage

Impact on social media usage

Impact on online/offline purchase behaviour:

Channel (online/offline, store format)

Price/promotion sensitivity

Stockpiling

Product origin

Willingness to use electronic payments

Categories affected by online purchase behaviour*

Attitudes to online purchase behaviour

Expectations from brands

Appropriate perspective on the situation

How they should communicate

Tangible actions to take

And more…

* Food & Bev, Clothing/accessories, Services (insurance, telecoms, energy etc), OTC pharmaceuticals, Cosmetics/personal care, Electronics, other
** public transport, taxis/ride hailing apps, driving, personal flights, business flights, cruises

At the point of analysis there were 200,000+ cases, and over 8,500 deaths from Covid-19

To simplify we have used the following market groupings

	Early Stage	**Mid Stage**	**Late Stage**
Description	*0-few cases identified, low deaths and limited to no social distancing measures*	*Community transmission is taking place, with deaths increasing and some social distancing measures in place*	*Significant number of cases and deaths, full lockdown in place to control the spread of the virus*
Markets	Belgium, Germany, South Africa, Netherlands, UK, USA	Spain & France Israel, Nigeria, Poland, Republic of Ireland, Saudi Arabia, Slovakia, South Korea, Turkey, UAE, Brazil, Canada, Czech Republic	China & Italy

What we will take you through today…

1. Global attitudes

Understanding the general level of concern, and what drives this

2. Changing media consumption behaviours

How is Covid-19 impacting media consumption behaviours

3. What brands and companies can do

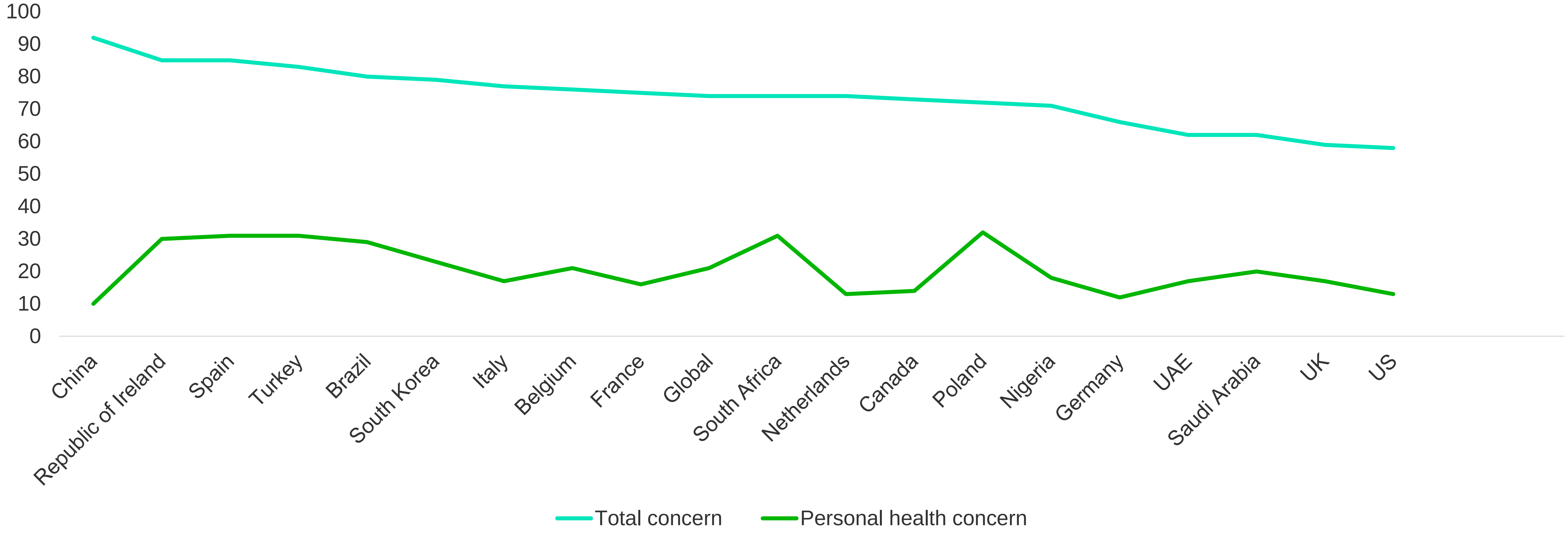
What can you do in response to the changing reality

4. Changing purchase behaviours

How is Covid-19 changing the way we shop

1.
Global Attitudes

Overall, consumers are concerned about the coronavirus situation, but personal concern remains relatively low



People are making many changes to their lifestyle in response to the outbreak

	Total G7	Canada	France	Germany	Italy	Japan	GB	USA
Washing hands more often/for longer	77%	88%	83%	75%	87%	56%	78%	80%
Avoiding non essential social contact	68%	82%	76%	71%	86%	43%	68%	69%
Avoiding visits to pubs, cafes and restaurants when possible	66%	78%	70%	71%	83%	38%	66%	70%
Self-isolating at home	56%	67%	85%	44%	75%	21%	43%	64%
Avoiding public transport when possible	54%	63%	66%	62%	77%	34%	57%	51%
Working from home/working from home more often	29%	35%	33%	27%	41%	12%	28%	32%

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Base: All adults – G7 (7005), CA (1000), FR (1000), GE (1004), IT (1000), JP (1001), GB (1000), USA (1000)

Seven in ten say their household income has or will be affected by coronavirus

Thinking about your household income, that is the income of everyone in your household, which one of these statements comes closest to your current situation?

	Total G7	Canada	France	Germany	Italy	Japan	GB	USA
Coronavirus **has already impacted** on my household income	31%	36%	24%	20%	39%	20%	29%	38%
Coronavirus has **not yet impacted** on my household income but I expect it to in the future	39%	40%	41%	38%	43%	45%	41%	36%
TOTAL – Already impacted / I expect it to impact	*70%*	*76%*	*65%*	*58%*	*82%*	*65%*	*70%*	*74%*
Coronavirus will have **no impact** on my household income	23%	19%	29%	35%	14%	26%	26%	20%
Don't know	*7%*	*5%*	*6%*	*7%*	*4%*	*9%*	*4%*	*7%*

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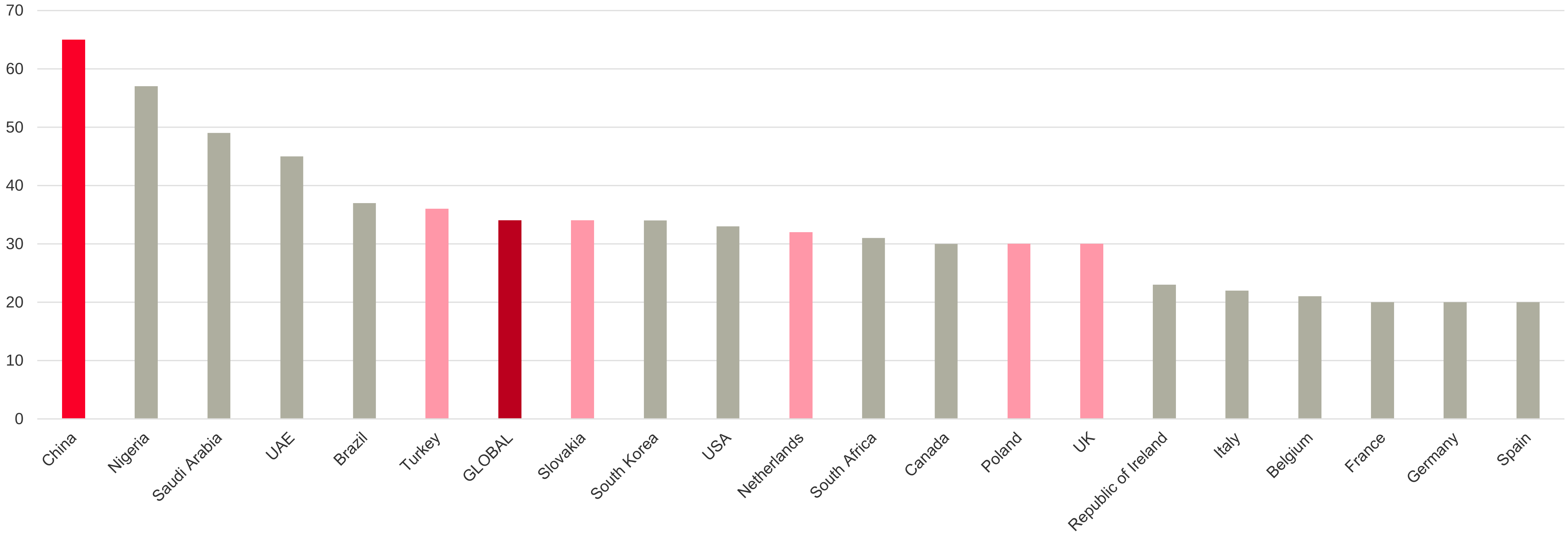
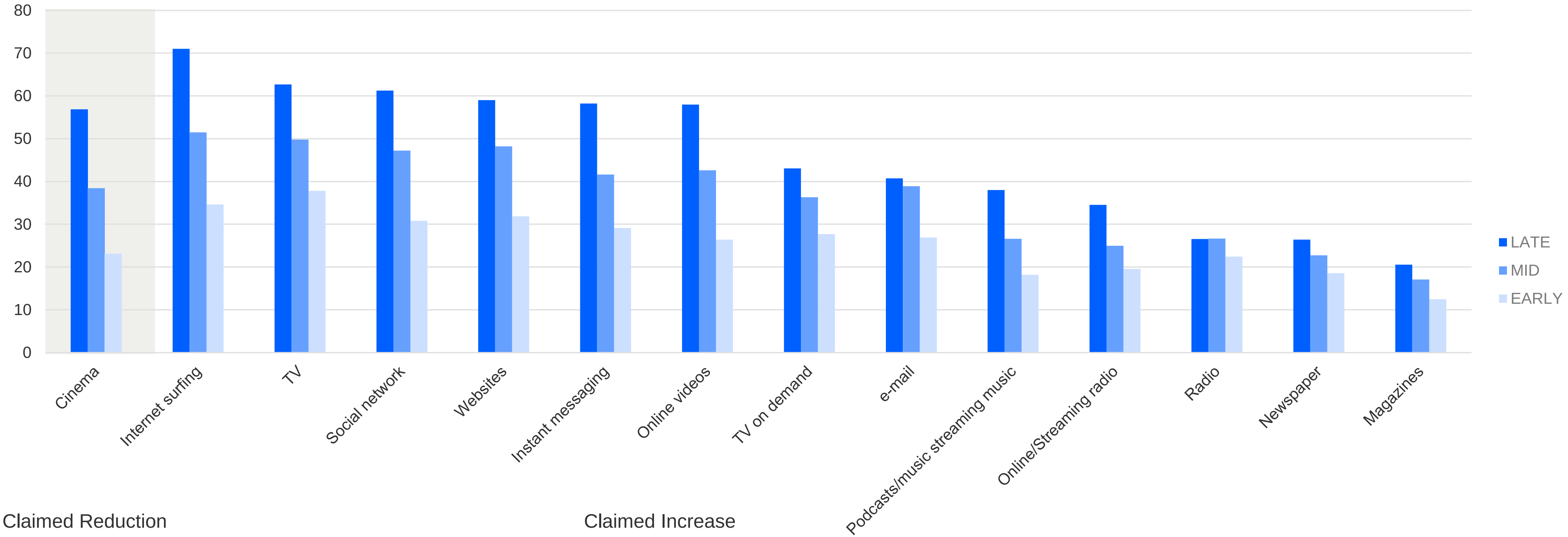
Base: All adults excluding single adult households –
G7 (6 447), CA (936), FR (902), GE (867), IT (980), JP (914), GB (926), USA (922)

Some markets are more optimistic than others, believing the economy will recover quickly once the situation dies down



2.
Changing media consumption behaviours

Unsurprisingly cinema is seeing the biggest losses as the virus progresses, whilst TV, online platforms, social networks and messaging apps see the biggest gains



Claimed Reduction

Claimed Increase

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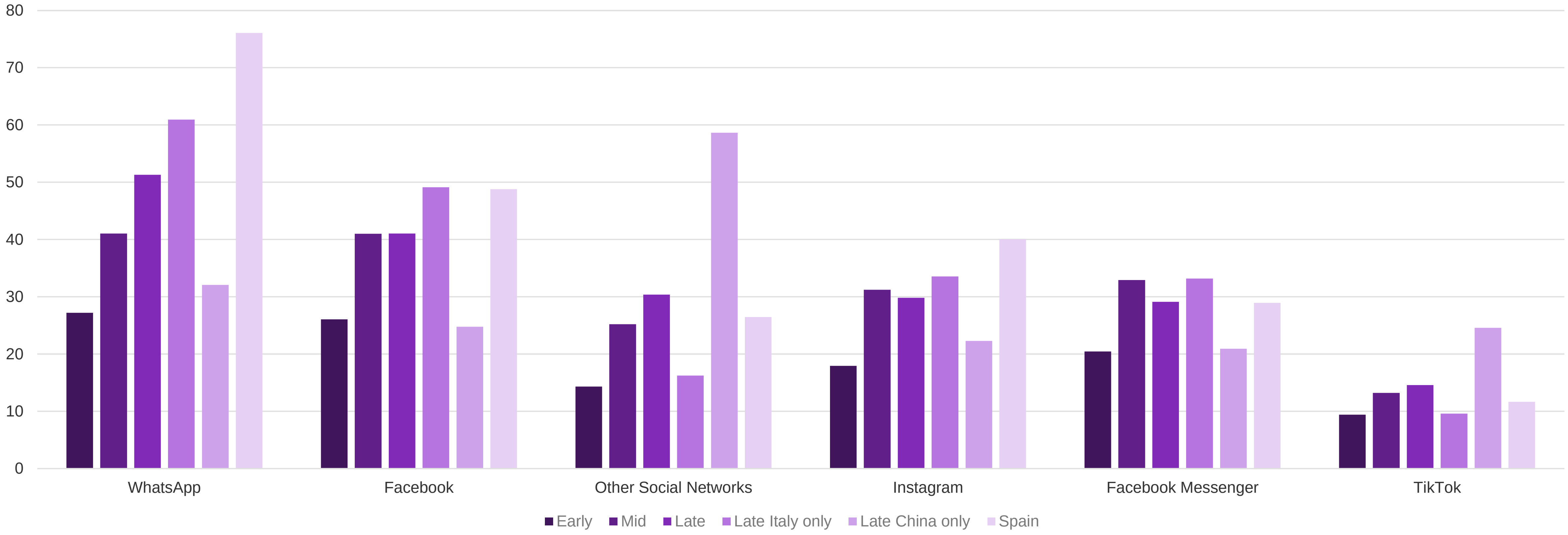
WhatsApp has seen the greatest gains, as people look to stay connected



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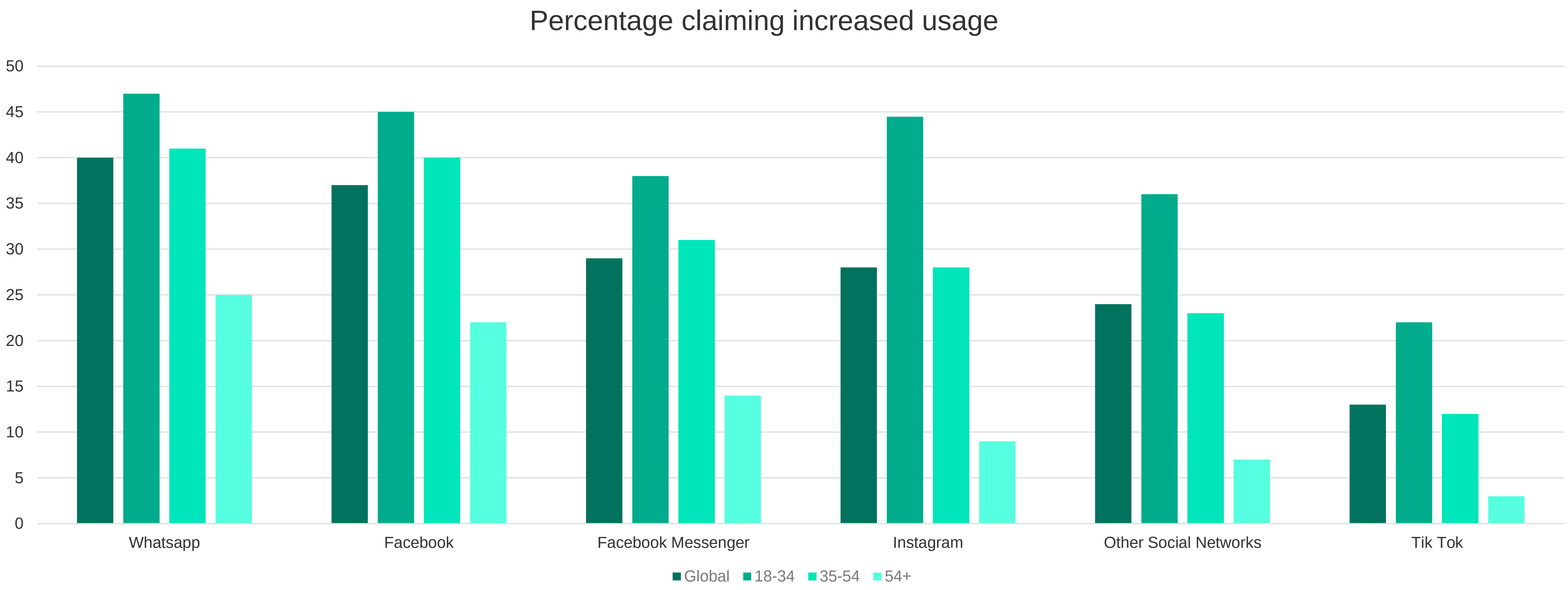
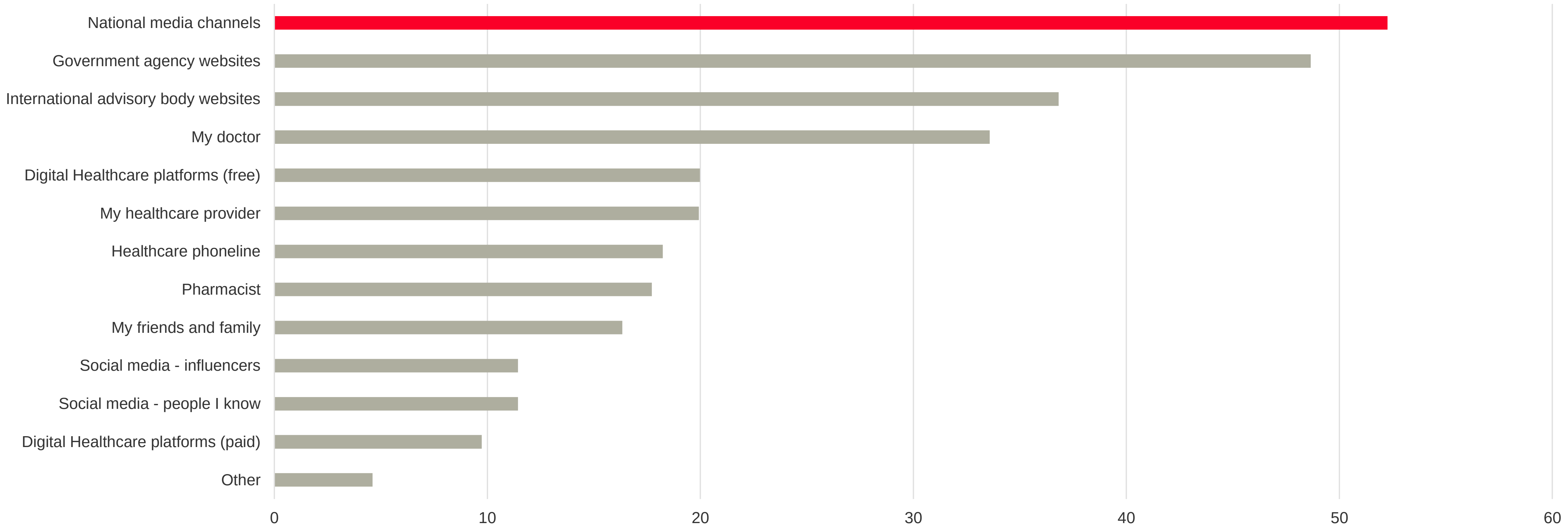
We see gains in usage across all age groups, but the younger age groups are more likely to increase consumption across all platforms



The media is critical as the most trustworthy information source



We identified six core themes from the images shared by people, representing their new needs and approaches

NO, SERIOUSLY (40%)

Memes and selfies are normally frivolous and funny but it seems that in times of crisis they morph into something different.

LONGING FOR NATURE (17%)

As people stay inside it seems they are increasingly dreaming of outside (17%).

LAPTOP LIVES (13%)

People are resourceful, and we see people quickly adapting, by switching their social and work lives into a digital format.

SOFA AND SNUGGLES (13%)

Getting cosy and feeling safe with our pets and the people that we are close to.

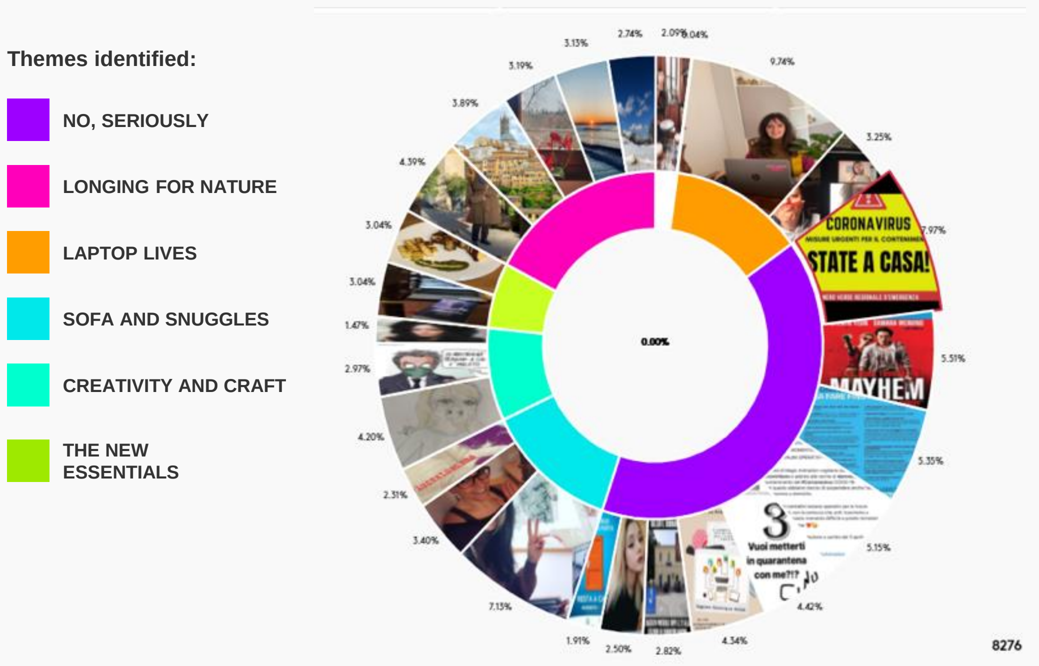
CREATIVITY AND CRAFT (9%)

As the days grow longer with little to do and nowhere to go people turn to their own creativity to keep entertained.

THE NEW ESSENTIALS (6%)

People love to share images of the things that are important to them. There are a whole host of ‘new essentials’ for self-isolation that people are sharing content around

VISUAL CLUSTERS IDENTIFIED ON EVA



5
What brands and companies can do

How should brands navigate the current global crisis?

The current global pandemic is a crisis beyond anything the world has experienced in recent times.

Few people have witnessed border closure, panic buying, mass business closure or enforced social distancing before

Brands in some categories face an existential threat – perversely, other brands may see opportunity.

What do your consumers need from you?

They need **genuine** responses and messages that make sense in this current world.

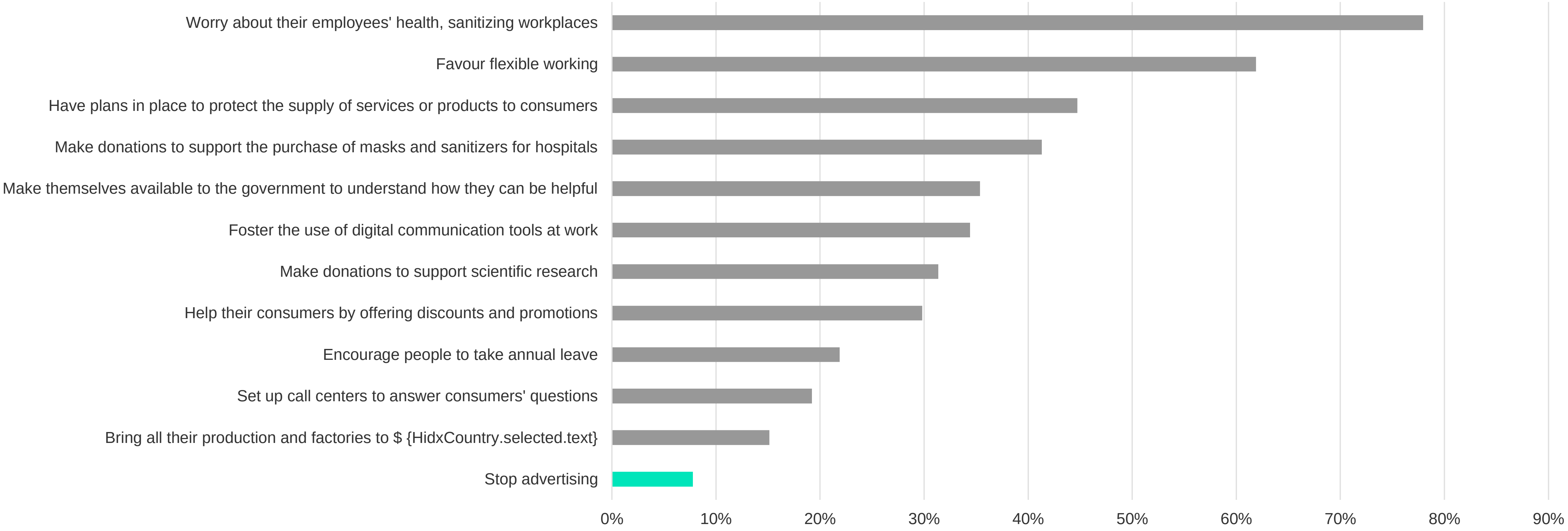
Brands, like their consumers, need to be responsible.

An opportunity to build **trust** by understanding the needs of those consumers and the role of the brand in this situation

So what can your brand credibly do in tune with the **emotive** positioning of the brand?

And no brand, however bold, will want to be remembered as having exploited the situation

Focus on staff welfare should be a company's first priority. Companies and brands also have a role to play in supporting governments and consumers through the crisis



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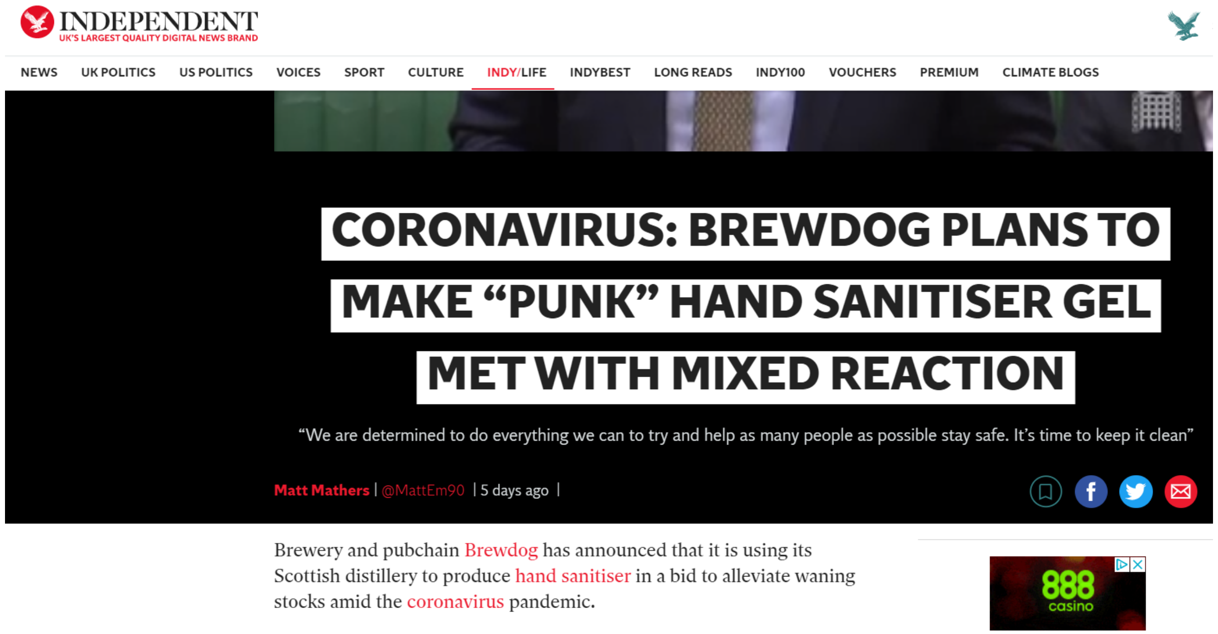
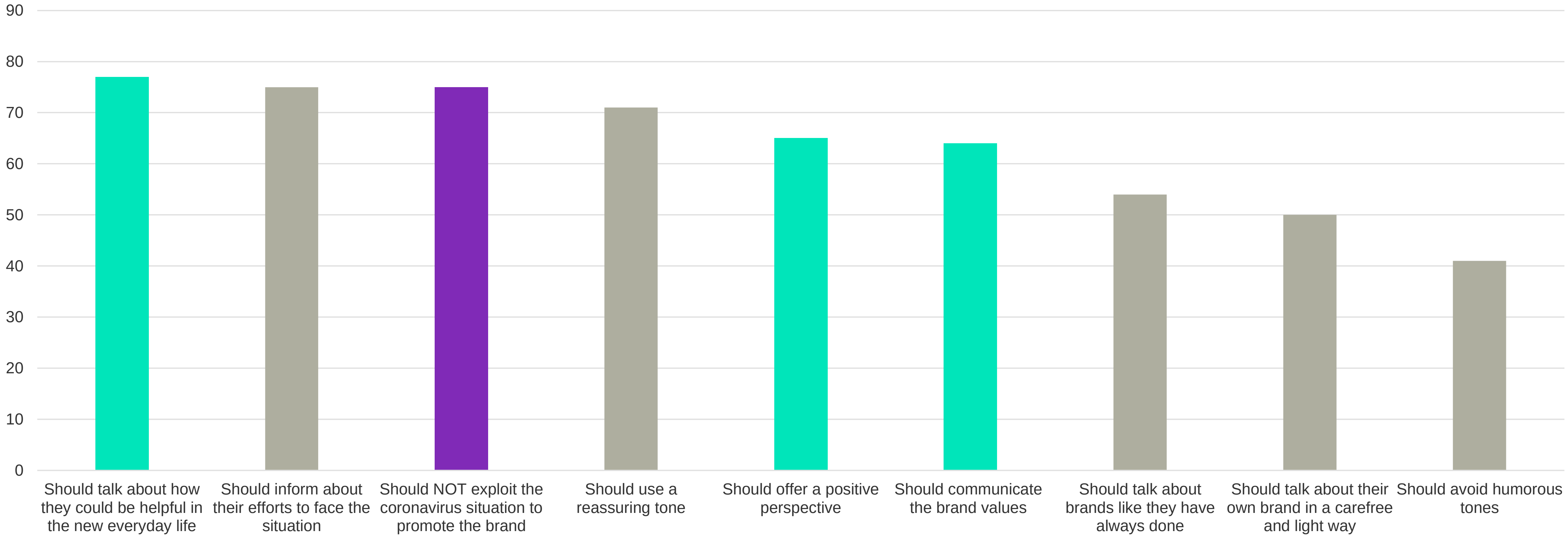
Whilst you might have your business practices right, you need to consider how consumers might perceive your actions

Do support local governments in health organisations…

But think about what the appropriate tone is for any communication

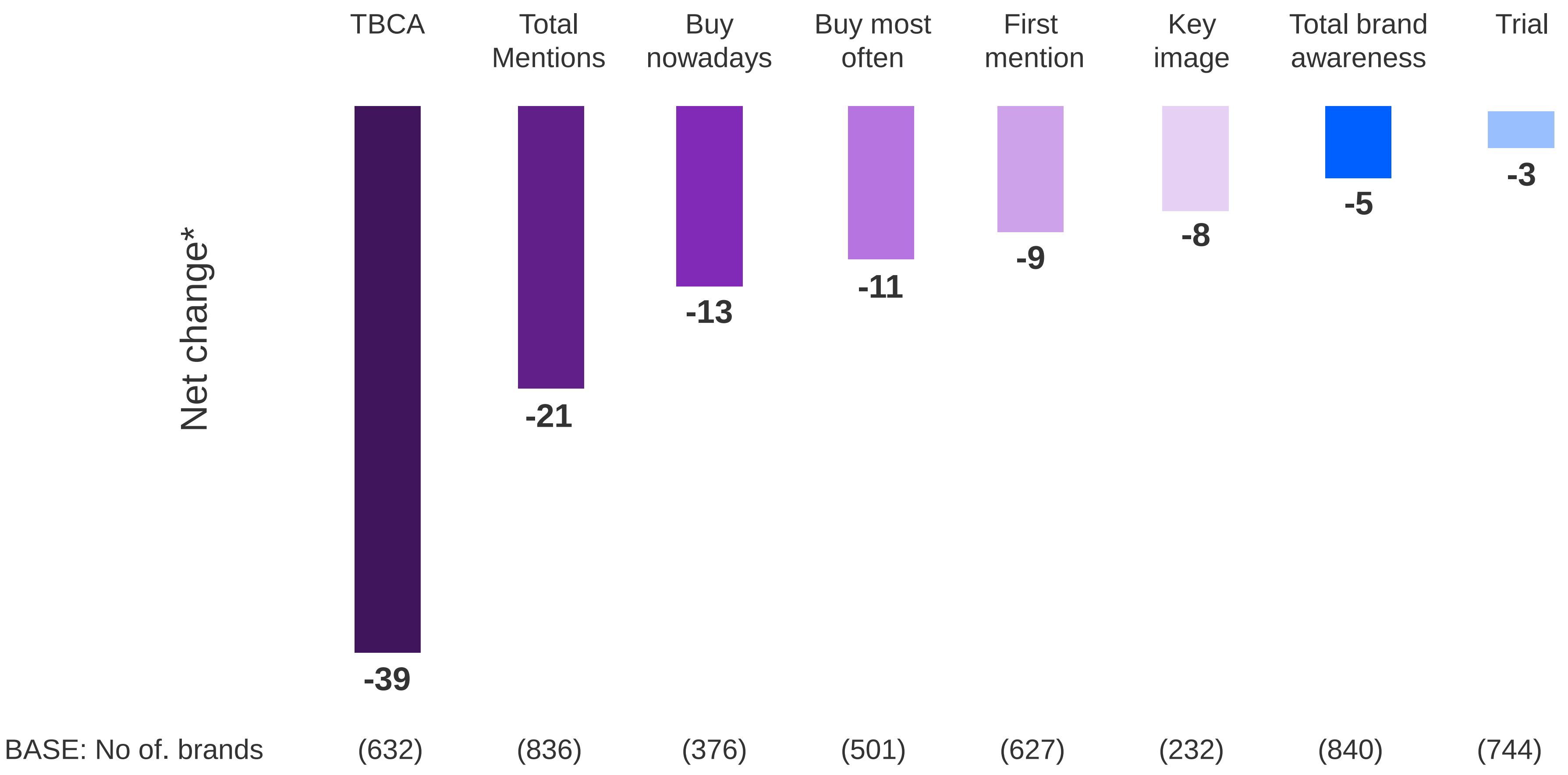


Do let consumers know how you can help, but think about your messaging carefully, as you don't want to be seen to be exploiting the situation



What happens to brand health measures if you stop advertising on TV?

Net effects on brand measures 6 months after stopping TV advertising



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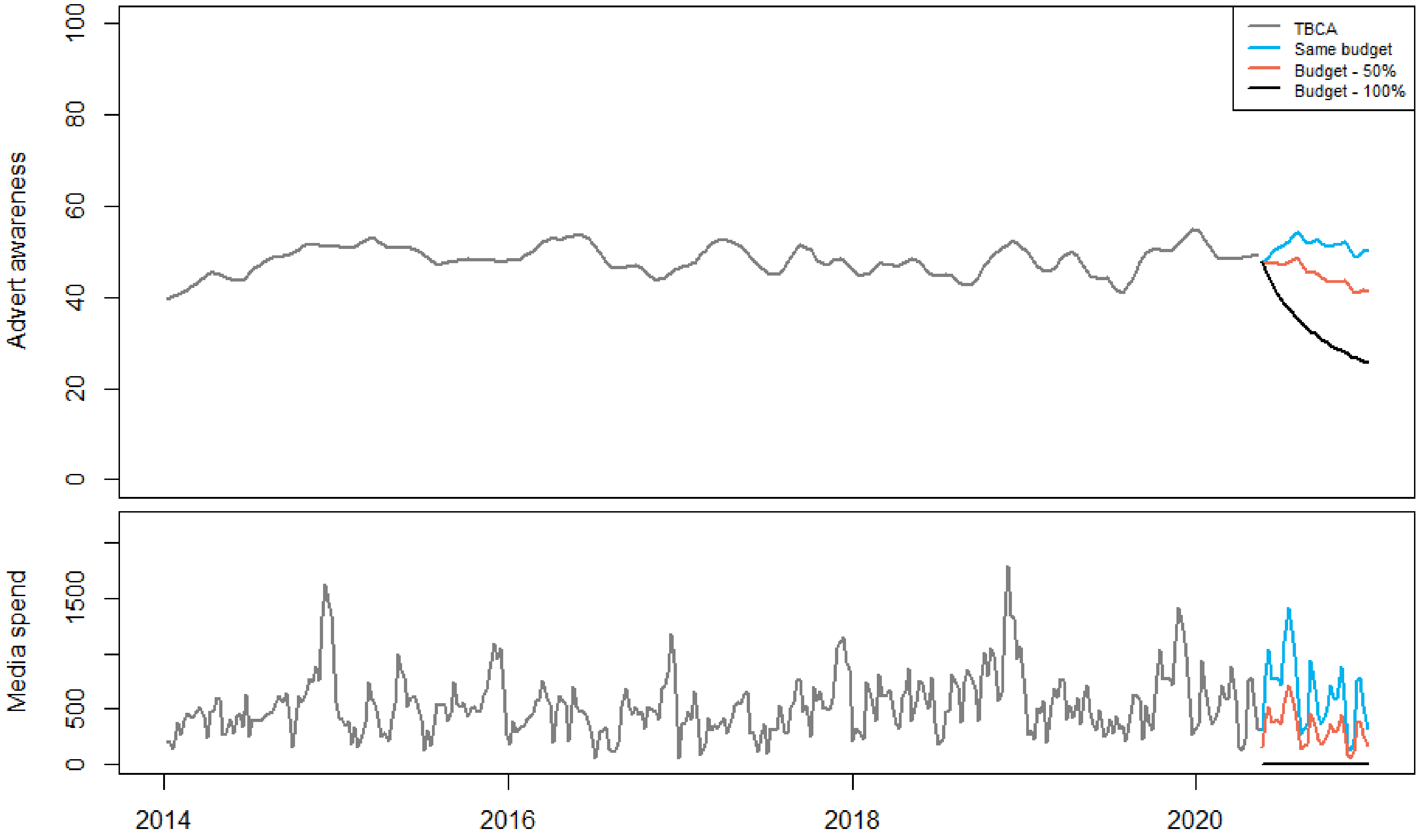
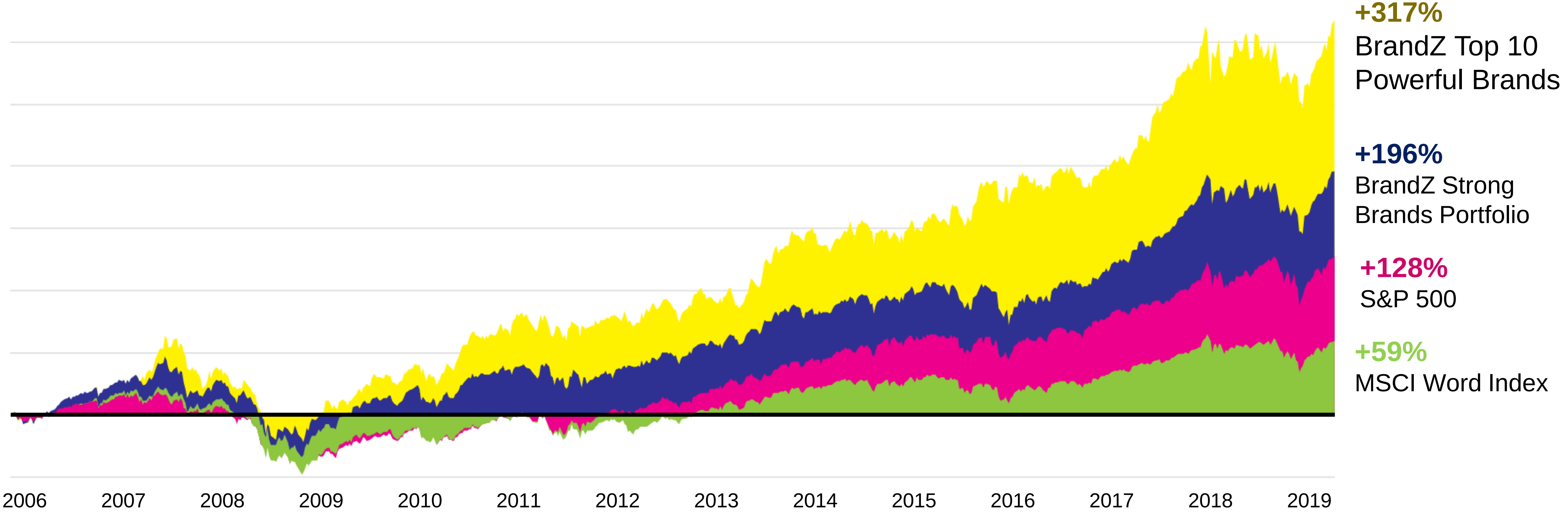
*Net Change: Percent of brands increasing – percent of brands decreasing

What happens if you decrease your adspend?

Simulation for a real beer brand to March 2021



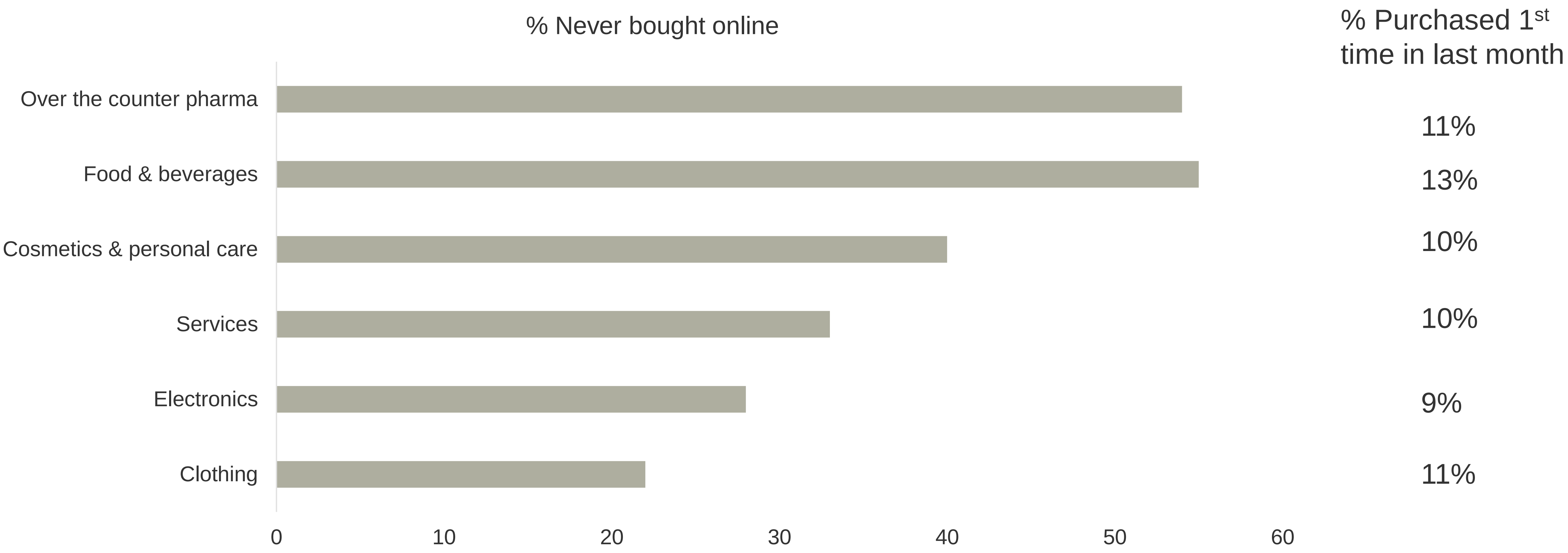
We've seen before that strong brands recovered NINE TIMES faster following the financial crisis of 2008



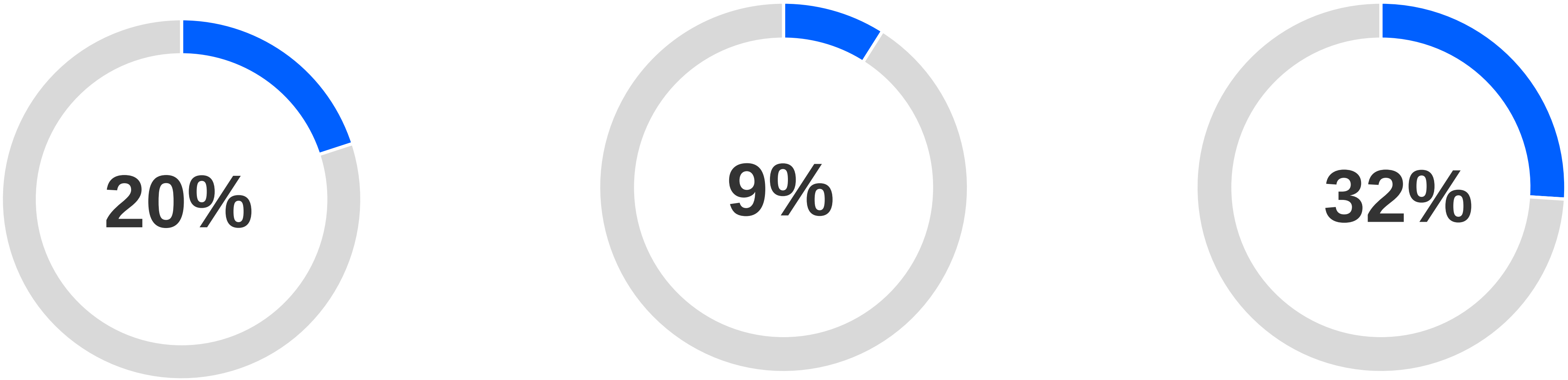
Source: BrandZ Global, 2019

3
Changing purchase behaviours

Physical stores remain critical for food & beverages and pharmaceutical



Transacting in-store is down and intention to buy online is increasing



Have shopped less in physical stores

Have shopped more on online

Expect to shop more online

Retailers around the world are adapting

1. Redirecting resources

John Lewis & Partners (UK) has transferred 500 staff to Waitrose to help cope with the huge demand from shoppers stocking up on food and household staples.

2. Implementing additional safety measures

Mercadona (Spain) restricting shopper access and imposing a one-meter rule as well as limiting cash payments

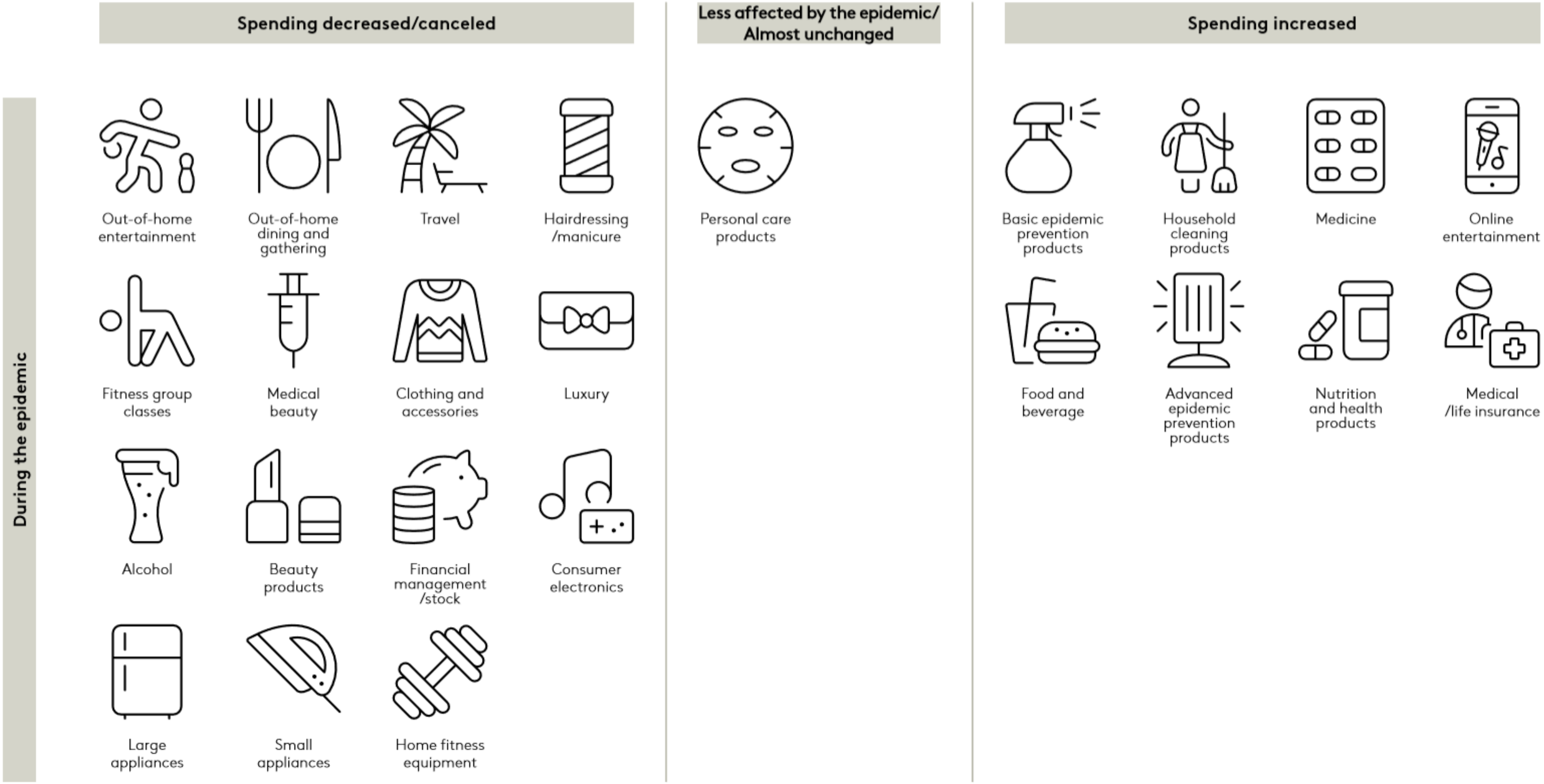
Lidl (Poland) has installed plexiglass shields to protect cashiers and will limit customer numbers in stores.

3. Catering to different consumer groups

Morrisons (UK) will launch a call centre to enable orders to be taken over the phone for customers who do not shop online as well as introducing a new range of easy to order food parcels.

Iceland & Lidl (UK), Woolworths (Australia), Dollar General (US) are among the grocery stores to amend their opening hours to include a morning period exclusively for elderly and high-risk shoppers

Learning from China, we know some sectors will be harder hit than others…



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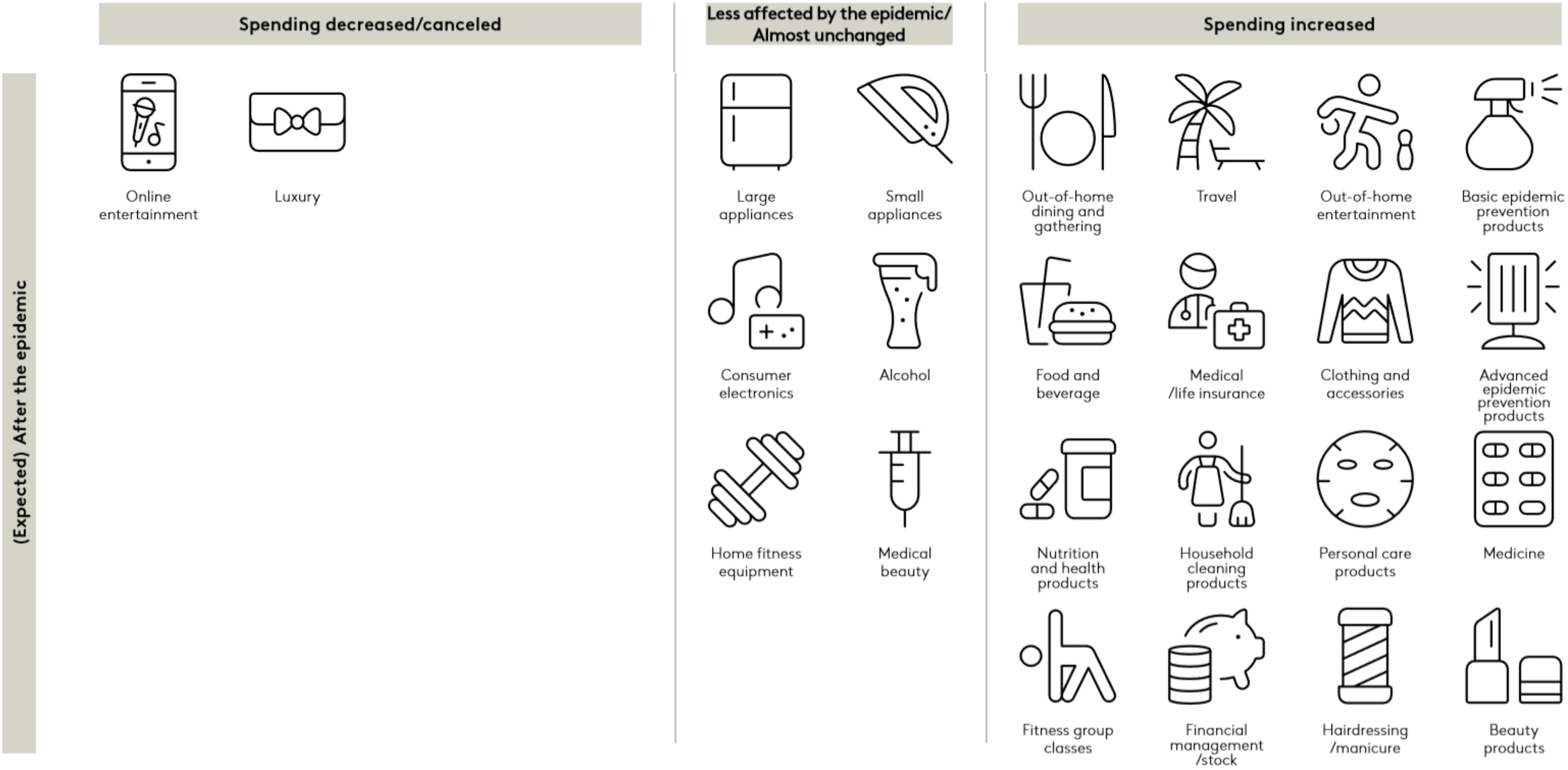
But after the pandemic, there is huge potential for rebound



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3
Summary and commercial call to action

Learning from the data

Staff welfare should be a company’s first priority

Brands looking after their employees and offering flexible working are the top two concerns for consumers

There is still a place for advertising

Consumers still find this useful, and continuing to communicate will help your brand recover faster

As media behaviours change, there are new opportunities to reach people

Consider adapting your online and social media strategies as the pandemic progresses in each market

Consider your messaging and advertising strategy carefully

There’s a fine balance between being seen as helpful and profiteering, so ensure you are taking the right tone to build your brand

Questions?