

The Return of the Consumer

June 2020

COVID-19 Return to Life

**Please note that due to the ongoing COVID-19 pandemic crisis, the situation across markets continues to change rapidly. Data reported in this update covers up to and inclusive of 5th June 2020.*



Back to basics

On 11 March 2020, COVID-19 was officially categorised as a global pandemic, throwing the entire world into shock. Months later and many countries are only just beginning to reopen their economies - particularly those in Europe.

Billions of consumers were forced to adjust to life under varying levels of restriction, finding a way to cope with what was commonly referred to as the 'new normal'. For so long the focus remained on how to get through the rigid restrictions, but everyone is questioning what the future has in store for them.

Life cannot simply revert to what it was before - and while that brings some very big challenges, it also gives us opportunity. In a time of crisis, we learn what really matters to people and what drives them - putting consumers and brands in a unique position to redefine the industries most dear to them.

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I am a key worker so I'm still going to work and have more of a routine and it's just become a part of life at the moment. It's sad it has taken so much away from people and the death toll has been so high but I think as a country we've done well so far.

Female, 36, UK

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My feelings are split. One day I think there's a lot going on that the government doesn't tell us. I have a really bad feeling about that. Another day I think that it can't be that bad if schools and shops are open again. On the whole, I'm worried a lot.

Male, 20, Germany

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I'm really worried and I don't leave home without a mask. My children haven't been out and are in total social isolation.

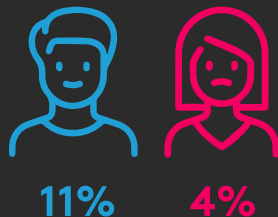
Female, 31, Brazil

Looking to the future

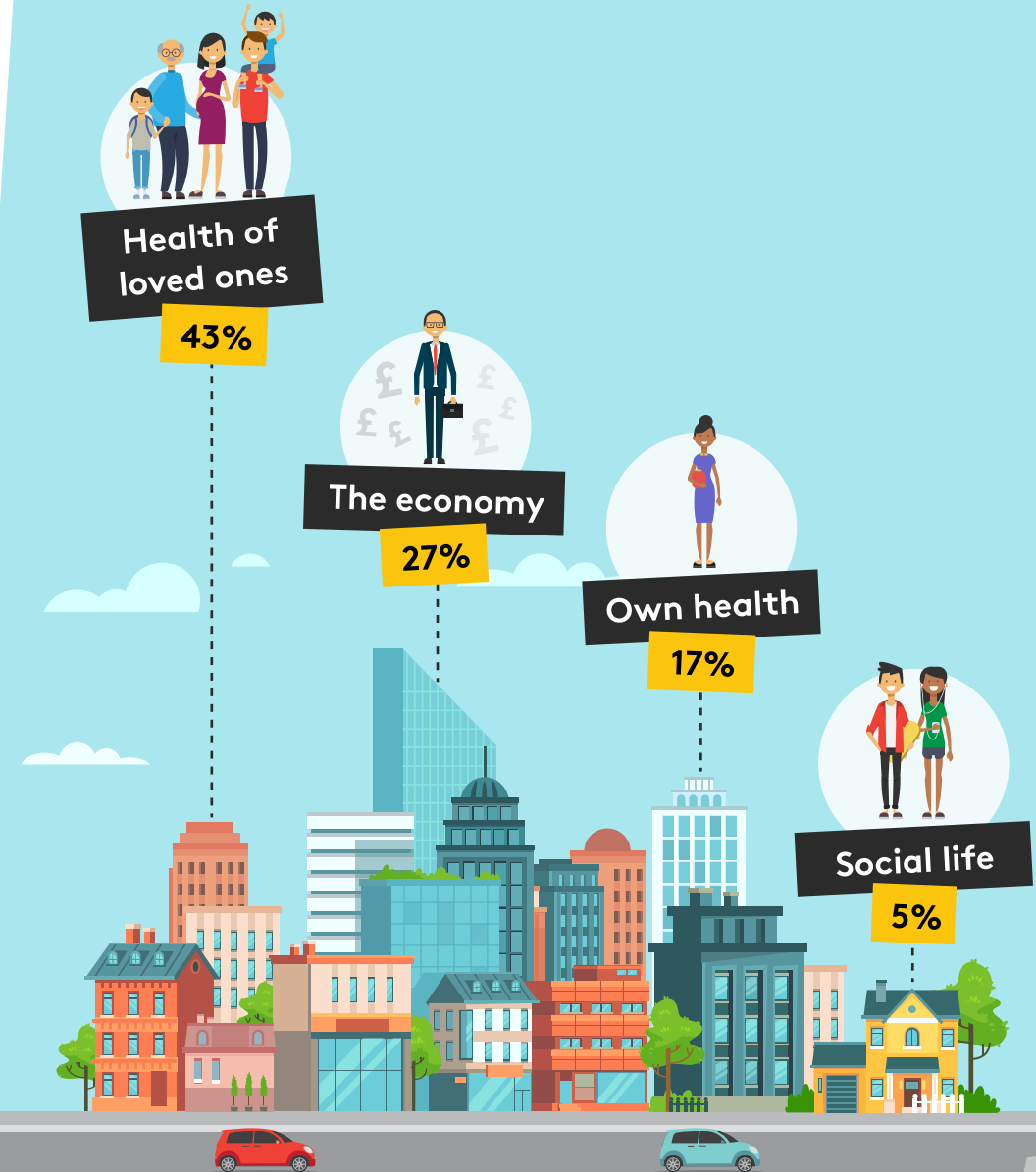
Post-lockdown, consumers are concerned about two main themes - the safety of lifting restrictions and the long term impact of COVID-19 on the economy. Men however are less concerned than women on average.

It's not simply one's personal health that's creating anxiety - in fact, our UK bees are far more concerned about the health of their loved ones and the state of the economy over their own health post-lockdown.

Men are most likely to have no worries after lockdown than women

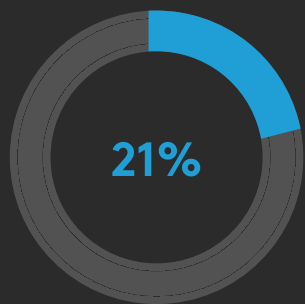


Top 4 concerns about returning to life post-lockdown

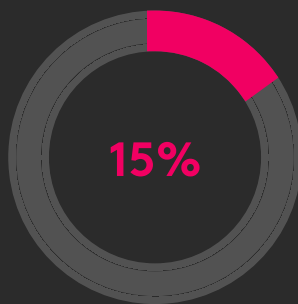


Despite over 1 in 4 UK consumers fearing the long term impact on the economy, very few (21%) believe it should come before the public's health. During the nationwide lockdown, over a third (34%) of those working full time were told to work from home - and 8 in 10 would rather continue doing so, even if they're told it's safe to go into the office. In fact, 54% of people would put commuting off as long as possible, even with certain 'safety measures' in place.

So what does this mean for businesses? Will consumers choose to remain at home to minimise their risk - or will the allure of a fresh barista coffee or Saturday shopping spree be too much to resist?



Men



Women

Men are more likely to prioritise their own health when thinking about life post-lockdown concerns (21% vs 15%)



Socially distant socialising

With so many restrictions over what consumers can do, and where they can go, it's clear they're missing aspects of their pre-pandemic lives. And what they miss most is activities centred around spending time with others.

The experience of going somewhere to enjoy a meal - whether it's alone or with others is something that millions have had to go without for a number of months now. While this has been devastating for the hospitality industry, it's also creating a growing craving for dining out.

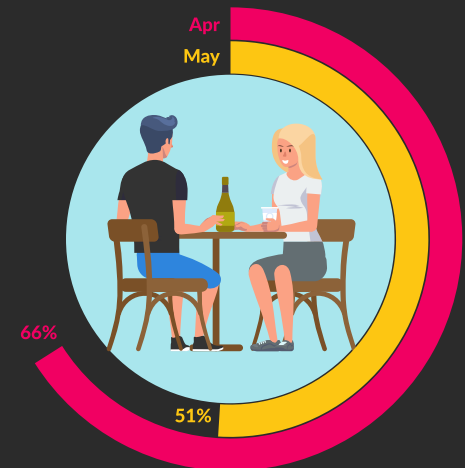
Why do they miss it? After all, people can still have food delivered if they don't feel like cooking... They want to eat out so they can spend time with their family, their friends and their partners. It's the social aspect of eating at a restaurant that people miss the most.

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I can't wait to have my friends and family over for dinner, I want to hang out with them in my home and then their home. I've really missed getting hugs and things like that.

Female, 39, US

Globally, **66%** of consumers were spending less time dining out in April 2020, compared to **51%** in May



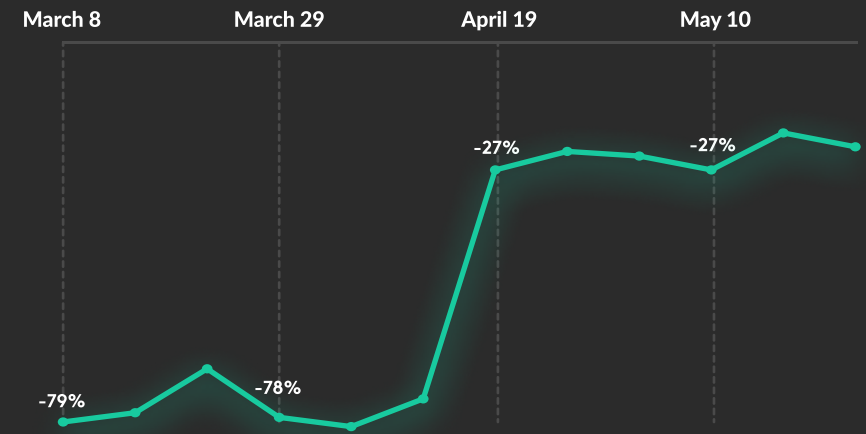
Once restrictions are lifted, footfall will begin to increase again - we saw a spike in eating out in China mid-April when lockdown started to ease. What brands must keep in mind though, is that while consumers are eager to return to these venues it doesn't mean all concerns will have disappeared.

In countries that have already started reopening their economies, we're seeing tables limited to a maximum of two people, greater space between tables, plexi-glass barriers installed and some are only allowing outdoor seating. These are mostly cheap measures to implement but it will result in far less capacity - which will have the biggest financial impact in the long run.

In addition to this, cleanliness and hygiene will also become more important than ever. This will not only involve updating their cleaning practices, but communicating this on websites, menus, online directories; they'll also have to provide training to all staff to address concerns from customers.

ACTIVITY INDEX: DINING OUT (CHINA)

(- % less activity)



Vendors will have to look into ways to protect customers further than ever, but there's also an environmental factor involved - if a restaurant decides to replace their menus with disposable ones, there'll be a pressure to ensure they're recyclable and sustainable. Yet another cost to business owners.

Or will we see more adopt communal 'white board' style-menus, where customers can see the offerings written on the walls around them, without having an individual menu for them to browse? Or, will menus simply go fully digital?

To cover these additional costs and losses, businesses will likely have to put their prices up. And consumers are expecting this - but are they prepared to pay? How much will vendors be able to raise prices without having a major impact on demand?



“

I don't really want to go to a packed restaurant or bar, I just think the risk is too high. I would consider going to a beer garden or cafe that limits the amount of people that can sit in though. I really miss the social aspect of dining out but it really just depends on what the restaurants choose to do to keep us safe.

Female, 28, UK

Consumers unable to go to restaurants or cafes right now are really missing this aspect of life - but not everyone sees this as the biggest loss in their everyday lifestyle.

This could have a massive impact on what consumers choose to prioritise once restrictions are lifted; the US may see a surge in footfall for the restaurant industry, while Europe may by contrast see a rise in social activities that require little spending.

Holidays and travel - both international and within their own country - are causing the most apprehension from consumers. What does this mean for the tourism and the travel industry? With the public choosing to stay in their home towns at a time they'd usually be jetting off on holiday, will local businesses benefit? Is this an opportunity for the hospitality industry to shake up their offerings, providing new experiences for customers who are missing out on their summer holidays?

After lockdown,
only 15% will feel
comfortable taking a
flight abroad



Watching the world go by

With a fear of public transport, working from home is set to become the new standard. Many companies are even allowing it on a permanent basis after the pandemic has passed. However, commuting provides consumers an opportunity to do what they otherwise wouldn't have time to - listen to music, read a book, or even catch up on their favourite show. How will staying at home impact the entertainment industry?

Will consumers decide their Spotify or Apple Music subscription is no longer necessary, as they've regained 2 hours of commuting time to spend however they wish? In fact, a fifth of entertainment occasions between 6am and 9am are taken up by TV and movies as consumers get their early mornings back.

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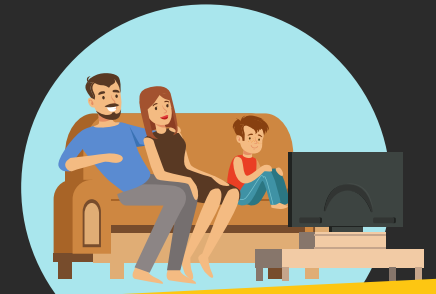
I am watching longer shows and longer movies so that time passes faster without me realising it - so that I don't go crazy from being inside the house for so long.

Male, 25, US

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Before lockdown I had never watched any streaming service at home with family members. Now during lockdown, I have subscribed to many services and I watch web series with my family at home.

Male, 50, US



TV and movies take up 20% of entertainment behaviour between 6am - 9am



The amount of time consumers are spending watching and streaming films has gone up notably, with 48% spending more time on these activities in May 2020 - aided by the launch of Disney+ in March and seeing the greatest spike in mid-April. Post-Easter weekend was when consumers started running out of novel ways to spend lockdown - turning to games and streaming as a trusted source of non-stop, on demand entertainment.

The majority of TV shows and films are still watched using a television or laptop, meaning consumers can browse their smartphones simultaneously - do they? Television may be the top choice in-home but as out of home viewing goes back up, will we start to see consumers getting pickier with what they're watching - and be more engaged?

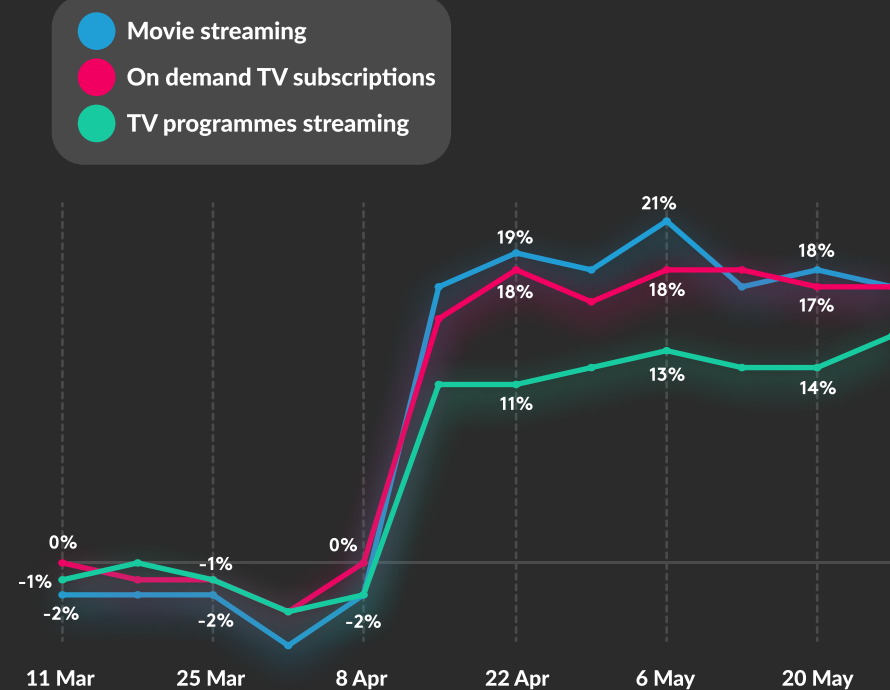
These moments are heavily associated with positive moods, with 27% of people feeling good or great when using these services. It's also a way for people to relax and disconnect from the current crisis - by delving into a new series or film franchise.

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I have never played so many mobile games on my phone or iPad before. I recently discovered a game that you can play with people around the world. I've been meeting so many new people who I wouldn't normally get to speak to and finding out how the pandemic is affecting them.

Female, 47, US

ENTERTAINMENT PURCHASE INDEX (GLOBAL)
(% more - % less)



As restrictions ease, viewing is likely to go down slightly - but the expectation of having more variety available to watch is here to stay. Price hasn't been a huge barrier for consumers during lockdown, with only 11% saying they want cheaper services - but as restrictions ease and time spent streaming decreases, how can brands keep viewers engaged?

With such strict competition between streaming services, prices are unlikely to be increased - instead, brands must find new ways of monetisation to avoid a drop in revenue and continue providing new content.

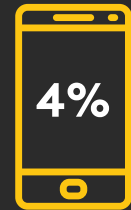
While consumers are yearning for 'new', many brands are finding success by adding older titles to the fold - particularly for TV series like The Fresh Prince of Bel Air and Keeping up with the Kardashians. Is repurposing cult classics the answer to a shortage of new content going forward? Remember though, not all shows and films age well - those that lack diversity, or use language no longer deemed acceptable could risk backlash to any platform that shows them.



67%
of all content
being watched
is something
unseen before



Only 4% of TV/films
(streaming, on
demand or live) are
watched on a
smartphone



“

Currently I watch a lot more series and movies compared to before the coronavirus epidemic because now I have more time so I am busy watching series and movies thanks to Netflix.

Female, 22, France

Intentions vs reality

Months in lockdown has led to an abundance of lifestyle changes - how consumers spend their time has almost become a challenge, with 60% of Brits feeling pressure to spend this time productively. Some people have chosen to adopt healthier lifestyles - cooking more, eating healthier, cutting back on their alcohol... the list goes on!

And the majority say they are hoping to keep it up. 59% of global consumers say they will continue with their new healthy eating habits after lockdown. Since March 2020, 52% of people are spending more time cooking from home - and 25% of them hope to keep it up.



60% of Brits feel pressure to spend lockdown productively



25%

of people cooking more from home claim they will keep it up after lockdown

However, we know that intention doesn't always match up to reality... which is why it's not only important to know how consumers intend to act, but also how they actually act. Will the 25% of consumers who want to continue to cook more at home actually keep it up? Almost certainly not. But some will - and we can only understand why by monitoring these choices over time.

In fact, we're already starting to see a slight decline in the surge of home cooking on a global scale, after the peak in mid April; countries that begin to ease restrictions are showing a drop in the amount of people cooking at home.

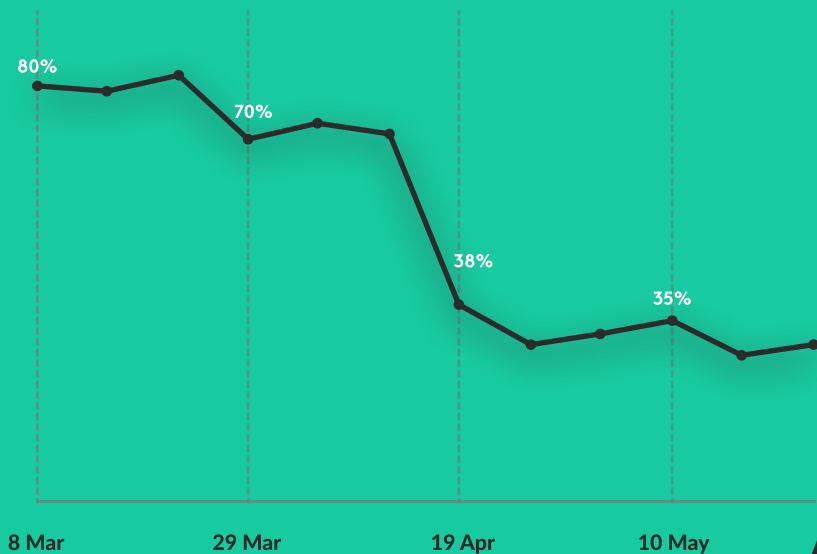
In China, there's been a significant decrease in cooking at home whereas in Europe it's remained consistently high - but will this remain once restaurants re-open? If the trend is anything like China, the answer is no.

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I am dedicating a lot of time to cooking and reading my many cookbooks... I have started to devote myself carefully to the stove because I have a lot of time in this period and I like cooking very much, especially trying new recipes, which I discover by reading.

Female, 47, Italy

ACTIVITY INDEX
TIME SPENT COOKING AT HOME (CHINA)

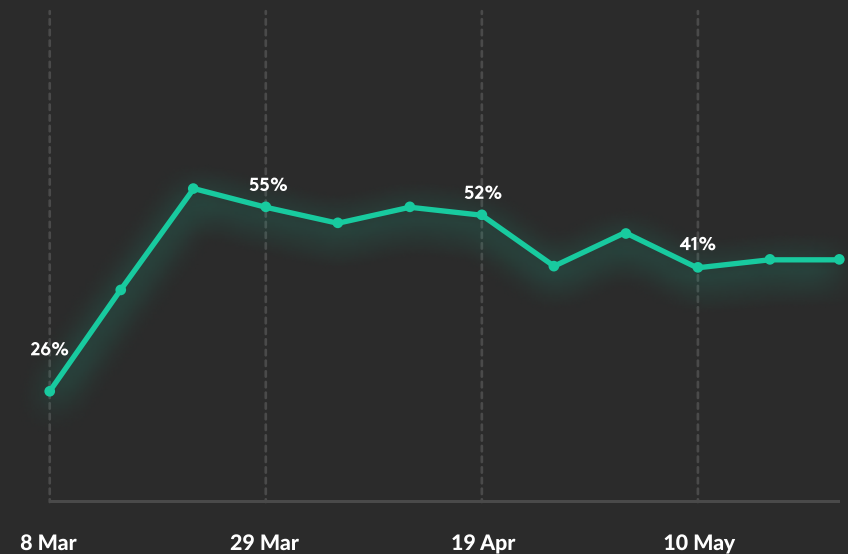


CHINA

V

S
EUROPE

ACTIVITY INDEX
TIME SPENT COOKING AT HOME (EUROPE)



The biggest change in what consumers have been eating is fuelled by the desire to be healthier, with 1 in 10 consumers around the world doing so.

Health has remained important throughout the pandemic and was driven by the desire to boost immunity, but as time has gone on it's evolved into weight management and general health goals.

It's unlikely that immunity will become a priority post lockdown unless we see a second wave of the virus. Instead, we'll see the focus shift to weight management, saving money, and convenience - as the key drivers behind how consumers eat.



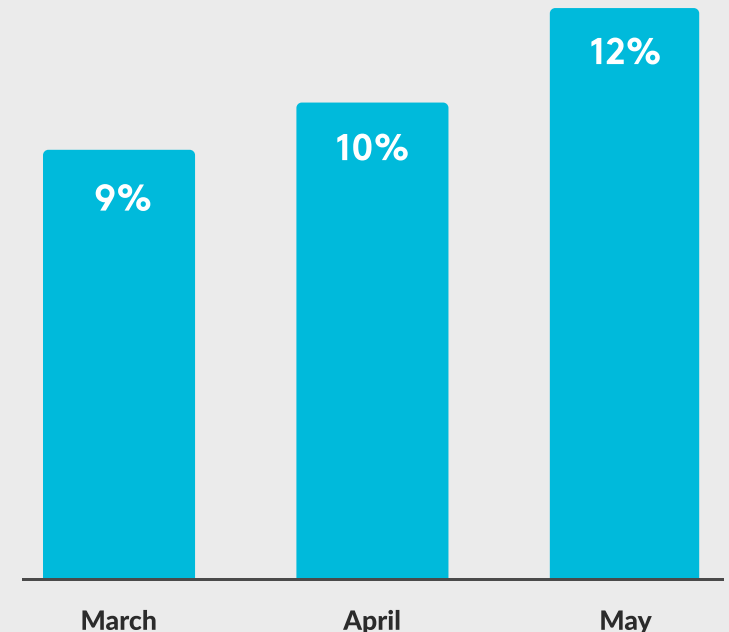
1 in 10
consumers around the
world are eating healthier

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Even after the corona situation has weakened, these changes in food will continue. Because I want healthy food that will improve immunity to protect me from other infections. I like the changed food and am now used to it.

Male, 33, South Korea

PROPORTION OF PEOPLE EATING HEALTHIER %
(GLOBAL)



Stay close and observe

The world is changing at a rate, the likes of which we've never seen before. Predicting what the coming months have in store is a challenge, but one that brands have no choice but to take on. The key is to keep a close eye on the shifts as they happen - looking to other markets further ahead in the pandemic, and understanding the emerging needs of consumers.

It's clear that working from home will continue to feature in people's lives, but at the same time many will still go back into the office; return to life will undoubtedly see different markets follow their own unique paths. It's therefore crucial to understand how different people are responding to the current situation, what's most important to them and why. This is why Streetbees' users - or bees - continue to share moments of their lives with us... those in lockdown, those coming out of lockdown and everyone in between. Because of this we see new behavioural trends as they emerge across different consumer groups and markets, revealing growth opportunities for brands from those trends that persist.

“

The best thing will be for me simply to be able to go out freely without having to necessarily have a justification "of necessity". I don't have particular business to be excited about. I just need to be able to go out for whatever reason I feel like: shopping, doing sports, meeting friends etc. I will be excited to regain my freedom.

Female, 40 Italy



Streetbees' Return to Life Monitor is capturing over 100,000 real life moments from our bees across dozens of countries around the world to identify the growth opportunities for the world's leading brands. If you want more information about how Streetbees can help you navigate the evolving consumer landscape, get in touch via www.streetbees.com/RTL



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Observe the moment of truth

Real life behaviour captured at the moment a consumer makes a decision. Never rely on claims.

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Access rich data with photos and videos from millions of demographically representative consumers.

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3.4 Million

BEES

2.2 Billion

DATA POINTS

189

COUNTRIES

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