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A MINTEL COMPANY

Three telecom marketing themes catalyzed by the COVID-19 crisis



Elevated or accelerated during the pandemic, these themes will continue to be important as the world embraces a ‘new normal.’



EMILY GROCH
Director of Insights, Telecom

Table of Contents

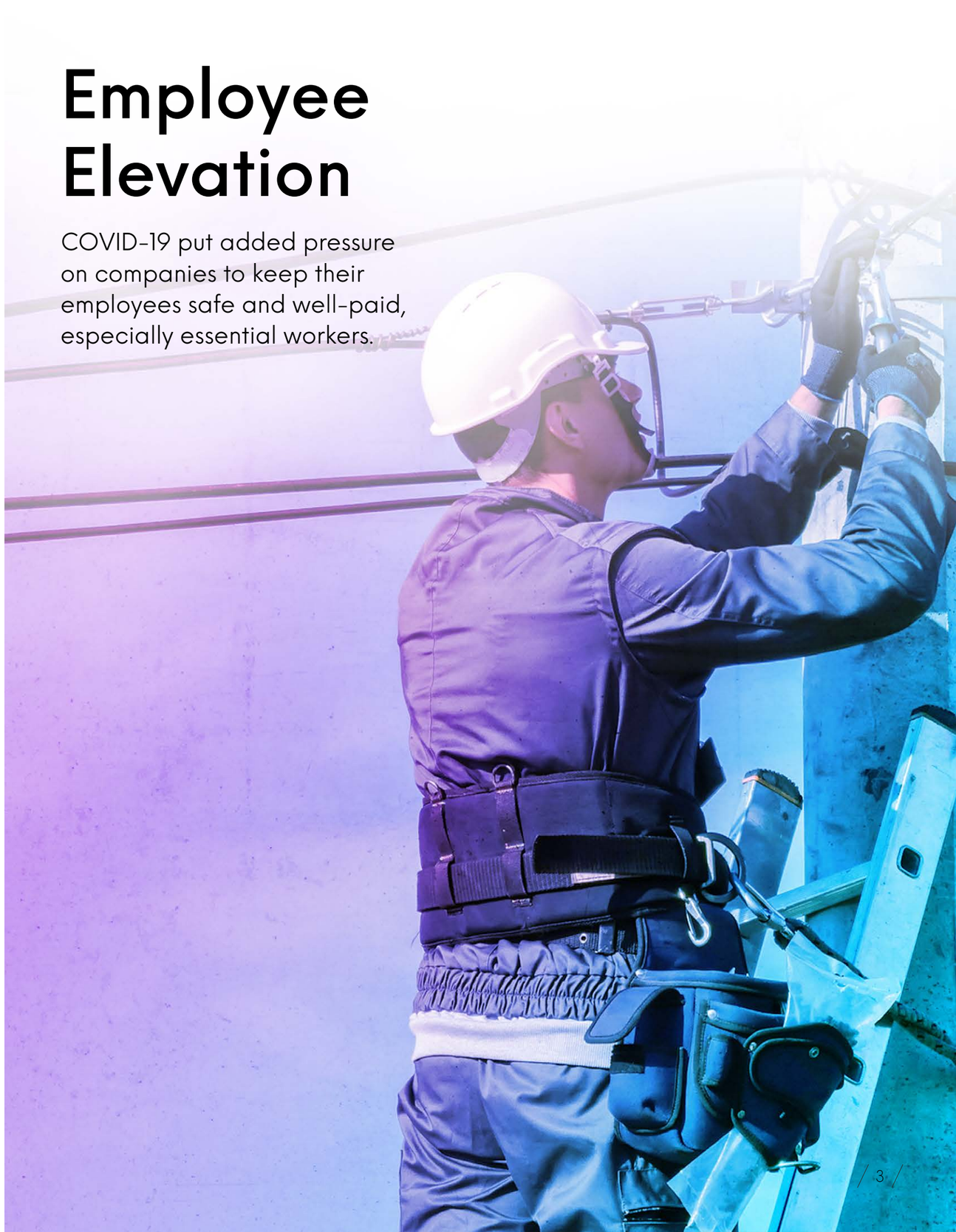
3 Employee Elevation

12 Do-It-Yourself

18 Demand to Connect

Employee Elevation

COVID-19 put added pressure on companies to keep their employees safe and well-paid, especially essential workers.



Pre-COVID-19, consumers already prioritized employee treatment when deciding if a company was ethical or not. In the midst of the crisis, both traditional and social media drew added scrutiny on how companies treated their employees and helped protect their physical and mental well-being. Missteps are have been shared far and wide, and have the potential to cause lasting damage to brand reputations.

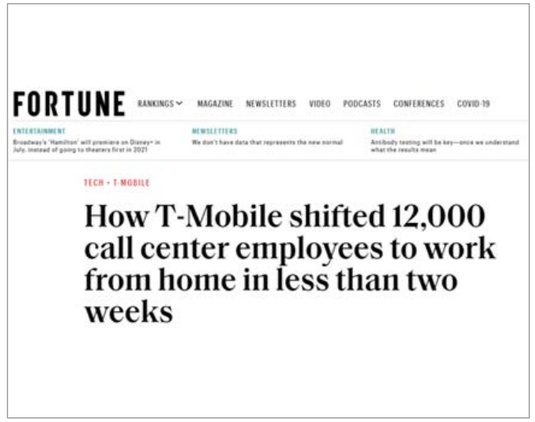
59%
of US consumers said treating employees fairly is one of the best ways for a brand/company to show they represent their values.

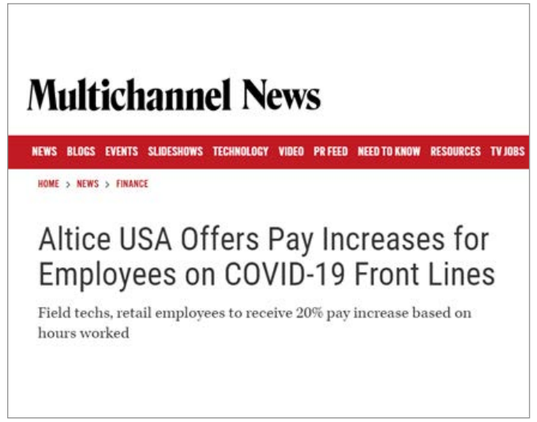
69%
of Canadian consumers say brands/companies have a responsibility to pay all employees a living wage.

52%
of Canadian consumers and
40%
of US consumers would stop buying from a company that doesn't pay employees a living wage.

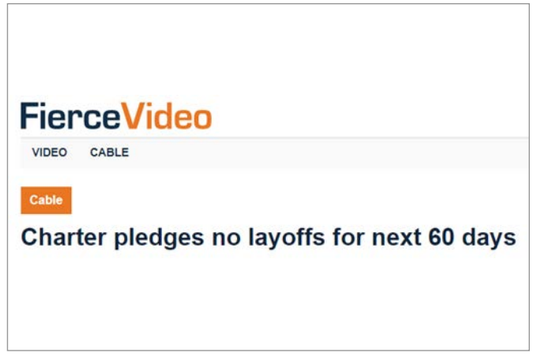
Base: *1,582 US internet users aged 18+ who care if brands represent their personal values; 2,000 internet users aged 18+
Source: Mintel Reports US; Mintel Reports Canada

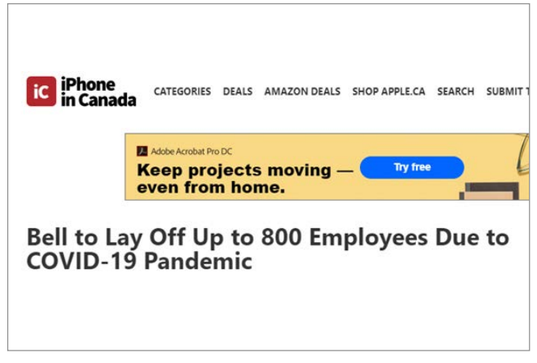
How companies helped – or didn't help – their employees during the crisis were fair game for the media



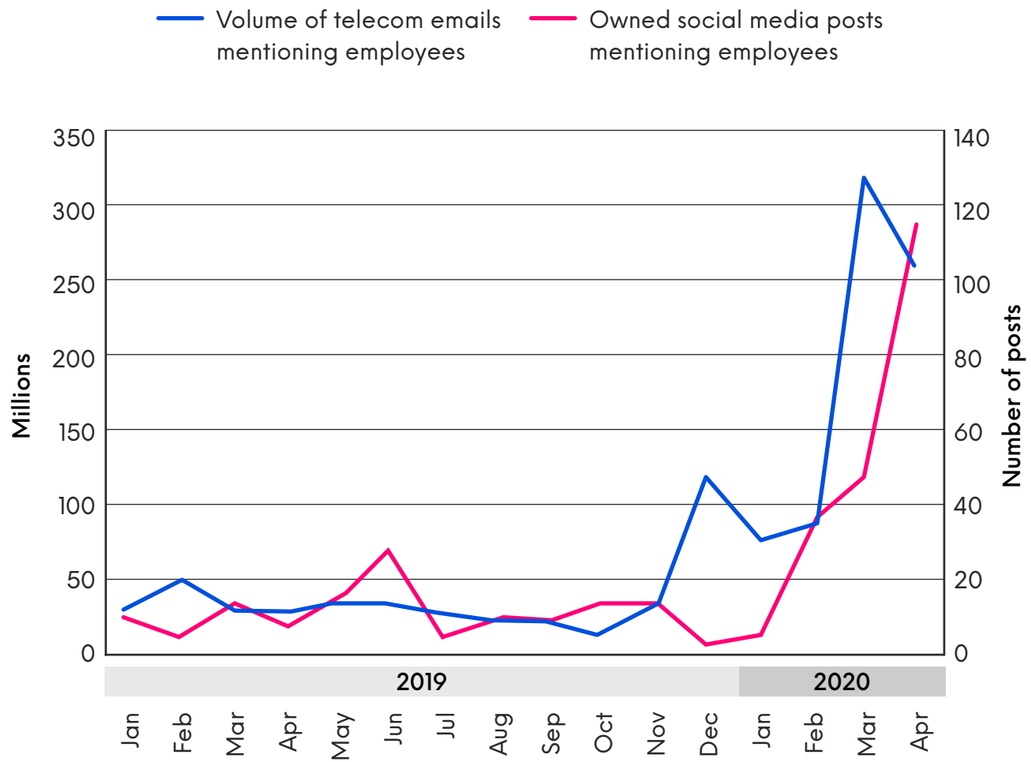






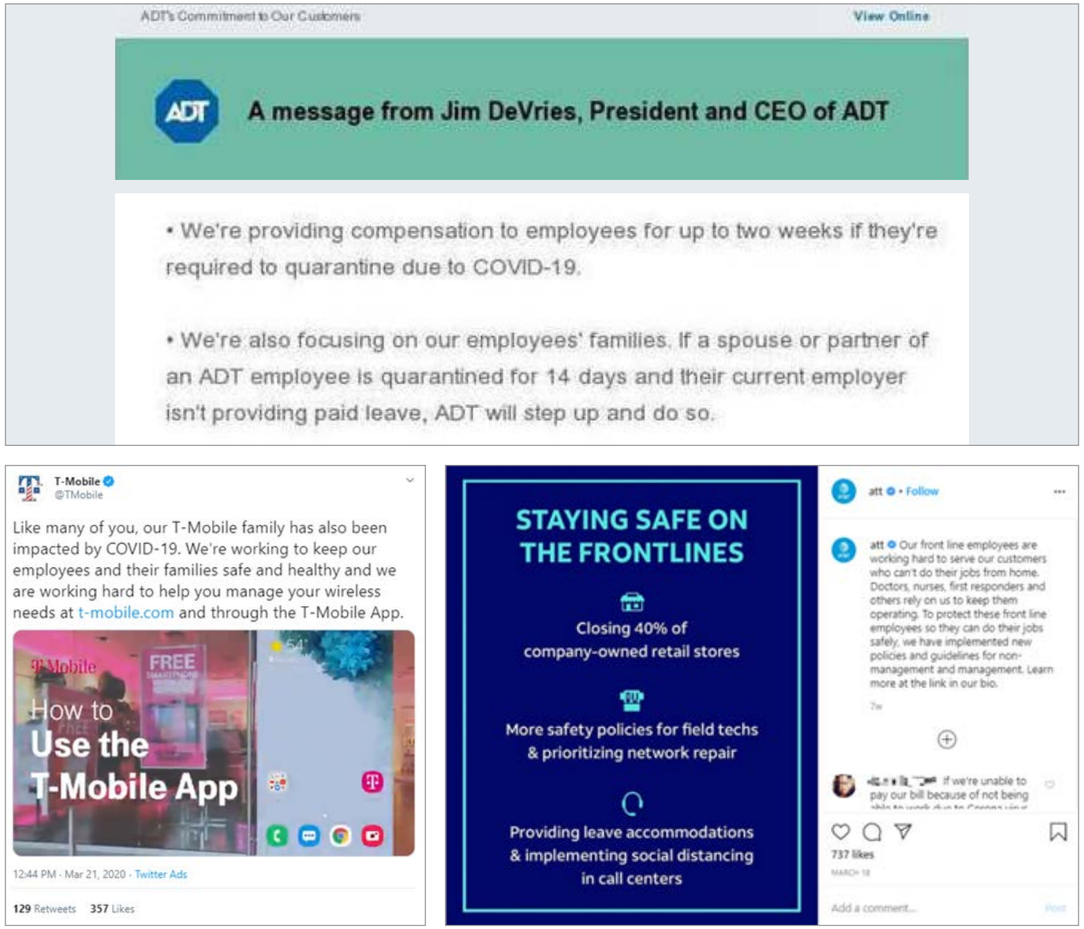


It became imperative for brands to publicize the ways they supported employee (and customer) safety and wellbeing. "Our employees" was a popular phrase appearing in 28% of communications.



Source: Comperemedia Omni [01/01/19 – 04/30/20] as of 05/13/20; email body/subject line or social media post included "employees" or "team members" or "colleagues" or "workers" or "teammates"; includes Canadian and US internet, home security and cellular brands

COVID-19-related emails and owned social media featured employee safety and support. Many providers outlined the ways they were protecting their employees. ADT went above and beyond and was proud to let customers know about it.



Source: Comperemedia Direct

Brands used owned social media to spotlight and thank their employees

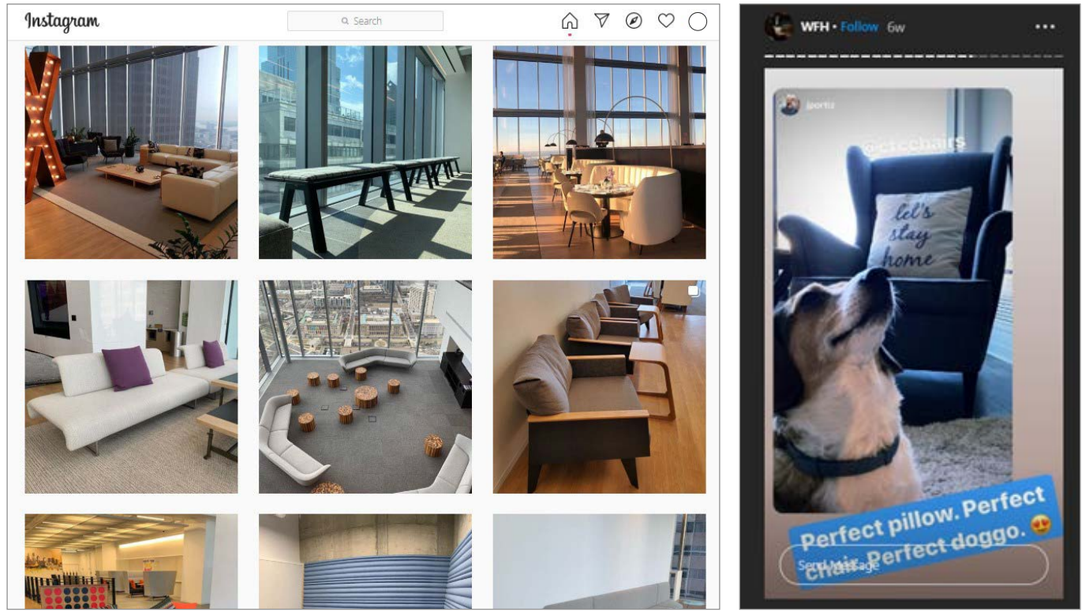
Most of the time, employees are not put in the spotlight unless it is at a key "holiday" or event in the year, for example Black History Month, Women's Awareness Month, Pride, or Veteran's Day. Companies should do a better job of featuring their employees throughout the year to highlight their accomplishments or just offer a behind-the-scenes view of what it's like to be an employee of the company.



Source: Verizon via Facebook



Source: @cogeco via Instagram



Source: @ctcchairs via Instagram

Bringing the employee experience to the forefront doesn't have to be serious, but it needs to be authentic. An Instagram account called @ctcchairs (Comcast Technology Center Chairs) features chairs throughout the corporate space. During the pandemic, the account hosted images of employees' work-from-home (WFH) chairs.

Marketers should continue to include employees in the brand story

Companies that show care and concern for their employees may have an edge in consumer perception when the world emerges from the crisis. By incorporating employee welfare into owned social media and other marketing initiatives, brands can keep this initiative going. But they must be realistic. Treating employees well – and making sure consumers are aware of it – will continue to be important, and it will inform how consumers view a brand.

However, price will still be the big motivator. Brands can't mistake ethical moves as a replacement for competitive pricing, especially in an economic downturn.

Why employee elevation will persist

Consumers cared about employee welfare to begin with.	The COVID-19 spotlight forced brands to respond.	Organizations will help consumers hold brands accountable long after.

OUR RECOMMENDATIONS

1/ Don't lose the momentum of positive employee developments during COVID-19.

2/ Maintain an evergreen focus on employees.

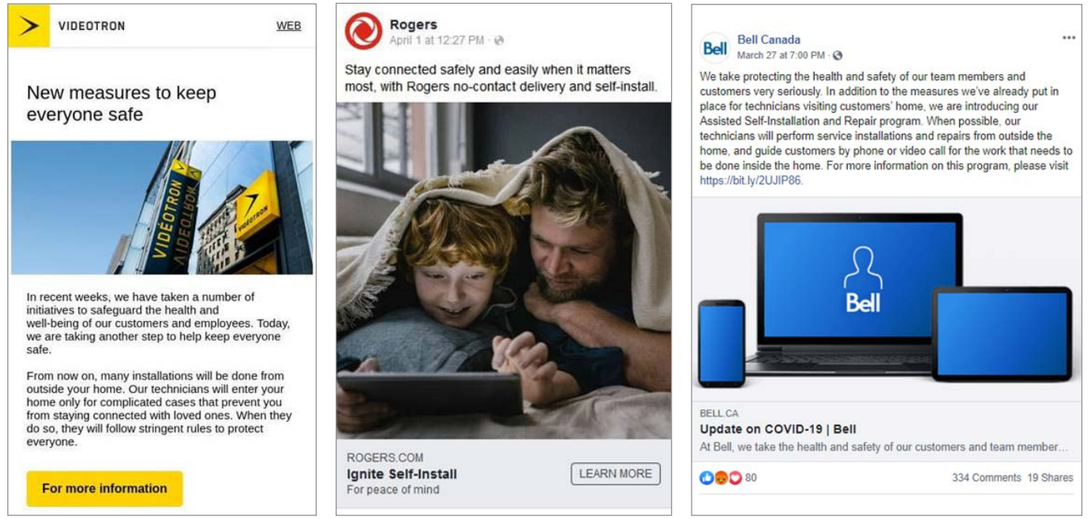
3/ Be realistic.

Do-It-Yourself

Self-installation and remote repair became necessary as telecoms looked for the best ways to keep customers and employees safe amid the pandemic.

Providers launched new installation approaches in response to COVID-19

Providers without self-installation were forced to move quickly to implement the option. Verizon Chairman & CEO Hans Vestberg said during the Q1 2020 Verizon Earnings Call, "And the last couple of weeks here, we have actually innovated so we can start installing Fios without going into the homes with both what we call the Fios in the box, which is where...the customer is installing themselves [and] we also have a virtual agent right now where the customer can be guided how to do the installation."



Source: Mintel ePerformance/eDataSource [01/01/19 – 05/03/20] as of 05/11/20; Comperemedia Omni [01/01/29 – 05/10/20] as of 05/11/20

Providers with established self-installation options increased marketing efforts

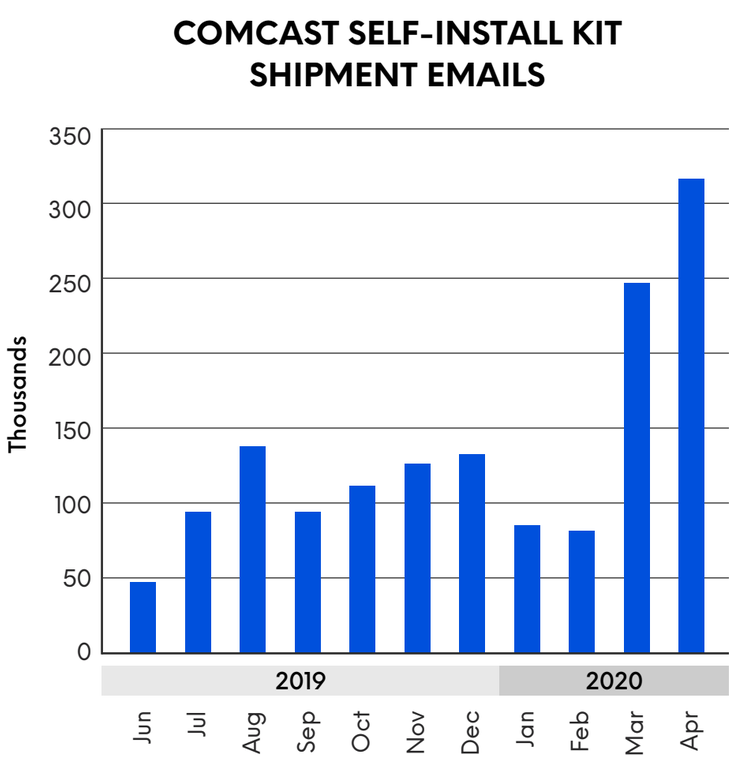
Comcast, as well as others, increased marketing efforts to include new email campaigns and new banner advertisements introduced at the end of March. Top publishers included amazon.com and news sites.



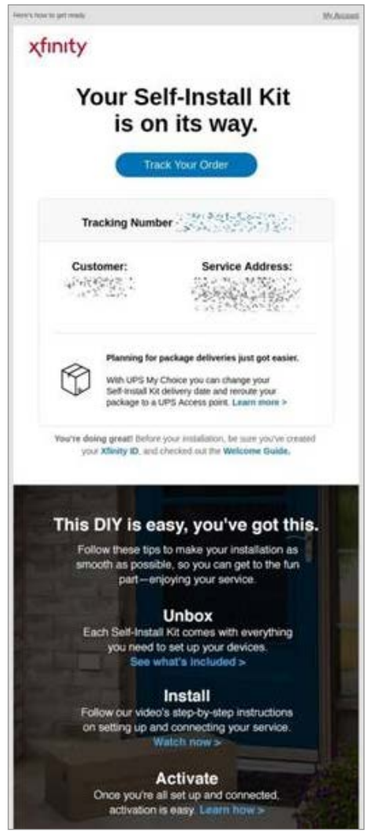




Source: Mintel ePerformance/eDataSource [01/01/19 – 05/03/20] as of 05/11/20; Comperemedia Omni [01/01/29 – 05/10/20] as of 05/11/20



Source: Mintel ePerformance/eDataSource [01/01/19 – 03/31/20] as of 05/11/20; emails included "self-install" in the subject line



Comcast sent more self-installation kit emails March-April 2020 than ever before. While TELUS offered an incentive for ordering a self-install kit.

Subject: ↖Use your handy skills for a smarter home
Date: 4/17/20
Volume: 87k

Source: Mintel ePerformance/eDataSource [03/01/20 – 04/30/20] as of 05/11/20

As DIY becomes commonplace, providers can help ensure a positive experience

During the Q1 2020 Rogers Communications earnings call, CFO Tony Staffieri commented, “Notably, in moving a 100% self-install on our internet and TV products, we are seeing significant improvements in OpEx and CapEx related installation and upgrade costs. Our current assisted self-installation approach reduces our costs by 30% compared to traditional technician-enabled installations and these savings will get higher as we move to full self-install models at a later time.”

Why DIY service is here to stay

Saves providers time and money, and elevates customer satisfaction.	Offers customers flexibility and savings.	After being forced online during COVID-19, more consumers than before may embrace self-service.

OUR RECOMMENDATIONS

1/ Provide instructions in multiple formats.

2/ Keep it simple.

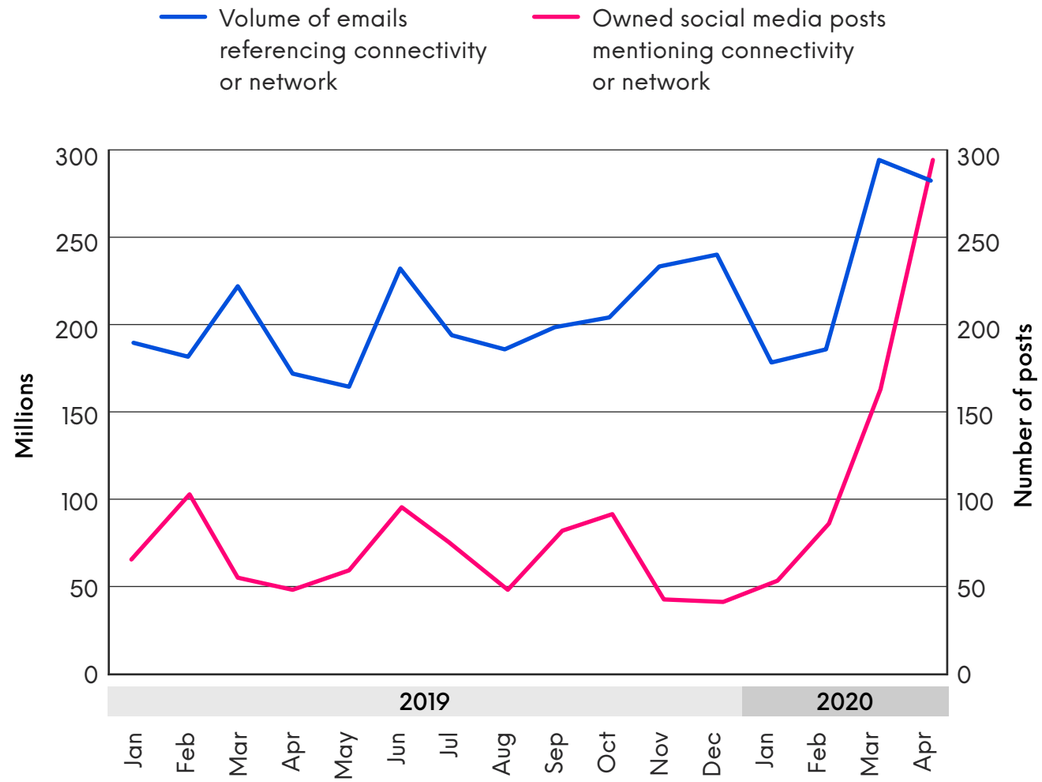
3/ Lead with cost savings and flexibility in DIY-related marketing.

4/ Be proactive.

Demand to Connect

The pandemic shined a light on the vital importance of connectivity – and its gaps – like never before.

Internet usage exploded as business, education, shopping, and more moved online in March 2020, and human connection became synonymous with internet connection. A greater focus on connectivity and network quality emerged as telecoms reassured customers.



Source: Comperemedia Omni [01/01/19 – 04/30/20] as of 05/13/20; email body/subject line or social media post included "connect" or "network"; includes Canadian and US internet, home security and cellular brands only

Providers were quick to assure customers they were prepared to keep them connected

Verizon launched a new marketing campaign featuring national TV, online video, display, and Facebook ads to underscore how the company is constantly preparing and monitoring its network, so that "at times like this, America can stay connected." Verizon and other telecoms were quick to give consumers one less thing to worry about during the crisis by promising to keep them connected to the internet.



Source: Mintel/Pathmatics [03/15/20 - 03/23/20] as of 05/13/20

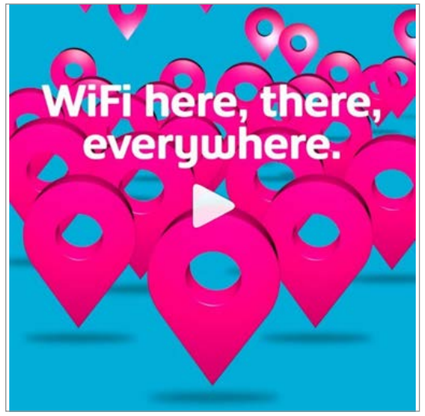




Source: TELUS via Facebook; @att via Instagram [03/10/20 – 05/12/20] as of 05/13/20

Some providers implemented temporary changes to help consumers keep costs down as they increased internet consumption. In North America, many providers waived overage fees, removed data caps and roaming charges, offered bonus data, and more.

Others implemented new or expanded ways to keep underserved consumers connected. Shaw opened up their WiFi hotspots so anyone could use them, not just customers. Sprint increased data allotments available to students that received free devices and connectivity through its 1 Million project. Comcast and other providers offered free months of service through Internet Essentials or similar programs that help consumers in underserved areas stay connected with low-cost internet.







Source: Mintel ePerformance/eDataSource [01/01/19 – 05/03/20] as of 05/11/20; Comperemedia Omni [01/01/29 – 05/10/20] as of 05/11/20

60%

of Canadians and of Americans agreed, "This pandemic has made me realize how big the gap in this country is between the rich and the working class, and that something must be done to more fairly distribute our country's wealth and prosperity."

Source: 2020 Edelman Trust Barometer Spring Update Canada; 2020 Edelman Trust Barometer Spring Update US

Canadian and US telecoms made big strides in improving trust with consumers thanks to COVID-19 responses. According to the Edelman Trust Barometer, trust in Canadian telecoms has increased 19 points and trust in US telecoms has increased 12 points since the initial report findings were released in January 2020 (fielded Oct. 19 – Nov. 18, 2019). But, the crisis has driven greater attention to the social inequalities, like the 'digital divide.'

Telecoms will continue to face difficulty with trust unless they make greater efforts to minimize the digital divide.

Marketers will be challenged to help maintain trust gained during the pandemic

Be prepared for consumers to question why, if you could do it during the crisis, you can't do more during "normal times."

Why the demand to connect will remain

More businesses, schools, etc. will embrace virtual capabilities.

Consumers who spent little or no time online pre-pandemic will stick to it.

The pandemic made clear that internet is essential; consumers will expect ISPs to do more.

OUR RECOMMENDATIONS

1/ Highlight ways that employees helped keep customers connected during the pandemic.

2/ Surprise and delight customers with speed upgrades/data increases in recognition of a highly connected "new normal."

3/ Continue highlighting the ways the company is investing in closing the digital divide and giving consumers an opportunity to participate.

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