

CORONAVIRUS & BEHAVIOR CHANGE

What does this mean for brands?

By Chris Murphy, Steven Naert, and Colin Strong | March 2020



GAME CHANGERS



Coronavirus presents a number of challenges to brands and policy makers. As consumers take protective actions against the virus, their health/financial concerns and behavioral adjustments will continue to have an enormous social and economic impact. In affected areas, we are already observing drastic changes in consumer behavior such as bulk-buying, a surge in low contact commerce, and crowd avoidance/cocooning.

How should commercial brands respond?

**DECISION CONTEXT:
FROM SOLID TO FLUID**

When we perform familiar activities, we inhabit a world of certainty with established traditions and routines that allow us to simplify decision-making. As we learn what works, our behavior becomes more mindless/automatic. Learning to ride a bicycle is initially deliberative, but as we master it, our actions become more routinized/automatic - we no longer think about it. We just do it.

Marketing is often choreographed to affect subtle changes in our environment to reinforce or incrementally shape automatic behavior. This works well provided the context, overall structure and logic of the options available to us are fundamentally stable. *But...*

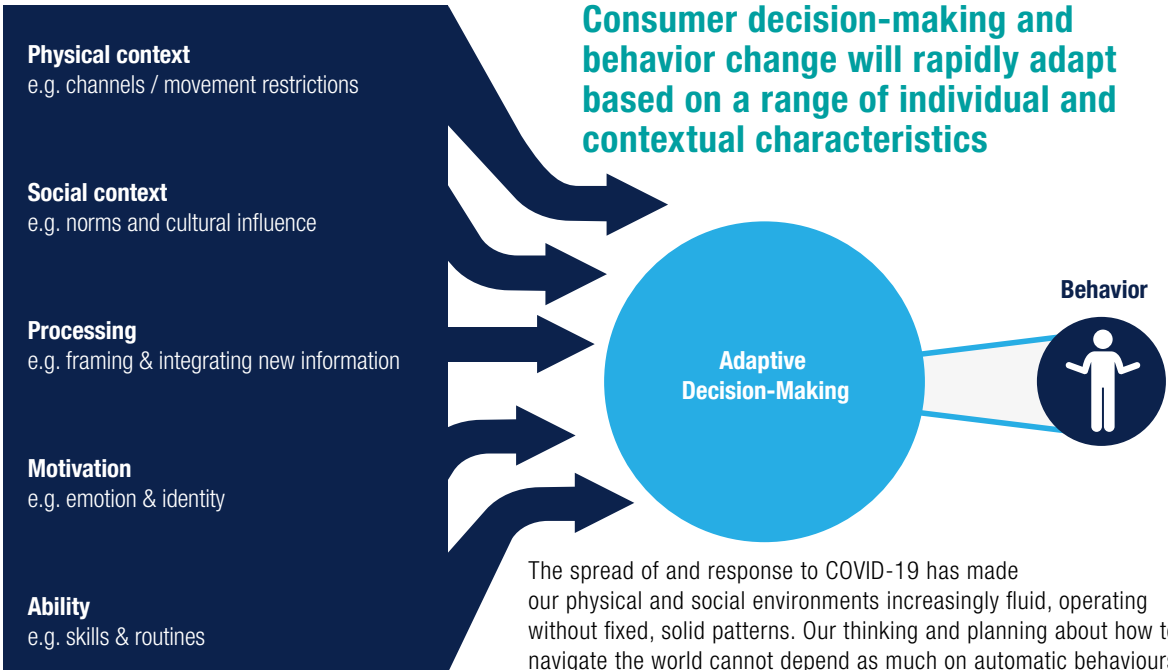
Coronavirus has caused upheaval, creating unstable environments around the world. As the disease spreads, so does instability with other areas becoming uncertain, subject to change and operating without familiar context and predictable patterns. People are adapting to their changing, unstable environments and making different decisions.

The framework below portrays elements that drive behavior and behavioral change, including those that involve brands. But the context/foundation for this is fundamentally shaken.

How we navigate in a fluid time can no longer depend on automatic behaviors, as they may reflect a mastery of a past that no longer exists.

Within these unstable environments, there is a role for brands. We now need to think about brand management in terms of shifting context and behavior change.

Figure 1 Coronavirus means fluid times: COVID-19 and behavior change



Source: Global Science Organisation, Ipsos

BRAND MANAGEMENT IN A FLUID TIME OF BEHAVIORAL CHANGE

When the context and pattern in which people live changes, brands should ask themselves how they can respond and add value in light of this new reality. For now, it appears many brands are uncertain about if/how they should respond.

There is a healthy fear of being viewed as inappropriately opportunistic. Even companies that supply relevant health products are reluctant to mention Coronavirus, as they do not want to appear to profit from the crisis. But while it is vital to avoid being perceived as a crisis profiteer, brands can play enhanced roles in people's lives during a time where shifted context means people are having to change their behaviour to stay healthy.

Building on the framework described earlier, there are a number of ways brands can tap different influences on decision-making to help people adapt to the shifting context and support behavioral change.

MOST IMPORTANTLY – BE PRESENT AND INVEST IN CONSUMER RELATIONSHIPS: It can be tempting for brands to go into cost containment mode in times of distress, quietly weathering the storm. But we have a unique window where brands can earn trust by maintaining presence and delivering relevant value in a fluid period of heightened anxiety.

BE A SOURCE OF TRUTH AND POSITIVE IMPACT: Brands can develop deeper consumer relationships by being a trusted source of accurate information or consumer-centric counsel in uncertain times. Here are some examples of brands that have taken the initiative to help stop the virus from spreading or to avoid other negative impacts:

- In the UK, Lush is inviting people to come into their stores to wash their hands.
- In India, we have seen communication from Lifebuoy to practice good hygiene - even if it's with a competitive brand.
- Amazon is actively working to eliminate acts of profiteering/price gauging.

In an era where many are increasingly open to brands rather than traditional institutions to promote social progress and well-being, the current crisis could accelerate that pattern if brands rise to the occasion.



SHOW EMPATHY / GIVE COMFORT: Louis Vuitton posted a heartfelt message to Chinese customers on social media platforms like WeChat, and Weibo: *“Every paused journey will eventually restart. Louis Vuitton hopes you and your beloved ones stay safe and healthy.”* This tone-appropriate message fits a brand positioned as a purveyor of fine luggage.

HELP PEOPLE CONSTRUCTIVELY USE TIME AND BUILD NEW ROUTINES AT HOME:

This is inspiring territory, as brands can look to help people make good use of the time they spend at home – and to drive internalization of new habits by helping them feel good about the way that time is spent. With many adopting new in-home behaviors, building positive associations/identities around those new routine behaviors will help to build motivation to re-enact them.

GO VIRTUAL: We expect to see a further shift to virtual alternatives. In China, online car sales went up in the first weeks of the crisis, despite overall car sales crashing. We also see many professional meetings and exhibitions moving online; just as many museums have started to create an online experience by creating virtual rooms where art is being shown. Alibaba is organizing no-meeting concerts, where they live-stream new content.

RECOGNIZE AND AFFIRM NEW SOCIAL NORMS: When trying new behaviors, people can often feel a bit self-conscious, as if they are the only people practicing them. This feeling of marginalization can be a barrier to changing behaviors, so it can help to illustrate the prevalence or social consensus of the behavior or belief. If people feel that others are doing this behavior too, they are much more likely to maintain it.

LEARN FROM THE LAST ‘NEW NORMAL’: History provides evidence that brands can grow in distressing times. There are some enduring examples from the Great Recession, where brands like Netflix, Lego, Amazon, and Domino’s courageously expanded their horizons through investment / innovation, customer treatment, alternative pricing models, and transparency in communications. While many of their competitors either stopped communicating or held fast to old business models, these brands pursued consumers in the right way and delivered value in a time of contextual fluidity and behavioural change.

SUMMING UP

People are adaptive and contextual decision-makers. Consumer responses to coronavirus are an extreme example of this. When context and behavior shifts, we are taken out of our automatic rhythms and we pay mindful attention.

There is little doubt we are now making decisions in a fluid, unstable time of distress – making us more likely to pay attention to the brands willing to engage with us in the right way.

Wise brand leaders who are willing to be actively present can emerge from this challenging period of behavior change with stronger brands and a more committed, trusting fan base – so when things eventually settle to the next new normal, brand growth can be sustained.

Chris Murphy Global President, Market and Brand Strategy, Ipsos

Steven Naert Global Solutions Leader, Brand & Portfolio, Ipsos

Colin Strong Global Head of Behavioral Science, Ipsos