

2020 2.0, the new normal and what's next for brands

By [Jessica Tennant](#)

21 May 2020

M&C Saatchi Abel recently held a webinar on Microsoft Teams where colleagues and heads of strategy Diana Springer (Black & White, an M&C Saatchi Company) and Robert Grace (M&C Saatchi Group South Africa) shared their points of view on how consumers might respond in a post-Covid-19 world, and gave brands a slightly more pragmatic, practical and useful lens to inform what they do next.

Springer opened the conversation, saying that it feels like we started this year in January with huge excitement and goals. “Kids went back to school, we got on with work and before we knew it, we kind of had to stop again and our path has completely altered. So, really, it’s about what’s next and how we reboot and get back into 2020, our 2020 2.0.”



2020 2.0, the new normal and what's next for brands [Part 1]

Jessica Tennant 13 May 2020



In part two, we look at three ways consumers are likely to respond as we come out of lockdown and the role of our brands in meeting their needs and as Grace put it, achieving that really simple objective that marketing sets out to achieve and that is to get consumers to choose you over your competitors. At the end of discussing each of these responses, they posed a question that they believe marketers and agencies should get together and discuss and debate and get to a very precise answer.



A period of revival

Release

Grace talked through the first likely consumer response and that is this idea of release, this need for a really visceral and heightened experience. “We know we’re going to be entering into recessionary times in South Africa, so it’s one that’s going to be a little more constrained, but this idea of release is nothing new. Many South Africans experienced this with the onset of democracy. It was termed a situation that occurs when a boundary or restriction has been removed, resulting in

exuberance and an urgent need to experience or own all the good things in life.



A day in the lockdown life of M&C Saatchi Abel's Robert Grace

Jessica Tennant 17 Apr 2020



This release phenomenon isn't something that has just happened locally. "After this time of constraint, we are predicting a confidence rebound. When we look back at previous pandemics or previous global issues or crises, we've seen that, once the immediate threat lifts, luxury consumers will come back stronger and a backlash against the worry and anxiety that came through. It happened after World War II, it happened after 9/11 and the most recent recession, and the latest reports out of China are indicating something similar. A report from McKinsey looking at Chinese consumers suggests that they're gradually regaining confidence as the Covid-19 crisis subdues and that the majority will resume a higher level of spending in some categories over the coming months, said Grace, and that an interesting trend that came out of this is one of revenge spending.

"After a month and a half of closure and restrictions, those who were previously trapped at home are celebrating their renewed freedom by visiting their favourite luxury shops and engaging in revenge spending." It's going to be interesting to see where those consumers, specifically in South Africa, are going to choose to spend their disposable income. But important to keep in mind is that the local context comes with a recessionary reality. "We are going to enter recessionary times and whilst there will be less disposable income, I think what's important is that people's needs and desires to release will still be there."



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So, what are they going to spend it on? Where will they spend their time and the last bit of money that they have?

You just have to go onto Twitter to see what people are talking about. There's lots of talk around what people are going to do when the lockdown is lifted, whether it's a picnic date because they've been constrained and haven't been able to go and enjoy the long Sunday chill in Joburg, said Grace, or funny memes around fast food or visiting art galleries, or around wardrobes. "I guess a lot of people have done a Marie Kondo and cleared out and now they're looking to stock it up again.



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“So, when we look at this release phenomenon, where we see people spending their time and money is on experiences that are either symbolic, kind of signalling this freedom that I can now experience again,” albeit on a smaller scale.

How will your brand meet this immediate need for release?

When looking at this need for release, the question they posed is, ‘Is your brand ready and does it understand how it will meet this immediate need for release?’ “Whether it’s my favourite fast food, you know I can’t wait to get back into that bite into that peri-peri Nando’s or updating my wardrobe or look, so what is Superbalist going to do, what is its message going to be there, or actually, I come out of this and I really want to take care of my finances a bit better, in that immediate moment, so when I walk into a bank branch, what is the messaging that we can put forward that’s going to capture this?” The key thing here is that there’s a limited and rare timeframe where brands will have an opportunity to connect in an incredibly powerful way, but if you want to make the most of this, you’re going to need to act very quickly, said Grace.



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Reset

The next response we are expecting is this feeling of a reset. Springer said, “It’s back to life but I also have some new habits. I’ve also got some new expectations from the experiences around me. I’ve got some new expectations from the brands and the products that I choose to buy and this was really well put by Ivan Moroke in the Kantar presentation last week. He said, ‘Once this crisis is over, some of the new habits will endure and brands will need to be ready for new omnichannel behaviours.’

Springer said that Covid-19 has certainly driven their engagement with technology and with omnichannel. She said she laughed when this meme was shared in their M&C Saatchi Group WhatsApp. “It was really funny for us because obviously digital disruption has been happening for over a decade now, but it took a global pandemic for us truly to be transformed into a digital economy.”



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Who led the digital transformation of your company?

A) CEO

B) CTO

C) COVID-19

“We’ve seen loads and loads of app downloads. We really are creating new habits and I think Bruce Whitfield put this really well, in an article he published last week. He said, ‘Perhaps the biggest gift the lockdown could offer you is a chance to change routines and habits for good,’ so I suppose we need to start thinking about what new routines and habits our consumers have developed over this time.”



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New ways of being and doing

There have been new ways of being and new ways of doing, in terms of shopping, working, hobbying and socialising.

When it comes to shopping, many consumers who previously weren't that keen on online shopping, for many reasons, have now experienced it and realised that it's seamless, safe and easy. “Kantar told us last week that more than a quarter of South Africans were already shopping online, more often in that first week of lockdown, so that's phenomenal.”

The way we work has also transformed. “Previously we had the odd video call, the odd conference call, now we're really familiar with sharing presentations through Zoom, Teams and Skype.”

The way we hobby, whether that be exercising, baking, engaging with cultural events and creativity, there have are lots of new ways of creating communities around our passions and hobbies.

In terms of socialising, House Party which was previously unheard of, has absolutely taken off. Springer said it was the second most downloaded social networking app in the App Store in March.

Convenient

“What we believe is going to be important from the experiences our consumers are going to be looking for once we come out of lockdown is an increased expectation around convenience. I've now experienced same-day delivery, I order it and it arrives at my door, and now I'm expecting that as I move out of lockdown.”



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Curated

Curation is around passion points. “This is around what's incredibly relevant to me. So, brands that are able to curate and give powerful recommendations and guidance will definitely come out winning.”

Community

“These new communities that have fought around things that they're passionate about, around things that they're wanting to do from a productivity point of view. I'm sure many of those will endure into the post-lockdown times,” said Springer.

Does your brand experience live up to these new expectations?

This is the simple question to ask yourself here. Our expectations are being set by completely new virtual experiences, so the question is, how will your brand experience live up to those for consumers as they move out of lockdown?

Reframe

The third response, said Springer, is probably the most lofty of the three responses and it's this idea of a reframe, a renewal, a reconsideration of some of our goals, choices and, therefore, our behaviours.

I'm going to use a quote from Arundhati Roy, the author of *The God of Small Things*. "What she says is that, "Historically pandemics have forced humans to break with the past and imagine their world anew. It is a portal, a gateway between one world and the next."

Roy goes on to ask what luggage we're going to take with us to that portal and what luggage we're going to leave behind, said Springer, and that they're seeing is a lot of comment around how this might be a period of revival.

“ If you look back at renaissance and Baroque eras, in fact, the backdrop to those were great plagues and what that led to were periods of heightened empathy, in culture, music and art, an appreciation of mixed emotions, a greater awareness of those around us, and our time and place in the world. and I think that here there's something very powerful for us. In fact, I saw this quote two weeks ago that said, 'There is such a thing as society,' and isn't that what we've proven to ourselves as we've come together on a global scale and perhaps how we've all gone back to culture and creativity as a form of sustenance in these times when we are limited by our social engagement... We're looking for a sense of culture to pull us together. ”

They expect a shift in post-pandemic priorities. "We think that values will continue to evolve, to reflect a desire for optimisation of self and the community and people will re-evaluate their relationship with consumers and brands." So, the question is, how do we create meaning for these consumers in a time of reprioritising?

"We believe that brands will be and stay most relevant when, firstly, they have a clear purpose, and I think Nike continues to demonstrate their clarity of purpose as a brand that motivates you, and they've been able to respond very quickly to the crisis. Another brand that comes to mind is Discovery, medical aid in particular, and their purpose has been so clear and they've responded with incredible clarity that's relevant to this pandemic, so a clear purpose and a clear role in people's lives are going to be fundamental.



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"Secondly, not just experiences but enriching experiences, experiences that elevate the audience, that give them something back. We're all familiar with Today and Apple's brilliant series of engagements in Apple stores around the world, and now recently these have been shifted to Today at Apple at Home; these experiences that leave the audience with more than when they started.

"And lastly, of course, fundamental, particularly in South Africa with our looming recession, value, incredibly tangible and quantifiable value is what we're going to expect from the brands we engage with. Checkers Sixty60, their delivery app is an example of incredible tangible value for the audience. What we see here: very authentic in the brand's response, huge integrity, we're going to demand honesty from the brands we engage with, and, lastly, this word that's been used a lot, a feeling of empathy. These are really human instincts and human values and it's going to be important that brands do demonstrate a real human dimension as we react to Covid."

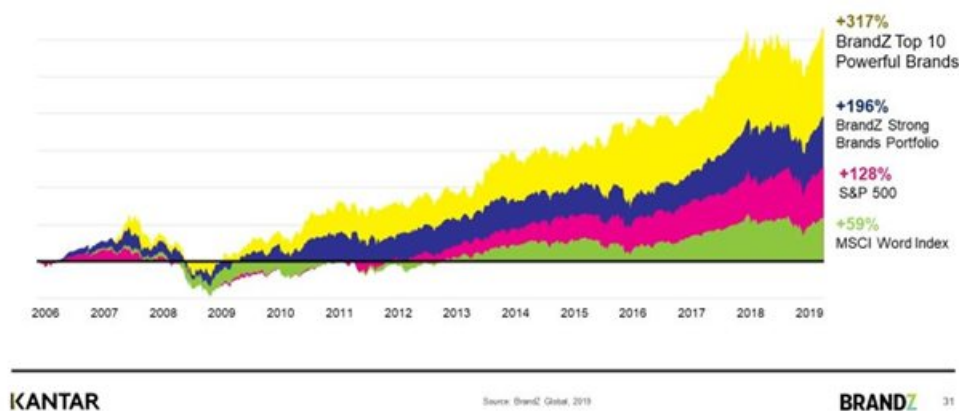


What role will your brand play in the post-pandemic world?

This is the simple question to ask yourself here. “What are those human instincts that your brand can leverage to play a much more meaningful, authentic, tangible role for consumers, as we move forward?”

In conclusion, Grace believes that if you take the time to integrate these questions amongst your teams and get to the right answers for your brand, you will be well placed to play a meaningful role for your consumers and achieve that really simple objective that marketing sets out to achieve and that is to get consumers to choose you over your competitors.

What is clear and whatever your plans, the most important thing, Grace said, is that whatever you do, don't stop. If we just look back historically, Walt Disney, Microsoft, Airbnb and Uber were founded in times of economic downturn, in 1929, 1975, 2008 and 2009 respectively, and the iPod came out only 6 weeks after 9/11. And look at them now.



“Looking more recently, this is a Kantar BrandZ study that looked at the 2008 global recession and what they found is that stronger brands actually recovered nine times faster. So, the financial implications of building brands over the long term is evident.”

Again from Millward Brown, in two scenarios they looked at on financial performance, companies that went dark or halved investment took between three to five years to recover to pre-recession levels and from M&C Saatchi's Intelligence Unit and some analysis around Warc data and case studies, lessons from previous recessions provide powerful arguments for maintaining a longer-term view. Even in the face of pressure to cut advertising, marketers who resist this pressure will find that their brands emerge from the tough times in good, competitive shape.”

How do you want to make people feel?

“The final thought from us is that this all begs one simple question and that's all about what does success look like for you and how are you measuring that success,” concluded Grace. “If short term metrics are your only measure of success, we think that that success will be short-lived, but if you can answer exactly what it is you want people to feel from your product or service and your brand you will be able to balance both short- and long-term metrics with the right strategies. So, in the short term, perhaps we all crave that comfort and familiarity around banana bread. We think it is a great analogy. Much like all the baking that is going on right now, it probably won't last, and neither will this moment for your brands.”

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