



RESEARCH
& INSIGHT

Sign of the Times 2021



Prepared by B&A



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Snapshot of the economy: Cautious release



Contrasting realities



'Normal' but better



Human needs exposed



New definitions



Horizons have shrunk



Evolving purchasing psychology



Sustainability: A unique moment



Post Covid behaviour



Parting thoughts

Qualitative

Task primed online consumer groups

- Life at home and new purchasing behaviour.
- 4 groups ABC1, 24-55, Dublin and Cork.



Nimble businesses

- Up close with some of Ireland's most innovative and emerging businesses.

GYM+
COFFEE

*Diarmuid McSweeney,
Co-Founder*

DropChef

*Ryan Scott,
Co-Founder*

thekind
sustainable | ethical | eco-friendly

*Sheelin Conlon,
Founder*

BLIND PIG
• SPEAK EASY •

*Andrew Ennis,
Head bartender*

Quantitative

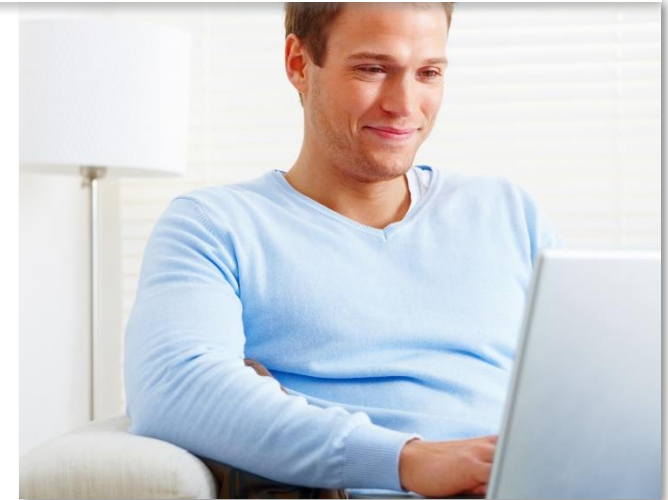
Online survey

- Nationally representative of the Irish population aged 16+ (n=,1000)
- February and May 2021.



OpinionX (Crowdsourcing)

- Trial of new survey tool from DCU start-up 'OpinionX'





First, a snapshot of the economy

Consumer confidence continues to rise (especially looking forward)

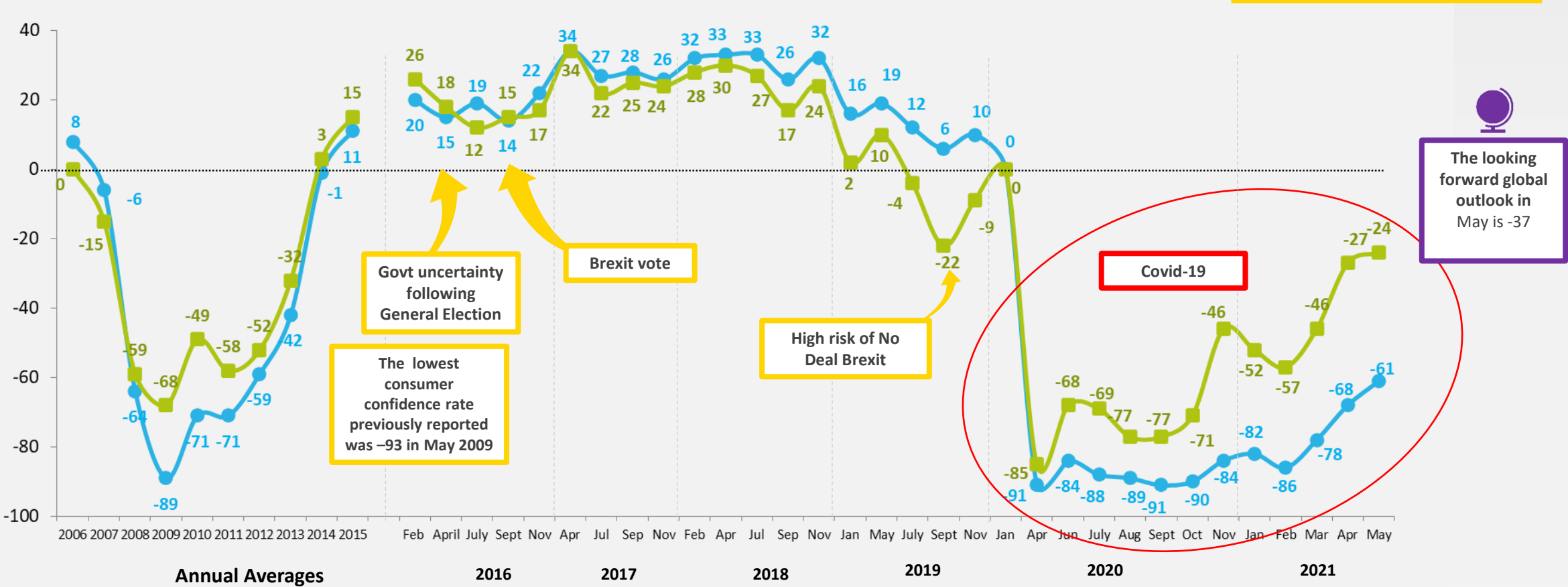


Current vs. Looking Forward

Looking forward
(Net Diff: Positive-Negative)

Dublin-14

Outside Dublin-28



*Figures in the graph represent the net difference between those thinking the country will be economically better off minus those thinking it will be worse off.

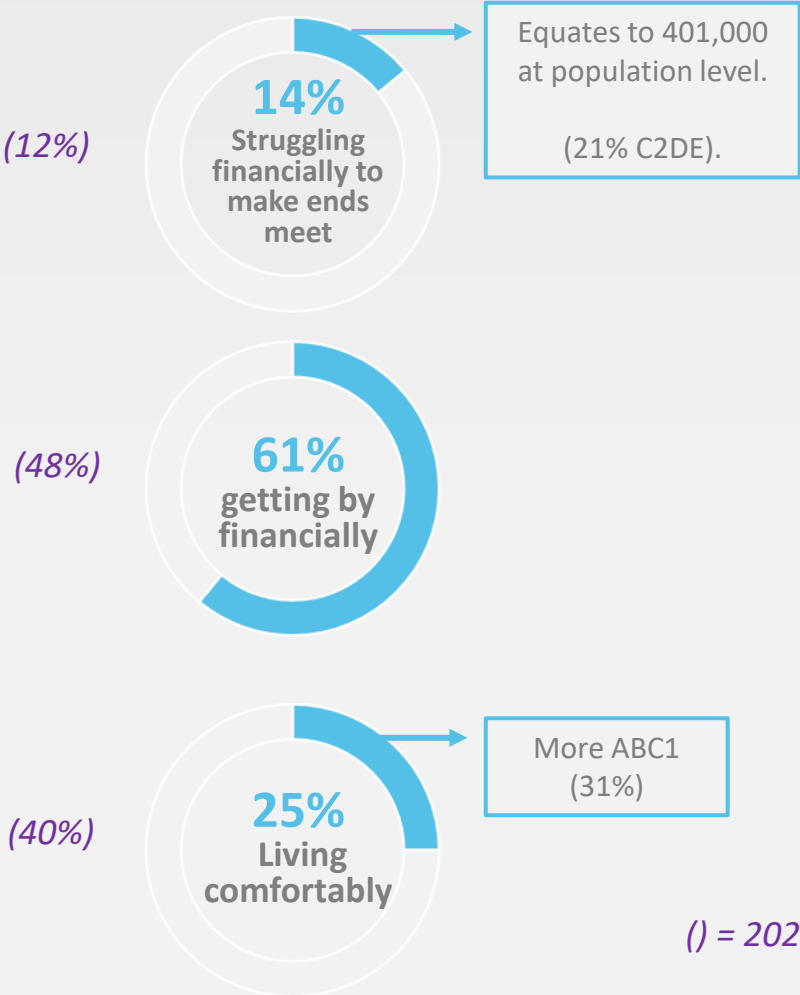
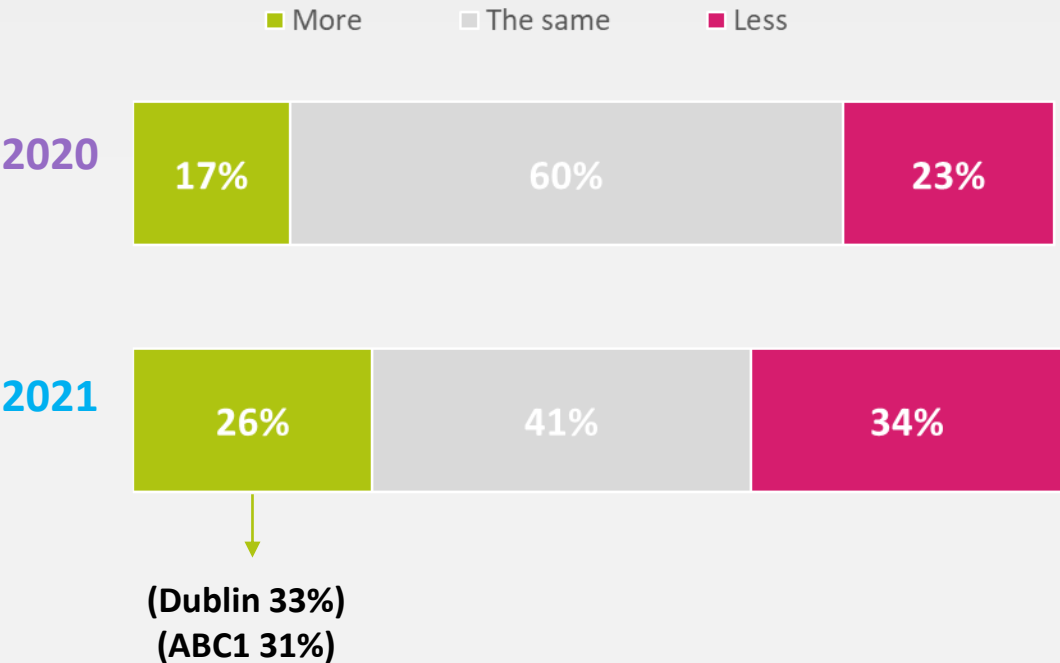
Source: B&A Consumer Confidence Report

In the last year the financial reality has become more polarised

B&A

Base: All adults 16+ n=1,001

Do you feel that you have more, less or the same amount of money in your pocket compared to this time last year?



Middle classes and those from Dublin are most likely to have ‘more money in their pockets compared to last year’. Overall as a population, there are less people ‘financially living comfortably, and more people just ‘getting by’.

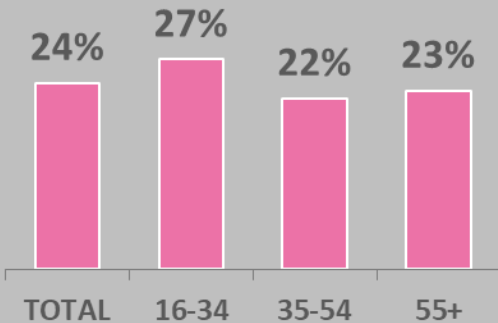
A more frugal consumer has arrived

Base: Adults 16+ = 1,001

Anxiety about income

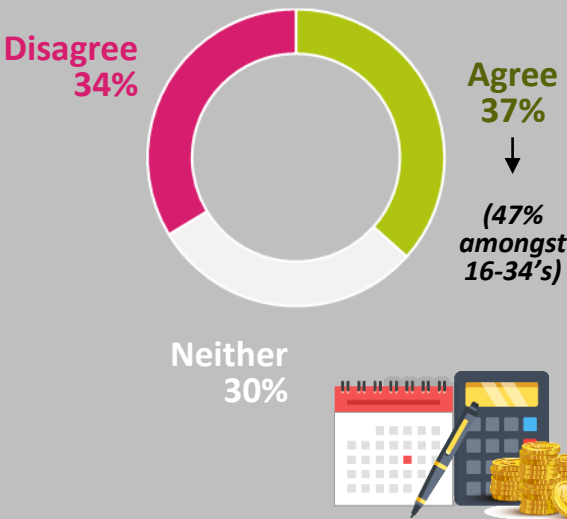
I expect my salary to decrease this year

(Base: All working)



I have been financially impacted by the pandemic

(Base: All adults 16+)

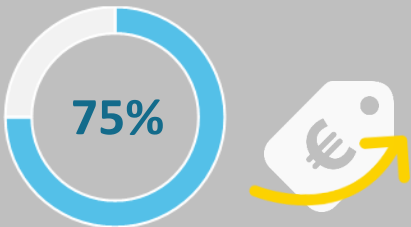


Polarisation of the pandemic

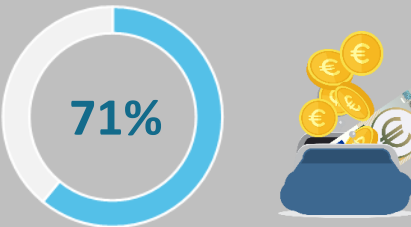
Second and or third recession for some!



Noticed increase in the cost of goods and services (i.e. the cost of living)



I am conscious how I spend my money nowadays



Yet there is a pent-up desire for release

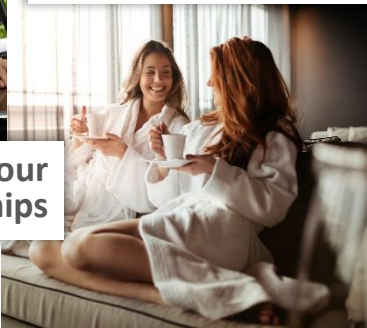
Base: All adults 16+ n=1,000

We can't wait to get back out there and spend our money

Blow off steam!

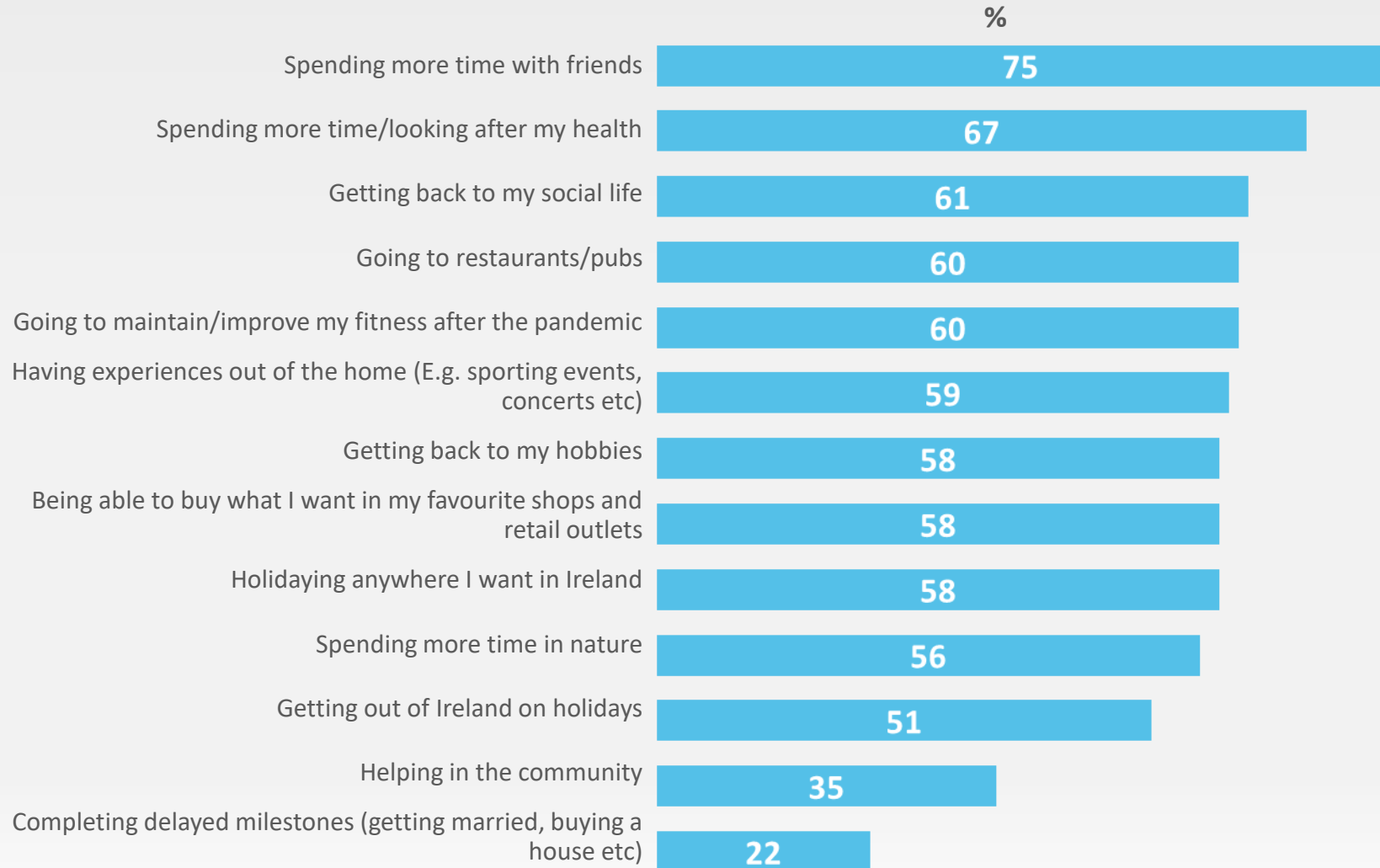


Overdue rituals



Confirm our relationships

Q. When Covid-19 ends, what will be your main priorities



Any high priority



2020

Contrasting realities

No commutes



Day-to-day life

Overwhelmed



“

I have an hour and a half extra in bed every morning. Life changing.

“

I find I have way less time now. I never have a free minute to myself. I'm up with the kids all day and working. It's just exhausting.

New healthy routines



“

The dog has never been healthier. Its definitely been the year of the dog.

Shifting habits

Struggling to adapt

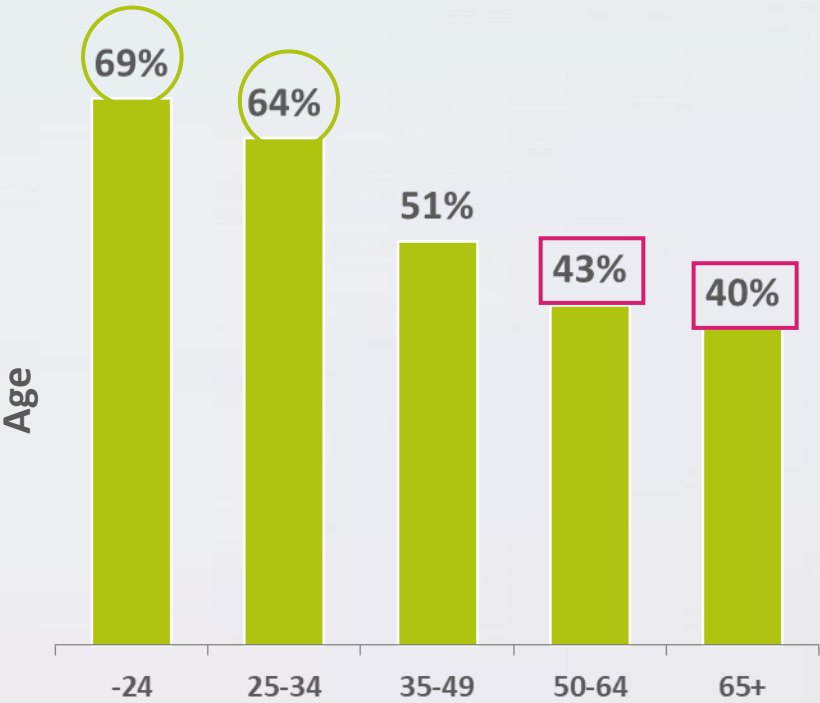
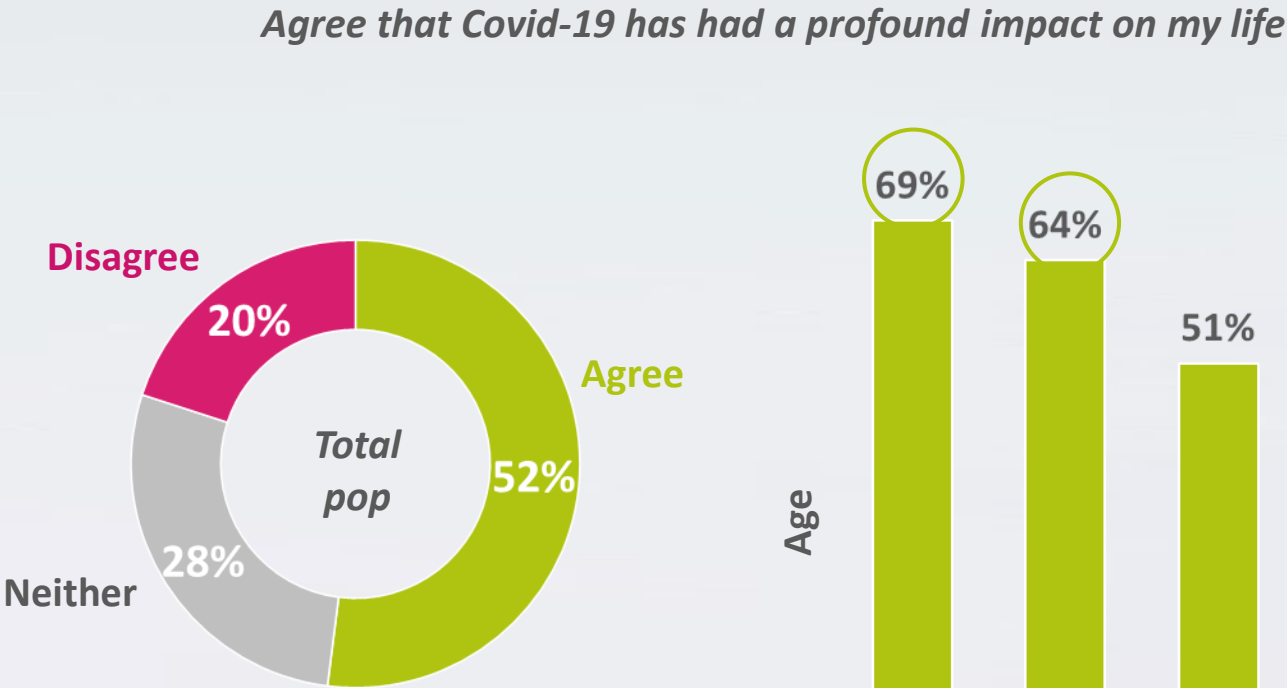


“

I find myself floating through the day..I work and then straight to the couch for the evening.

Who feels the impact of Covid-19 most?

Base: All adults 16+ n=1,000

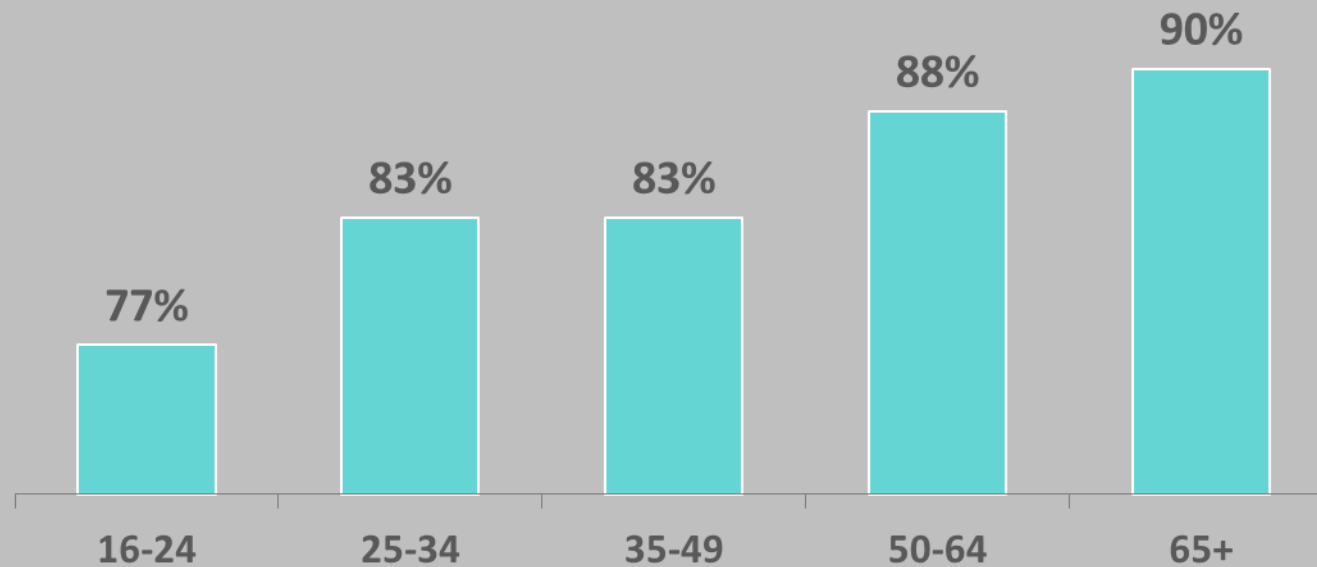


The 55+ age cohort have had to deal ‘harsh’ controls and isolation during lockdown, but it is actually younger people who feel more strongly that the pandemic has had a profound impact on their lives.

Not surprisingly

85%

looking forward to some
return to some normality



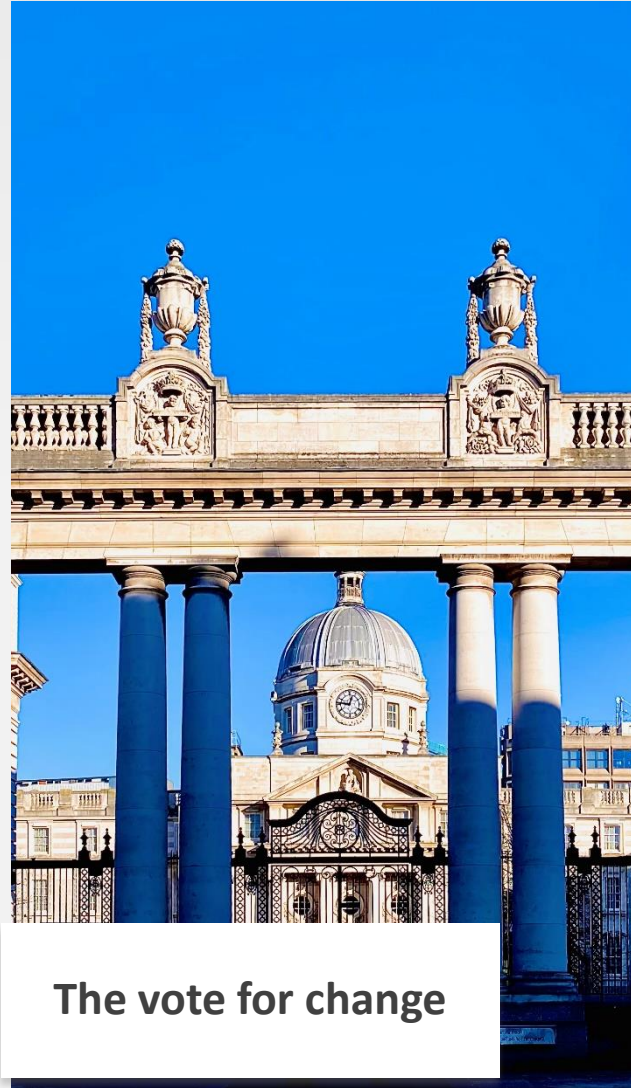
Despite a yearning for things to go back to normal...

It has become clear to us that...

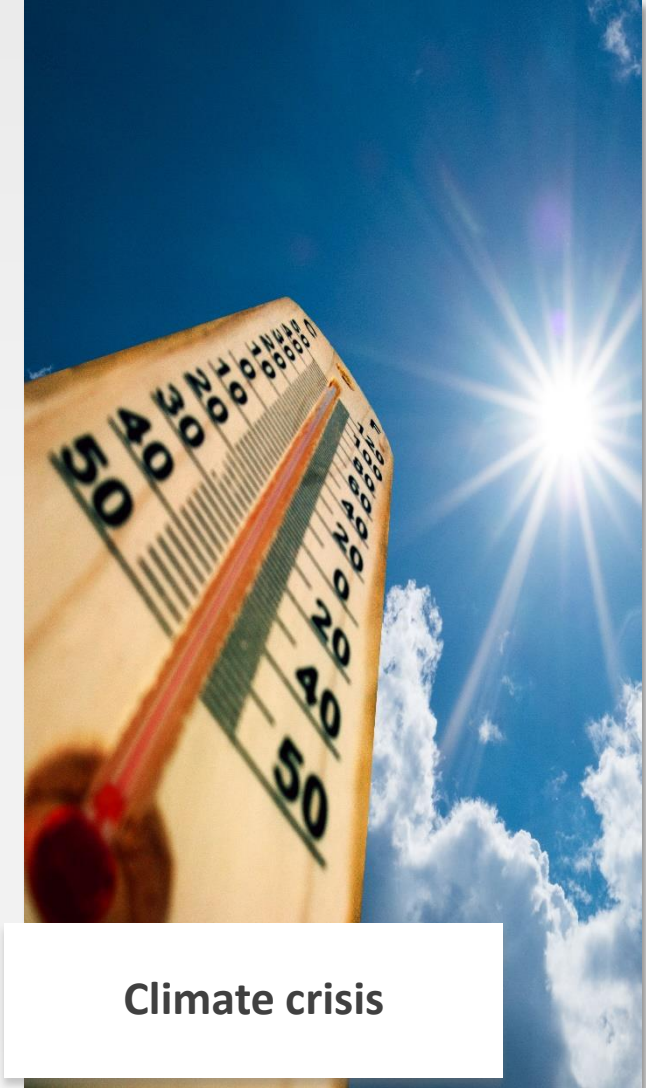
‘normal’ was not working perfectly



Never at home



The vote for change



Climate crisis

Going back to ‘normal’ does not feel like the right aspiration.

We now want the best of both worlds..

By **retaining** some of the positive aspects of lockdown.



don't want everything to go back to the way it was. They would rather use the opportunity to make changes.



Deeper bonding



Quality of life experiences



Connecting with nature



Social collaboration

There is an opportunity to start over and to do it better!

What do the 59%, who don't want things to go back to the way they were, want to change?

Base: All adults 16+ n=1,000

I don't want things to go back to the way they were

They want.....

%

A reduction in the pace of life (it's hectic)

40

Better work life balance (it's poor)

37



40%

The pace of life is hectic

Post Covid will do more:

Will take regular exercise

54

Really appreciate nature

53

Buy environmentally friendly products (even if they cost more)

29

Work/study from home

28



54%

will take regular exercise

Change is driven by a better quality and pace of life, an appreciation of nature, but also embracing exercise, and home working.



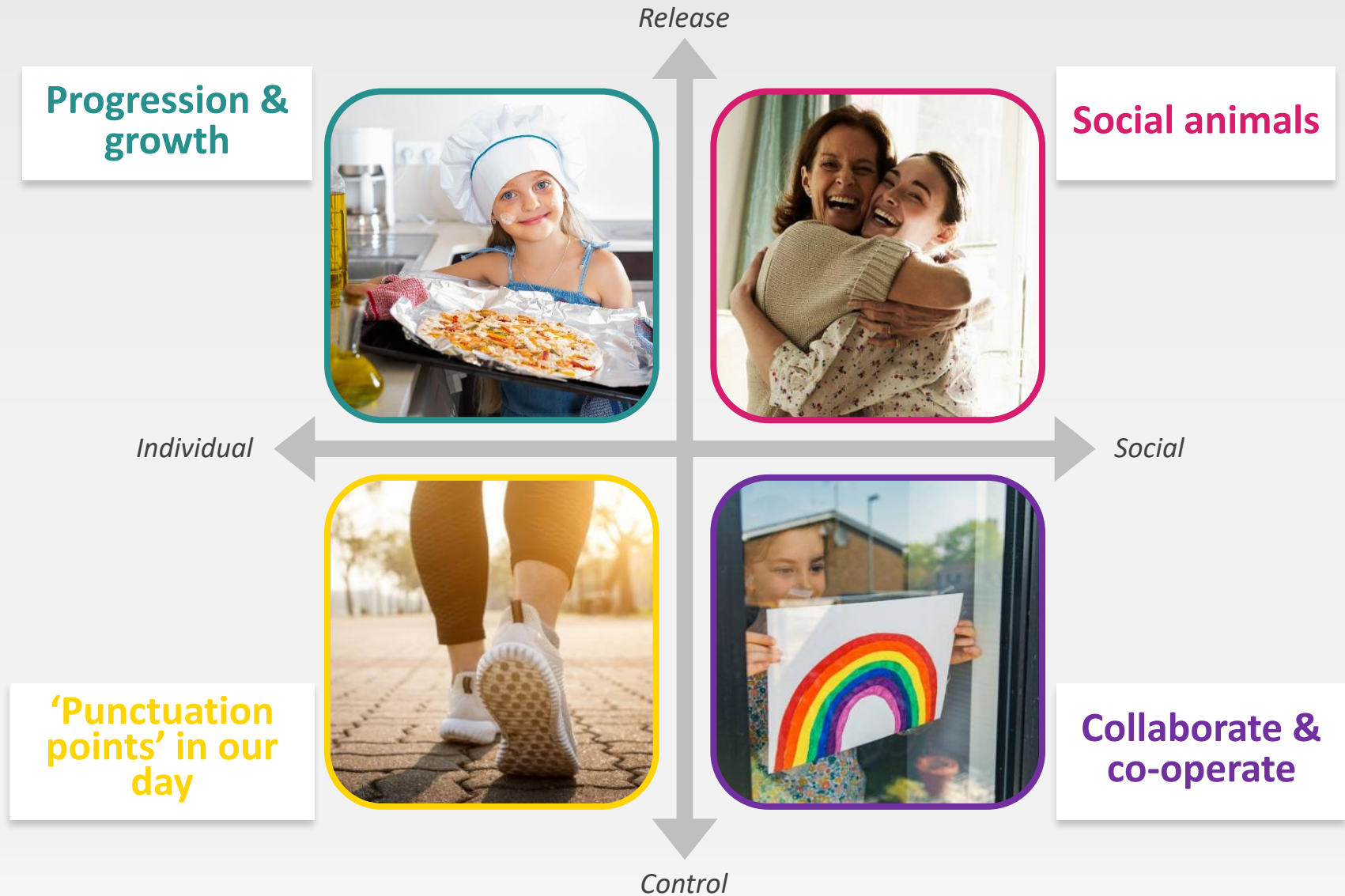
Human needs & new perspectives

Core human needs have been exposed

We have had to **adjust** to changing circumstances...



What we **need** and what is really **important** has become clearer...



With this new perspective, we are reassessing our priorities.

New definitions: 'The reality of work'

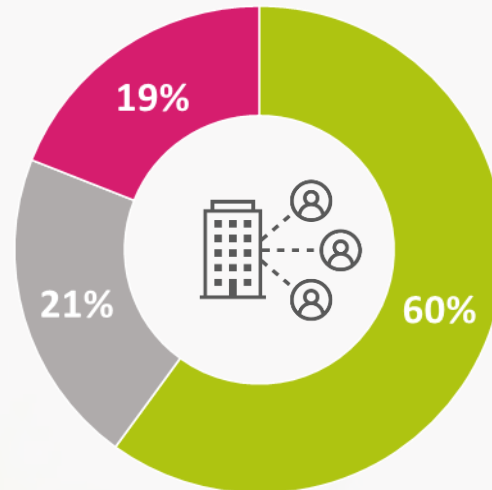
Of those working from home due to Covid n = 275

Any agree
Neither agree nor disagree
Any disagree



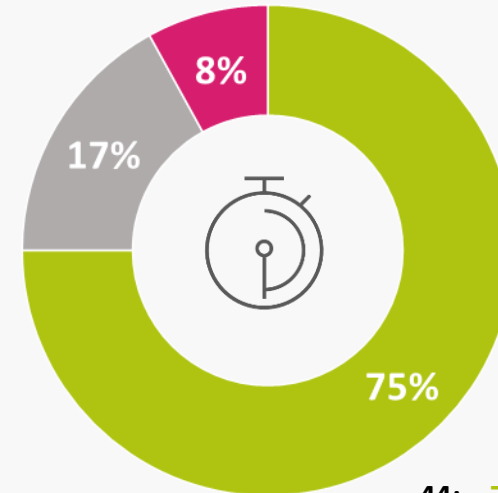
We do miss the social aspect

I miss my work colleagues



But now we want the best of both worlds

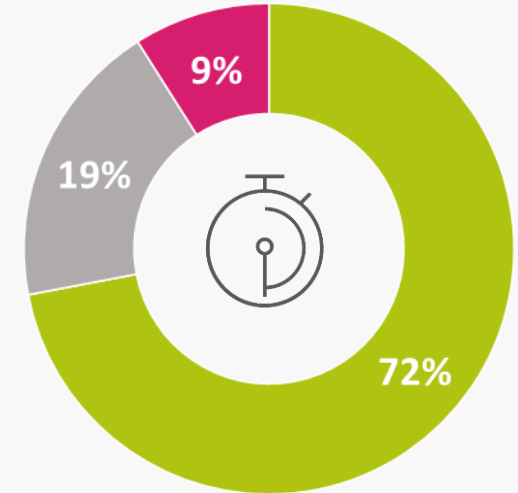
I want to work from home at least a few days a week from now on



-44: 79%
+45: 67%

Other industries will be impacted

I will make use of technology to cut down on business travel in the future



The central workplace that we return to is unlikely to be the same as the one we left. Also, it will impact other industries; business travel, food/coffee on-the-go, etc. Will local businesses have extra business for 2 days a week with WFH?

New definitions: A shift to 'total wellness'

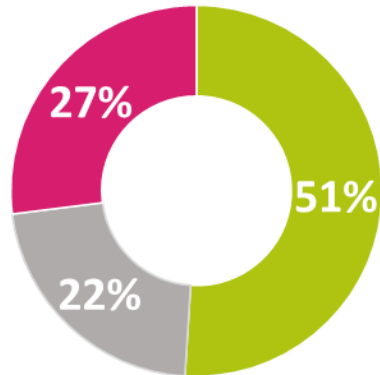
Base: All adults 16+ n=1,001

Any agree
Neither agree nor disagree
Any disagree



In 2020, mental health became truly mainstream

Covid-19 has been bad for my mental health because I am spending more time at home

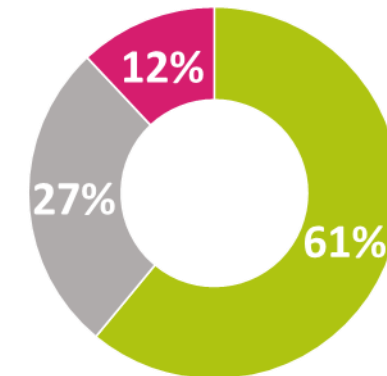


16-34: 65%
35-54: 47%
55+: 42%



Allocating time to our self-care (e.g. reducing stress)

Due to Covid-19, I have become more health conscious



16-34: 56%
35-54: 55%
55+: 71%

There has been a shift in our attitude to health and our openness to sharing how we manage self care.

Tapping into: 'Self-care'

“

Self-care is big this year given everything that we are going through... I realised that actually what my brand is about is being kind to your mind, your body and the planet. You can't just be kind to the planet, it doesn't exist on its own.

thekind

sustainable | ethical | eco-friendly





Deep dive into the home

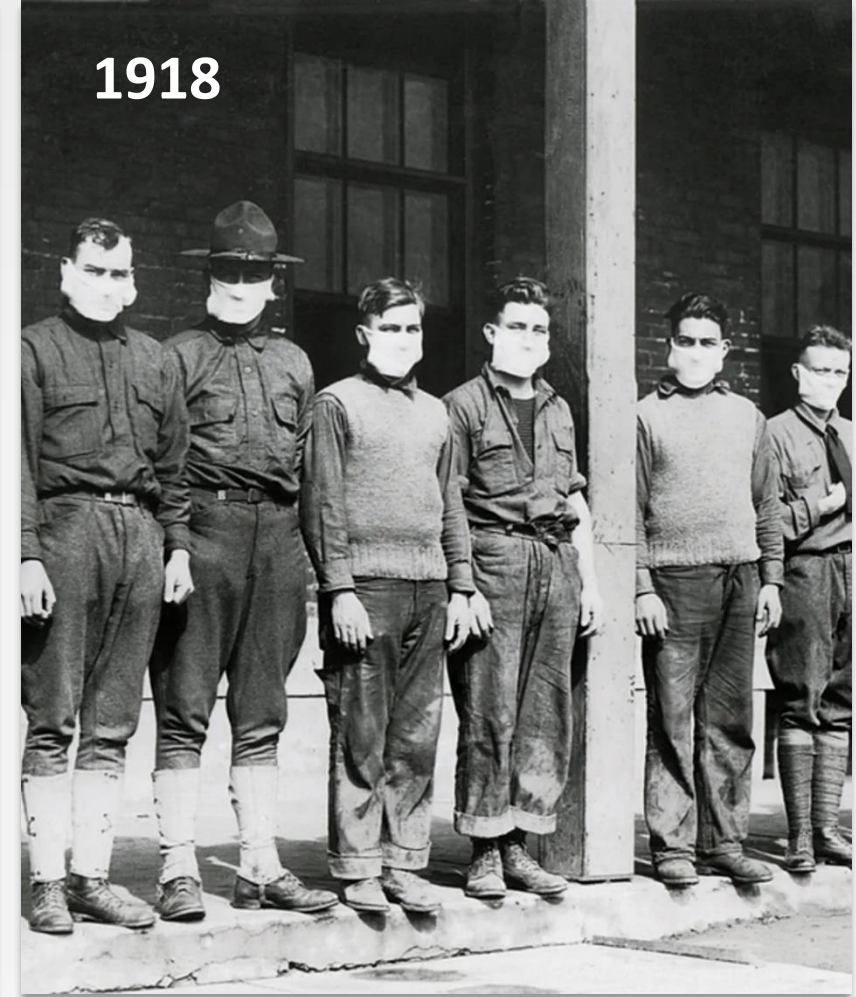
Tech is crucial to making this pandemic bearable

2021

NETFLIX

Growth in streaming
(Netflix, but in particular Amazon
Prime and Disney+), Podcasts, and
digital banks (Revolut, etc)

1918



Structure and separation keeps us sane

Without clear boundaries between work and leisure, we have developed ways of segmenting the day and our spaces.

Physical separation



Building an office space in the garden.

Mental separation



Lighting a different essential candle for worktime and another for leisure time.

Bending the rules



Giving the kids game systems to use in their own rooms.

The future role of the home

For certain

More likely

Multi-functional spaces



Our homes will continue to play **multiple roles in the future**

Visual enhancement



The increased **appreciation** that we have for our homes **will endure**

'Boosted' home socialising



We crave to get back out there... but the home is likely to be **more prominent in the consideration set** for future occasions

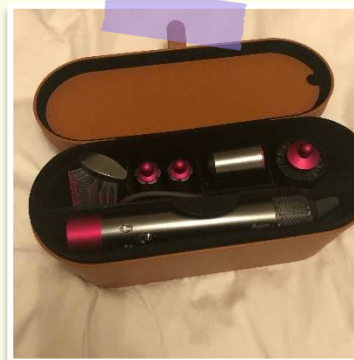
This is not just a temporary solution. We are now thinking about and designing our homes for a different future.



Products & brands

Objects of desire

With so many experiences out of reach, we have indulged in premium consumer durables



Self-gifting ('from me to me')

Much of which seems opportunistic in nature



We can easily self-rationalise the 'functional value'

“

It makes sense to spend money on things like the UGG slippers... I literally wear them all the time.



We feel we 'deserve' something special more than before

“

I'm not feeling guilty about spending because I am a foodie and I do like nice wine.



And we want a sense of 'discernment'

“

You can buy it in every proper supermarket. It's in a silver tin, Illy Coffee it's around 9 euro for a tin but it's so yummy.

Considered purchasing ('from me to them')

We are more aware of the **power of individual spending...**

Thus, we are **'spending mindfully'**.



'My' local economy

As our horizons have shrunk, we have felt a **sense of duty** to invest in our local eco-systems....and **we have enjoyed contributing.**



A new social contract

Paying closer attention than ever to companies' actions – We seek brands with **good intentions**



Scrutinising source

We are considering the **sourcing of products** more than ever

- Back to basics
- Brexit

We are looking more holistically at products and services.

The need to elevate the relationship

As shopping becomes **more technologically based** and 'more seamless'...

56% = Since the pandemic I have started to buy products online that I didn't buy online before the pandemic

There is a need to ensure customers continue to **feel your brand** through the customer experience.

“

Each bag is individually iron stamped with individually iron stamped cork coasters. They were getting a candle in each bag because we generally figured that most people who come to us are couples or are going on dates. Just a small little gesture of you know setting the atmosphere. Turn the lights down like we have in our own place?



Maintaining some 'connection' with customers through innovation and creativity should be a priority.



Sustainability: A unique moment in time



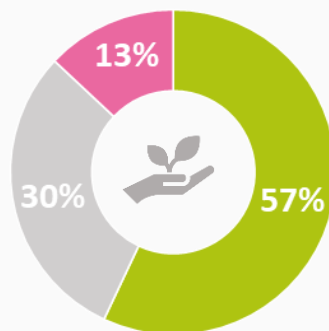
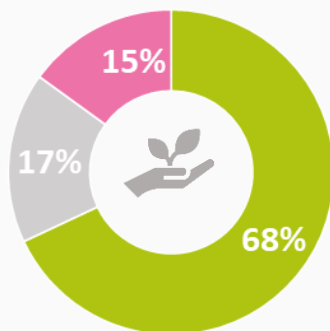
Environmental guilt has lifted a little

Base: All adults 16+ n = 1,000

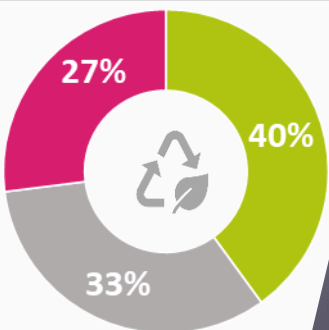
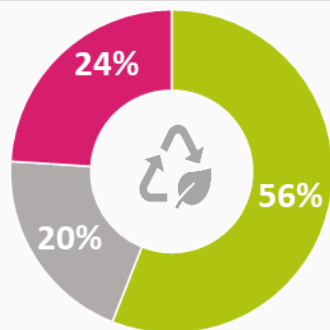
2020

2021

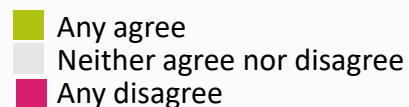
I am extremely concerned about environmental issues



I would happily pay more for a product packaged in an environmentally friendly way



Climate issues are less top of mind



A 'finite capacity for worry'?

When we become more worried about one 'threat', it can simultaneously decrease worry about other 'threats'.

Sustainability - a unique moment in time

Habits have been
'reset'



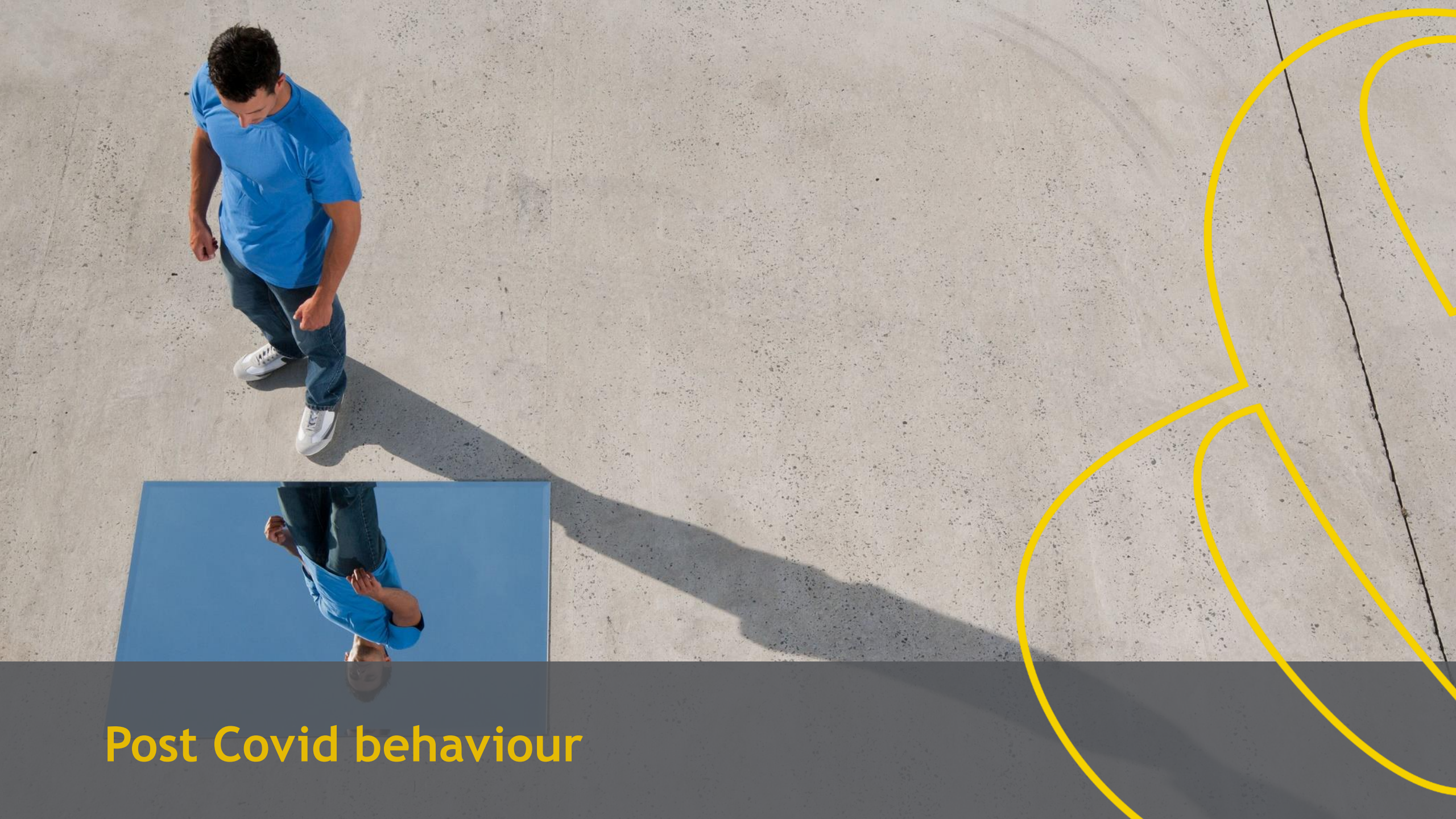
Greater visibility of
the human impact



And a sense of what is possible with collective action



As we emerge from the pandemic, there is a window of opportunity to 'restart' sustainability. The new 'social contract' (demanding to see evidence of good intentions) is of growing importance.

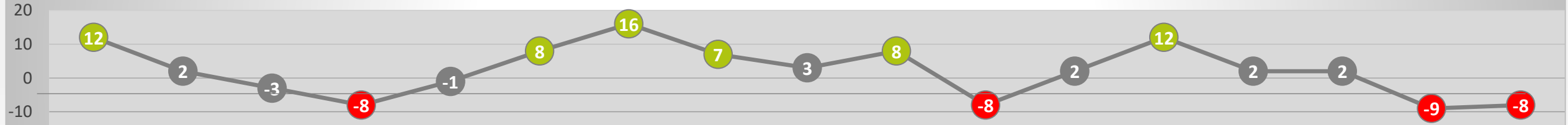


Post Covid behaviour

Behaviour changes: Pre, During vs. Post Covid



Behaviour Post Covid (What people will do more or less of Post Covid (Net Post minus Pre Covid))



Even this selective set of behaviours provides guidance as to the types of behaviours that will dissipate and those that will continue as we move into the next phase of our Covid world. So a return to socializing, family time, and travel, however we are likely to see more WFH, less commuting, more 'zooming' albeit less than in the mere of Covid, more online purchasing but a return to physical stores, more of a focus on the environment and nature and exercise. Concerns around travel will exist for a while; public transport, holidays abroad and indeed visiting city centres.

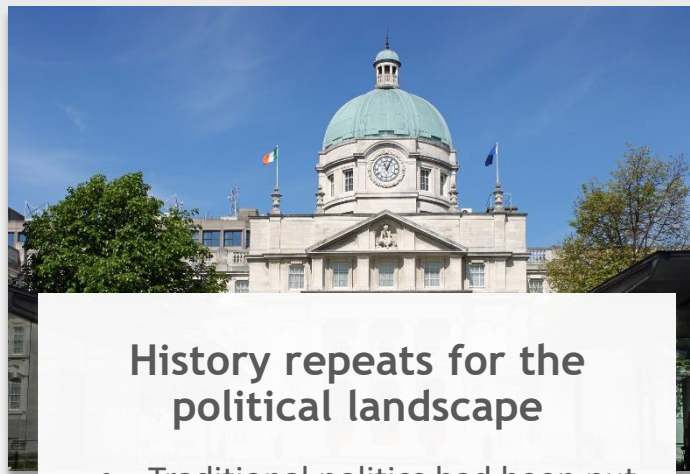


Parting thoughts



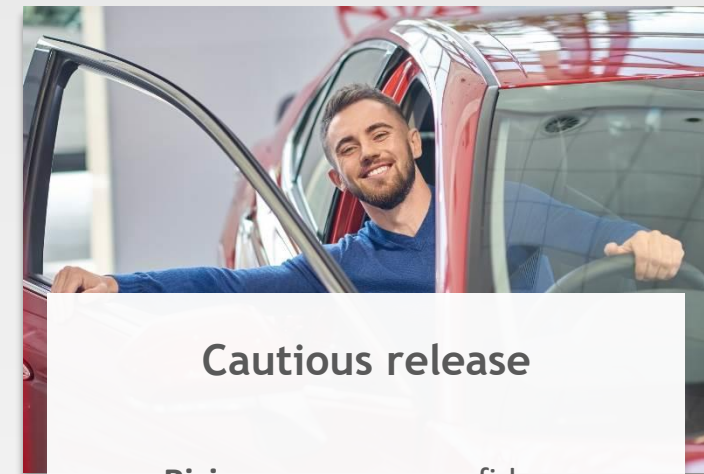
The pandemic is far from over

- People's future behaviour and attitudes as likely to be shaped by **how** the crisis is managed over the **next 12-18 months**, as they are by experience over the last year.



History repeats for the political landscape

- Traditional politics had been put on hold, but the 'gloves' are now coming off.
- People feel history is repeating itself.
- **Inequality is widening**, from
 - Lost livelihoods
 - To significant savings
 - To the exacerbation of housing issues
 - And an accentuation of differences in the quality of health services (private vs public).
- We are a long way out from the next election – but these issues will likely impact the outcome.



Cautious release

- **Rising** consumer confidence.
- Increased household wealth.
- Reopening of the economy.
- But people are still nervous and will be **pragmatic and cautious** in their spend, but also need a splurge.
- **Media** will play a role; reports of **unemployment levels higher than 80s** will reinforce pragmatism
- **Grumblings** of 'who is going to pay for all of this'.
- **Ability to be mobile** is key to consumer spending.

Covid, an accelerator of many pre-Covid trends

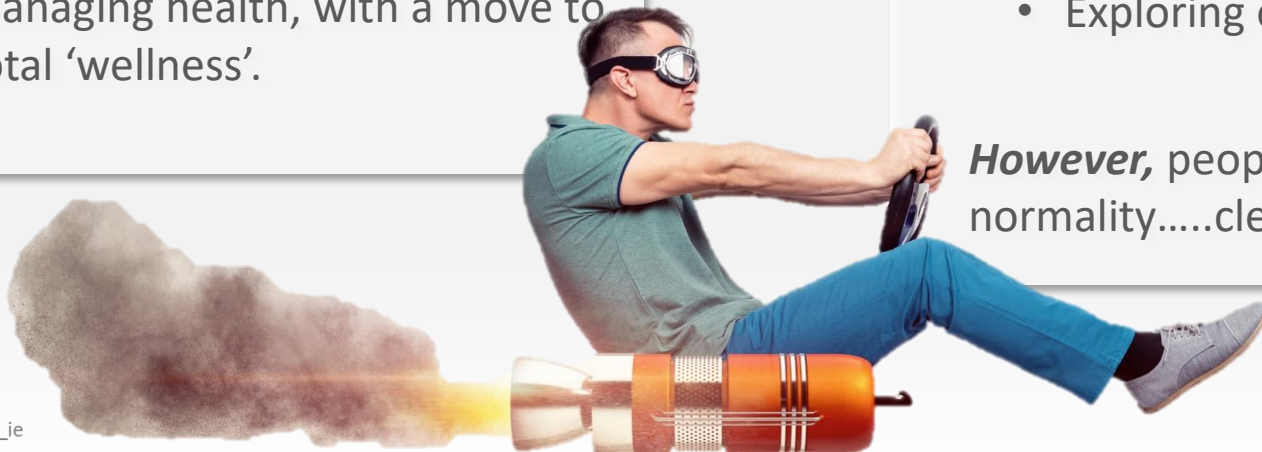
Accelerator of...

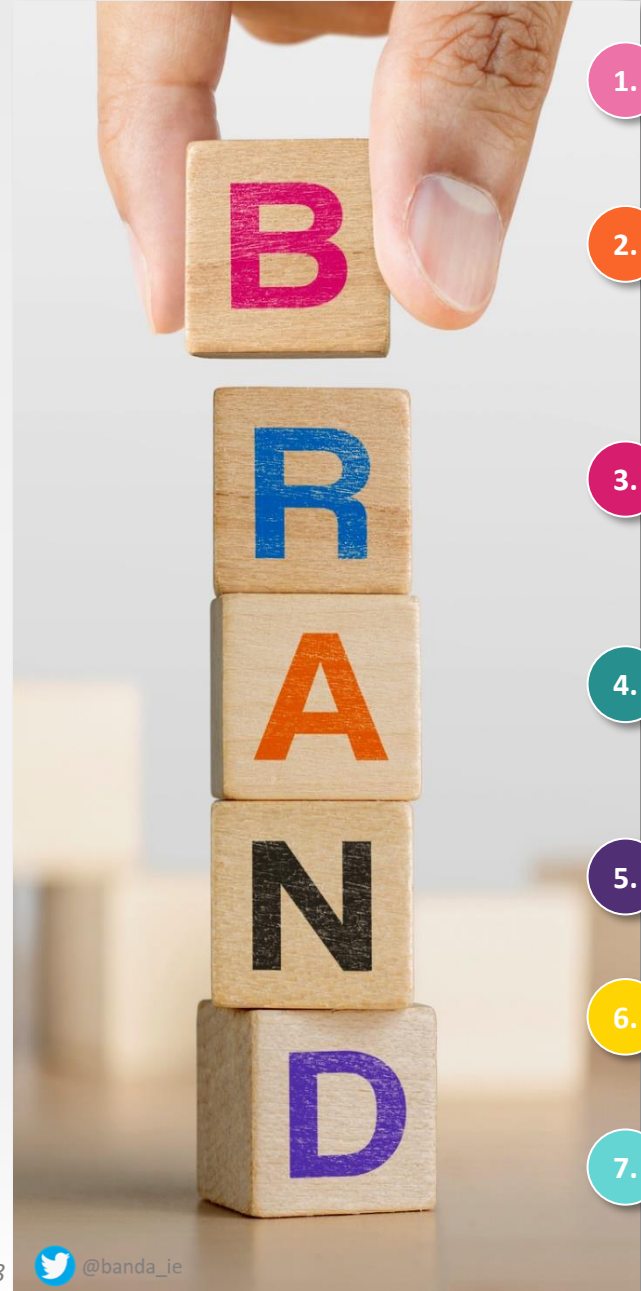
- A continuing prioritisation of technologically streamlined channels of interaction with product and service products.
- Flexibility of working/less commuting.
- Sustainability and....social contract expectations.
- Openness to discussing and managing health, with a move to total 'wellness'.

The pandemic ripple effects:

- Online shortcomings: we have worked out what we like/dislike about Zoom, online purchasing, so it will be about a blend of online and f2f. In fact, we are looking at a '**blended world**' in the future.
- **Uber convenience** will be important (we have got used to many; online delivery, click & collect, local deliveries, etc.) Workers (office) spending 1-2 days WFH (40% of time) will need home/local sustenance.
- A **reimagining of cities** and indeed where we live
- New workspaces/commercial property reappraisal
- Exploring our creative side to get more out of life.

However, people are yearning for a return to some F2F normality.....clear indications many habits will return.





1. Remember a lot of **habits will come back**, don't get sucked into only looking for new things! It will be a blend.
2. Opportunity for phenomenal **offline customer experience**: Despite the importance of online, the **physical experience of 'being somewhere'** will become more important to us, as restrictions lift (with a vaccine). We will appreciate physical stimuli more strongly, the moods, sounds, smells, sensations of physical interaction. Physical ambience will be an important thing to get right when the Covid threat retreats.
3. **Emotional brand building and connections** will inspire – get the creative juices flowing. How to drive emotional and local connections in a digital world will be the challenge. There's also a **warning** here; just banging in 'emotion' or slapping on generic John Lewis tropes to any brand can easily backfire, as consumers have antennae which are alert to faux emotionality
4. Will the **old reliable** brands be thrown out in an excitement seeking movement as we emerge? Some have found aspects of pandemic life strangely comforting and that this contentment can be reflected in some brands, as cautious and risk reducing behavior can have an underlying feeling of security.
5. **Trust** will again become a core organisational value (at many levels; quality, service, privacy, etc.). And in tandem with this, purpose driven brands will resonate.
6. Have you a credible **sustainability** message?
7. Finally, in the B&A 2010 SOTT report on the economic collapse at the time, we found that people eventually were 'getting on with it'. Simply, you can only stay in shock or anger for so long and then life goes on. **People are resilient** and find a way.

Thank you.



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Delve Deeper