

2020 **2.0**
BACK TO THE 'NEW' NORMAL

M&CSAATCHI
GROUP SOUTH AFRICA



**“IS COVID-19
SPONSORED BY
BANANA BREAD?”**

WHAT NOW?

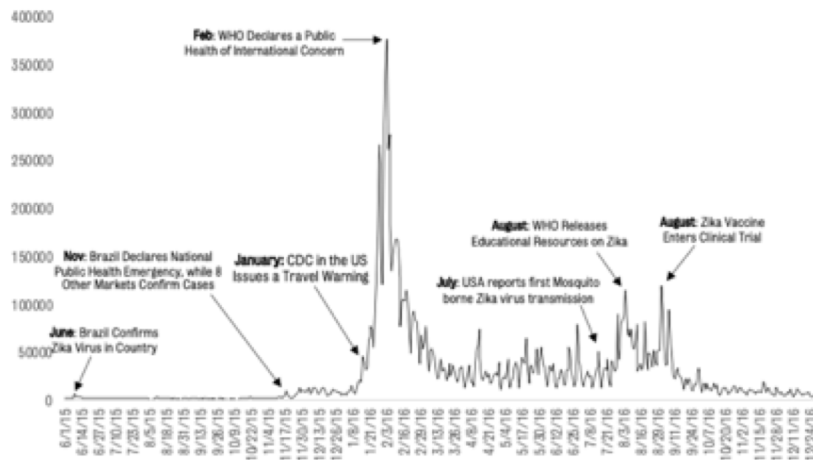
WHAT NEXT?

The best predictor of future behaviour is past behaviour.

PREDICTABLE SOCIAL MEDIA PATTERNS

ZIKA VIRUS

GLOBAL DAILY SOCIAL MEDIA MENTIONS OF 'ZIKA' | 2015/2016



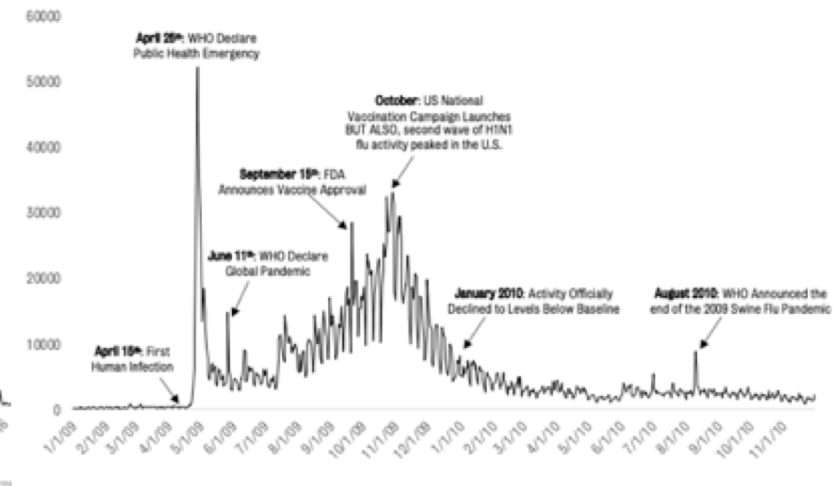
EBOLA VIRUS

GLOBAL DAILY SOCIAL MEDIA MENTIONS OF 'EBOLA' | 2014 ~ 2016



SWINE FLU

GLOBAL DAILY SOCIAL MEDIA MENTIONS OF 'SWINE FLU' / 'H1N1 FLU' | 2009 / 2010



We've actually been reacting in the same way for quite some time – just at varying degrees, based on the intensity of the outbreak. The behaviour mostly remains constant across all three.

FEAR & ANXIETY
CRISIS FATIGUE
ADJUSTMENT

WHAT'S NEXT FOR BRANDS?

NOT ALL LOCK-DOWNS ARE *CREATED EQUAL*



NOT ALL LOCK-DOWNS ARE *CREATED EQUAL*

SURVIVORS



Significant loss of wage income. Increased reliance on social grants, family, community to survive



Family groups co-habiting in small informal shelters.



No Wifi, limited access to mobile data.



Free to air radio and TV primary media. Some SoMo



Informal trade and transport restrictions impact access to essentials.



Fear for now and future, another thing to worry about

MIDDLE



Loss of household income. Many public sector workers still active. Side hustle on hold.



Family groups co-habiting in small apartments and homes



Access to mobile data and creating home hotspots – data pressure to work from home



Free to air radio and TV, DSTV Compact, SoMo



Monthly 'stockpile' as income allows



Concerned about falling back, career and growth ambitions at risk. Aspirations on hold

TOP



Small business owners severely impacted. Pensions and investments at risk.



Living in suburban homes with good space and amenities.



Wifi and Fibre to the home. Working remotely – Zoom, Teams, Skype



Streaming media, Netflix, Youtube, Appletv, DSTV. Mobile always on



Shifting to online shopping services and niche local providers



Lifestyle on lockdown. Anxiety about global economy, impact on wellbeing and wealth.

NOT ALL LOCK-DOWNS ARE ***CREATED EQUAL***

SURVIVORS

*Support
to
survive*

MIDDLE

*Fear
of falling
back*

TOP

*Lifestyle
on
lockdown*

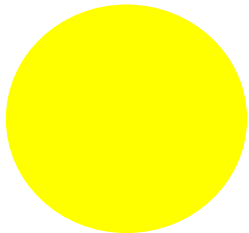
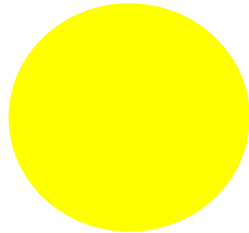
ISOLATION ***TENSIONS***

Boredom	VS	Quality time
Shortage		Simplicity
Isolation		Intimacy
Media empowers		Media overwhelms
Keep working		Always working
Individual		Community

THREE CONSUMER *RESPONSES*

1. RELEASE

Need for visceral and heightened experiences, but within my budget




RELEASE **PHENOMENON**

“A situation that occurs when a boundary or restriction has been removed, resulting in exuberance and an urgent need to experience and own all the good things in life.”

- The African Business Review

LESSONS FROM *SARS*

29%  Fast Food
Turnover

20%  Restaurant
Turnover

35%  'Pleasure' Retail
Turnover

CONFIDENCE REBOUND

“Once the immediate threat lifts, luxury consumers will come back stronger in a backlash against all the worry and anxiety they came through. It happened after World War II, 9/11, and the most recent Great Recession.”

- Chris Gray, Consumer Psychology Consultancy, Buycology



“Chinese consumers are gradually regaining their confidence as the COVID-19 crisis subsides, suggesting the majority will resume higher levels of spending in some categories over the coming months.”

- McKinsey's Chinese Consumer Behaviour Survey

REVENGE SPENDING



“After a month and a half of closures 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’.”

- Canvas 8

RECESSIONARY *REALITY*



Low levels of financial confidence and security is likely to limit 'release spend' in South Africa to smaller treat items, local experiences, social celebrations and personal care (e.g. hair, nails, tattoos).

We can expect to see a delay in commitment to big ticket items until more certain and stable times.

nicci arrison @nicci_arrison · Apr 13
#sbwl Picnic date **after lockdown**



8 19

Boogie wit da hoochie @Irfaan_Mo_saib · Apr 19
Me enjoying fast foods **after lockdown** 🤩🤩

BomboclaatThis @BomboclaatThis · Jan 23
Bomboclaat



0:05 35.5M views

1 6

. @HLABAZ · Apr 14
The first place I'm gonna visit after the **lockdown** should be an art gallery.



1 9

saadiqa @SaadiqaM17 · 12h
How I'll be spending all my money **after lockdown**

BOMBOCLAATER @captionation1 · Apr 3
Bomboclaat



0:42 6.7M views

Nefelibata @Zintathu_L · Apr 12
After this **lockdown** I will be going on a shopping spree! 🛍️

Kholofelo @tsholo94 · Apr 15
My obsession is plants, yho I've been researching all the plants I'm getting **after Lockdown**

Thul... M @tamzukwa · Apr 12
After this **lockdown** I need new wardrobe nje



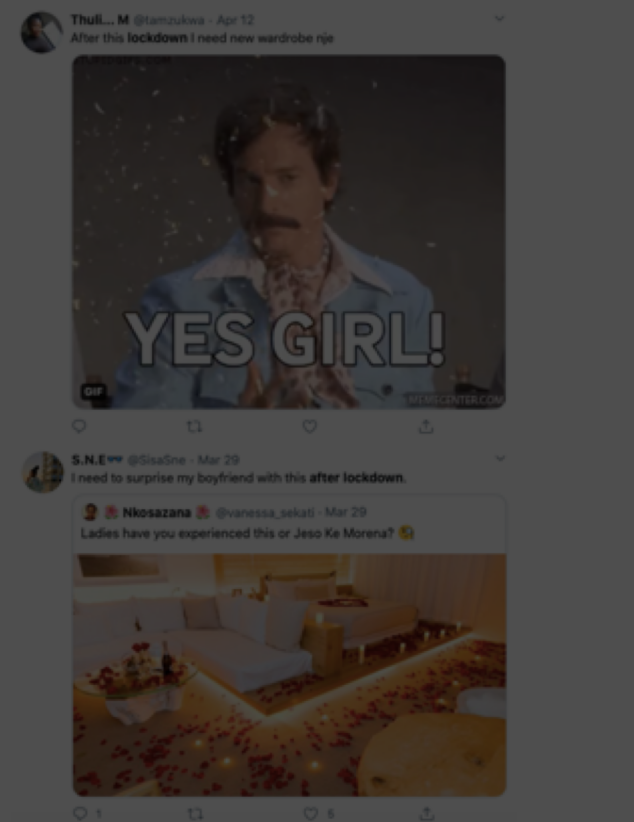
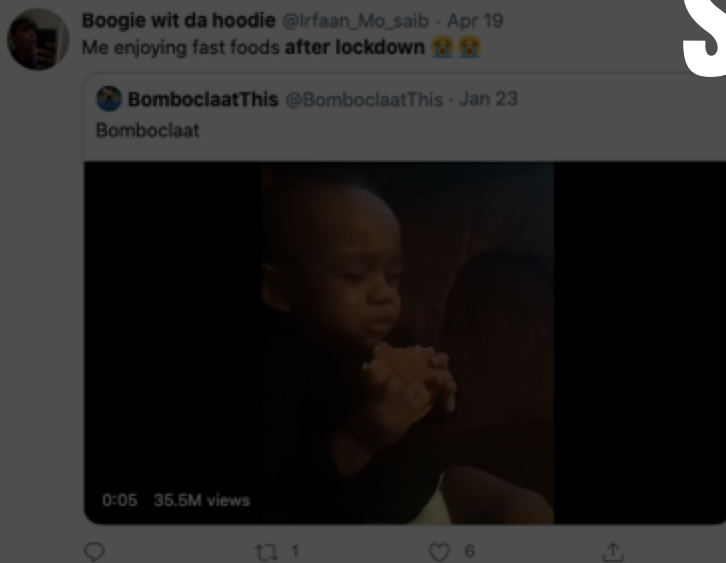
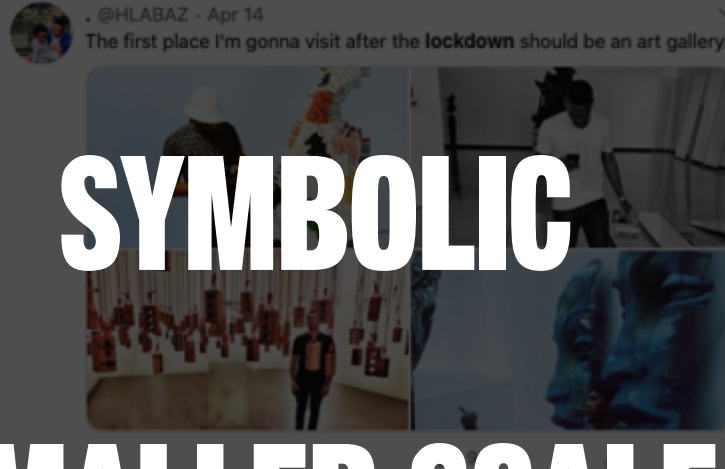
S.N.E @SisaSne · Mar 29
I need to surprise my boyfriend with this **after lockdown**.

Nkosazana @vanessa_sekati · Mar 29
Ladies have you experienced this or Jeso Ke Morena? 🤔



1 8

SYMBOLIC SMALLER SCALE SHARE(ABLE)



SIMPLE *QUESTION*

How will your brand meet this immediate need for release?

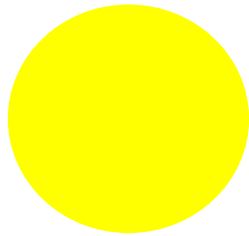
THREE CONSUMER *RESPONSES*

1. RELEASE

Need for visceral and heightened experiences, but within my budget

2. RESET

Back to life but with some new habits and expectations



RESET HABITS

“Once this crisis is over some of the new habits will endure and brands will need to be ready for new omni-channel behaviours.”

Ivan Moroko, KANTAR



MBA-ish - Workplace Satire 
@MBA-ish



Who led the digital transformation of
your company?

A) CEO

B) CTO

C) COVID-19

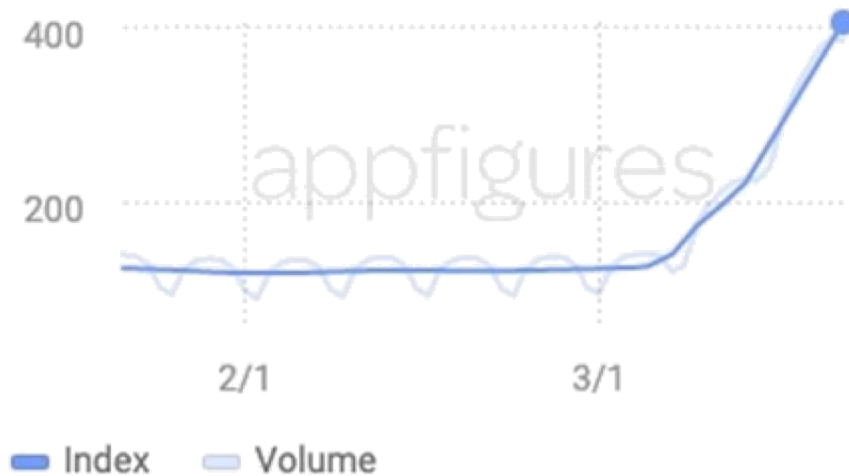
INCREASE IN APP DOWNLOADS

300% Increase in Business App Downloads*

BUSINESS

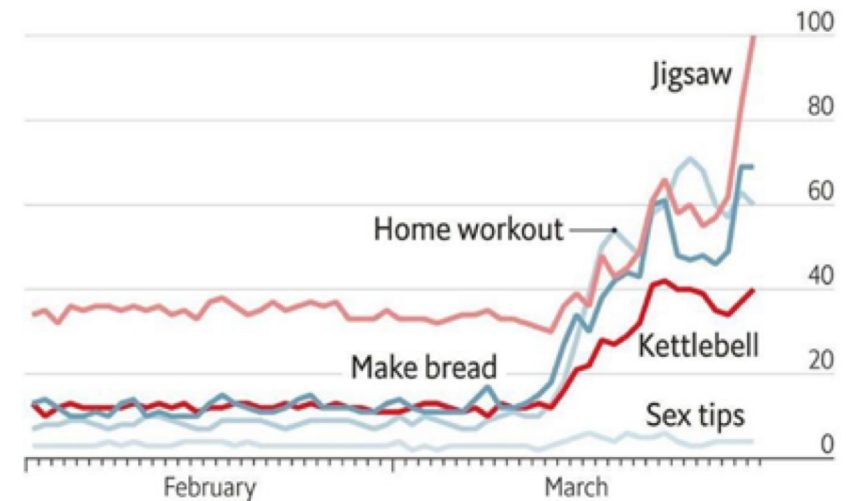
406.04 ↑ 279.71 (+221.4%)

MAR. 21, 2020



With millions stuck at home, the online wellness industry is booming

Worldwide Google-search traffic, peak=100
By search term, 2020



Source: Google Trends

The Economist

“Perhaps the biggest ‘gift’ the lockdown could offer you is a chance to change routines and habits for good.”

- Bruce Whitfield

NEW WAYS OF *BEING & DOING*

SHOPPING



WOOLWORTHS

FOOD ORDERS
OUR FOOD DELIVERY SLOTS
ARE FULL RIGHT NOW.
PLEASE TRY AGAIN TOMORROW.

According to Kantar,
¼ of South African's
were already
shopping online more
in the first week of
lockdown

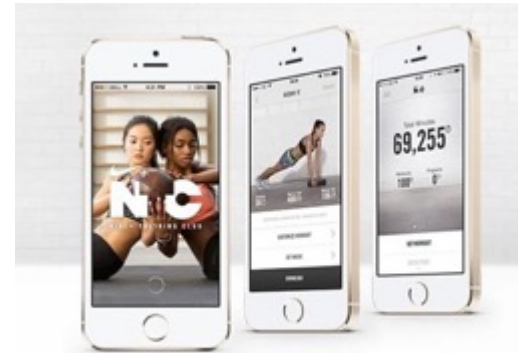
WORKING

zoom



Zoom Technologies
share price has
increased from
\$36 in April 2019 to
\$150 a share this
year

HOBBY-ING



In the U.S. Nike has
seen a more than
100% increase in the
NTC App's weekly
active users

SOCIALISING



Houseparty rose to the
2nd most downloaded
social networking app on
App Store by March
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NEW WAYS OF *BEING & DOING*

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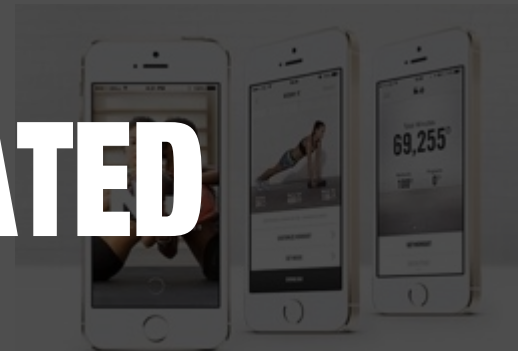
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WORKING FROM HOME

zoom

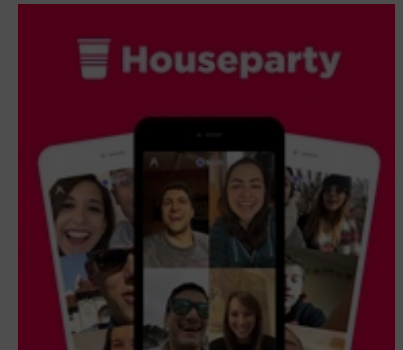


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SOCIALISING



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CONVENIENT

CURATED

COMMUNITY

SIMPLE *QUESTION*

Does your brand experience live up to these new expectations?

THREE CONSUMER *RESPONSES*

1. RELEASE

Need for visceral and heightened experiences, but within my budget

2. RESET

Back to life but with some new habits and expectations

3. REFRAME

*Looking for a new meaning from my life.
Reconsidering some of my goals, choices and behaviours*

REFRAME PRIORITIES

“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.”

- Arundhati Roy, Author

A PERIOD OF REVIVAL

Great plagues formed the backdrop for the Renaissance and Baroque eras – 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.



**“THERE */S* SUCH
A THING
AS SOCIETY.”**

CULTURE & CREATIVITY AS SUSTENANCE

National Theatre Live streaming: how to watch from home free on YouTube - starting with One Man, Two Guvnors

A range of plays will be made available to stream via YouTube in April and May, starting with One Man Two Guvnors



By **Deepika Rajani**

Tuesday, 7th April 2020, 10:15 am

Updated 47 minutes ago



POST-PANDEMIC PRIORITIES

“Expect values to continue to evolve to reflect a desire for **optimisation of the self and of the community**. As people re-evaluate their relationship with consumption, brands will have to do more to encourage people to spend through strategies that focus on creating meaning for consumers.”

- WGSN, COVID-19 Marketing Report, 2020

HOW CAN BRANDS STAY RELEVANT?

CLEAR PURPOSE

**IF YOU EVER DREAMED OF PLAYING
FOR MILLIONS AROUND THE WORLD,
NOW IS YOUR CHANCE.**

Play inside, play for the world.



ENRICHING EXPERIENCE

Today at Apple*
**at home*

TANGIBLE VALUE



HOW CAN BRANDS STAY RELEVANT?

CLEAR
PURPOSE

IF YOU EVER DREAMED OF PLAYING
FOR MILLIONS AROUND THE WORLD,

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ENRICHING
EXPERIENCE

AUTHENTICITY

INTEGRITY

Today at Apple*
*at home

EMPATHY

TANGIBLE
VALUE



SIMPLE *QUESTION*

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

THREE SIMPLE *QUESTIONS*

1. RELEASE

How will your brand meet this immediate need for release?

2. RESET

Does your brand experience live up to these new expectations?

3. REFRAME

What role can your brand play in the post pandemic world?

WHATEVER YOU DO DON'T STOP

WALT DISNEY 1929

MICROSOFT 1975

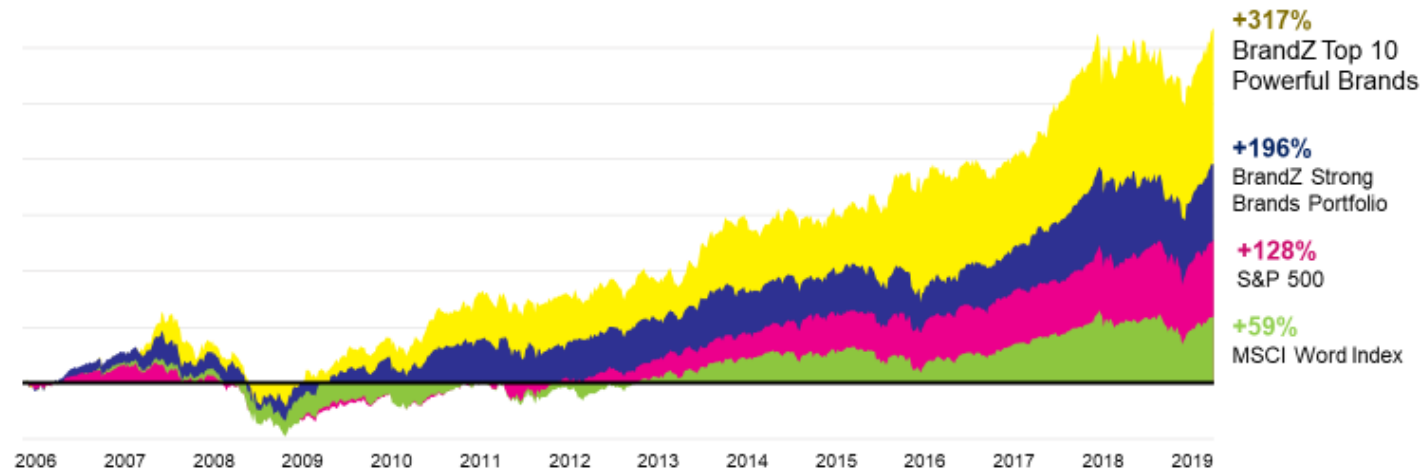
AIRBNB 2008

UBER 2009

IPOD 6 weeks after 9/11

STRONG BRANDS RECOVER **9X FASTER**

We've seen before that strong brands recovered NINE TIMES faster following the financial crisis of 2008



KANTAR

Source: BrandZ Global, 2019

BRANDZ 31

WHAT YOU DECIDE NOW ***HAS LASTING EFFECTS***

“In two scenarios on financial performance, companies that went dark or halved investment, took between 3-5 years to recover to prerecession levels.”

- Millward Brown

“Lessons from recent 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.”

- M&C Saatchi Intelligence Unit / WARC

***MEASURING* SUCCESS**

How do you want to make people feel?



INGREDIENTS:

- 125 grams butter (room temp)
- 1 cup sugar
- 2 eggs
- 2 cups flour
- 2 teaspoons baking powder
- 5/6 ripe bananas
- 1 teaspoon bicarbonate of soda
- 1/4 cup boiling water
- 1 cup chopped pecan nuts

METHOD:

- Pre-heat the oven to 180°C (if fan-assisted, 160°C) and Spray and Cook a 9×5-inch loaf tin.
- Mash up the bananas in a bowl.
- In a teacup mix the bicarb and the boiling water together and then pour over the bananas. Allow the mixture to sit for 5 minutes.
- Beat the butter and sugar together with an electric mixer until light and fluffy, about 2 minutes.
- Add the eggs one at a time. Mix well after each addition.
- Tip in the flour and baking powder and keep mixing. Do not overmix the batter.
- Add your banana mixture and nuts to the other ingredients and give it a quick mix with a spatula or electric beater, again make sure you don't overbeat it.
- Pour your cake batter into your prepared tin, about 3/4 of the way up and bake for 35- 45 minutes, or until the cake is golden brown and a knife comes out clean when stuck in the middle.

THANK YOU & STAY SAFE

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