



Life After Lockdown: Consumer Expectations & Implications for Businesses, Marketers and Advertisers

9 April 2020

Whilst both optimism and pessimism abound in the current health and economic crisis, there are few who would not agree that we are in the midst of having the proverbial “Reset Button” of life and business firmly pressed by the unfolding events.

Last week, Bateleur’s research team conducted an extensive and large sample survey of South Africans contactable by email to assess expectations of life after the current crisis, as well as their anticipation of how relationships with businesses, marketers and advertisers will have changed.

The reason why we conducted the survey was to help us all better prepare for a New Age for life after reset!

For those of you who completed our survey and are now reading this report, I thank you from the bottom of my heart. We are indebted and grateful for your participation. Please enjoy the report that you helped create.

This report begins with a synopsis for those who would like a quick overview. It then goes on to unpack the results in detail for readers who are thorough.

If you are in business, marketing or advertising be sure to cover the extremely detailed section towards the end on **implications and a dozen categories of tips for businesses, marketers and advertisers.**

Synopsis

The survey was administered to a broad range of South Africans who are contactable by email, covering the entire geography of the country. A total of 1 443 such citizens participated. Respondents vary greatly in terms of age, gender, marital status, ethnicity as well as socio-economic status. Estimated survey accuracy comes in at 95.1%.

The survey began with understanding the degree to which people are optimistic or pessimistic about the outcome of the current health and economic crisis.

It seems that most are pessimistic!

Only 6% believe that lockdown will be lifted on 16 April as planned, and that things will get back to normal in a few weeks or months. 25% anticipate a lifting of lockdown on 16 April, but believe that it will require months or years for life to normalise. A full 58% believe that the lockdown will be extended!

Next week will tell.

11% are severely negative, believing that the lockdown will be extended for a long-term period as the health crisis in particular takes on immense, and severe global proportions.

The survey began somewhat innocuously with an investigation into what respondents chose to stock up on in preparation for lockdown. Not surprisingly, perishable and non-perishable foods topped the bill, with toilet paper in on the act! Cleaning and disinfecting materials along with medications were also high on the preparation list.

Not even 2 weeks into lockdown, and people began to run out of things at home. Only 30% reported being adequately stocked up! Naturally, fresh produce was reported as being primary candidates for refilling. But so was alcohol!

The survey went on to explore frustrations experienced by respondents during the lockdown. Surprisingly, reports of ignorance amongst the populace and not abiding by regulations came in as being the top frustrations and fears. Of course, fearing the unknown, especially in respect of financial problems, were commonly reported fears.

Keeping in touch with friends and loved ones, along with watching movies, reading books, cooking and listening to music were reported as prevalent ways of alleviating lockdown frustrations.

No one was truly prepared for this event, and many surprises (good and bad) were reported.

Panic buying was cited as the biggest surprise of all! The degree to which some people are still ignoring the dangers came in at 2nd place. A realisation of just how much we take life for granted, along with a sense of surprise at the general peace and quiet in the neighbourhood and absence of traffic noise were pleasant surprises for many.

Yes, many do dream about what they will do when lockdown is finally lifted. Visiting friends and family, eating out at a restaurant, getting exercise, going to the hairdresser and having a braai are all anticipated before going back to work.

No doubt, there are big anticipations of life after the reset button has been pressed.

A massive 65% of survey participants are anticipating that many people will be retrenched, shops will close and impoverishment will increase. The expectation of dramatic growth in online shopping comes as no surprise, nor does the expectation of a tremendous increase in the incidence of working and studying from home. There is a definite expectation that businesses will need to “get smart, and do things differently”.

There is an almost universal expectation that small businesses in particular will struggle to get back on their feet. Many are anticipated to be unemployed, and reductions in return on investments and pension funds are anticipated. There is a great expectation that our economy will decline as well the value of the Rand.

More than half of survey respondents anticipate global depression.

At a more personal level, participants anticipate far less handshaking, hugging and kissing along with a general increase in self-imposed, retailer imposed and government imposed standards of hygiene.

A dramatic shelving of plans for overseas holidays is anticipated, along with a general decrease in spend on luxury items per se. Big-ticket items like new cars are likely to be postponed or abandoned by many. In general, consumers are anticipating a move to being extremely conscious of value for money in all purchase decisions.

Consumers believe that businesses will need to find ways of bringing the price of products down. This of course implies the removal of luxury, unnecessary or even nice to have features and stripping products down to their bare necessities.

A strong growth is anticipated in the career and home delivery business in accordance with the anticipated growth in online shopping.

Restructuring of loan repayments is anticipated, and consumers anticipate reviewing their financial services.

There is a general feeling that businesses will need to dramatically up their game in respect of customer service, flexibility and adaptation to customers' needs. Competition is expected to be red hot!

A baby boom is expected by some!

And now, onto the results in detail ...

The Sample

With well over 1000 interviews, the survey comes in with a very respectable accuracy of 95%. Participation was almost even between genders and with a wide range of ages spanning from late teens well into the 80s.

Participants came from a wide range of life stages, fairly well balanced between those who are free and single, couples with no kids, early nesters, mature nesters and those whose kids have left home.

Participation was national, with 46% of participants coming from Gauteng, 28% from the Western Cape, 12% from KZN and the balance from the other provinces.

From an education perspective, participants are reasonably well educated with 75% in possession of some form of post-matric qualification. There are 31 PhD's, 144 Masters degrees and 187 Honours degrees among survey participants.

At the time of writing, only 9% were employed in the so-called "critical services" industries. Most people are in a remote working situation from home, and still earning a full salary.

Respondents were drawn from a wide range of occupations including education, health and medical, IT, financial services, engineering, the professions, government, manufacturing, retail, construction, agriculture, logistics, hospitality and so forth.

Socio-economic status ranges widely with monthly household incomes spanning less than R5 000 to well over R100 000.

Life During and After Lockdown

Stockpiling

Stockpiling behaviour has been prevalent in the news of late. It is no surprise that people would feel the need to stockpile in the event of lockdown.

Protein-based consumables lead the pack with milk, eggs, meat, chicken and cheese being stockpiled by most respondents. These items were supported by starches such as pasta, rice, bread, sugar and cereals. Fresh and frozen vegetables as well as fresh fruit joined the shopping basket in the stockpile frenzy.

Caffeine was seen to be an important item to not run out of with 40% of households stocking up on this item.

32% of household stocked up on pet food!

Of course, important medications and health-related products joined the shopping basket, along with a range of cleaning, sanitising and general hygiene-related products.

Despite much press coverage, hygiene masks were only stocked up by 8% of respondents. I can only imagine that most did not see the need for this kind of protection at home.

Looking at stockpiling behaviour by age reveals that older people saw value in stocking up on petrol, biltong, charcoal, firelighters, precooked meals, tinned meat and alcoholic beverages more so than younger people. In turn, young people were more intent on stocking up on comfort items such as instant puddings, hot chocolate, baking products, snacks, sweets and chocolates, instant noodles as well as insect repellents and sanitary products. Stocking up on airtime was also a passion of younger consumers.

Less fortunate people income wise saw value in stocking up on samp and maize meal, with those with better incomes seeing a need to stock up on instant gratification goods such as condensed milk, frozen pizza, biscuits, sweets and chocolates.

For those who have tiny children, there was a set concerted rush on nappies and infant formula.

Toilet paper was a popular item for everybody!

Top-Ups

Not even 2 weeks into lockdown has seen many households run out of essentials.

Only 30% have not run out of anything yet.

This is an important observation, as it goes to show just how dependent many of us are on our favourite supermarket, greengrocer, convenience store and liquor outlet.

Fresh fruit and vegetables along with bread, eggs and milk topped the list of items missing in the fridge and larder.

Next comes alcoholic drinks. Obviously, many underestimated the role of their favourite tippie in getting through lockdown. Alongside alcoholic beverages, a significant number of households are running out of snacks like chips, nuts and popcorn. I guess watching TV, having a dop, and snacking is an important way of passing the time!

Meat, cheese, chicken as well as coffee and cigarettes are also on the list of top up items needing replenishment either now or soon.

Lockdown Frustrations

There are many!

Surprisingly to me, the biggest complaint is about people showing ignorance about the current crisis. A full 48% of respondents report this frustration, along with the related irritation of people not abiding by the regulations.

The most specific complaint is about people not keeping their distance when in shopping environments. Further, some complain that the people around them behave as though they are on holiday. These observations and complaints are ubiquitous and transcend all ages and socio-economic categories.

It possibly goes without saying that many people fear future financial problems and the anxiety attached to an unknown future.

A sense of social isolation is highly prevalent with almost 4/10 respondents feeling frustrated at not being able to visit family members.

This sense of isolation and cabin fever spills over into frustration at not being able to get proper exercise or go to the gym, not being able to be in touch with nature, being unable to walk the dog, go to a restaurant or pub and, not being able to go to church.

The constant bombardment of news about the health and economic crisis, along with a steady stream of fake news is highly frustrating to many. The general sense of negativity and bad news is difficult to deal with. Somewhat amusingly, and related, is the frustration of poor internet and cell phone connectivity experienced by a reasonably large amount of people.

There is definitely a sense of frustration in having to adapt to a household full of people who are normally away at work or school, along with the expected tensions associated.

Households which are home to large families in particular report of problems trying to keep children busy in an overcrowded household whilst trying to work at the same time as constantly being interrupted by their kids' needs.

Younger respondents report frustrations relating to problems with studying, boredom, a feeling of sluggishness, feeling lonely and even experiencing anxiety or panic attacks. These younger people are experiencing frustrations about other family members and household occupants "overstepping boundaries" and encroaching on their space.

Older respondents are more likely to fear the problems of paying salaries without an income as well as a host of other financially related problems.

In addition, many are complaining most about not being able to watch sport on TV.

It is the women in the household who are most frustrated by running out of essential items, not being able to get groceries, relationship difficulties and sharing workspaces in the home.

It is the men in the household who are more frustrated by not being able to get proper exercise, cancelling future holidays, not being able to walk the dog, being unable to call the services of technicians and artisans to fix things and “meaningless announcements” from politicians.

Alleviating Frustrations

Against this backdrop of a fairly high degree of cabin fever and associated frustrations, lockdown is testing people’s ingenuity in alleviating these frustrations.

Thank heavens for WhatsApp, Facebook, Instagram and the like!

Keeping in touch with friends and loved ones is the most popular form of alleviating frustrations. The endless stream of content on social networks is testimony to this need for virtual contact.

Absorbing oneself in fact and fiction is the 2nd most popular method of alleviating frustrations. Watching movies, reading books and listening to music are activities enjoyed by many in this time.

Interestingly, only 36% of survey participants report “getting on with work as normal as is possible” as a method of alleviating frustration. This perhaps indicates a mild degree of “wishbone where backbone ought to be” perhaps. Understandable, these are confusing times.

The need for leg stretching and even exercise is apparent in that 40% of respondents are spending time walking around the house or their garden to alleviate frustrations. 36% are engaging in exercise programs in the home. Additionally, eating healthily and sleeping well are important to many survey participants.

Household chores and DIY projects abound. Many respondents report keeping active, doing their share of the chores, getting involved in household maintenance projects, doing research and keeping up-to-date as important methods of alleviating frustration.

Those with small children at home are heavily involved in helping with schoolwork and engaging with their kids in physical play activities.

Some admit to having to resort to “ignoring their children”.

The mature tend to spend time engaging with neighbourhood members in respect of security, doing household maintenance products and doing hobbies.

Conversely the youthful report resorting to “blocking out the world”, putting effort into studies, playing video games, eating snacks, chatting with partners as well as activities such as dancing, yoga and Pilates. Some admit to “smoking weed” to pass the time.

The Unexpected

Being thrown into an unexpected world of turmoil no doubt brings on the unexpected to most.

The single biggest surprise to me was the degree to which people engaged in panic buying and stockpiling. This is followed by a sense of awe at just how many people are still ignoring the dangers of the health crisis, denying the seriousness of the problem and disregarding the necessary rules and actions.

Too many report surprise at just how the extent to which some regard the crisis as a joke or a platform for mirth.

There is a degree of introspection in the country with 40% of survey participants claiming to be surprised at “just how much we take for granted in life”. In particular, people report of an appreciation of freedom of movement, now restricted.

Naturally the dire economic consequences of the health crisis came as a shock to many. 40% are surprised by how many people are losing their jobs or suffering reduced income as a consequence of the current health crisis.

Quite positively I feel, many respondents have been surprised by how quick, positive and proactive the government has been to address and pre-empt the health crisis.

Also on a positive note, many are reporting a general increase in kindness and good deeds being expressed by those around them. This is not universal however, as is witnessed by 28% of respondents claiming to be surprised at just how selfish and uncaring some people are!

On a tranquil note, many respondents report surprise at the absence of traffic noise, the general peace and quiet in the neighbourhood as well as the pleasure associated with not having daily traffic stress in their lives.

A big surprise for many ...

Just how easy it is to do pretty much anything remotely. Working remotely, shopping remotely, worshipping remotely, communicating, being entertained remotely, and the list goes on. I myself find it quite encouraging just how many people report being amazed at the realisation that they in fact don't have to go to the shops so often. Clearly a triumph (or a blow) for consumerism.

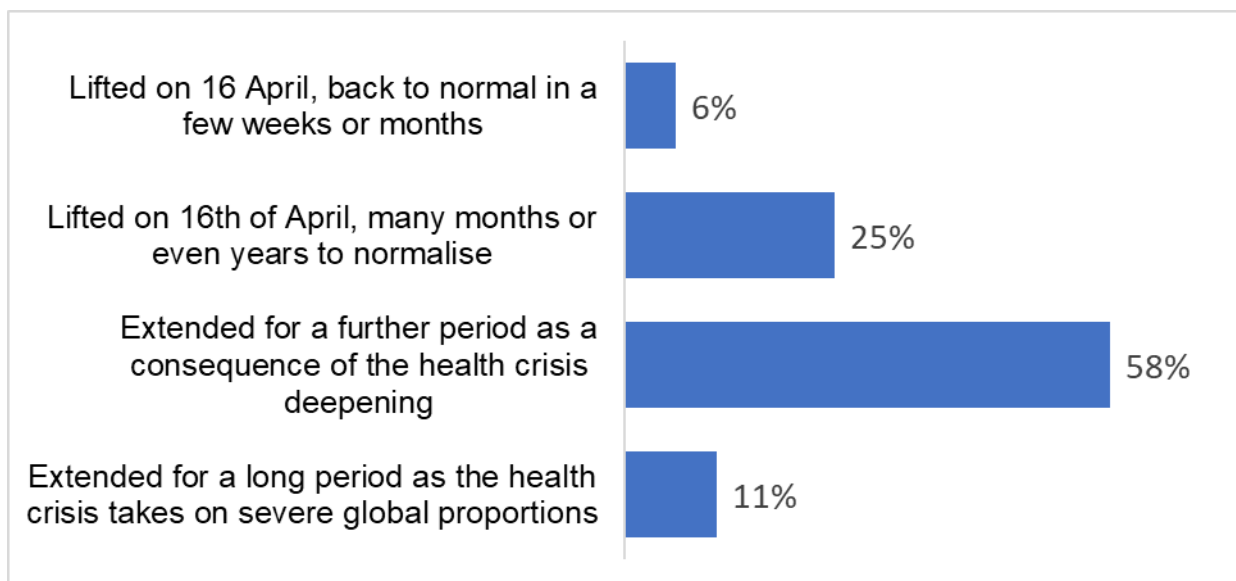
Younger people report a stronger surprise at the relative ease and enjoyment of working from home, as well as not having to deal with co-workers. Interestingly, younger people tend to feel more surprised at their inclination to “binge”.

Less fortunate households are more inclined to be surprised at how much food the kids eat, how much they miss work, how quickly they become bored, how fast critical supplies run out, the lack of information that they are receiving from their employers and an increase in the fear of crime in their communities. These communities are also more likely to be surprised by the unexpected support they get from even strangers in their neighbourhoods.

The wealthy are more surprised by the amount of energy their pets have, the advantages of no traffic stress, just how much can be achieved with technology (especially in respect of working from home) and the birdlife that they have in their gardens.

When will Lockdown be over?

Unfortunately expectations are fairly bleak in this regard. A picture is worth a thousand words ...



As mentioned earlier, next week will tell whether the expectation of a lockdown extension comes to realisation or not. Nonetheless, expectations are clearly erring on the side of pessimism!

There is a notable trend in that wealthier people report higher degrees of pessimism than those with more modest earnings.

Lockdown Lifting Celebrations

Notwithstanding this pessimism, there is an anticipation that when lockdown is lifted, there will be celebrations to look forward to.

The most prevalent, at 44% of respondents, are going to visit family and friends. This is an important observation as it highlights the dearness of human contact and comfort. Meeting up with friends, having a braai, eating out at a restaurant, going for a drink and having a dinner party all rank as being high on the agenda after lockdown.

Cabin fever is clearly taking its toll in respect of slothfulness. A full 32% look forward to going out and getting exercise when lockdown is lifted. Going for a walk, going to gym, walking the dog and resuming sporting activities are anticipated with glee.

Self-pampering is on the cards! Having a haircut or going to the hairdresser, ordering a takeaway, soaking up some sunshine, buying clothes and going to a casino are craved by some.

It's not a surprise that the spiritual side of humanity will be sought out as a target for invigoration. Going back to one's place of worship, long walks in the countryside, escaping for a romantic weekend, sightseeing and being in touch with nature all rate as activities to look forward to.

Shopaholics are looking forward to going shopping without feeling guilty! Restocking the refrigerator and the larder as well as buying items unavailable during lockdown are on the agenda for quite a few.

The young in particular are looking forward to resurrecting weekend clubbing, partying and cinema going along with buying new clothes visiting their partners and getting back to normal in respect of their studies.

More sedate activities such as visiting the countryside, watching sport on TV, walking the dog and eating out at a restaurant are anticipated more so by mature citizens.

Life After Lockdown

My, the world will have changed!

The proverbial “reset button” is no myth! Expectations for a New World, and a New Age run extremely high ...

A full 65% of survey respondents expect that many people will be retrenched! Almost 70% believe that unemployment will increase.

It is anticipated that many shops will be closed, and therefore a high proportion of the population will become impoverished and poor. In particular, it is small businesses that are expected to struggle the most to get back on their feet.

Prices are expected to increase, and inflation is anticipated to be a problem. This is possibly linked to the collapse in the Rand which is expected by 53% to decline even further. Erosion of pension funds and investments is on many people’s minds.

53% anticipate a global depression!

Only 4/10 believe that people will merely fall back into the “old way” of doing things. This means that 6/10 of people are anticipating a New Age.

Specifically, there is a great expectation of increase in online shopping and working from home. Commensurate with this change, is the expectation that businesses will need to “get smart and do things differently”.

Businesses will need to run more cost effectively. Consumers will have to cut costs, be less wasteful and therefore businesses will need to lower prices and add value. Luxury items will be postponed, put on hold or simply abandoned.

In general people expect to shop more carefully, less often and with more planning. Local, and artisanal products, are expected to enjoy a boom.

There's definitely an expectation of increase in the popularity of working from home, as well as educating children remotely. A huge increase in reliance on digital communication and all its accoutrements is anticipated. It is expected that the technology industry will evolve at a highly accelerated pace.

On a more philosophical note, 41% anticipate a heightened awareness of just how fragile life is and an increased appreciation of what we have, as well as gratefulness for freedom. Some believe that families will grow closer. It is expected that there will be a heightened awareness of the environment and its protection. An increase in faith is anticipated.

Appreciation of teachers, healthcare workers and health awareness along with improved hygiene in general is anticipated by many. A significant proportion of respondents also anticipate that we will appreciate our families more along with traditional joys like being outdoors! We will not take the little things for granted as much as we did, and appreciate life more than we did before.

On the negative, a significant proportion of respondents, 31%, anticipate an increase in the abuse of alcohol with commensurate negative effect on marriages and relationships with 27% anticipating a breakdown in these.

35% expect an increase in crime, as well as a heightened degree of civil unrest and political instability in the country. This negative sentiment is juxtaposed by a reasonable portion of respondents anticipating that the government will amend priorities for the better of our society at large.

Sadly, we can anticipate far less handshaking, hugging and kissing. More than half of survey respondents will balk at physical contact with you in the New World. This will be strange to see!

And, 34% anticipate an increase in mental illness and depression.

Younger people are more likely to anticipate a sense of anarchy after lockdown has been lifted with many people inclined to simply fend for themselves in an environment of financial restrictions, broken relationships, political instability, increased strain on group based discrimination and hatred, along with increased liquor and drug abuse.

More mature respondents are inclined to envisage a future of vacant office spaces, decreased property prices, reduced pension and investment funds, closed shops and a general state of impoverishment and economic depression.

Not surprisingly, and encouragingly, those optimistic about an early lockdown lift have a more positive outlook anticipating a slower and more relaxed life embracing constructive relationships, increased togetherness, improved healthcare, friendly people, more people finding faith, enhanced respect and a general increase in appreciation of life per se.

Consumerism & Implications for Businesses, Marketers and Advertisers

Shopping behaviour changes ... Dramatic! Only 5% of survey participants expect no change in consumerism and say that it will be “business as usual”.

Given the backdrop on the anticipated economic calamity, it is no wonder that South African consumers express tremendous expectation of widespread and deep changes in consumerism and shopping behaviour.

1. The Call for Value

The good old “value equation” will be revised and reconstituted. Given the expectation of having less money to spend, obviously that money will be spent more wisely. A significant proportion of consumers anticipate a diminished inclination to buy things on impulse and to spend less money in general on consumer goods. Overall, the accent will be on testing the value for money inherent in a product or service.

$$\text{Value For Money} = \frac{\text{Tangible Benefits} + \text{Intangible Benefits}}{\text{Price}}$$

A tiny bit of arithmetic shows that if consumers are to benefit from increased value for money, either prices must go down, or benefits must increase. On the benefit side of the equation, I think it is fairly obvious that the accent will be on “tangible” benefits rather than the more emotive “intangible” ones. The reason for this is that it is easier to self-justify and prove tangible than it is to convince oneself of the more nebulous emotive, image or irrational benefits potentially attached to a purchase.

It goes without saying that many consumers are expecting huge price wars, promotions, discounts and bargains. That is to be expected. However, I think we all know well that such marketing activities not only lead to merely short-term sales sustainability, but also dramatically diminished margins and ultimately poor cash flow. In the short-term however, many consumers will be tempted by bargains.

Business Tips

Almost all businesses will need to rethink the specific value equation for their brands, products and services. Consumers will be far less inclined to simply buy habitually, on impulse or to satisfy egos. Purchases will be more considered, more prices will be compared and consumers will be more inclined to say “no” and simply go without.

*Marketers ought to pay careful attention to providing the **best possible price** they can for their products and services, as well as **upweighting convincing and tangible benefits** to consumers whilst at the same time **relying less on whimsical emotions** that may have supported product purchase in the past. Product and service innovation may well have at its heart processes designed to **remove unnecessary or merely nice to have features**. **Quality of both product and service delivery will be king.***

Resist the temptation to discount yourself out of the crisis!

2. Innovation for Needs Satisfaction

Innovation often happens in the proverbial “laboratory”. Innovation is typically driven by the ingenuity of the scientists and engineers employed in corporations, as well as off the back of existing assets, infrastructure, products and services already entrenched within a company’s bag of tricks.

Such innovation is often said to be “asset led”

The post crisis New Age is set to call for innovation that is focused rather on satisfying consumers’ needs for value, especially tangible value. To do this, a keen ear will need to be lent to the calls of consumers to have their needs met. And, investment and innovation will do well to be focused on the satisfaction of these needs.

In other words, innovation will need to be “consumer led”.

Business Tips

*Be sure to **divert attention, effort and resources to properly understanding customers’ needs**, and how well your business is satisfying these.*

*In addition, pay attention to what has to be done to attract potential customers to your product or service. Ask, and answer the question, **what are the key “hot buttons” to successfully engaging the market with your brand**. And then innovate to successfully deliver against these hot buttons.*

*All transactions are inherently “triggered” when consumers perceive that some need will be satisfied. Alternatively, consumers decide not to buy your product when they perceive some “barrier” to purchase. Again, pay attention to **understanding the triggers and barriers to the purchase of your products**, and **innovate to stimulate the triggers and overcome the barriers**.*

3. Customer Service

A significant proportion of survey respondents believe that shoppers will be “nicer” and more polite to service staff in businesses. Of course the flipside of the coin is that expectations of efficient and friendly service are also expected to increase. A full 36% of survey respondents believe that businesses will overall need to improve customer service to be competitive.

Specifically, businesses will need to be more flexible and adaptive to customers’ needs. There will be less room in markets for one size fits all, “take it or leave it” service offerings. There will be an accent on tailor making products and services to be more specifically adapted to the individual needs of customers.

Of particular note, the attentiveness, efficiency and solution orientation of frontline and call centre staff will be particularly noted and called for by consumers in future.

Business Tips

*Strong efforts to **improve overall employee engagement** with commensurate improvements in **working efficiencies and service delivery** will make your business stand out above competitors.*

***Recruiting employees who are inherently engaged human beings, along with training, development and team building for engaged production and service delivery** will be the differentiators of successful businesses from those that flounder.*

*Develop a deep **understanding for the importance of a highly engaged and energised workforce** in the post crisis business world, as well as **how to develop and nurture such employee engagement.***

4. Online Shopping

Online shopping has seen systematic growth over the past decades, and is now set to soar.

As I write this paragraph I read out of the corner of my eye of the news of Pick 'n Pay's same-day grocery home delivery launched this morning.

It is quite likely that the current health and economic crisis will tip the scales for many consumers who have been fearful of, cynical about, or simply not yet in the habit of online retail consumption. For those who have already been converted to the habit, this behaviour will intensify par excellence.

A significant proportion of South African consumers expect to continue to want to keep a distance and space between themselves and other shoppers. There is no better solution to this need than shopping online!

In the wake of increased interest in online shopping will come and increase in purchase of internet-related products and the desire to upgrade technology gadgets.

Interestingly, consumers are reporting favour towards buying less often, but in bulk, and increasing their purchases of items and articles that are more durable and will have a longer shelf life. Of course, this signals a need for businesses to develop a strong leg to their offering by providing consumers with easy to store, easy to dispense, bulk consumables online.

Business Tips

Consumers will continue their desire to reduce contact with other shoppers, and increase their propensity to purchase online. In particular, they will move to bulk buying consumables that store well, dispense well, online.

*South African businesses involved in retailing of all forms will do well to **develop or bolster their online selection, purchasing and fulfilment capacity**, as well as to **rethink product form and packaging to facilitate long life, bulk buying, medium-term storage and ease of systematic dispensing from pantry to table for consumption.***

5. Digital Revolution²

The results of the survey yield an undeniable and vital conclusion that we are about to enter a new phase of the digital revolution that has been with us over the past few decades. Digital revolution squared!

There are very few businesses these days, certainly in the formal sector, that do not already depend on high levels of sophistication in the digital realm for their existence, operations and overall success. Commensurately, consumers rely on the digital gifts currently present in our world for the gratification of their needs.

Given the inordinate sentiment towards doing business remotely, means that there will be a strong drive for further intensification of digital prowess in both the business and consumer sides of our world.

Business Tips

Don't cut back on efforts to enhance IT and especially the digital, internet based, facilities and backbone of your business. In fact, intensify these efforts.

However, focus the efforts on enhancing digital platforms that make a huge difference to consumer experience with respect to being aware of your brand, understanding your brand and, especially, browsing, purchasing and taking delivery of your brand.

In other words intensify efforts to use digital mechanisms for marketing, retailing and fulfilment of your products and services.

6. Local & Artisanal

Perhaps it is merely emotive, naïve, or worse, prejudiced, but approximately one third of South Africans imagine that there will be a boycotting of Chinese products.

In parallel, there is an anticipation that consumers will be more inclined to buy locally made products and to support small business owners more so than in the past.

This is particularly so of natural and fresh products rather than those that are processed. It seems that there are two streams here. The future may induce online bulk buying of long shelf life products, but, supplemented by an increase in the purchase of fresh produce from local artisanal suppliers at small retail outlets and markets. This anticipation is in keeping with a further view that shopping malls will be frequented less than in the past.

Part of this anticipated change in consumerism is a feeling by many that a good proportion of consumers will migrate to healthier eating options.

Business Tips

A move by consumers away from shopping malls and mass produced global brands is important for nearly all businesses. Even those who are not directly involved in the manufacture and distribution of local, artisanal produce, have opportunities to support these industries and thereby gain brand favour via this association.

*Even large businesses would do well to **support local and artisanal product and service offerings either directly in terms of production or by way of marketing, financial or infrastructure support.** Corporate headquarter parking lots could become hygienically managed Saturday markets!*

7. Convenience Foods

The fast food industry is set for some interesting changes. Whilst some consumers claim that people will buy fast food less often, as well as be less inclined to buy pre-prepared meals, fast food outlets do provide a highly convenient way for people to eat without too much interaction with the general public. This is facilitated by way of drive-through's and home deliveries. In addition, we have already started to see opportunism by fast food companies and associated delivery arms utilising their infrastructure to participate in the trend towards remote shopping and home deliveries.

Of course, it goes without saying that fast food offers opportunities for bacteria and viruses to go literally from hand to mouth. This means that consumers will, in all likelihood, be more sensitive to hygiene and sanitisation practices at fast food outlets.

Business Tips

*Businesses involved in the convenience food industry would do well to extend their thinking to how to **satisfy consumers' needs to pick up products on the fly, or have them delivered to their homes.***

*Additionally, the quick service restaurant and convenience meal industries will benefit from **highlighting hygiene and sanitisation protocols.***

8. Sanitisation and Hygiene

It is a fairly obvious, but strong conclusion, that there will be an increase in the purchase of hygiene-related products. A full 47% of consumers expect to continue using hand sanitiser products. In parallel, there is an expectation that the demand for hygiene-related products in general will be on the increase.

South Africans are set to declare war on dirt, grime and bugs.

Business Tips

Naturally, businesses involved in the manufacture and distribution of disinfecting, sterilisation or bacteria/virus transmission and related products are already seeing a tremendous increase in sales. This trend is set to continue and become more habitual in South African households.

Of course, in parallel businesses that are not directly involved in this industry will need to pay attention to how their products and services are packaged and distributed to consumers. There will be a continued general paranoia about what hidden gremlins any product or service could potentially pass on.

*South African businesses will need to **continue or introduce “safe practices” in all aspects of their operations, both internally, and in the marketplace.** Consumers and employees will constantly be on the lookout for ways to avoid exposure to bacteria and viruses.*

9. Financial Services

The massive and important financial services industry in South Africa is set for some major changes. A full 43% of survey respondents report expectations of an increase in applications for loans from banks. A fair proportion also report a desire to cancel insurance policies and simply take more risk.

Further to these changes, there are significant reports of reduction in plans to purchase big-ticket items that would typically be financed either directly by the retailer or indirectly through a bank.

In a nutshell, consumers expect to streamline their financial obligations by improving efficiencies on insurance, reducing debt commitment on big-ticket and luxury items and, at the same time, relying on loans to sort out desperate situations. Many will call for restructuring of their debt repayment plans.

Business Tips

With respect, the financial services industry has often been accused of “fat cat” status. Statistics SA reports the finance sector to be the leader in respect of growth in the 4th quarter 2019 compared to the 3rd quarter. It is true that troubled times often favour those with money rather than those with debt. However, the deep-seated nature of the current health and economic crisis makes one perhaps think that this time the financial services industry may have to think deeply about how to maintain consumer confidence and favour.

The value equation applies of course, as with any industry.

*Financial services and related industries will need to **remind consumers of the tangible benefits** associated with the products they relentlessly pay for each month if they are to avoid significant cancellations and non-renewals. Further, consumers will become more acutely aware of the myriad of costs associated with and attached to the financial products that they enjoy or are compelled to use. Accordingly, financial services and related industries will need to **streamline and properly justify their fees**.*

*There is a strong call by consumers to **increase transparency and reduce small print exclusions** in this industry.*

10. Transport & Automotive

The business of transport and motoring will be dramatically affected by the current health and economic crisis.

Already we have seen the phenomenal increase in understanding and acceptance of the possibilities of working and studying remotely in this day and age.

This means that more people will do so!

If less people are going to work, school or college every day, then it is obvious that there will be fewer vehicles on the road. This means a diminished need for personal or public transport for these daily commuting activities.

Accordingly, 33% of survey respondents are of the opinion that many people who are planning to purchase a new car will postpone or cancel that decision. Further, some believe that motorists will be less inclined to service their vehicles or will find less expensive ways to do so.

Of course, one could easily expect a continued increase in the need for ad hoc transport as provided by the taxi industry.

Given the expected growth in online shopping and home deliveries, continuous growth in the sales and servicing of goods transport vehicles can be anticipated.

Business Tips

Any business involved in the transport industry, whether directly or indirectly, can anticipate tremendous changes to their markets.

Commuting is set to decrease, the frequency of replacing personal vehicles is set to decrease. Logistics and goods transporting operations are tipped for increase. The taxi industry is well-positioned to pick up the slack for personal ad hoc transport needs.

*Transport related businesses will need to dramatically **increase the tangible value they provide to consumers** in the products that they sell. Consumers will be less inclined to buy a new car because it has “street cred”, but rather because it is **good quality and has the essential features required for reliable long-term operation.***

*Automotive service operations will need to rethink their offering and **move away from “plug and play” cash generator service provision and rather provide customers with focused, diagnostic and solution orientated servicing which is underscored by tangible value.***

*Businesses that include goods transport vehicles in their product mix will do well **to pay special attention to vehicle sales, operating costs of and service level needs of logistics and courier operations.***

11. Holiday and Leisure

If you are in the overseas holiday travel industry, be warned! 47% believe that plans for overseas holidays will be put on ice for many. In general, holidays are expected to become less extravagant. Simpler, less indulgent, less expensive, more down to earth and good old-fashioned, wholesome, value for money holidays will be on the increase. The accent will be less on keeping up with the Joneses, and more on family fun and appreciation of the gifts of nature.

Tying in with consumers' quests for vacation and leisure, will be an increase in purchases relating to hobbies, arts and crafts. Consumers report a view that less money will be spent on entertainment in general. Those who are unable to afford to go on holiday, or are spending less on entertainment in general, will spend more time at home pursuing hobbies and leisure interests.

Business Tips

Consumers will rethink their holiday and leisure lifestyle. Businesses who are directly or indirectly related to the business of vacation and leisure will need to reorganise their efforts to provide value and relief to consumers and their families from their daily work and school day humdrum.

Product innovation for wholesome leisure and vacation lifestyle enhancement at affordable prices as well as products to pursue leisure and hobby activities will sit well with South African consumers.

12. Trust & Ethics

Consumers are no longer asleep! In fact, they are now wide awake to the realities, vagaries, vulnerabilities and fragilities of the world and its precious existence.

Accordingly, the New Age into which especially marketers and advertisers will be operating will be one of heightened cynicism and reduced acceptance of frivolous, insincere, browbeating or emotionally blackmailing business ethics.

Consumers want to be treated as human beings, and adult ones at that. They have a strongly increased sense of family values and want to be recognised by businesses as people and not merely sources of revenue, nor the proverbial “just a number” on a computer database.

Business Tips

*Marketers and Advertisers especially, **take care to build consumer trust in brands. Make positive connections** with the real side of people.*

Focus on human and family values.

*Especially from a service perspective, **businesses ought to become closer to their customers**, listen well and deliver appropriately. Take great efforts to **understand exactly what it is that customers want.***

*Not unimportantly, and quite obvious, consumers are tired of so much negativity currently afoot. Accordingly, brands and businesses that **emit “positive vibes”** will stand out from the clutter of negativity around us.*

Conclusion

Being forced into a New Age from a health, economic and business perspective will be a radically invigorating process for many.

It will be abysmal for those who do not embrace and even create the change!

Consumerism will change not only dramatically, but potentially permanently.

And so too will business, marketing and advertising therefore also change dramatically, and permanently.

I sincerely hope that this article has been useful in helping you and your colleagues become a meaningful part of our future, and the well-being of our planet, country and people.

I thank you for reading this far, and will be grateful for any comments that you may have on the topics herein. We are all on a learning curve to a destination as yet not properly imagined.

Let's get there in one piece, and as a better world.



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