

Path Forward Webinar – 4-30-2020
12pm – US Chamber of Commerce

Robin Boland Notes

This webinar was about the psychology of the consumer and had psychologists on the panel as well as consumer survey experts. There was a lot asked – I am going to highlight what I think applies most to our community.

Open once officials indicate it is safe to do so. But we can prepare for that time.

Psychological Aspect: Dr. Ackerman – how and why people think and act.

Fear of CV – already effecting our psychology. To be expected as infectious disease is one of the biggest killers throughout history.

Emotional Consequences – some are less expected.

Behavioral immune system – idea that relates a set of psychological processes in the mind that are proactive. Help us to not put ourselves into situations that can make us sick. So, we avoid situations that make us feel unsafe or vulnerable –

Downside – we are not particularly good at knowing if others are sick and could create bias and over-reaction and increased prejudices. How do we effectively manage these behaviors.

Why did it take so long for people to get to this state? Pandemics have been very rare in history.

Solutions are not yet present and are unclear, so people are not certain about the future.

We can help by

- Reduce customer numbers
- Provide other solutions (masks)
- Don't just do the behaviors – but communicate with customers why important and why you are doing it.
- Manage anxieties. Encourage employees to engage in mindfulness

If this happens again –

Likely to see exaggerated responses on side of consumers. But that will depend on the individuals expectations. Expectations color our psychology.

Comparison to 9/11 –

- Both have a strong degree of threat. NOT a good analogy.
- Source of the threat was clear – not true with CV-19 it is everywhere. Different type of anxiety

Consumer Feelings – Survey just last week:

- 1/3 of all people said they would return to activities such as Cruises / concerts / theme parks – right now
- 1/3 will not until there is a vaccine
- 1/3 need other assurances – from gov or from leading medical professional. Knowing that employees at places they go are being tested. – What is needed to make this set of consumers feel safe at your business?
 - Hand sanitizer
 - Have an employee who is always cleaning –
 - Health certificate
 - Signage on protocol

More from the Survey last week –

- More than half of those who cruised in last year would cruise right NOW.
- Once a vaccine – consumers will be back!!
- Support Local – consumer attitudes – will that stay strong as we return to normal.
 - People more likely to go to retail stores than they are to travel. (60% are ready to go to retail)

Employee Concerns

- Parents – don't want to take kids to school or daycare – anxiety –

General Advice from Panelists:

- Need to find a balance – there will be strong motivation to connect – but fear of disease must be balanced. They trust people that they know. People will want to engage with peeps they know.
- **EXAMPLE: Outdoor dining is probably going to be a preference.**
- Time to think about how you will navigate the recovery. Revisit your value proposition for your consumer. Because your consumer will have changed. Your playbook from six months ago is no longer valid. Build it again with your customers' expectations.
- Understand what has shifted for your most loyal patrons
- What will patrons expect from other patrons? People seem to get angry faster during this type of situation.
 - We want people to follow recommendations of health officials. So, yeah, people may feel threatened if your other patrons are not following the guidelines – so your customers will see you as following guidelines if you expect ALL customers to behave according to recommendations.
 - This is about “feeling” safe. They want you to enforce – but it is a fine line.
 - **If you too little – it says you do not care.**
 - **If you too much – people will think you are “in their face” and will not come back.**
 - **Signs of authority are reassuring – signs of certification of healthy environment.**

Shopping brick and mortar

- This will be a recovery - it will be done on a curve – not immediate – no one knows how long that will take.
- Benefit from sentiment to support small biz
- Create space and reconnect with your loyal customers.
- Important to know your customers and reach out to them and let them know what you are offering them in order to meet their new expectations.

Consumer Trends –

Kelsey Robinson – tracking since Mid March.

This is a generation shaping event.

1. Uncertainty - Worried about public safety and health prolonged
2. Income impact – 40% say negative impact in past 2 weeks and many are cutting back on spending.
3. Online use is increasing. And contact free services

Much reporting on negativity – what about bright spots.

1. Americans are optimistic (40%)
2. 36% believe the economy will rebound
3. Acceleration of virtual experiences is a positive thing
4. Shift in how people are spending their time – cooking, home improvement and outdoors.

Global Trends

- China – increased optimism – increases in discretionary spending
- European countries – must less optimistic – 10-25% optimism
- Gen z is most optimistic and they are the highest impacted by this pandemic. (income loss)
- “net intent” – americans – groceries/ home entertainment –
- Hardest hit – events / travel / restaurants
- Apparel – not need to have categories 10% improvement over last two weeks.
- Many folks still want to continue non contact services.
- Loyalty disruption happening and some of it might stick!