

Consumer Sentiment on the Impact of COVID-19

MRG Evening Meeting

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Max Willey

max.willey@bva-bdrc.com

James Myring

james.myring@bva-bdrc.com



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What we'll be showing you now

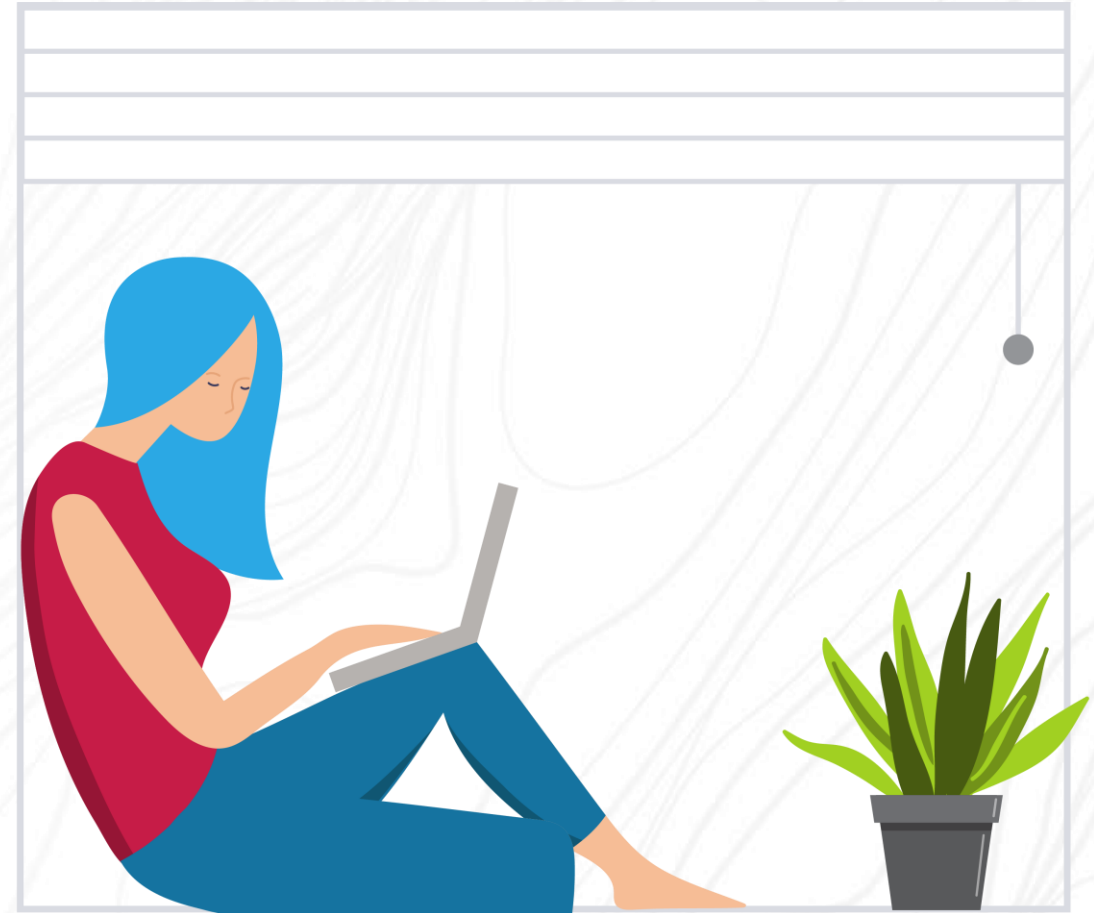
A whistle-stop run through of data, *mostly* from our weekly COVID 19 Tracker

- General mood of the nation
- Some of the more ad-hoc media related findings
- Some wider trends we are observing since lockdown began
- Our own thoughts (and a few borrowed from others) on implications for the industry

If you're interested in the full report you can download it free from our [website](#) (there's also a link on the MRG website) or contact [Max](#) or [James](#) if you'd like to know more.



The mood of the nation

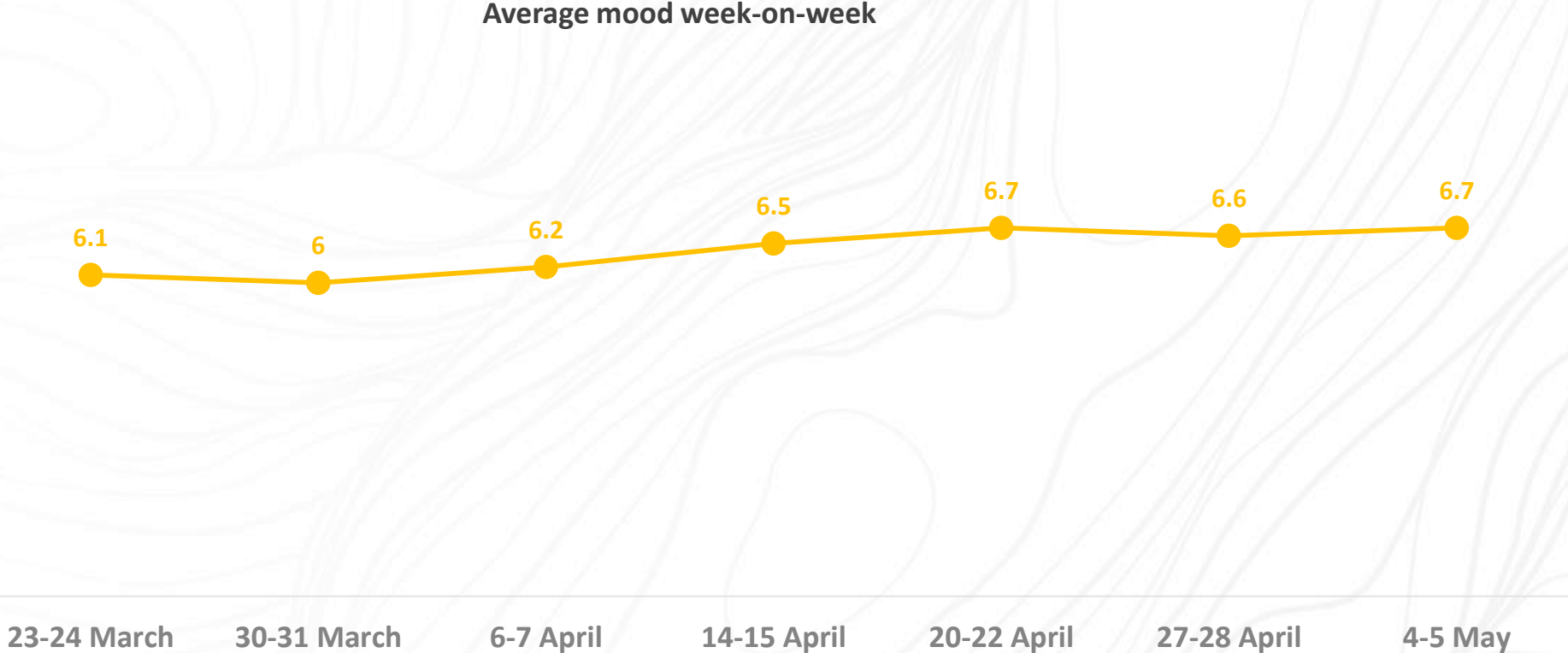


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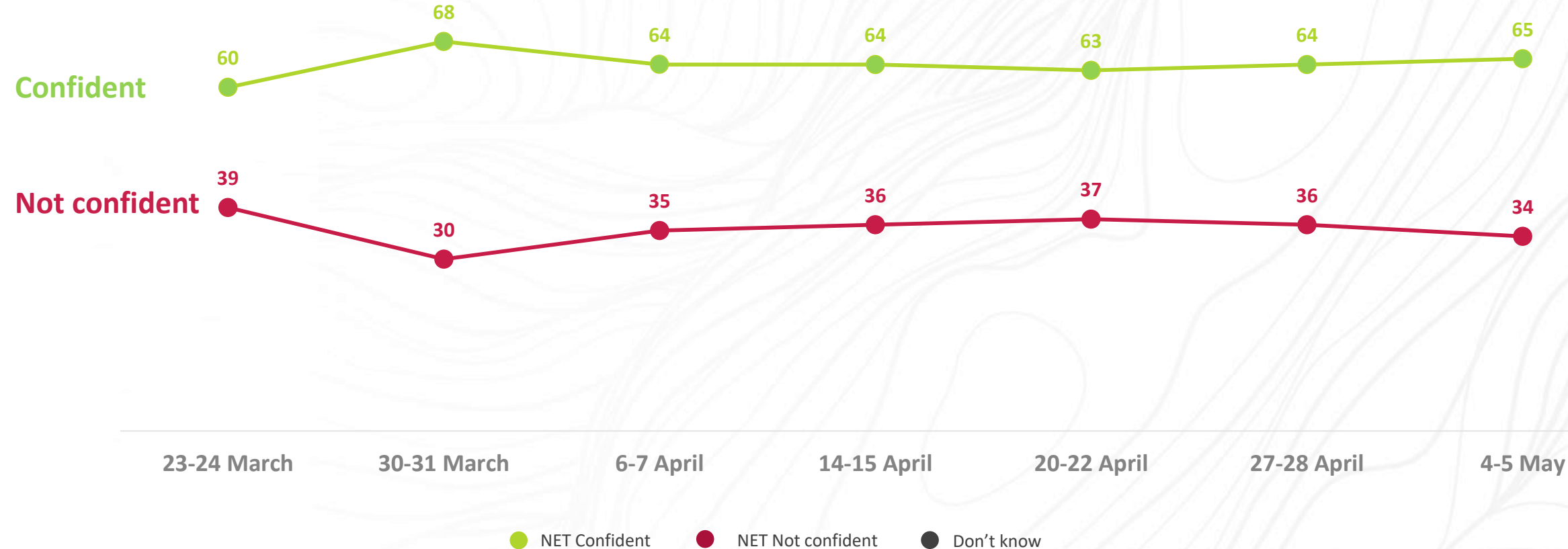
Last week saw a resurgence in optimism, possibly due to anticipation of relaxing of lockdown restrictions.

4-5 May 2020
Average mood
6.7

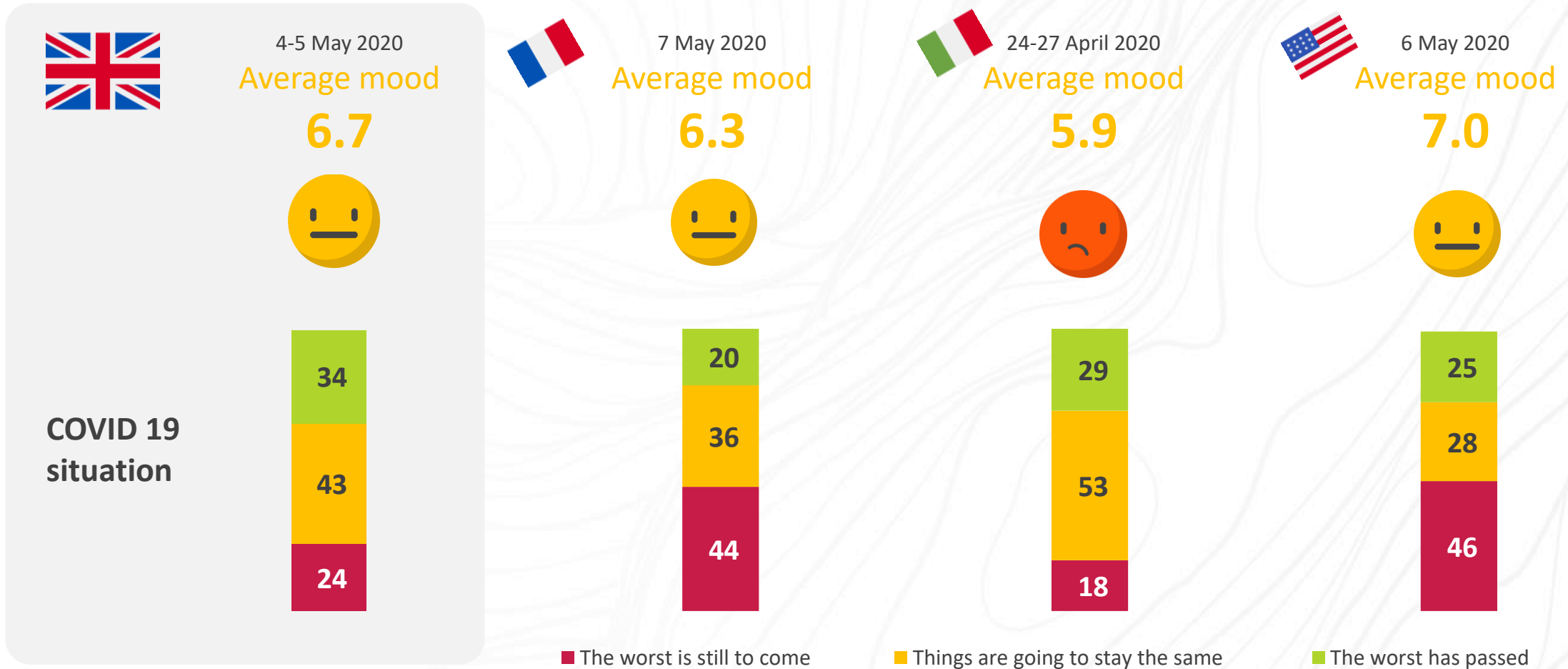


Q5: How would you rate, between 0 and 10, your mood today? (%)

Similarly last week sees an increase in confidence in the government's handling of the crisis.



National optimism is not closely correlated across countries.



COVID 19 situation

The mood amongst UK businesses is significantly more pessimistic, with two thirds believing the worst is still to come.

Separate BVA BDRC B2B survey with financial decision makers in businesses with a turnover of £250,000 or more



April 2020

Average mood

5.8



A third of small businesses do not feel confident they will survive the crisis.

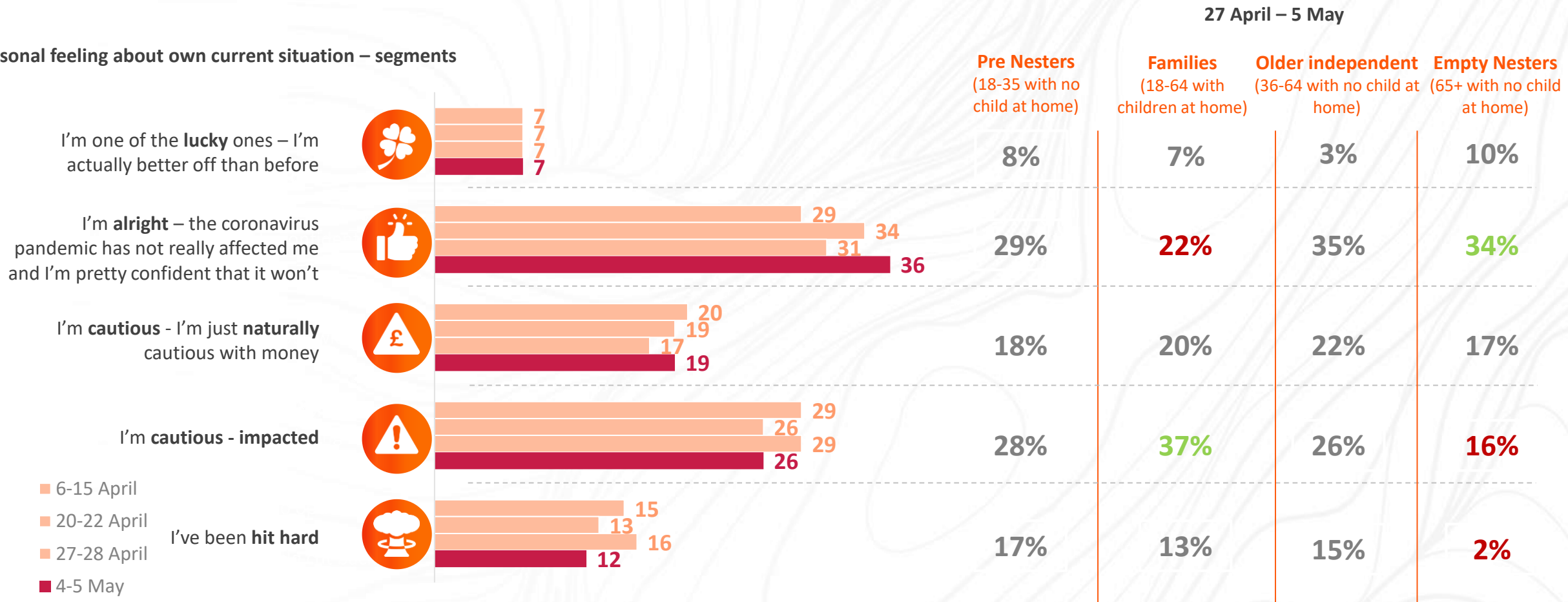
- The worst has passed
- Things are going to stay the same
- The worst is still to come

Q2: How would you rate, between 0 and 10, your mood today? (%)

Q4: Regarding the situation of Coronavirus in the UK and the way it is going to change in the coming month, which of the following best describes your opinion? (%)

Nearly 4 out of 10 respondents are financially impacted by the crisis, with 12% hit hard; some families in particular are feeling the pinch.

Personal feeling about own current situation – segments



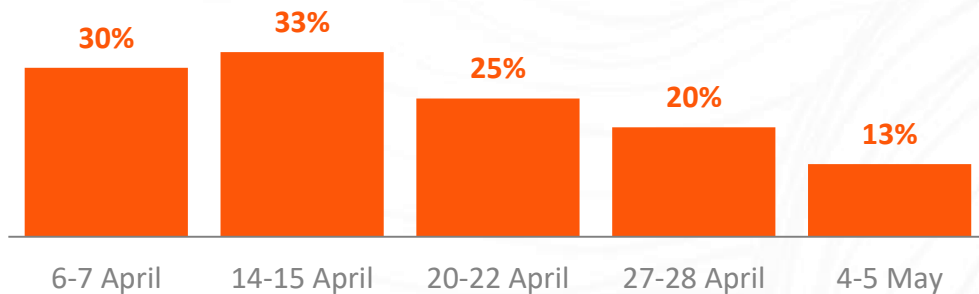
Q17: If you had to choose, which ONE of the following statements would best describe your feelings about your own situation, right now?

Q18: Some people are just naturally cautious with money. Others have become cautious, because of their financial situation during the coronavirus pandemic. Which one of the following best describes you?

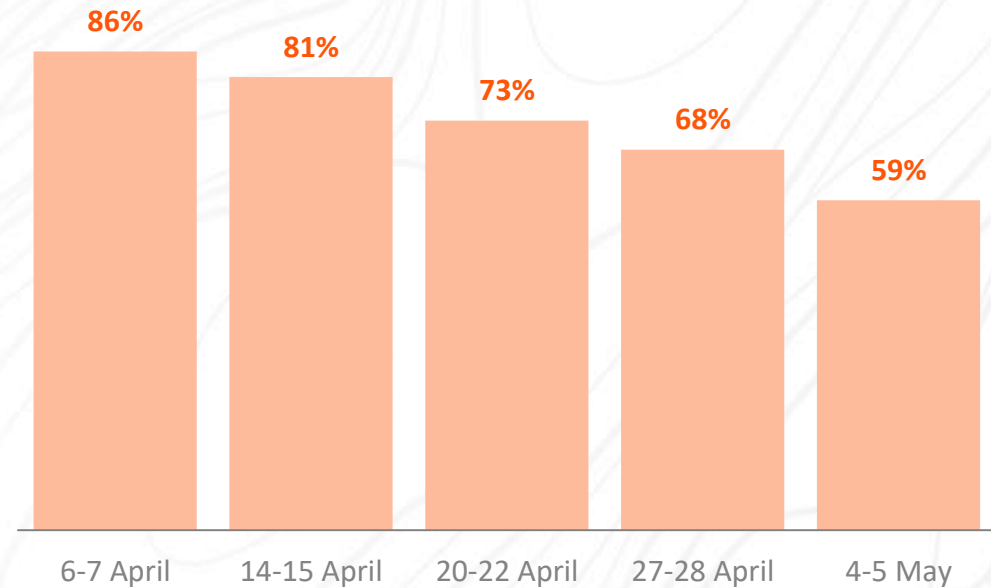
Predictions of when normality returns edge backwards notably every week.

Total % Expecting Normality by...

July 2020



This year

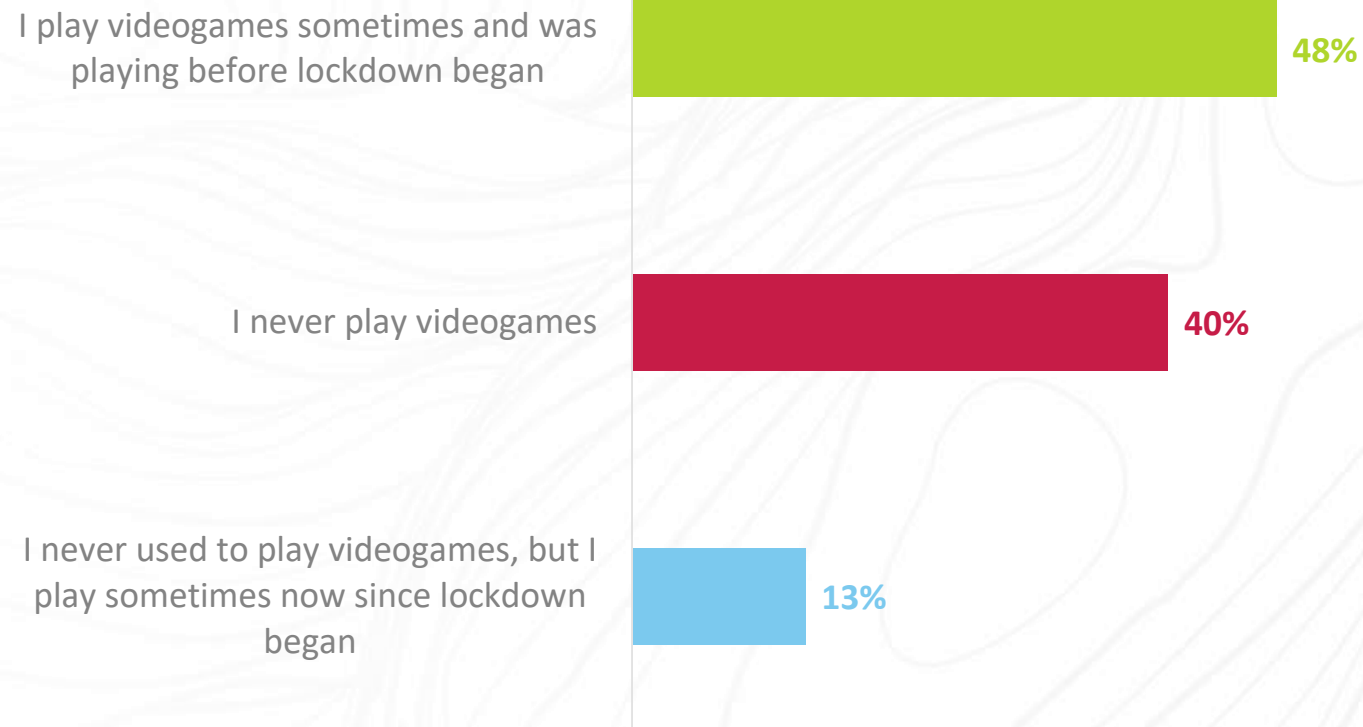


Gaming



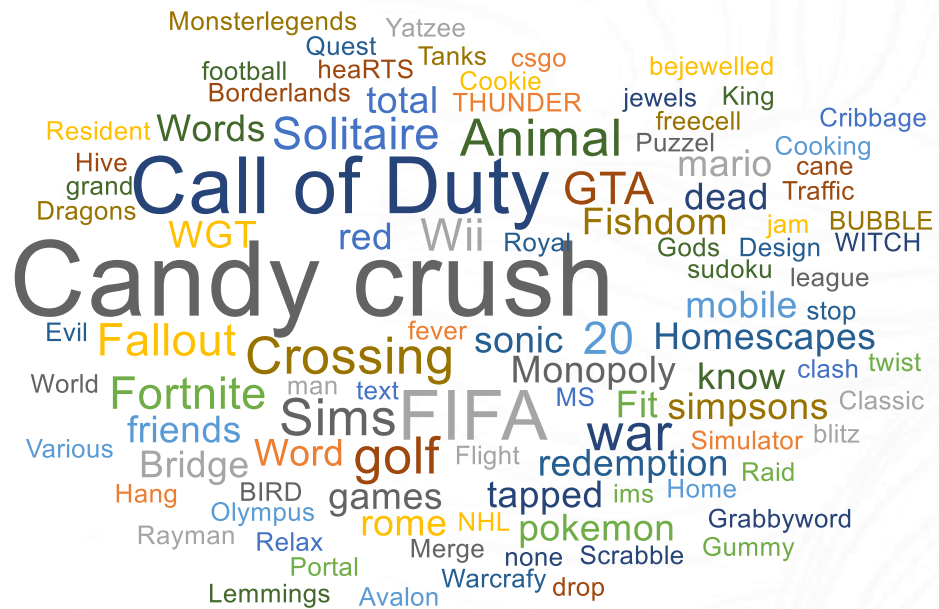
People who never played videogames before have started playing since lockdown began – in particular under 35s.

Videogames consumption



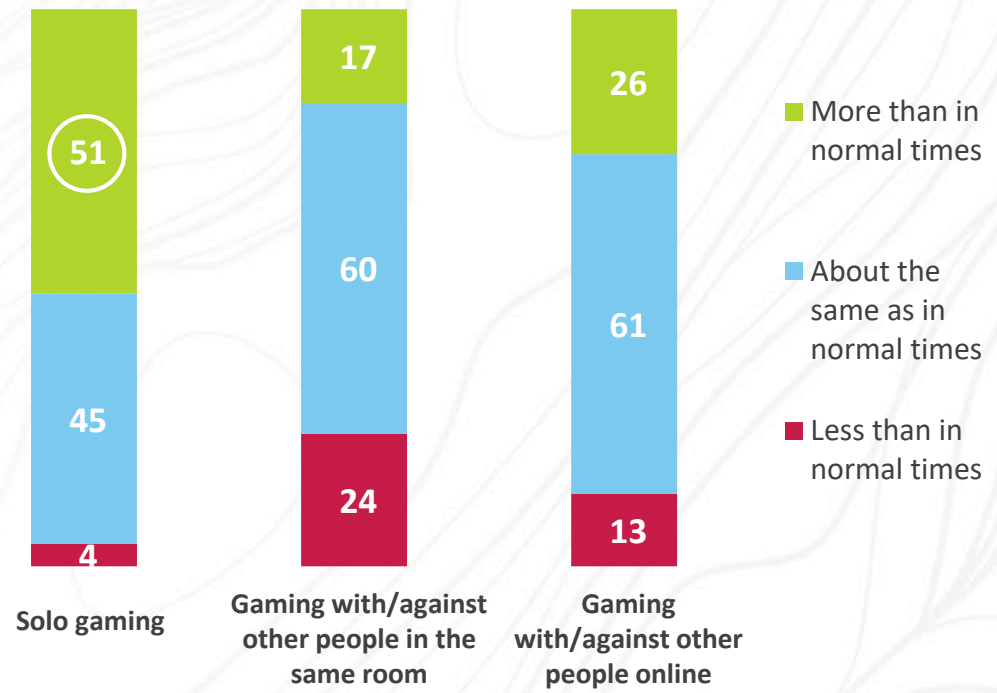
A significant increase in solo gaming since the crisis began. Online gaming sees a net increase but local gaming a net decrease, possibly due to no parties and a proportion of gamers locked down alone.

Most played game during lockdown



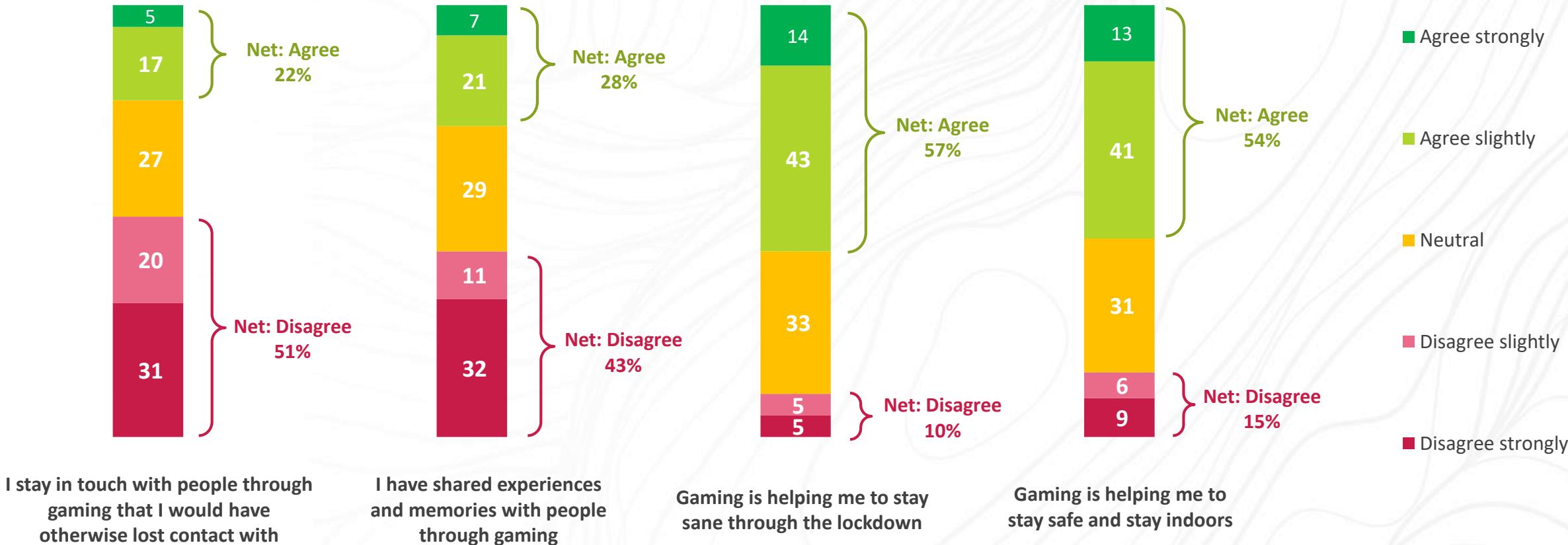
- 1 Candy Crush
- 2 Call of Duty
- 3 FIFA

Gaming behaviour since onset of COVID-19 crisis



Videogaming is helping the majority of gamers deal with isolation by ‘keeping them sane’ and encouraging them to adhere to government guidelines.

Attitude towards gaming



Alexa



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Usage of Alexa has increased sharply during the Coronavirus Pandemic

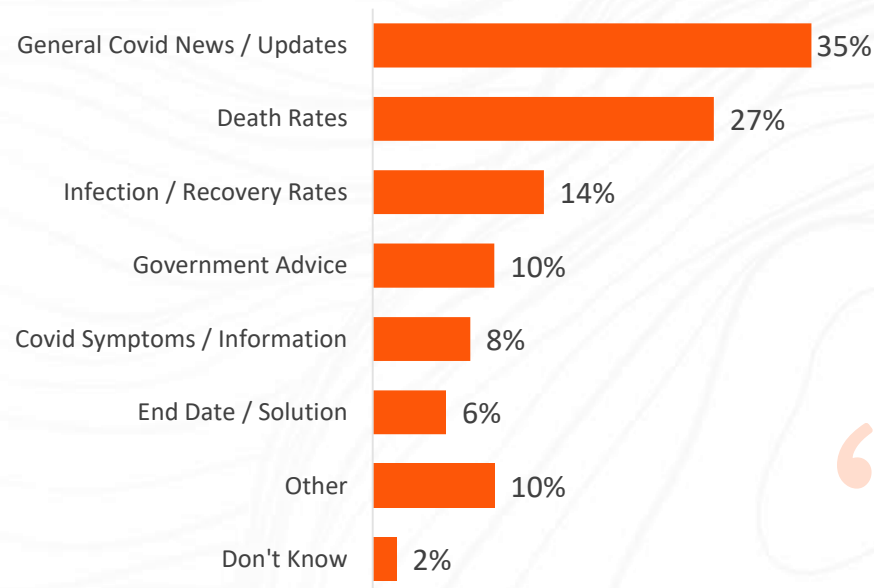
39%

of Alexa owners using Alexa more in the crisis than in normal times

Only 4% less

28%

have asked Alexa about anything connected to Coronavirus



“Number of people who had recovered from coronavirus and had been discharged from hospital answer was a couple of days out of date”

“I asked any breaking news. Alexa said that Prince Charles has tested positive”

“Synopsis of the daily briefings and financial packages offered by government”

“Ask Alexa what the death toll is and news about coronavirus and was happy her answers were accurate and non biased”

*<https://www.bva-bdrc.com/opinions/will-voice-commerce-disrupt-the-relationship-between-brands-and-consumers/>

A1: Do you have either of the following voice activated/virtual assistant speakers in your household?

A2: Since the Coronavirus crisis exploded in mid-March would you say that you are using your Alexa Voice Assistant more or less than in normal times? (based on Alexa owners)

A3: What activities are you doing more of on your Alexa Voice Assistant? A4: Have you asked your Alexa about anything connected to Coronavirus? (based on Alexa users)

A5: What did you ask them and were you happy with the answer Alexa gave?

Advertising



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7 reasons to continue advertising through the Coronavirus pandemic

1. Advertising is mostly about raising Long Term brand value.
2. Audiences can be higher and the cost of advertising lower.
3. Cutting ad spend in a crisis has had a detrimental impact on brands in the past.
4. It is easy to stand out if your competitors are off air.
5. Just because consumers can't currently spend it doesn't mean they aren't planning to spend in future.
6. Going through a major life event disrupts brand buying habits.
7. Finally this will not last forever...it's darkest just before the dawn.



We are seeing campaigns during Coronavirus working extra hard

Ad campaigns

	Normally	Lockdown
Recall of advertising	+18%	+49%
Agree it <i>stands out from other TV ads</i>	35%	50%
Spontaneous awareness	+4%	+11%
Spontaneous consideration	+6%	+16%

Sponsorship

7 waves across two years we see highest levels to date for:

- Recall of sponsorship
- Positivity to creative (also a decrease in wear-out)
- Many brand perceptions
- Purchase consideration
- Actual purchase



Note that none of these campaigns in the data were COVID related or made reference to COVID

Summary

- The UK public are generally more optimistic than elsewhere despite their expectations about normality returning and holidays being possible becoming increasingly distant.
- Many families are financially impacted by the crisis and businesses – especially small ones – are considerably more pessimistic than the public.
- Non-gamers have started playing video games during lockdown and solo gaming is up significantly. Gaming is playing a valuable role in keeping people indoors and ‘sane’.
- Similarly Alexa usage sees a sharp increase with people listening to more music, radio and news. Over a quarter have asked Alexa something related to Coronavirus.
- We are also seeing strong evidence that brands who continue to advertise are seeing strong returns on their investment during lockdown.



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