CONVID-19 Reality Bites

What's around the corner
for people & citizens

dentsu

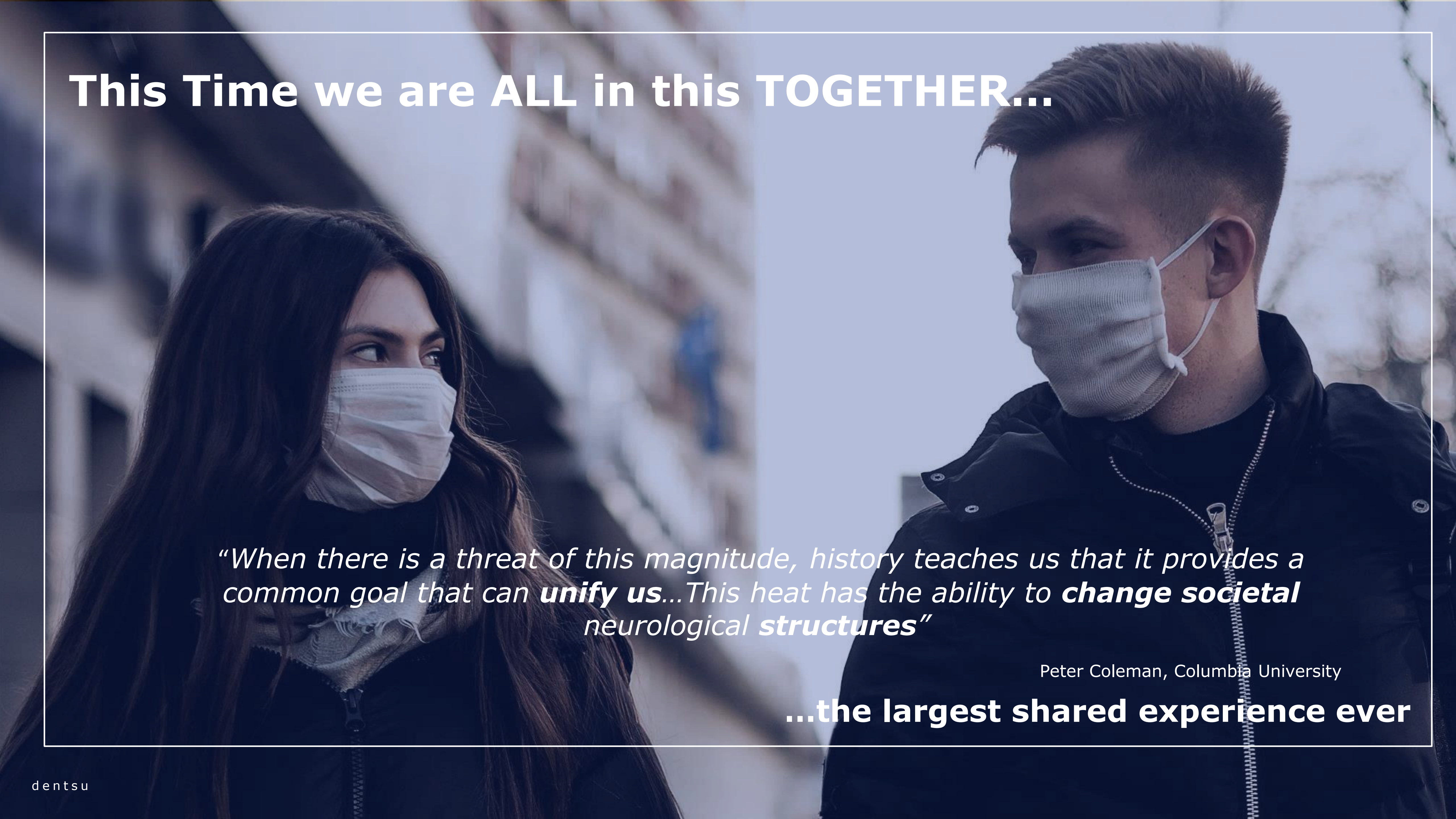
6/11/2020

So far, History…

…was mainly written in **social, economic and geopolitical** terms…

… creating strong partisanships…

…either pros **…or antis**



This Time we are ALL in this TOGETHER…

"When there is a threat of this magnitude, history teaches us that it provides a common goal that can ***unify us****…This heat has the ability to* ***change societal*** *neurological* ***structures****"*

Peter Coleman, Columbia University

…the largest shared experience ever

Rising to the unprecedented occasion, DAN Greece launched a Pulse Survey sharing insightful knowledge with clients & businesses

Feb. 26
First GR case confirmed

Mar. 11
Officially designated a pandemic by WHO

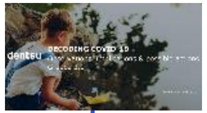
Mar. 11
Schools' closure

Mar. 14
Shops' operation suspended

Mar. 23
Lockdown imposed

From Shock to Fear

Mar. 31
DENTSU Barometer W1



Apr.2
Outbreak peak in Greece (129 confirmed cases on a day)

Uncertainty in multi dimension

Apr. 6-7
DENTSU Barometer W2

Apr.7
Daily cases drop consecutively

Apr.19
Easter

Apr. 21-22
DENTSU Barometer W3

Looking for a way out

May 4
Re-opening (a 'phase)

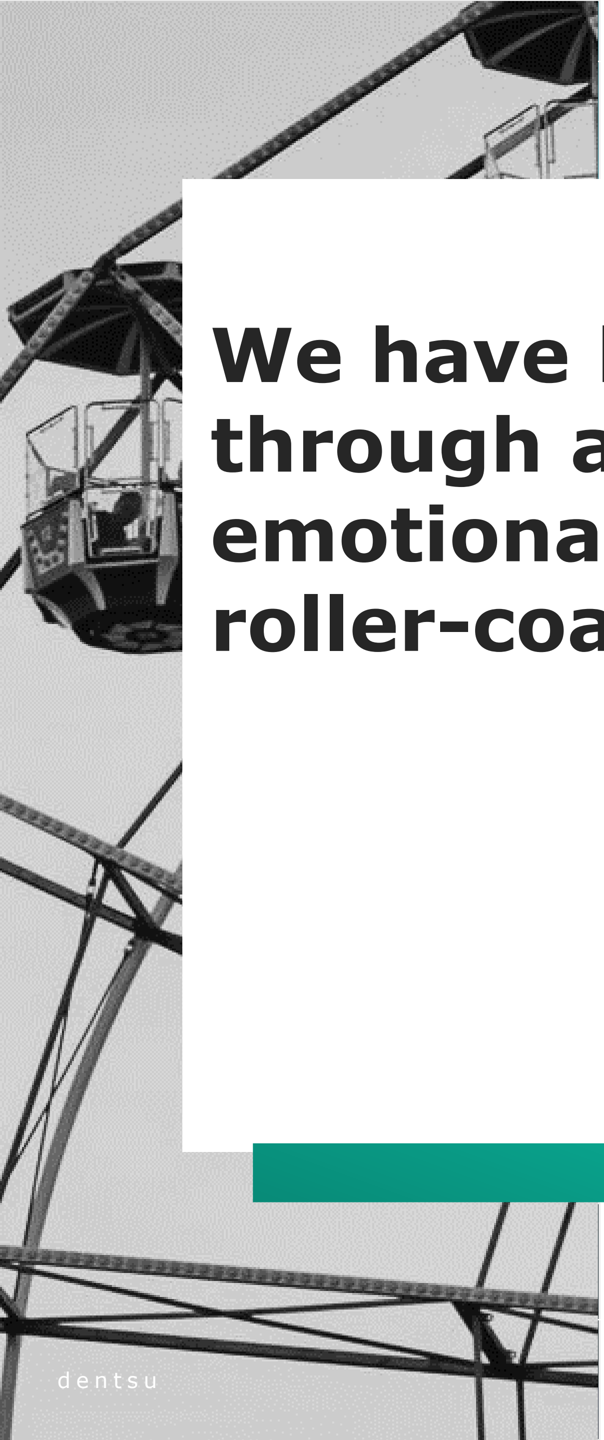
May 14-15
DENTSU Barometer W4

Optimistic still Sceptical

It can be a defining moment in history

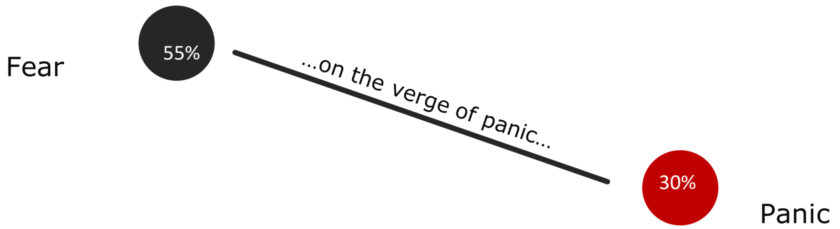
"Coronavirus is the generation-defining moment.
We will start categorizing today's generation as pre-Covid and post-Covid"

The Economist



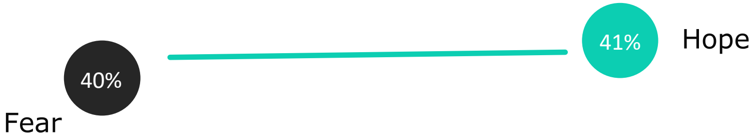
We have been through an emotional roller-coaster

At first, it was Shock…
Fear of health risk for **Family** skyrockets

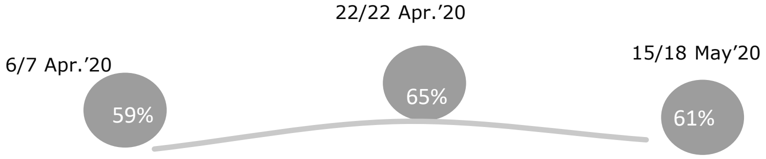


Source: MRB, Luminous, 13/16 Mar. '20

…then Emotional Balance was restored
Feelings of personal & national **Pride** emerge



…and Uncertainty reigns
Mainly **Economic** as insecurity is getting **Personal**

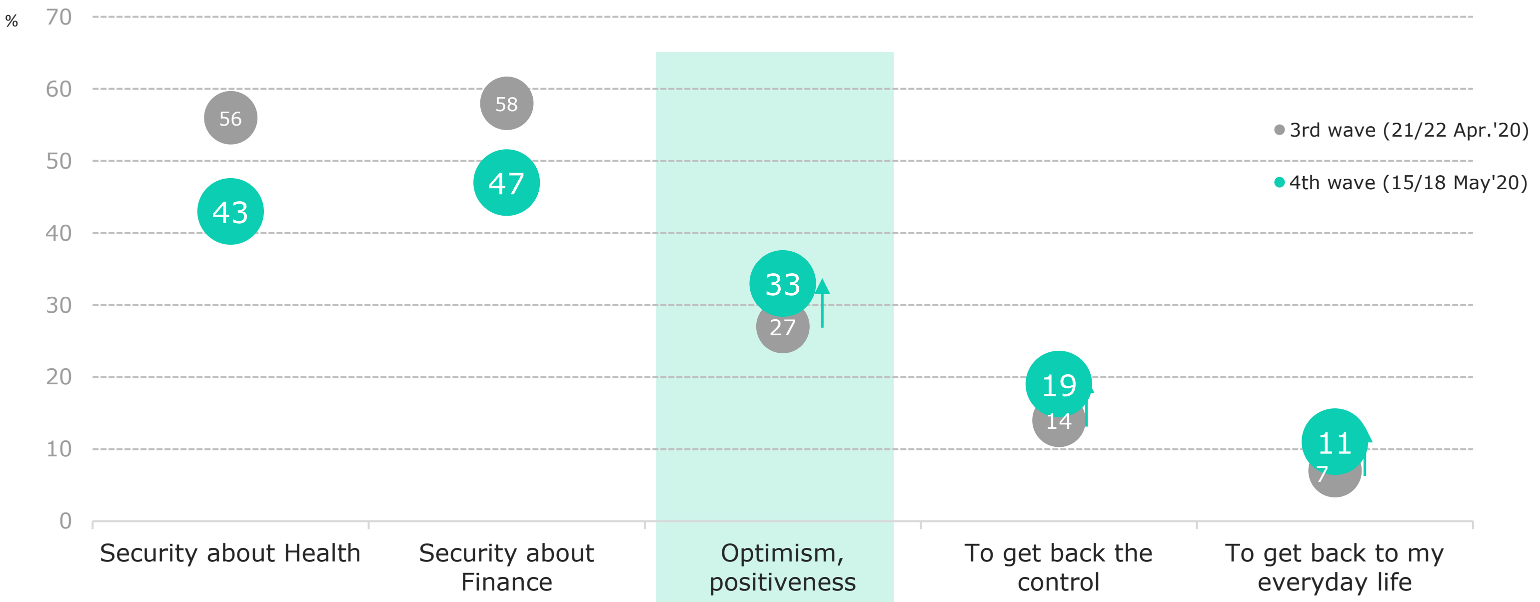


Source: Dentsu Aegis Network Hellas/MRB Hellas, Tracking Study

In need to be optimistic again

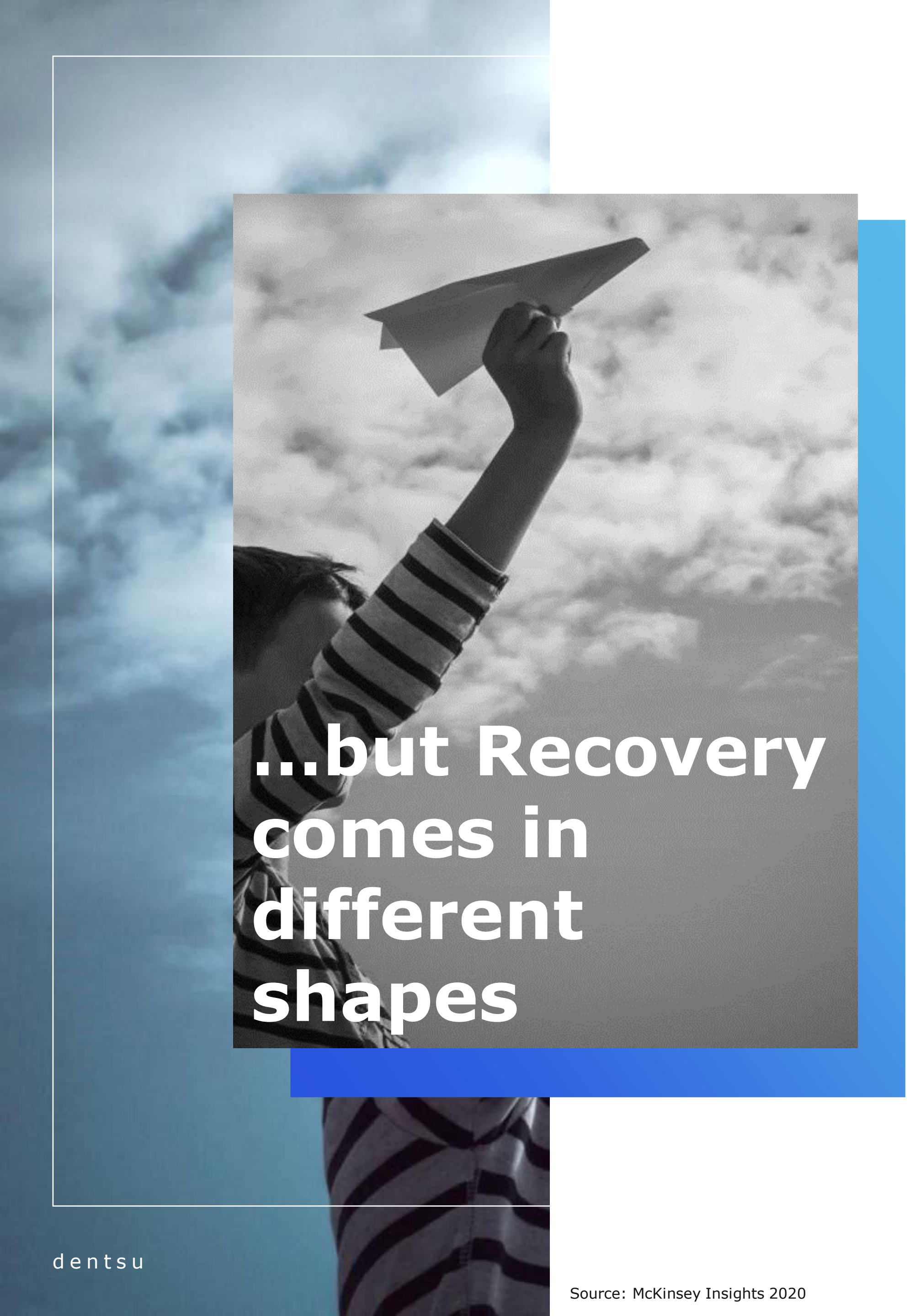
...getting back the reins of our lives

Q: Thinking about your feelings amidst pandemic crisis, which 3 things do you mostly need at the moment?



Security about Health	Security about Finance	Optimism, positiveness	To get back the control	To get back to my everyday life
...mainly **Baby Boomers** (50%, i120)	...mainly **Gen Xers** (54%, i115)	...mainly **Baby Boomers** (39%, i118)	**...across generations**	...mainly **Gen Zers** (20%, i110)
Millennials (46%, i110)	**Baby Boomers** (49%, i105)	**Gen Zers** (34%, i105)		

Source: Dentsu Aegis Network Hellas/MRB Hellas, Tracking Study

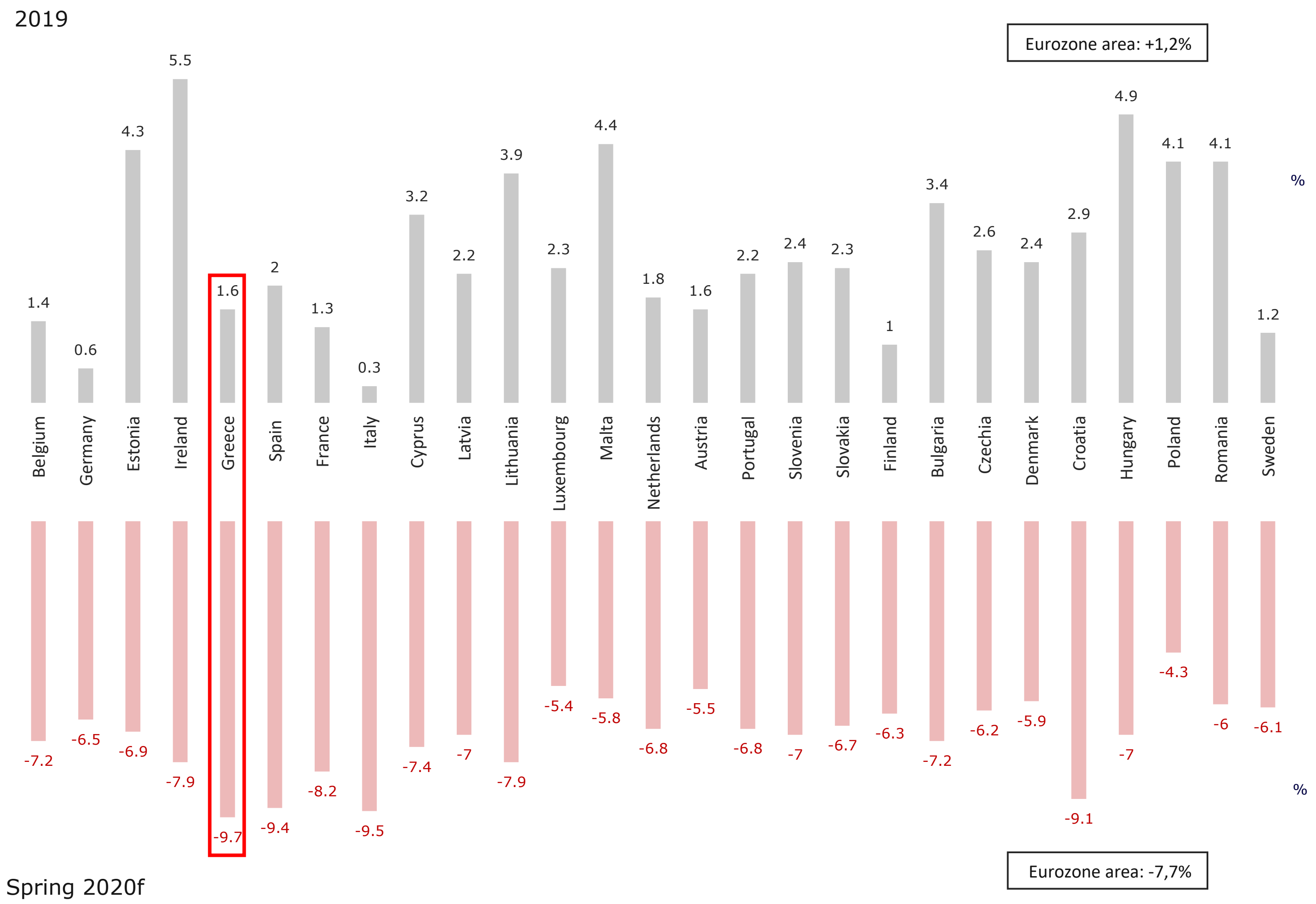


...but Recovery comes in different shapes

"V" shape 	The best-case scenario; A sharp downturn followed by a quick rebound
"U" shape 	it takes many months, if not years, for the economy to recover
"W" shape 	the economy begins to recover rapidly, but then falls into a second period of decline; a double-dip recession
"L" shape 	The worst-case scenario; Growth falls and does not recover for years

Source: McKinsey Insights 2020

...alongside some hard numbers



Source: European Commission 2020 / GDP change Forecast

Back in motion...

Not from where we left of, BUT from a new starting point

with expectations & habits that will take us time to ingrain.

- Recovery is **COLLECTIVE**

We went on lockdowns globally; we are re-opening globally for the first time in our "globalized" history.

- Recovery must be **FLEXIBLE, not be set in stone**

Recovery will look more like a marathon than a sprint. An effective recovery plan will be a living document, exploring several scenarios and regularly reassessed.

- Recovery must be **REALISTIC**

Recovery should not aim at restoring the pre COVID-19 situation. Reflecting on the new context, we should watch "the unprecedented" in the eye to pave an easier way for the day after.

Identifying the Behavioral Changes

In the after-pandemic world

Emerging after COVID-19 trends

… likely to persist in the <u>longer</u> term

1
Safety & Hygiene

2
New Leadership… New Citizenship

3
A whole new e-Everything

… likely to stay for a <u>shorter</u> period

4
The New Shopper

5
The New Home

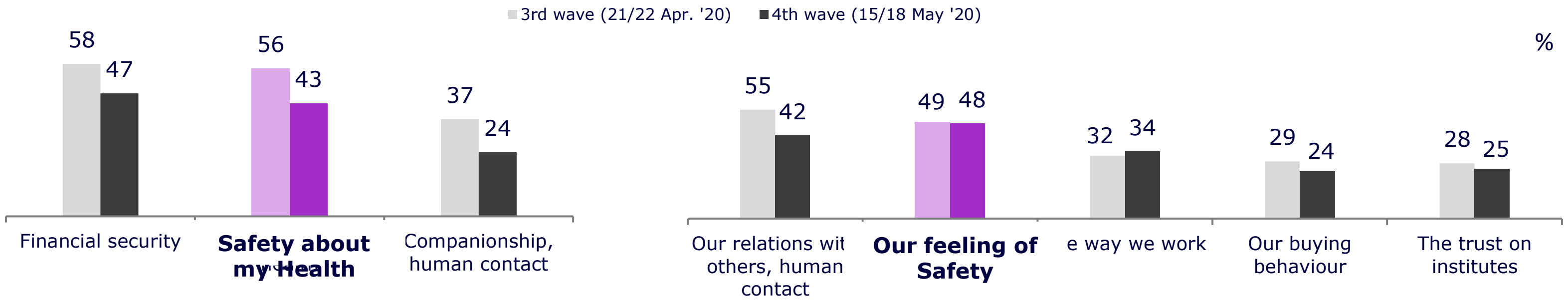
1

Safety & Hygiene

Currently, people are mostly in need of Health safety, something they believe will prevail in the future as well…

Q: Thinking about your feelings amidst pandemic crisis, which 3 things do you mostly need at the moment?

Q: When this is all over, what do you believe will change/be influenced by this experience in the long run?



…not taken it as a granted anymore

***86%** to acquire healthy habits & behaviours*

***71%** to take care of my well-being*

***69%** to improve my emotional health*

***69%** to look after my physical health*

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Source: Dentsu Aegis Network Hellas/MRB Hellas, Tracking Study
Focus Bari: COVID-19 insights: The "Next Day" 4 the "Next WE"

2

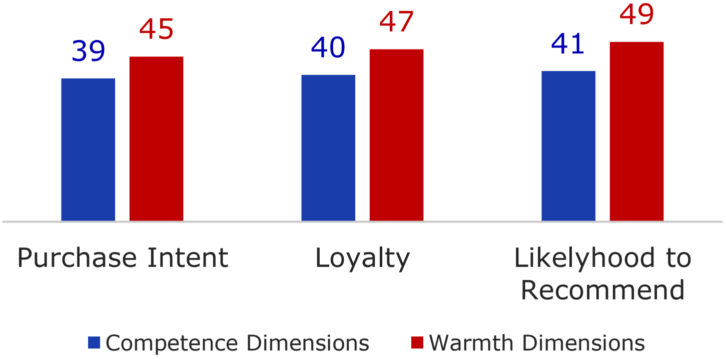
New Leadership

As people reevaluate their core values and return to basics, a new way of leadership emerges based on:

E(xpertise) + **E**(mpathy) = **T**(rust)

Perceptions of others	Low Competence	High Competence
High warmth	Sympathy & Indifference	Admiration & Attraction
Low warmth	Contempt & Rejection	Envy & Grudging cooperation

Customer behavior is more strongly correlated with perceived warmth than competence



Source: Universal Dimensions of Social Cognition: Warmth & Competence

2

New Citizenship

Based on three pillars:

01. Responsibility	02. Togetherness	03. Reflectiveness
Maturity	Solidarity	Patience
Accountability	Coordination	Sobriety
	Unity	Critical approach

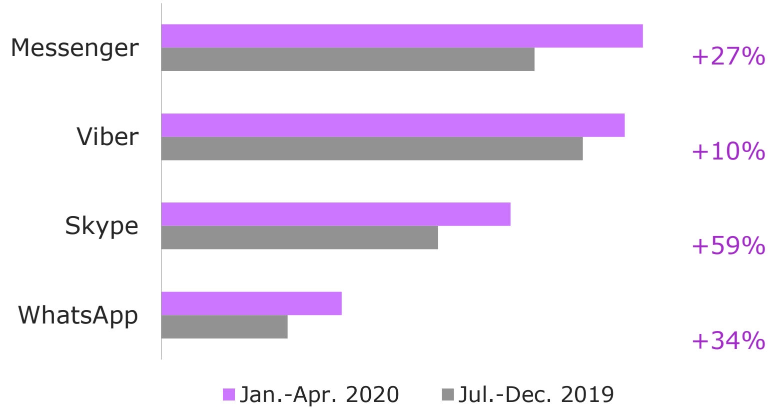
Source: MRB Hellas, Luminous, April ‘20

3

A whole new e-Everything

Technology as an accelerator

…to communicate



…to learn, manage finances, transact with the Public sector

+49% …e-learnings/webinars

+41% …e-banking

+38% govgr …transactions with the public sector

…to shop

46% …are willing to use AR/VR to assess products

31% …use auto shopping subscriptions

Source : Nielsen, WHAT'S NEXT: Changing consumer behaviour accelerators
Focus Bari: COVID-19 insights: The "Next Day" 4 the "Next WE"

Emerging after COVID-19 trends

… likely to persist in the longer term

1
Safety & Hygiene

2
New Leadership… New Citizenship

3
A whole new e-Everything

… likely to stay for a shorter period

4
The New Shopper

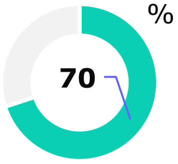
5
The New Home

4

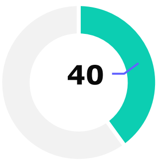
The New Shopper

Mindful economics

The consumer is even more cautious than before…



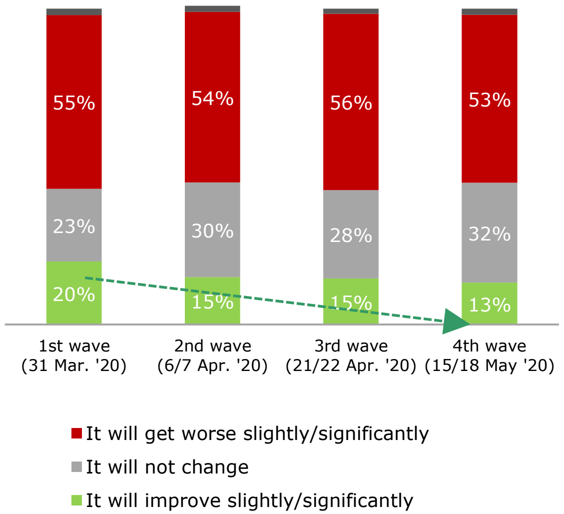
I pay more attention to prices/offers

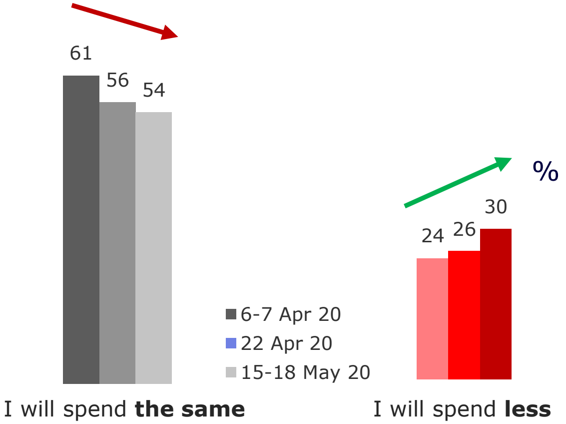


I have reduced my shopping basket

…driven mainly by the concern on personal finance

Q: Considering your personal finance in the next 12 months, would you say that…





Source: Dentsu Aegis Network Hellas/MRB Hellas, Tracking Study

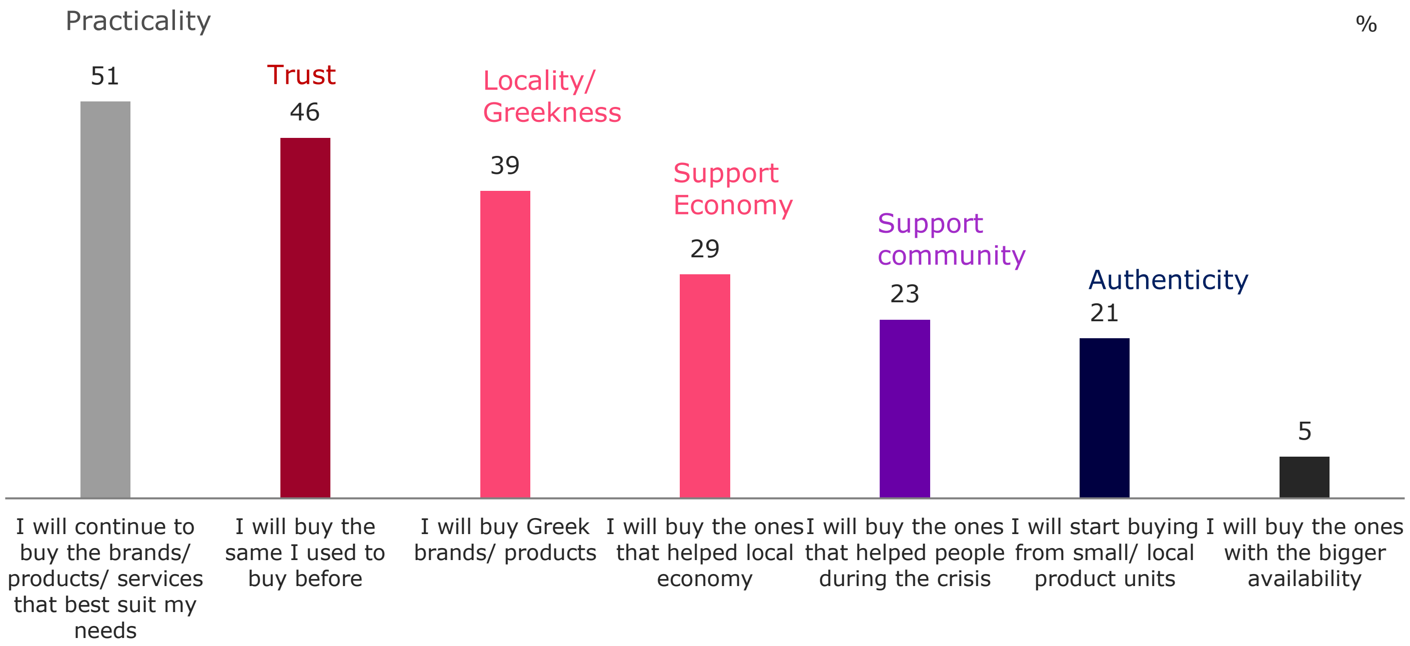
4

The New Shopper

Expectations from Brands

Trust & RTB will be defining in the way we shop after the pandemic

Which of the following will affect your way of shopping products/services after the end of the pandemic?



Source: Dentsu Aegis Network Hellas/MRB Hellas, Tracking Study

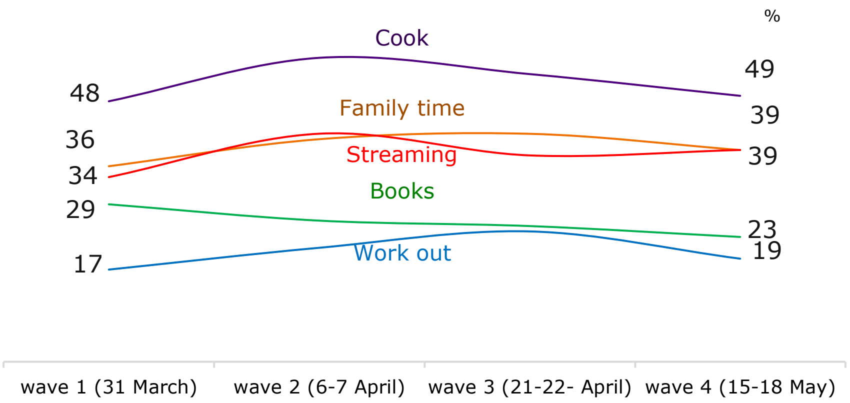
5

The New Home

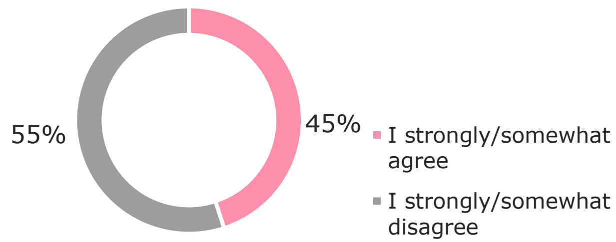
Home as a Hub
(entertainment, office, store)

Rediscovering our Home
Consumers are adapting their daily routines into the new reality, further reinforcing hometainment & questioning old “holy” truths

Q: Staying at home, which of the following do you do often to feel better, relax & unwind?



“Technology cannot replace the connection of the in-person communication”



Source: Dentsu Aegis Network Hellas/MRB Hellas, Tracking Study
Focus Bari: COVID-19 insights: The “Next Day” 4 the “Next WE”

How Generations behaved?

Gen Z
(17-24 y.o.)

…Off you Go!

Sentiment
The lightest emotionalization of the pandemic

While @Home…
e-learning, e-socialising but also boredom & fed up!

Shopping Behaviour
e-Shoppers & resuming spending with limited cuts

Expectations from Brands
First protect, then make my life easier …but be ethical all the way

Millennials
(25-34 y.o.)

…Watch my Back!!

Sentiment
Grimmer outlook, a "shaken-up" perspective ending in higher insecurity

While @Home…
Social online, taking care of own self to fight negativity

Shopping Behaviour
e-Shoppers to make life easier, frugal anytime soon…

Expectations from Brands
Acting Ethical & create Protection shields (in the workplace, of the workforce)

Gen X
(35-54 y.o.)

…Feet on the ground!

Sentiment
Under pressure…again

While @Home…
Taking care of the nest

Shopping Behaviour
Practical all the way

Expectations from Brands
Highly demanding of brands, expecting them to be socially responsible

Baby Boomers
(55+ y.o.)

…Heal and Care!

Sentiment
A life-threatening experience with deeper emotional wounds

While @Home…
Same routine as before

Shopping Behaviour
Mainly offline shoppers, turning on my next-door shop, the one I know & trust

Expectations from Brands
Being the most vulnerable age group, its needs are concentrated around Positivity & Guidance

Source: Dentsu Aegis Network Hellas/MRB Hellas, Tracking Study

What changed in Media?

Gen Z
(17-24 y.o.)

#1: YouTube
High consumption from outbreak to reopening (reaching 75% on the 3rd wave)

#2: Instagram
Increasingly consumed; from 41% on the 1st wave to 54% on the last

#3: Netflix
Bursting consumption during lockdown (reaching 67%), deflating upon quarantine lifting (37%)

Almost half of them developed a stronger connection with **Linear TV** as soon as the outbreak began (40%)

Millennials
(25-34 y.o.)

#1: Netflix
Paramount touchpoint; from 48% on the 1st wave to 55% on the 4th

#2: YouTube
Second but not minor, with growing consumption up to 46% the 4th wave

#3: Facebook
Almost stable across waves, ending up in 36% on the last wave.

Gen X
(35-54 y.o.)

#1: Linear TV
High levels of consumption across the waves (67% on the last)

#2: Facebook
Similar consumption with TV, crossing the reopening line with 56%

#3: Video Content (YT & Netflix)
Video content demand was increased significantly throughout the lockdown & watched from all available platforms

Baby Boomers
(55+ y.o.)

#1: Linear TV
Growing across survey waves; from 64% on the first up to 68% on the last

#2: Facebook
Remarkable entry on their media diary, boosted from their need to keep in touch with families distantly

#3: Radio
Stable consumption from the beginning to reopening

— Revealing each generation's comfort zone… —

Source: Dentsu Aegis Network Hellas/MRB Hellas, Tracking Study

Media evolution during the lockdown & the day after

TV

Boomed in viewership, penetration & viewing time. The increase will be halted but significant figures will remain.

DIGITAL

The significant increase of Digital has already started to subside

RADIO, STREAMING PLATFORMS, PODCASTS

Increased audience related to research for updated information even at home, while there is increased usage of cars instead of public transport

OOH

Slow recovery pace and new formats development to capture new life-style & social gathering opportunities

PRINT

Surge on online platforms certain titles will be regarded as trusted Source Of Information to consumers.

Opportunities & Challenges looking ahead

HOLISTIC COMMERCE APPROACH

seamless experience on different steps of the journey across media & commerce connection points (e & physical)

HYBRID MODELS OF COOPERATION

creating opportunities of speeding up response and the depth of understanding Brands resulting in on time – on target – to the point communication

SUBSCRIPTION MEDIA

possibly "ad-free" in more Media

WFH VS WORK-HOME BALANCE

the reverse of the long-standing dilemma might create a different set of services/product opportunities

Business back on track

Considering the impact on spending already

Online Shopping
↗

Savings
↗

Home Entertainment
?

Travel & Tourism
↓

Healthcare
↗

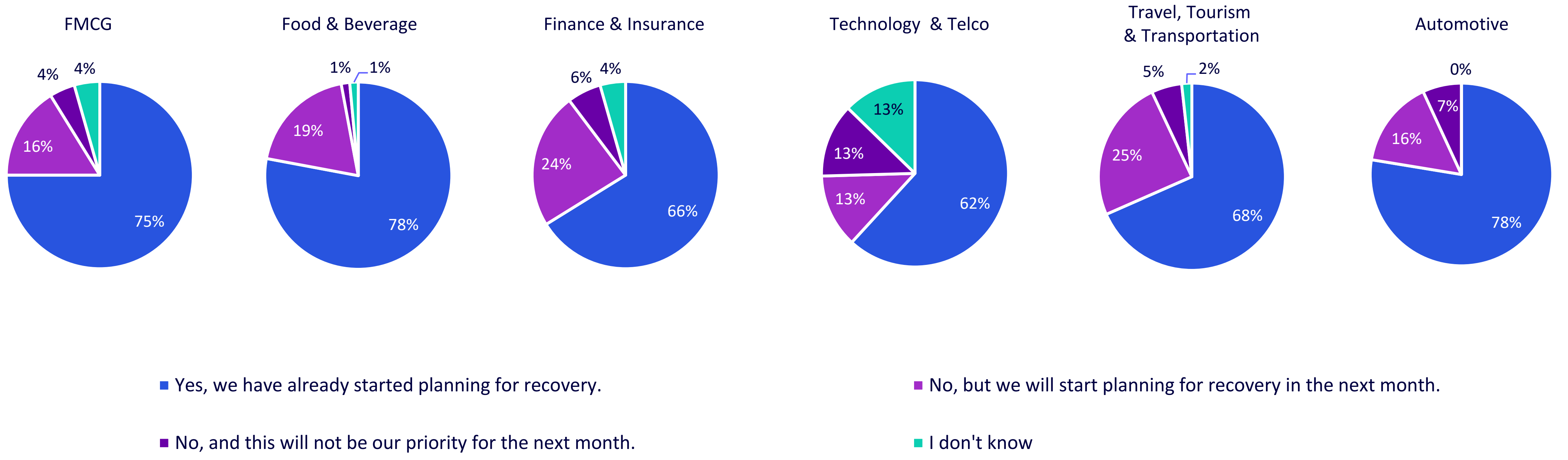
Fresh & Organic Food
↗

Transportation/ Commuting
↓

Luxury
?

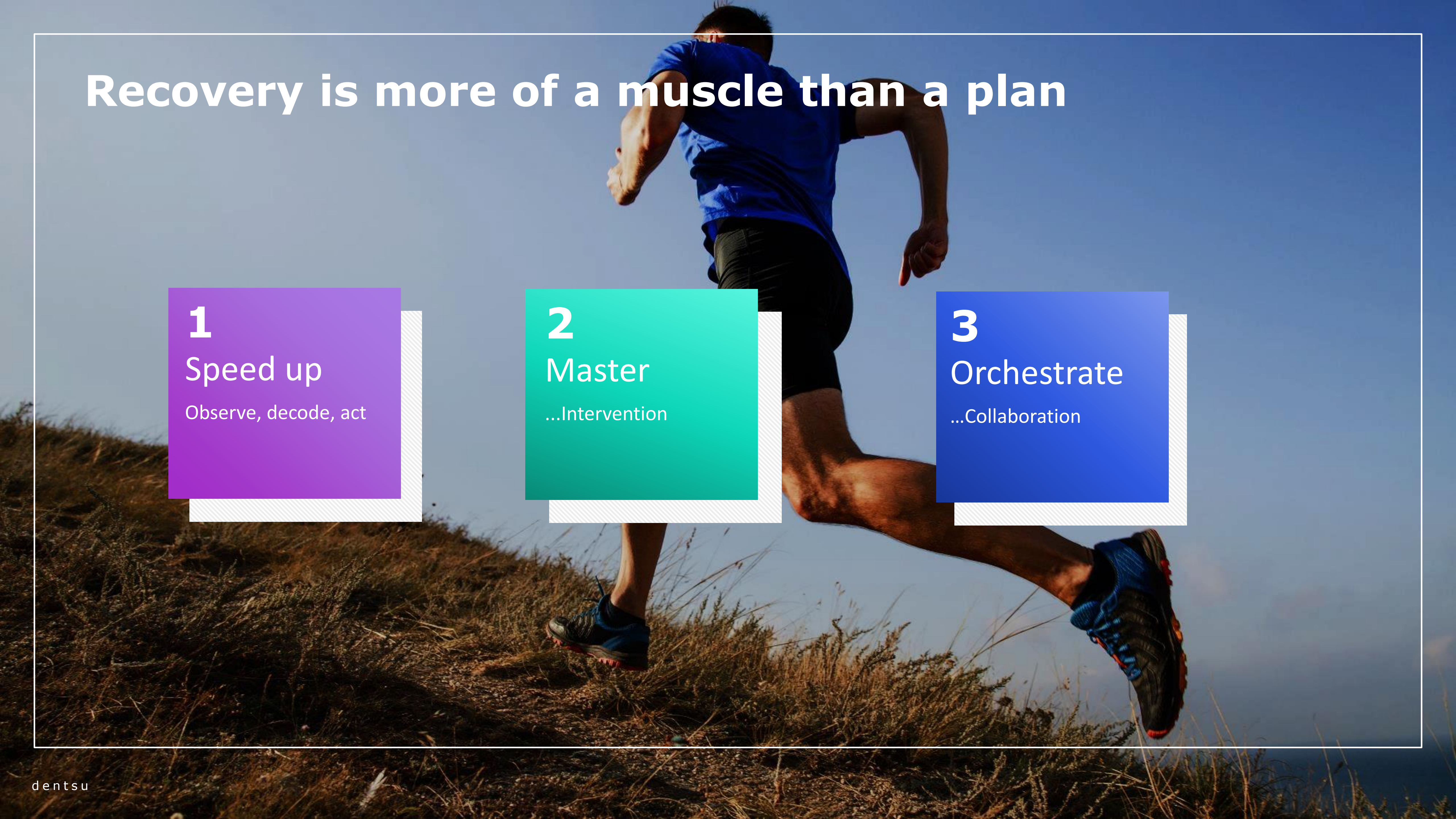
Now planning for Recovery across categories...

Q: Have you started planning for post-COVID-19 recovery?



Source: Dentsu Aegis Network, The reality of recovery, a post-COVID19 world, April 2020

Recovery is more of a muscle than a plan



1
Speed up
Observe, decode, act

2
Master
...Intervention

3
Orchestrate
...Collaboration

A...Brand New World

Purpose as a Northern Star

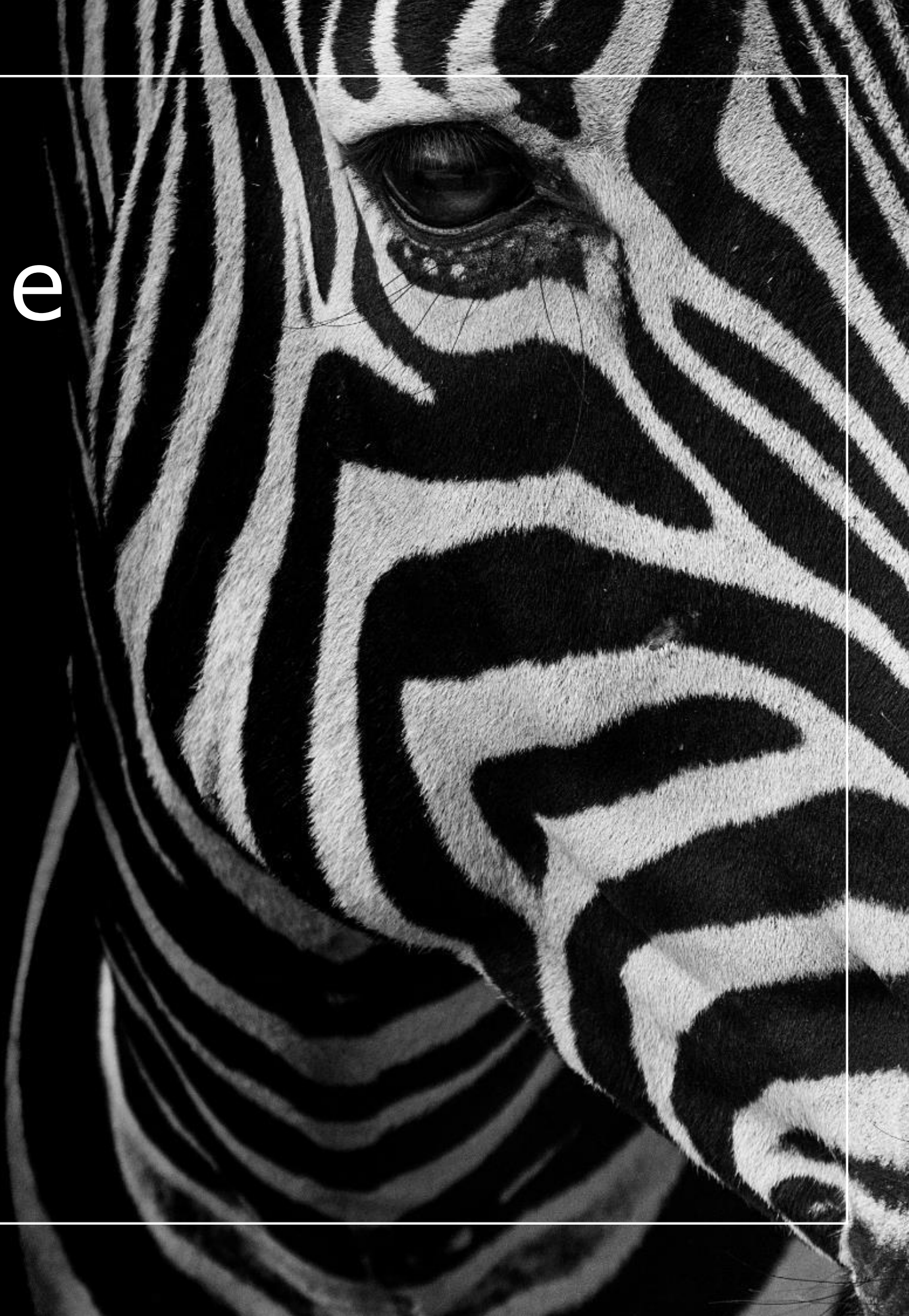
From Shareholders Interest to Stakeholders Value

Unlike products, brands aren't wholly owned by companies

They are in the public domain. The public can shape them, make them and break them. Never was that truer than right now and that power will make itself felt long after the current crisis has passed.

take a stand

…but take NO side



Be Empathic

Understand…

Connect…

Support…

Getting to the pole position

- **Decision** making will need to answer **complicated equations**
- From either-or quick choices to **“and” sustainable plans**
- Expect **change** & **look ahead**. Now will be past in few moments.
- **Understand broader social shifts**. “Averages” & “episodic” statistics rarely capture the weak signs of change.
- **Identify your weaknesses**. Look for “frictions “; costly, delaying non-transformative processes.
- **Learn** from **the ones being ahead on the curve** (regions, industries, mavericks)
- Leading with <u>**HOPE & TRANSPARENCY**</u>

The Hackable Human

" As Biology is merging with Computer Science & epidemiology gets acquainted with smartphones, Covid-19 met Zoom…"

Yuval Noah Harari

Walking with optimism in the UNCERTAINTY ERA , remember that

"Heart can be a Double Agent " ☺

Thank you!