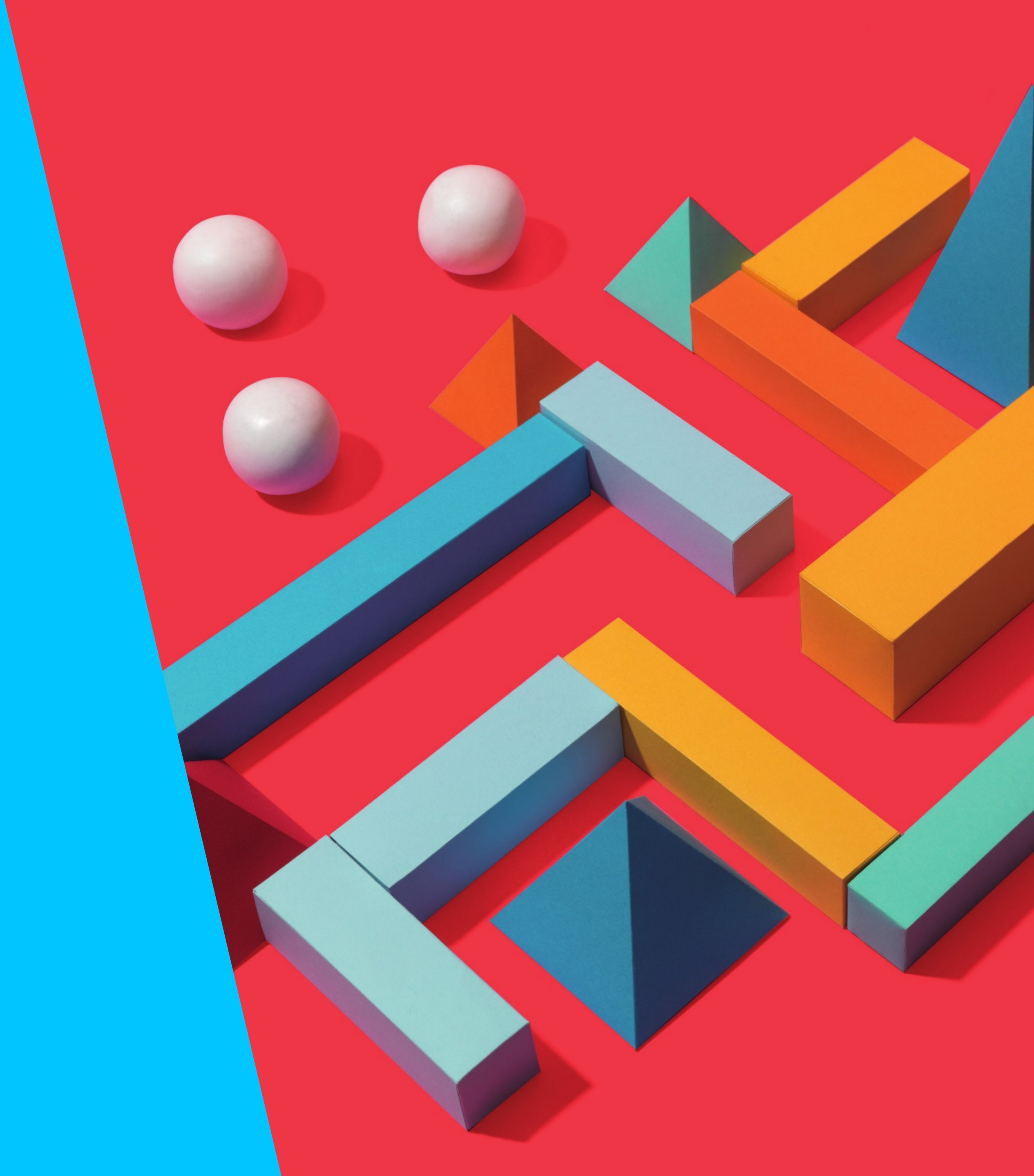
the VIEW

Zenith

The ROI agency

Welcome to the View 2020

Economic Forecasts



In a nutshell, what can we expect in 2020?

Brexit Uncertainty

We are still unsure how the UK will leave the EU, meaning widespread uncertainty in the economy over the next 6 months, compounded by potential political uncertainty following the December election. However medium term forecasts expect a bounce back and stabilising of the economy towards the end of 2020.

Stock Piling

Consumers have learnt their lesson from the last recession and as such are buffering themselves against the uncertainty they see in the national economy. This has resulted in a high savings rate and low expectations of major purchases in the 2020, despite positive forecasts for the labour market and real wages.

So what?

It's likely there will be some disruption in the UK economy over the first half of 2020, however we expect the economy to rebalance long term.

Economic headlines: the outlook

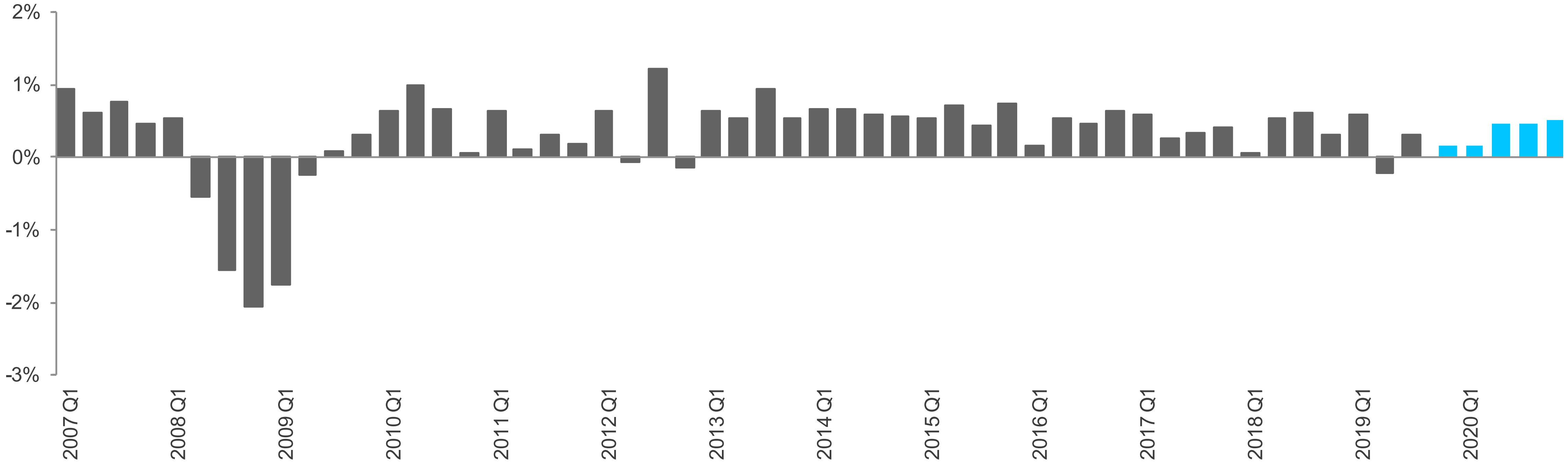
INDICATOR	*STATUS*	
Real GDP growth	GDP growth is forecast at 1.3% in 2019 and 1.1% in 2020	▼
Inflation	The CPI is forecast to cool to 1.8% in 2019 and 1.4% in 2020	▼
Real earnings growth	Real earnings growth is forecast at 0.9% in 2019, increasing to 1.5% in 2020	▲
Unemployment	Unemployment is forecast to remain stable at around 4%	=
Interest rate	The Bank of England base rate is forecast to increase to 1% in 2020	▲
Value of sterling	Sterling is forecast to rise against the dollar in 2020	▲
House price growth	House price growth is forecast to remain below 1% in 2020	▼
Real retail sales growth	Retail sales growth is forecast to stabilise at around 0.5% in 2020	=

Source: Oxford Economics/FF online, UK, 2019

Real GDP growth will be volatile towards the beginning of 2020, levelling out towards the end of the year.

Quarter-on-quarter % change in real GDP | October 2019 forecast

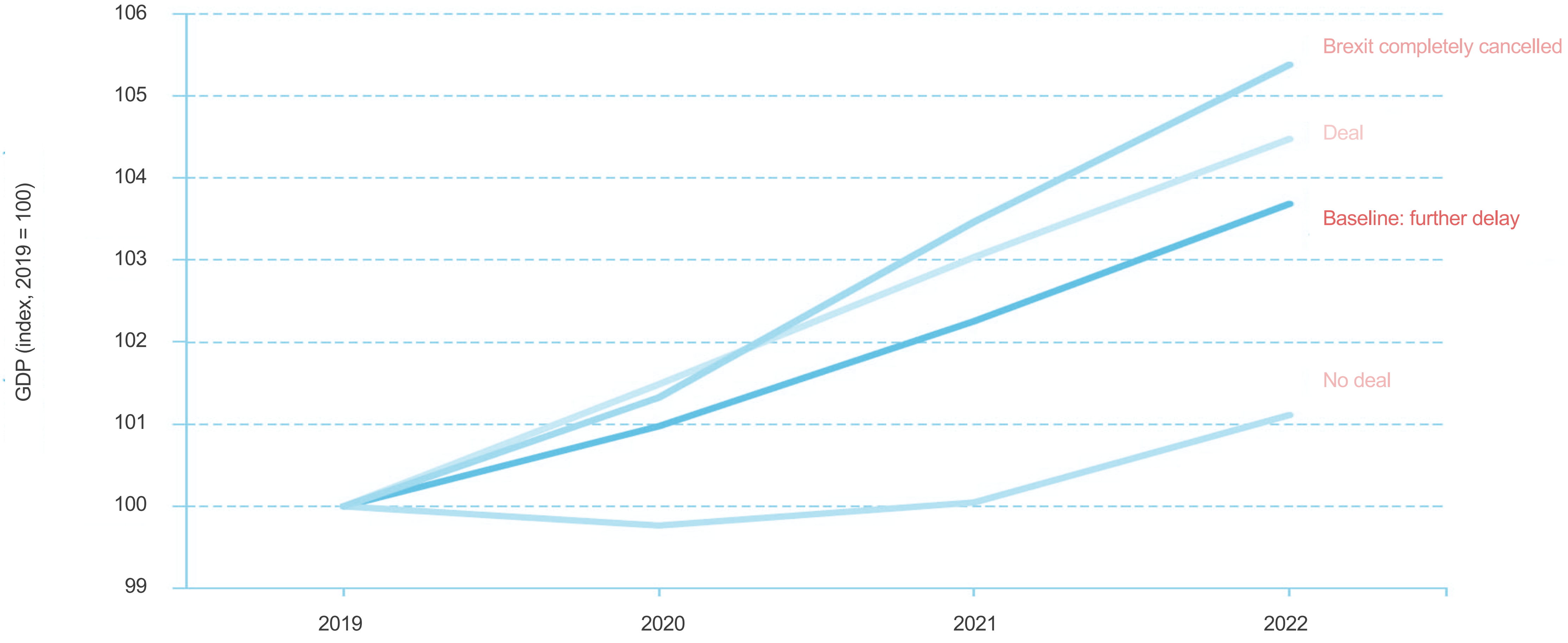
GDP growth was negative in Q2 2019, but is expected to recover to 0.3% growth in Q3. The quarterly volatility in GDP growth seems likely to continue in the short term, as Brexit-related uncertainty continues to affect businesses. Medium-term forecasts suggest that GDP is likely to remain low by historical standards.



Source: Oxford Economics/FF online, UK, 2019

Brexit introduces some uncertainty into short term fortunes

Real GDP growth in the UK under different Brexit scenarios| 2019-100

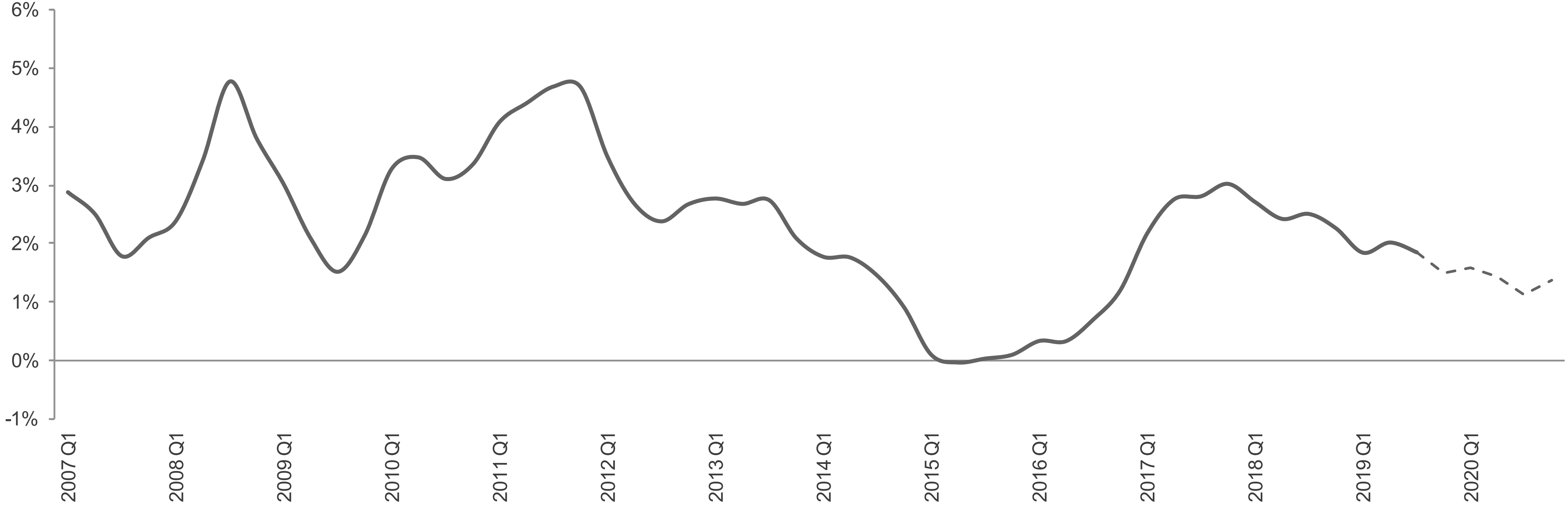


Source: IFS, October 2019

Inflation is set to decline in 2020

Annual % price changes in CPI | October 2019 forecast

Inflation is expected to cool in 2020, in line with the pattern we've seen in 2019.

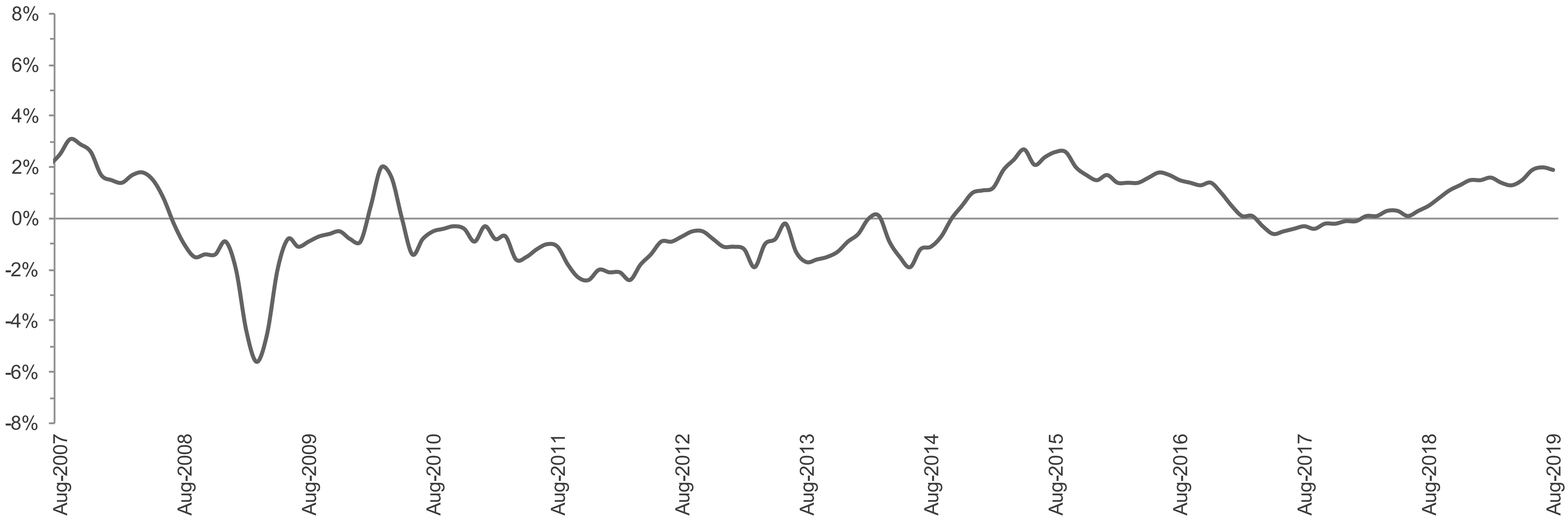


Source: Oxford Economics/FF online, UK, 2019

Which in part will contribute to real wage growth remaining positive

Three-month average seasonally adjusted weekly earnings growth on the same period a year earlier | Data up to August 2019

Real earnings growth in the three months to August increased by 1.9% compared to a year earlier, while nominal total earnings (including bonuses) increased by 3.8%. The rate of pay growth has trended upwards since May 2017, but August was the first month of flat growth in nominal terms. Relatively stable inflation and growth in nominal wages are allowing real wage growth to remain positive, and will have a significant positive effect on disposable income.

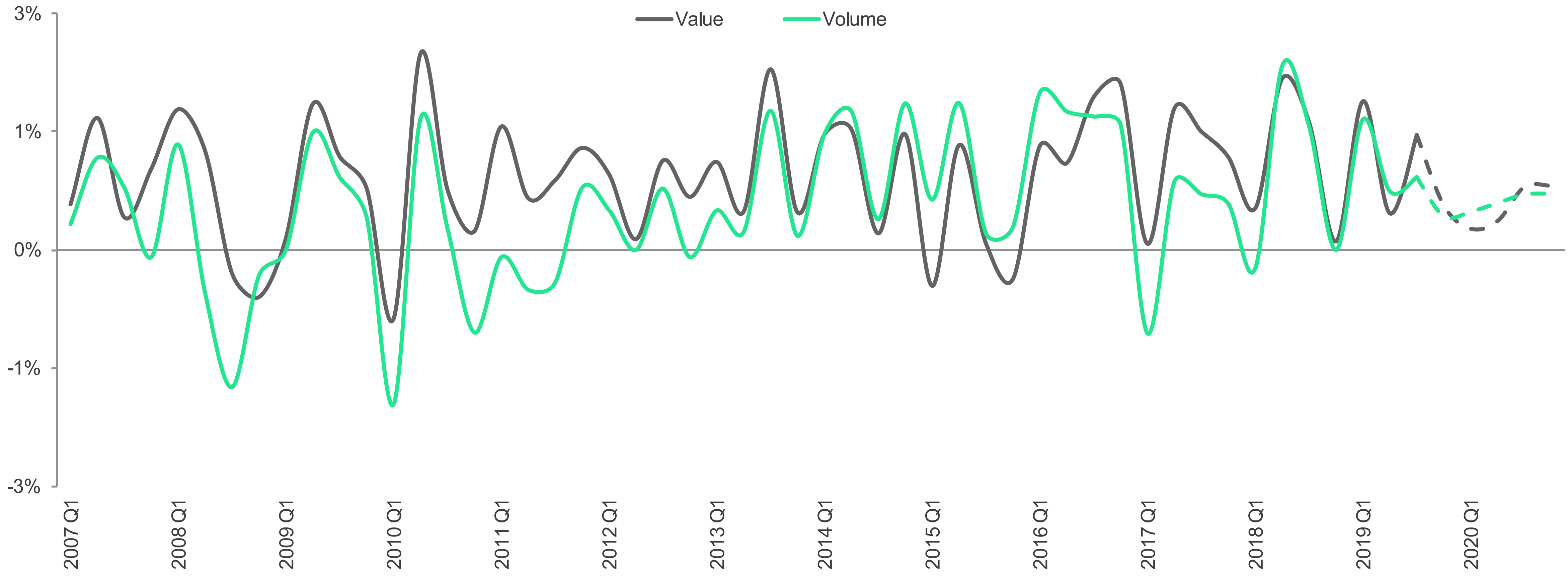


Source: Oxford Economics/FF online, UK, 2019

Despite this we expect retail sales to stabilise through to 2020

Quarterly % change in retail sales value and volume | October 2019 forecast

Retail sales, in terms of both value and volume, will be modest but more stable after peak growth in Q2 2018 of 2%. Some of Q2's strong performance can be attributed to pent up demand following poor weather earlier in the year.

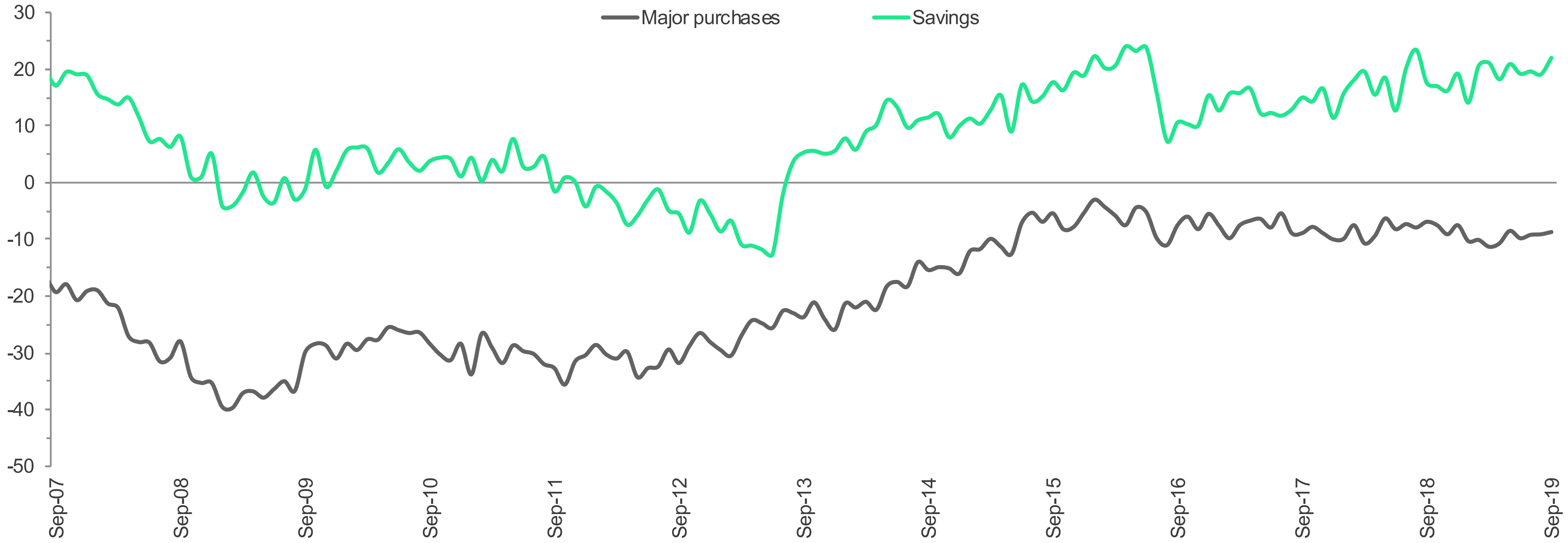


Source: Oxford Economics/FF online, UK, 2019

As consumers continue to be wary of big spending and are instead focussing on saving in these uncertain times

Seasonally adjusted major purchase and savings expectations for next 12 months | Data up to September 2019

The divide between spending and saving intentions has continued to grow since the Brexit deadlines, uncertainty in the economy, and job market looms, and with it the appetite for risk is on the decline.

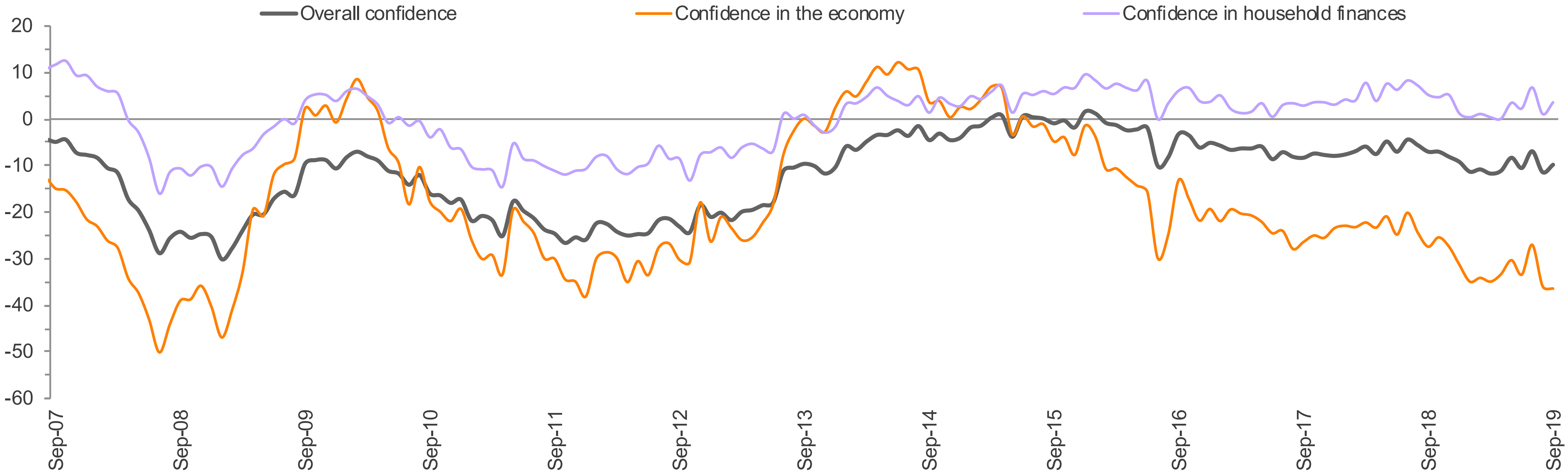


Source: Oxford Economics/FF online, UK, 2019

Which is likely emboldening consumers in their confidence to manage their own finances

Seasonally adjusted consumer confidence indicator | data up to August 2018

Overall confidence, and confidence in household finances rose in September, but confidence in the economy remained flat. Confidence in household finances is the only positive indicator, perhaps reflecting the more positive rhetoric surrounding the labour market, while economic growth remains soft as political turmoil remains.



Source: Oxford Economics/FF online, UK, 2018

Media Spend

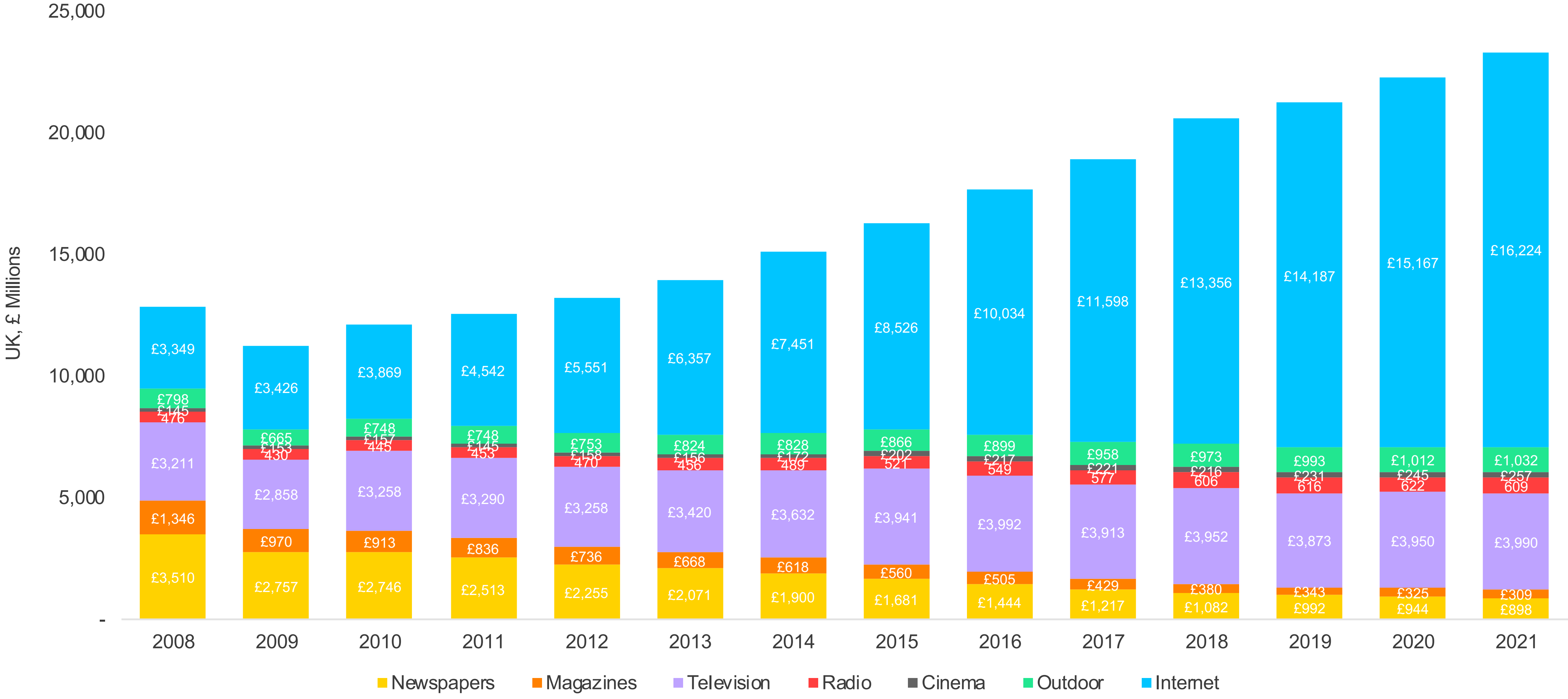
In a nutshell, what can we expect in 2020?

Overall, ad spend is forecasted to continue growing into the 2020's.

In 2020, the internet will continue to dominate, with a further decline in newspaper and magazine spend.

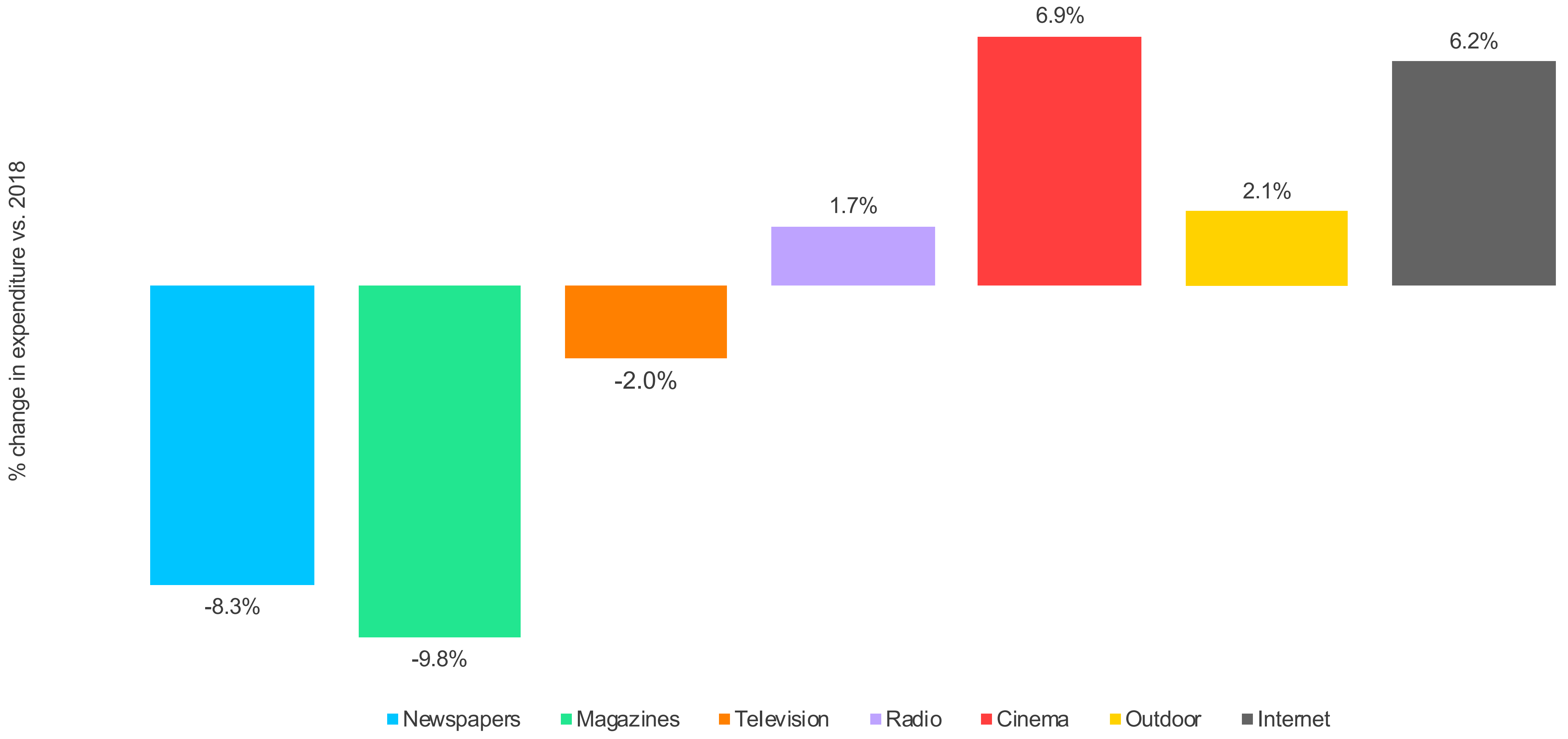
TV continues to remain stable, with cinema witnessing a resurgence.

Ad spend is predicted to continue to grow in 2020, and into 2021



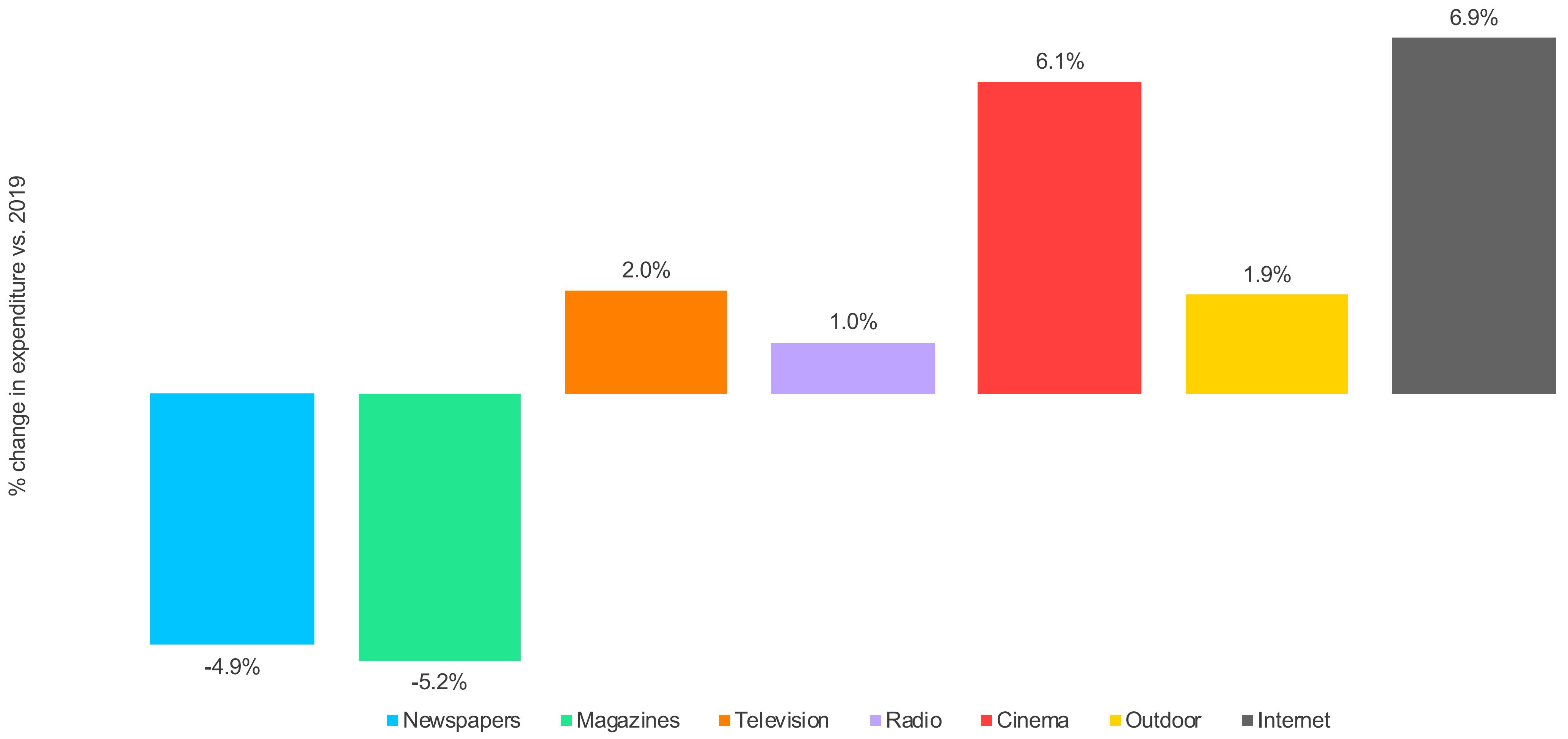
Source: Zenith Media Advertising Expenditure 2019 Forecasts

Newspaper and magazine spend have continued to decline this year, with TV plateauing, and cinema witnessing a resurgence



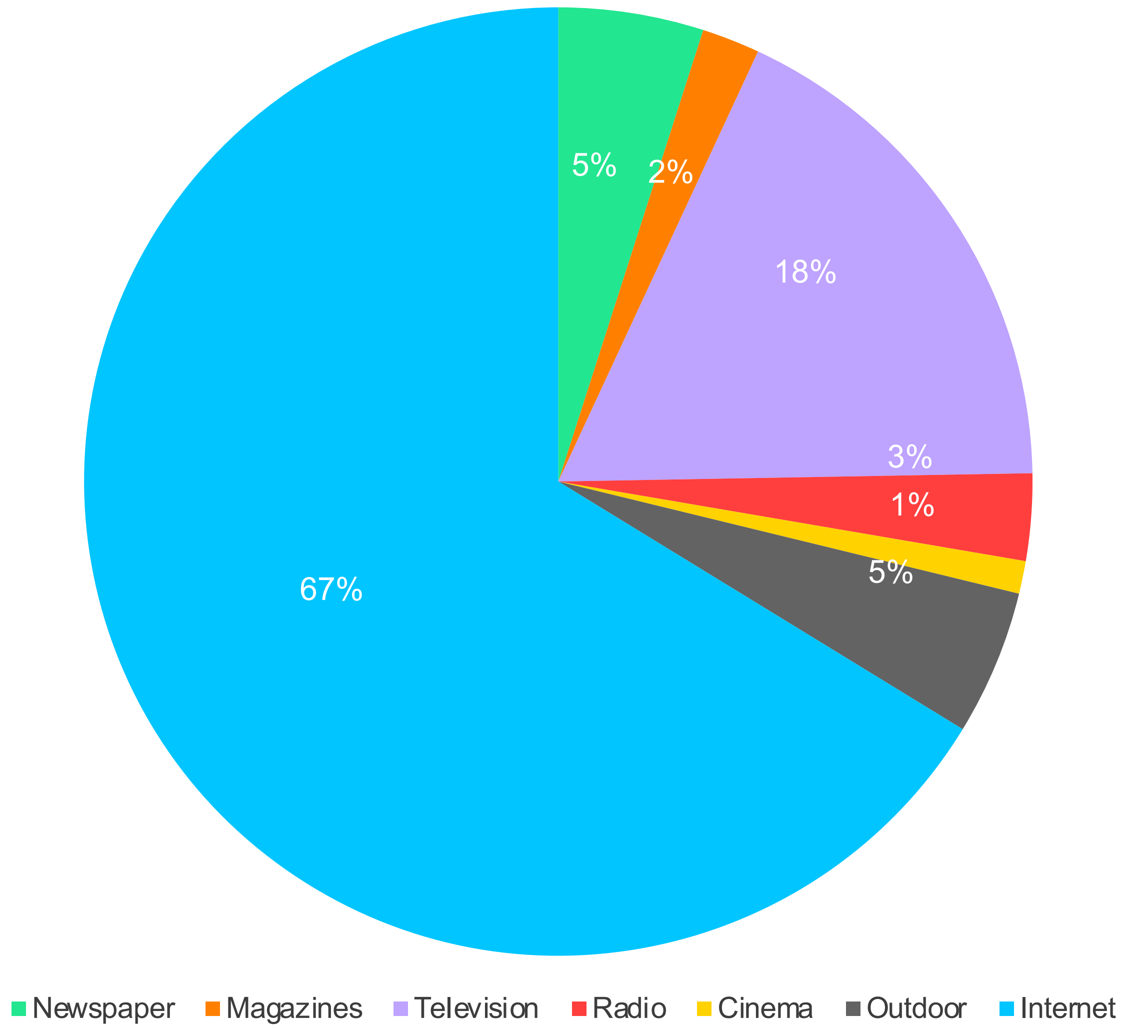
Source: Zenith Media Advertising Expenditure 2019 Forecasts

In 2020 television will stabilise, and internet will continue to dominate growth when compared to 2019



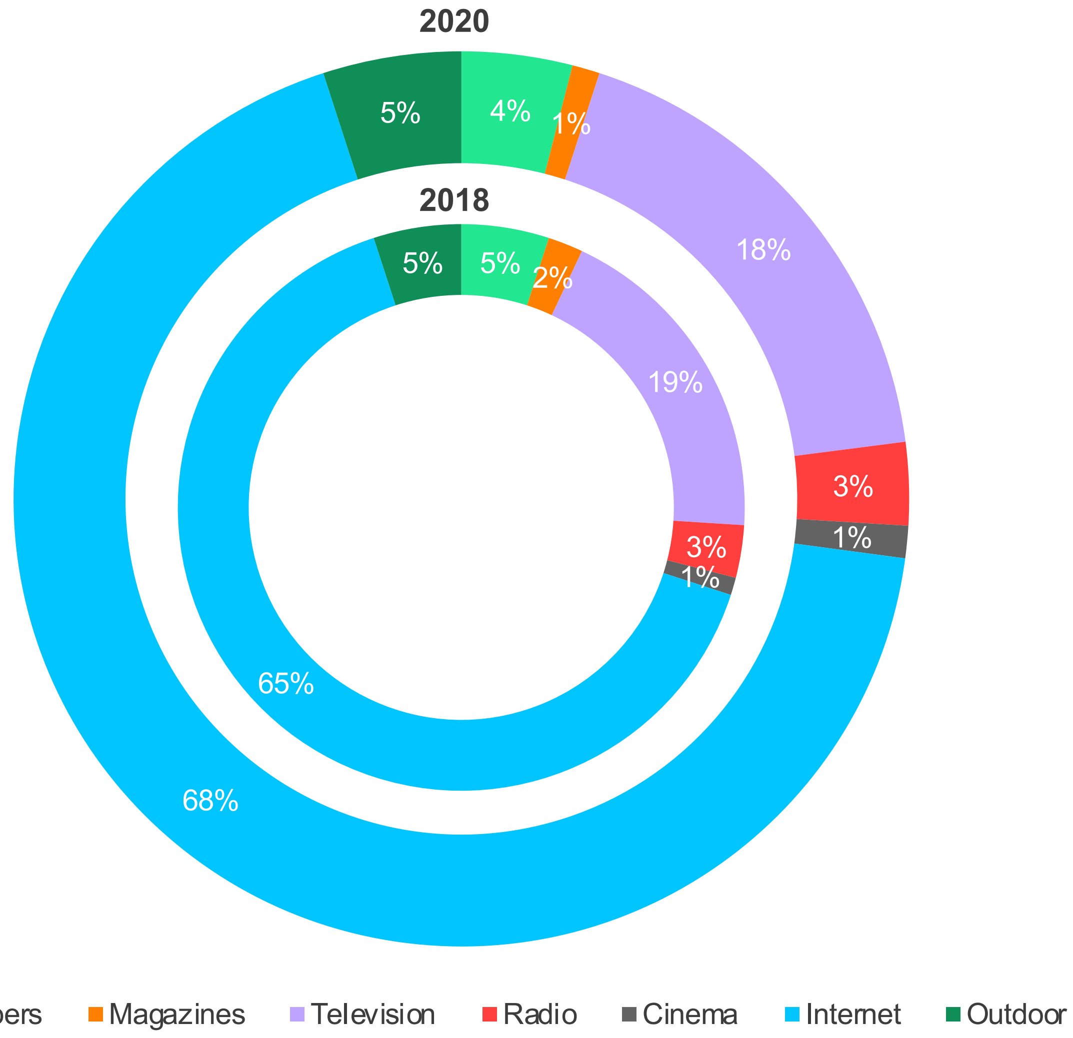
Source: Zenith Media Advertising Expenditure 2018 Forecasts

In 2019, internet has made up the lion's share of spend, at 67%



Source: Zenith Media Advertising Expenditure 2019 Forecasts

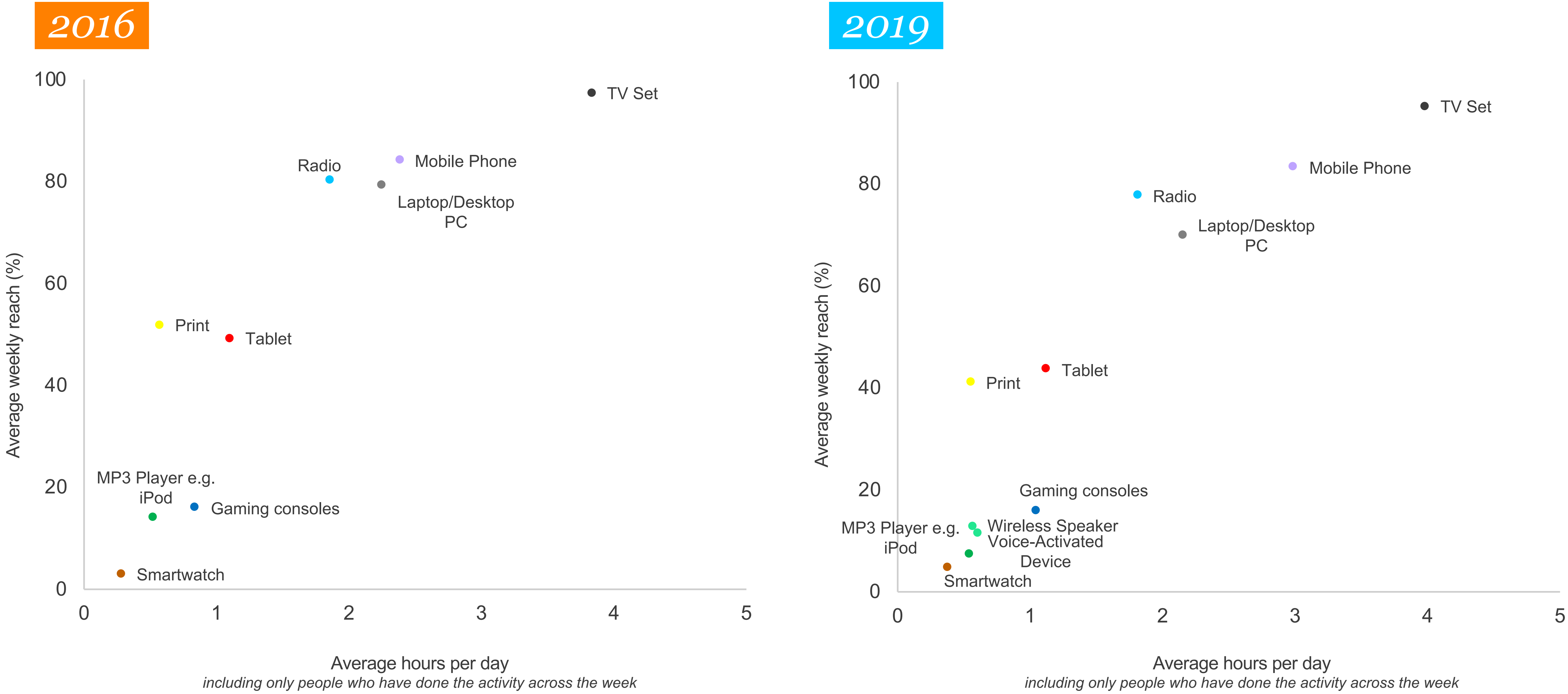
Looking ahead to 2020, internet's share of spend will continue to dominate overall media spend, with other platforms remaining stable



Source: Zenith Media Advertising Expenditure 2019 Forecasts

Media Behaviours

The media & tech landscape has stayed relatively similar since 2016 – with only print losing significant reach

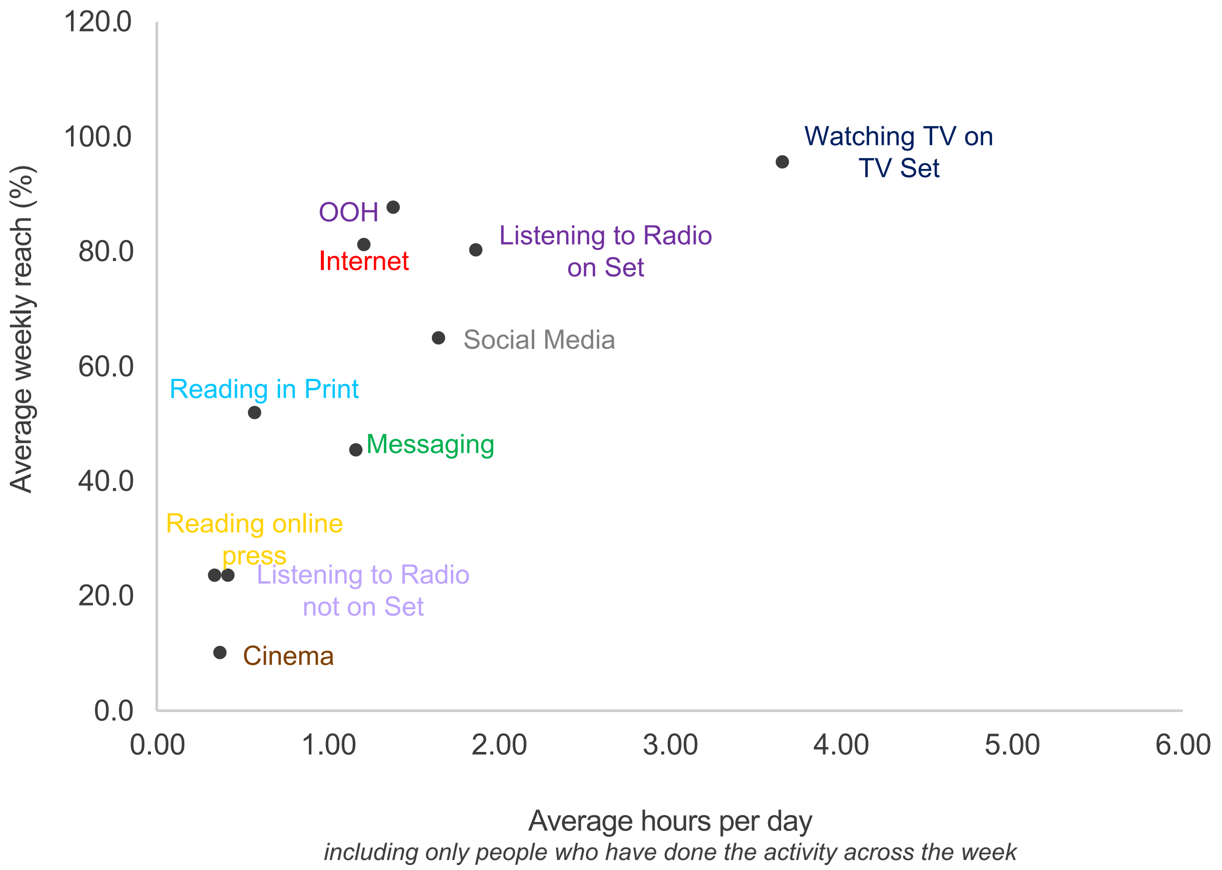


Sources: IPA Touchpoints 2019

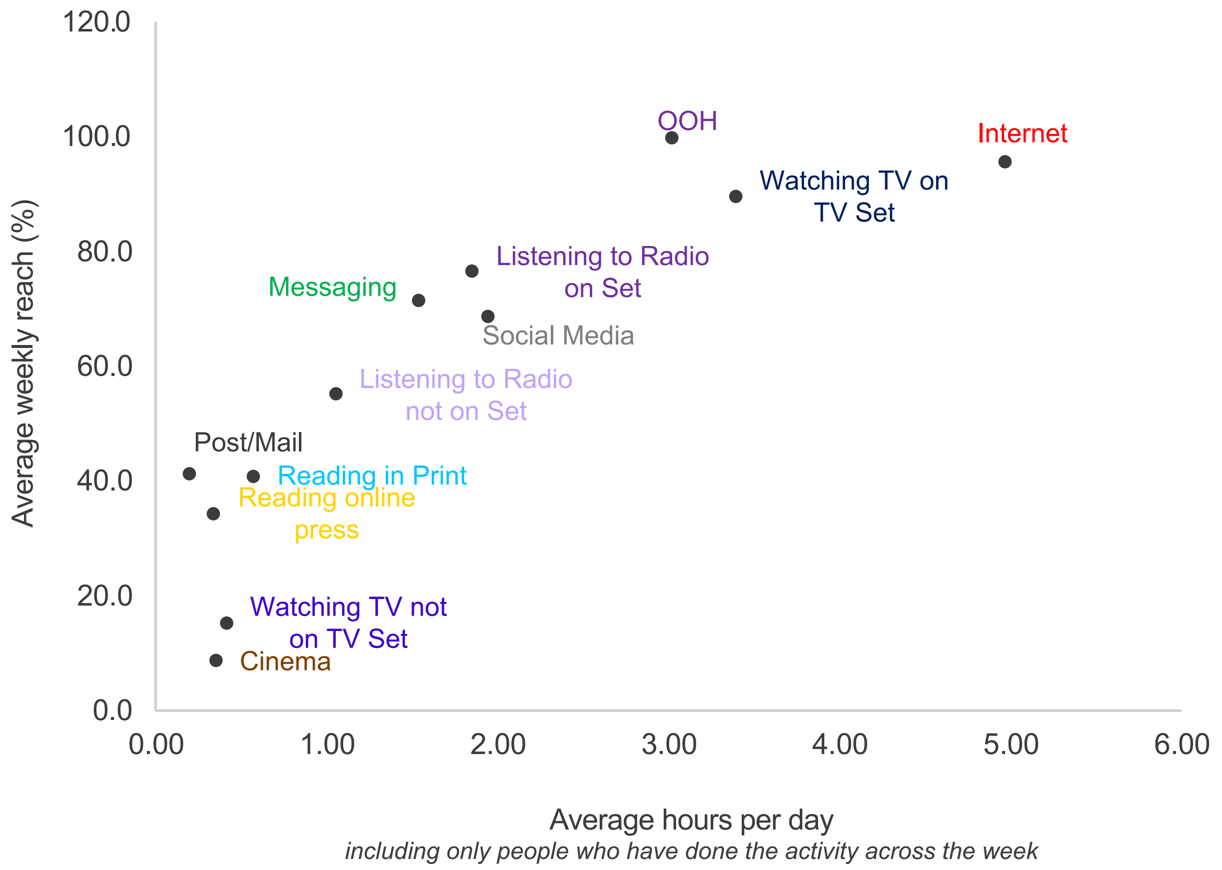
What has changed is channel access, with internet activites, as well as time spent on online devices for traditional channels increasing

Compared to 2016, OOH & digital platforms/devices have gained the most reach/time spent. Social media has stayed relatively stable while traditional platforms have lost reach & time.

2016

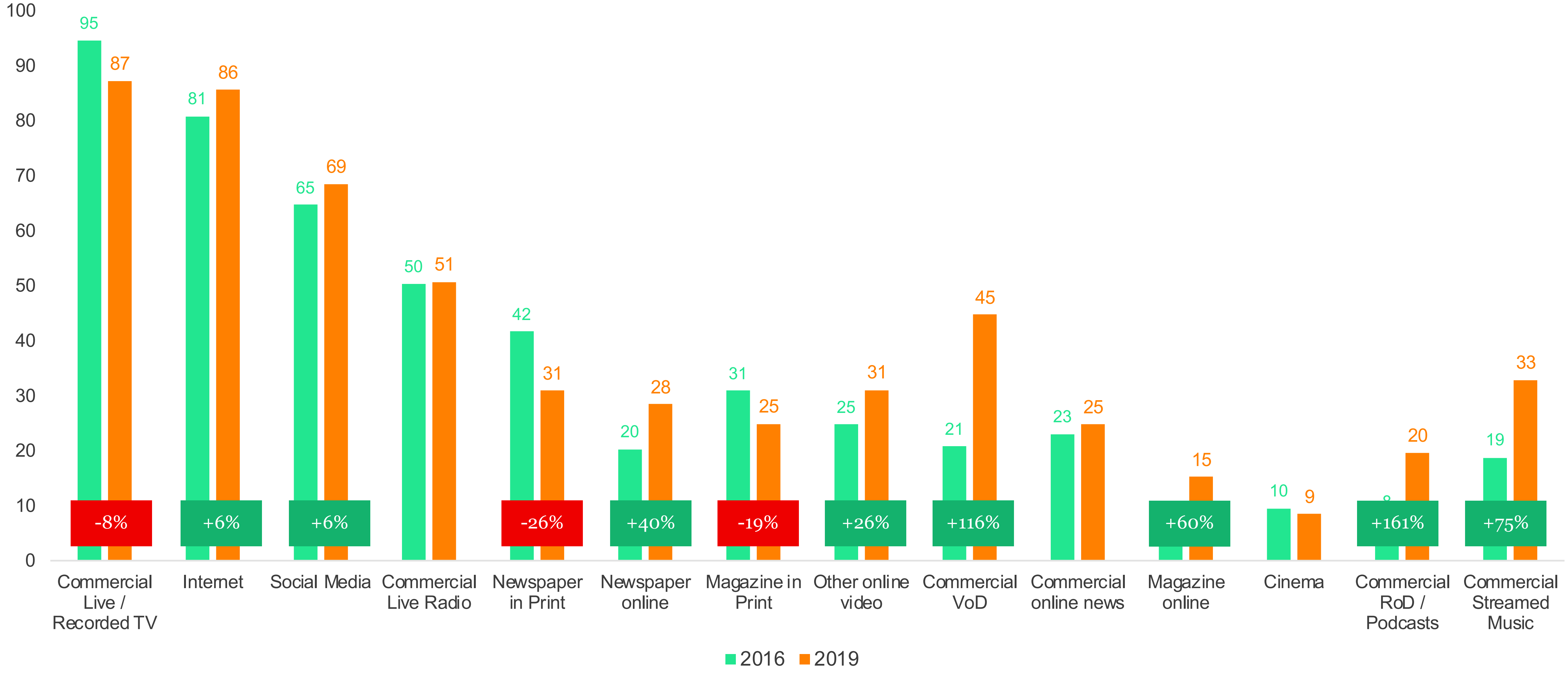


2019



Sources: IPA Touchpoints 2019

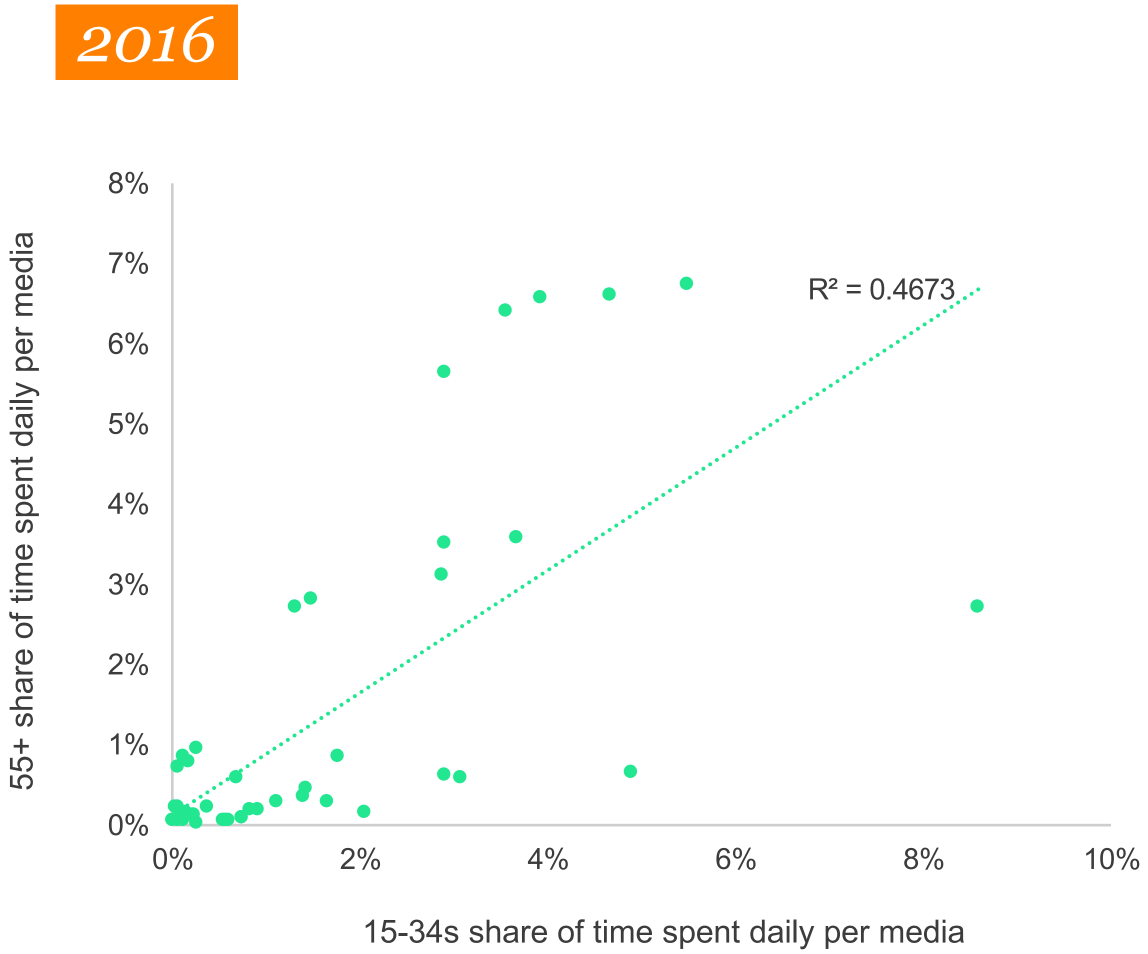
Weekly reach of commercial media channels – 2016 vs 2019

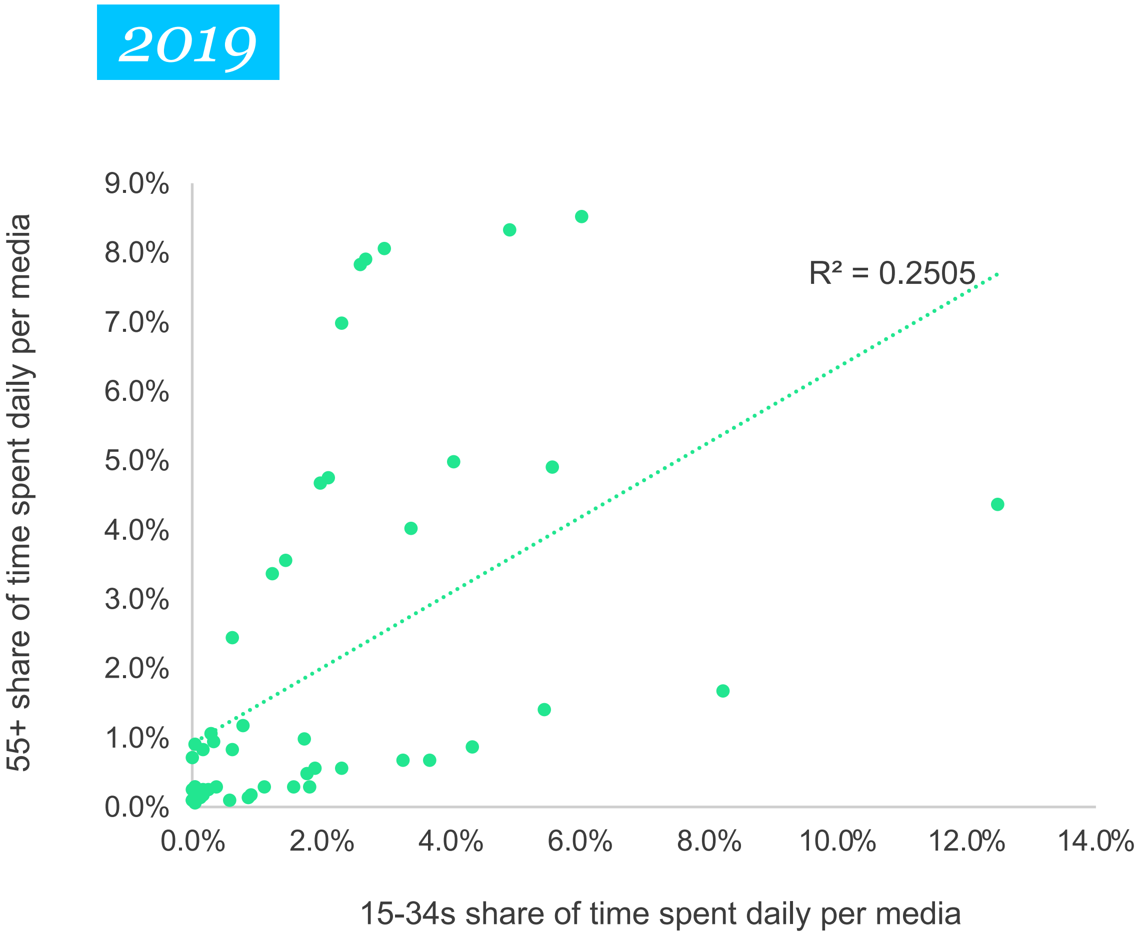


Sources: IPA Touchpoints 2019 & 2016 – Weekly reach of commercial media channels for all adults in the UK – by buyable media types

Media behaviours are diversifying across age groups

Media behaviours have always differed across age groups. However, the last couple of years have seen a sharp divergence in behaviour between younger and older consumers; shared behaviours are diminishing.





Sources: IPA Touchpoints 2019 & 2016 – Daily time spent with media channels, comparing the relationship with time spent with media

The overall time spent with media has plateaued at 8h08 min daily, but there have been some growing trends over 2019

A world without touch

Almost 1 in 5 (18%) of adults use a voice activated device, with 46% of them using it to listen to the radio once a week +, & 22% doing it daily

With multimedia becoming the new normal

Multimedia consumption is now the rule, with 94% of adults consuming 2 media or more in the same hour at some point every day

On a daily basis, media multi tasking accounts for 1h43 min, which is 21% of our media time

Small screen sharing is growing …

On a daily basis, 19% of adults have viewed TV/Video via a small screen sharing with one person+ – rising to 34% for 15-34s

However, it only accounts for 2% of adult viewing time (23min daily) – 5% for 15-34s (26min daily) suggesting that shared screen time is short

**This does not include TV*

… But not yet taking the upper hand

Overall 37% of adults have viewed TV/Video via a small screen NOT sharing– rising to 61% for 15-34s.

Therefore, small screen time remains mostly a solo-activity

People are using more & faster data

The number of fibre connections overtook standard broadband connections for the first time in 2019, and the **number of superfast broadband lines increased by 17%.**

The volume of data used on fixed and mobile connections have both grown by around a quarter, with 240GB average use monthly for fixed broadband and 2.9GB for mobile. Much of the growth in data use is driven by online video

Sources: IPA Touchpoints 2019, Average daily hours including only people who have done the activity across the week

TV remains strong, enhanced by on-demand

99% of all UK adults watch TV or Video each week, spending over 4h a day in total doing so

98% of 15-34s watch TV or Video each week, 77% doing so live on TV Set

45% of all UK adults watch paid for on demand video each week, driven by 15-34s

71% of 15-34s watch paid for on demand video each week, up from 63% in 2018

Netflix is the big winner in this category, with 37% of all UK adults viewing it this year, up from 29% last year. However there is no change in the number of people watching PS broadcasters' free catch-up services

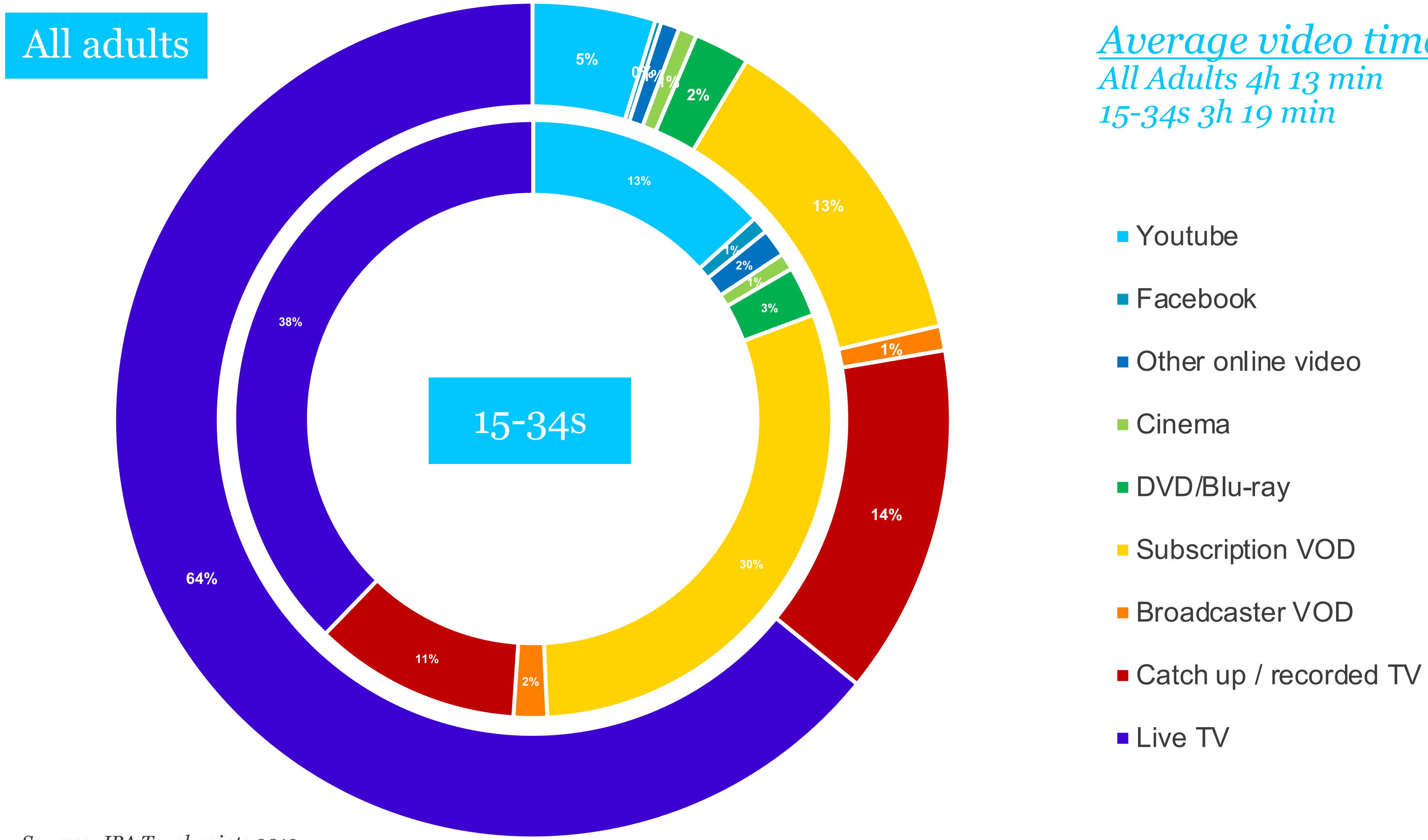
Time spent viewing Netflix has also increased weekly by almost +40min for UK adults, +1h for 15-34s

The highest reaching emotion while watching TV is 'relaxed' – 84% of adults feel so whilst watching TV

62% of TV viewing time for the average adult is spent with other people, decreasing to 58% for 15-24s; TV captures people in shared moments & with a relaxed attitude!

Sources: IPA Touchpoints 2019, Average daily hours including only people who have done the activity across the week

AV overall continues to diversify, with VoD services almost catching up with live TV for millennials



Average video time per day
All Adults 4h 13 min
15-34s 3h 19 min

Sources: IPA Touchpoints 2019

Radio continues to move towards digital & customized content, reshaping the way audio advertising is consumed

78% of all UK adults still listen to live radio every week, & 64% of 15-34s do so

Streaming services (e.g. Spotify, Amazon Music, Apple Music) continue to show year on year growth, with adult weekly reach at 33% and 15-34s weekly reach at 57% - rising from 28% & 51% last year

Voice activated devices

18%

of adults personally use a voice activated device

46%

of adults using a voice activated device, use it to listen to the radio once a week or more

Compared to 2016, Podcast reach has doubled for all adults - from 6% average weekly reach to 12% - and similarly jumped from 8% to 17% for 15-34s.

It also reaches out to a rarer demographic & more engaged audience.

Podcast Listener Profile

Core audience

81% Between the ages of 18-44

Affluent

83% Earn above the national average

Reactive

76% Say that they have acted on a brand message within a podcast

Hard to reach

62% Do not listen to commercial radio

Who also tend to be averse to ads

52%

of Podcast listeners trust advertising more if the podcast host endorses the brand.

*Sources: IPA Touchpoints 2019, Average daily hours including only people who have done the activity across the week, Ipsos & Acast (2018), Crowd DNA & Spotify, "We're All Ears,*2018, US, UK, AU, MX, BR, DE*

Digital is now overtaking print for news/magazine consumption ….

__News brands’__ digital platforms increase the all adult total print weekly reach by

62%

and by 200% for 15-34s

31%

For 15-34s, weekly reach for online news brands now dwarfs weekly reach for news brands in print (10% reach weekly)

37%

of adults have clicked through to a national news brand website or article from a link on social media

__Magazines’__ digital platforms increase the all adult total print weekly reach by

41%

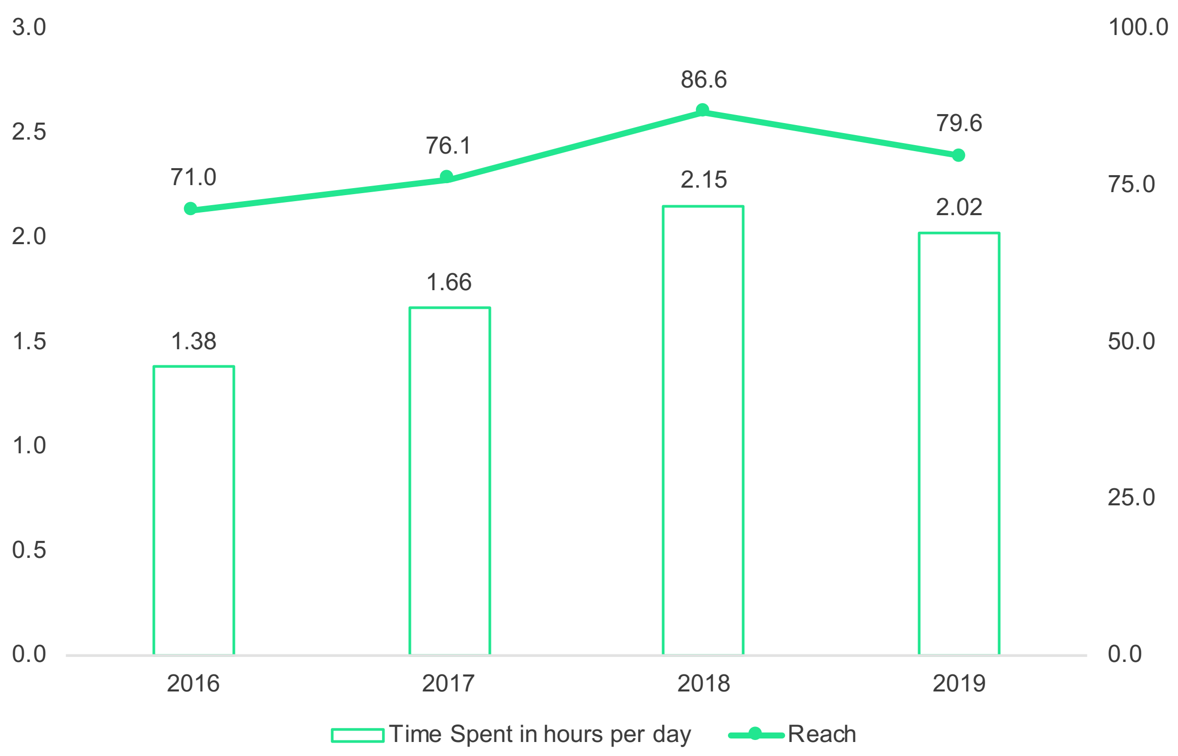
and by 121% for 15-34s

Sources: Edelman Trust Barometer, IPA Touchpoints 2019, Average daily hours including only people who have done the activity across the week, Ipsos & Acast (2018)

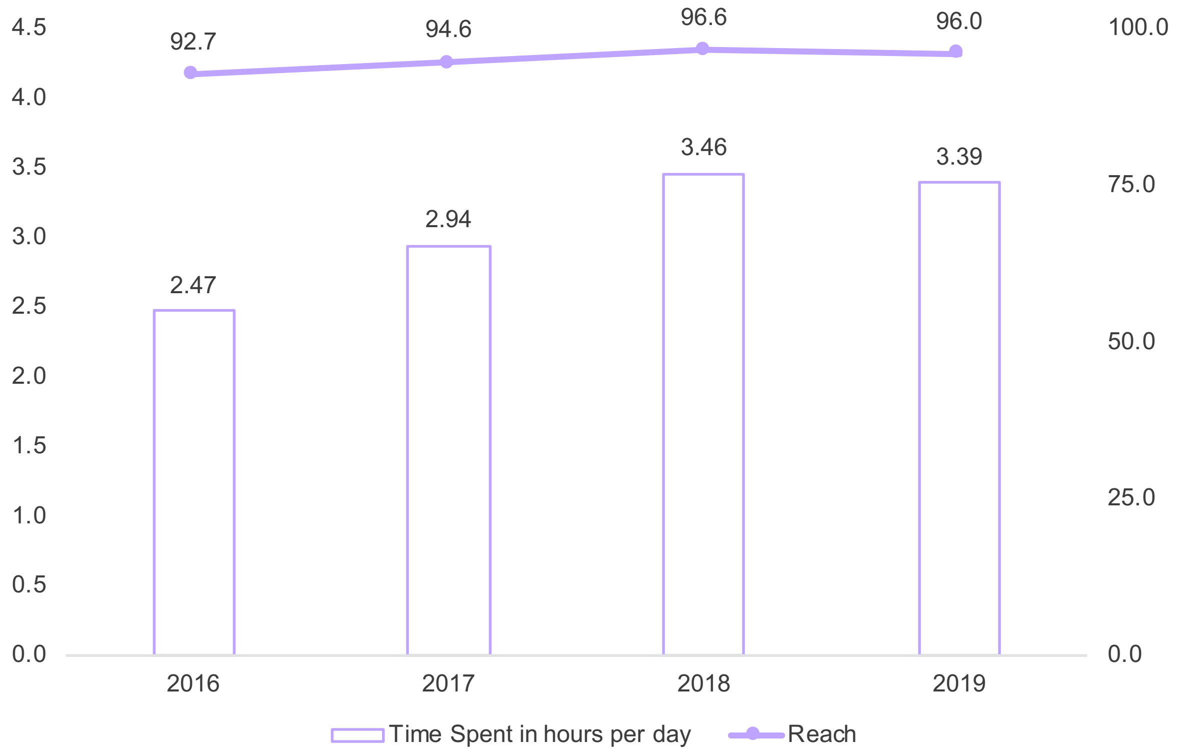
Is social media plateauing?

Social media & messaging have decreased weekly reach YOY for all adults but remain stable for 15-34s

All UK



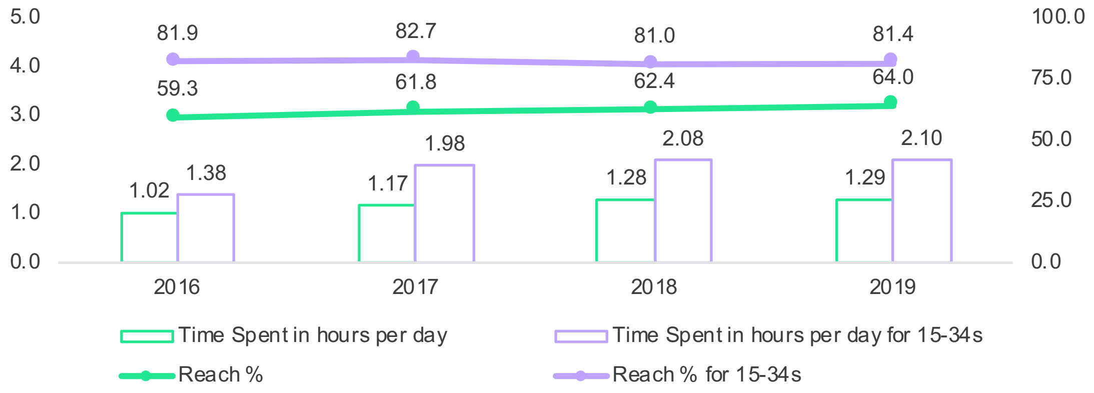
15-34s



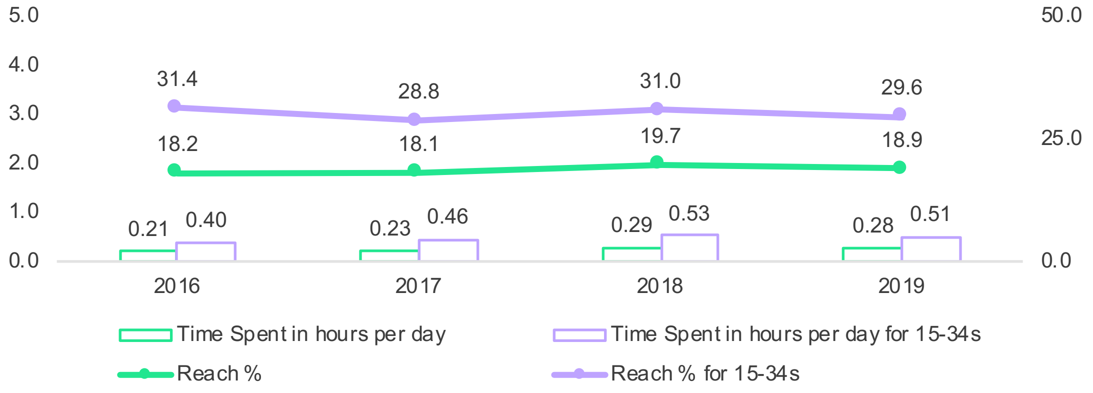
Sources: IPA Touchpoints 2019 – social media

When considering specific social media, Instagram is the one maintaining the growth for both reach & time spent for all UK consumers & particularly 15-34s

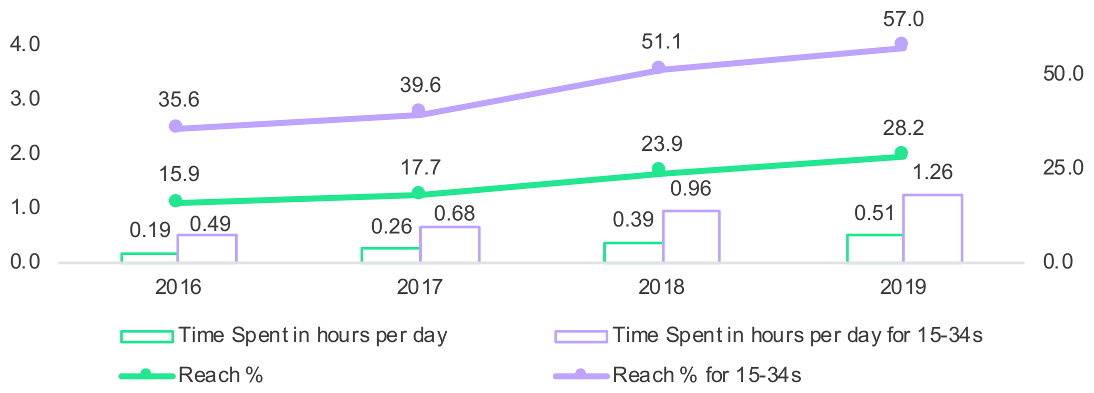
Facebook



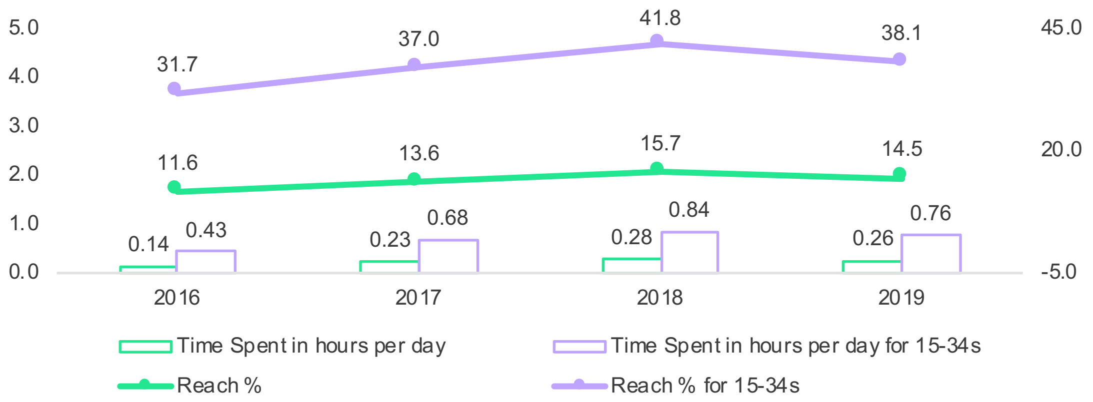
Twitter



Instagram

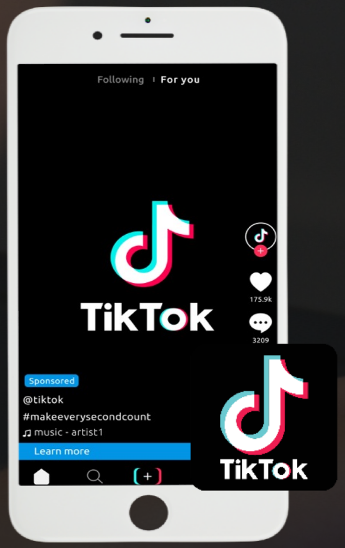


Snapchat



Sources: IPA Touchpoints 2019 – social media

Social platforms continue to develop new commercial opportunities

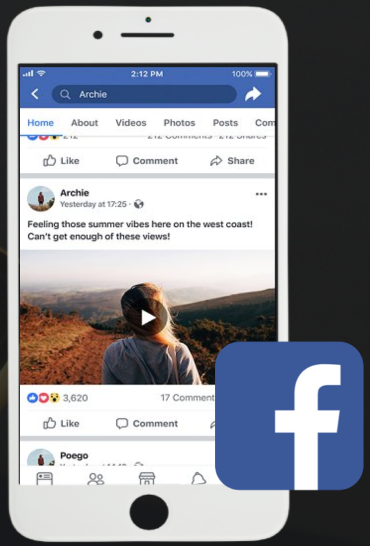


THE RISE OF TIKTOK

In 2018 musical.ly in the west merged with Douyin in the east to create the fastest growing social media app of the year, tiktok. With a key gen z audience, tiktok began to open up new commercial opportunities for brands

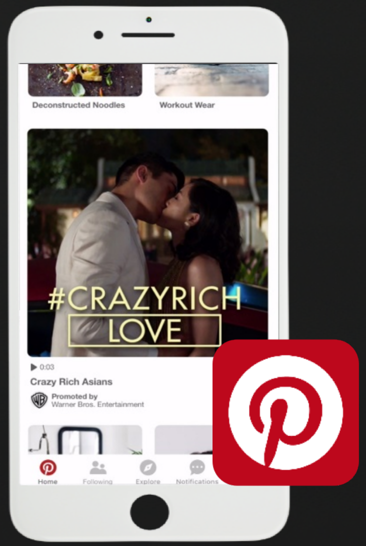
IN-APP SHOPPING ON INSTAGRAM

The new process takes Instagram's 'shopping tags' to the next level - now, instead of a 'view on website' button when you tap through, users will see a 'checkout on Instagram' option, which will enable them to make a purchase right there and then.



FACEBOOK: HERE TO STAY?

Despite the privacy scandals, the investigations, the reports that engagement on its main platform is in decline, Facebook has once again posted an increase in active users in its q1 2019 update, reaching 2.38 billion users.



PINTEREST GOES MAX

Width is available for all Pinterest advertisers. Videos at standard width are the same size as all other pins on Pinterest and videos at maximum width are ~4x bigger, spanning across Pinterest's iconic two-column grid.

Selling on social

110%

Growth in social referrals to ecommerce in two years

20%

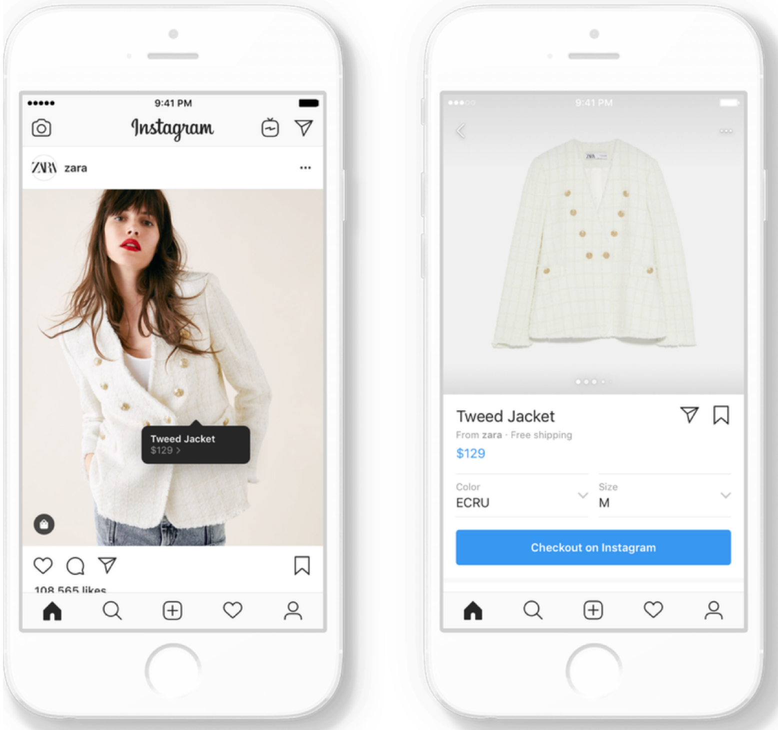
*Buying directly from social sites increasing (+5% in 2 years) predominantly – led by upmarket females**

58%

Say social influences their purchase decisions

3x

Gen Z spends 2X-3X more shopping on social channels than average



Source: BigCommerce, PWCs Christmas Outlook Report, Foresight Factory

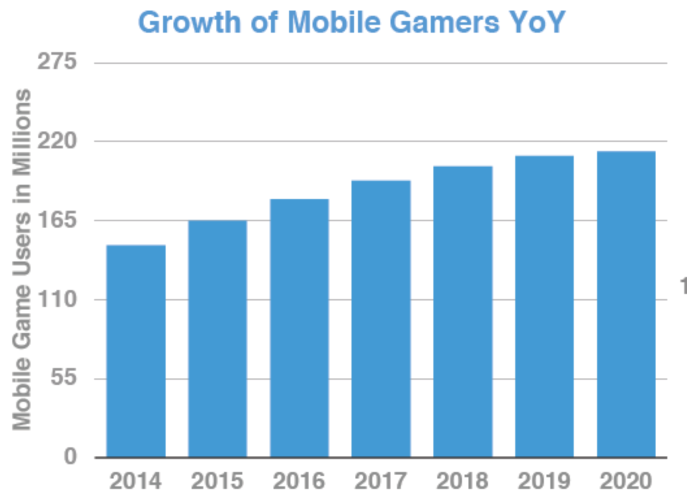
The growth of gaming is massive, particularly on mobile

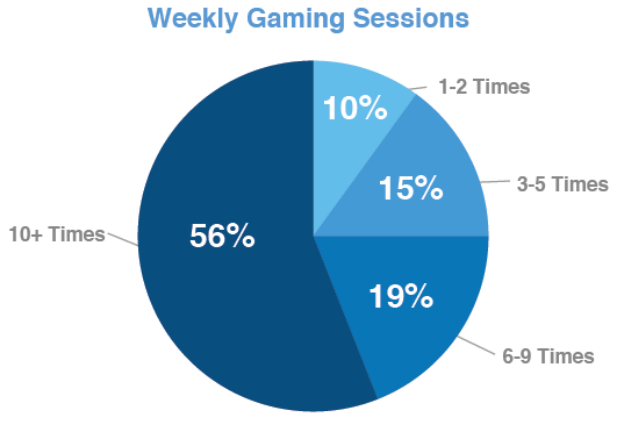
37.7M gamers in the UK

The **second** most popular genre on YouTube

10.3 hours is the average time 11-64 year olds game per week

42% of gamers in the UK are female and **35%** of which are between the ages of 24-44





56% of mobile gamers play 10+ times per week

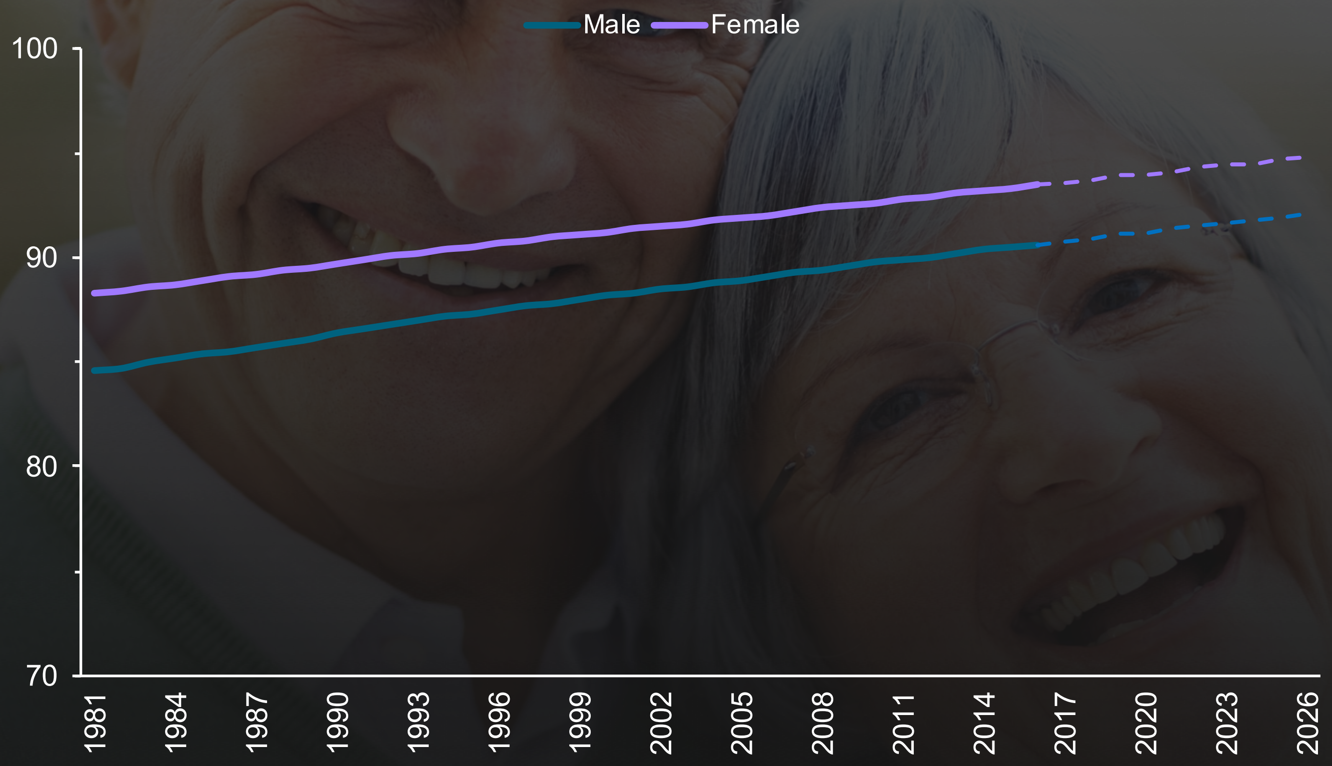
Sources: IPA Touchpoints 2019, Average daily hours including only people who have done the activity across the week, Mediakix 2019, Newzoo

Demographic Trends

Increasingly, the ageing population means growing expectations of a shorter retirement, especially for millennials…

*On average, men born in the UK in 2020 can expect to live until **91**, and women until **94**…*

Cohort life expectancy* at age 0 | 2014, latest available data release in 2015



Source: ONS, Foresight Factory

…but retirement as we know it is dying…

36%

of GB consumers expected to work beyond the official retirement age (55% among Millennials)

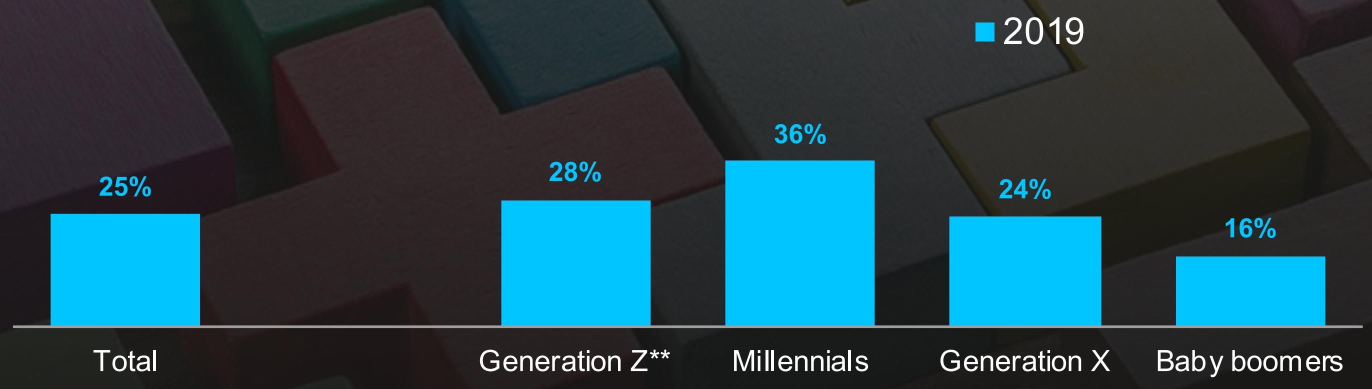
Pension systems are not expected to provide enough security for the next cohort of retirees. Many expect Gen X to be less affluent, forcing them to work until later in life.

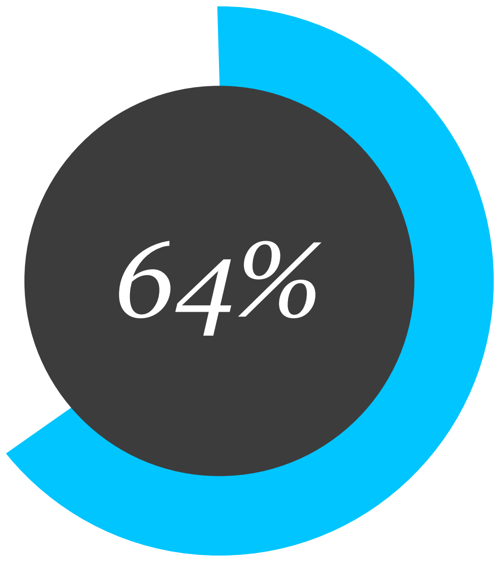
Instead of slowing down, retirees will seek ways to combine casual work with their lifestyles to supplement pensions, and they will expect brands to cater to this need.

Growing awareness around inclusivity for all has inadvertently prompted a fear in people that they might cause offence…

*We are living through an era of serious **cultural change**, where the potential for confusion, offence-taking and conflict is rising – changing the concept of what is "safe" and "unsafe" behaviour in social interactions.*

"I am reluctant to express my opinions because I fear being seen as offensive"





of GB adults agree "people are offended too easily (only 1% disagree strongly).

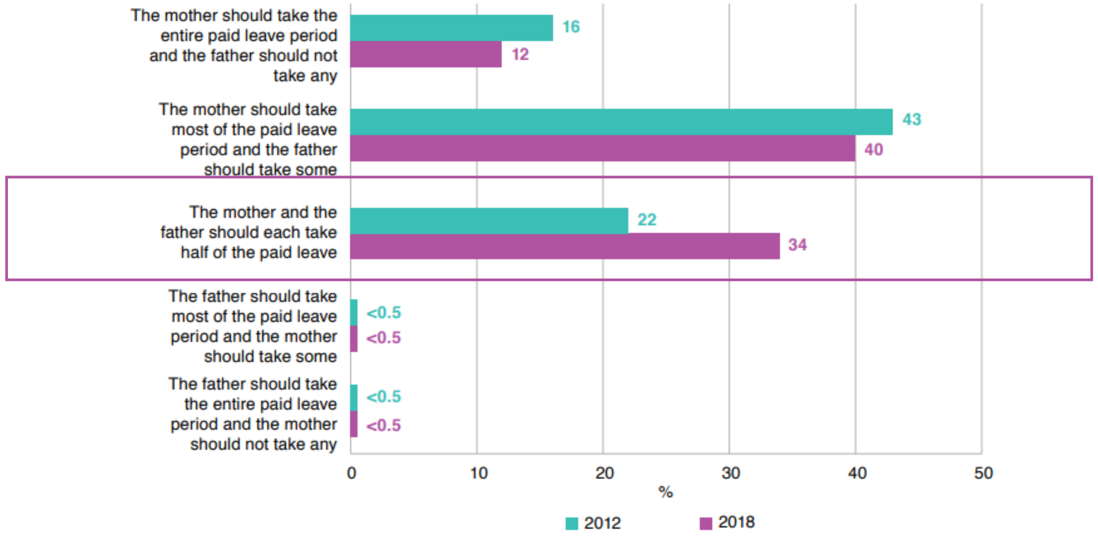
Source: Foresight Factory

Perceptions on gender equality continue to shift, but male identity may be suffering…

There has been significant shifts in attitudes towards more archaic gender roles…

72% of people disagree that 'a man's job is to earn money and a woman's job is to look after the home and family' *(British Social Attitudes, 2018)*

Views on how paid leave following the birth of a child should be divided between the mother and the father, 2012 and 2018



…However, young men's identity continues to suffer from an expectation to conform to an arguably outdated view of masculinity within British culture…

61%
of Britain's young men feel pressured to "man up"

***2 in 3** of **18-24** year olds men believe they are pressured to display hyper-masculine behaviour, significantly higher than those 45+ (30%)*

7%
of men globally relate to the way masculinity is depicted in the media

69%
of men in the UK feel misrepresented by brands

"There is a tension with "the modern man" in that there are more expectations than ever before, they are encouraged to speak about their feelings, take on more family roles and express themselves in different ways whilst still providing financial support and remaining "**manly**". Men feel under pressure to perform in every aspect of their life and think **expectations have never been higher**. "

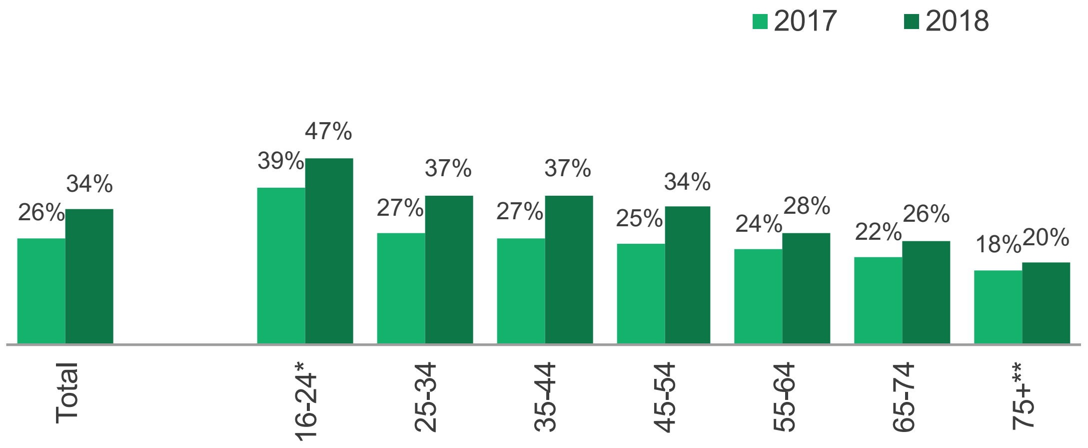
Hearst, The Paradoxes of Modern Man

Source: Foresight Factory, CSMM, The Book of Man, YouGov

Personal financial responsibility is on the increase, particularly for the younger generation

Insecurity in the current economic climate is driving greater awareness & organisation of finances…

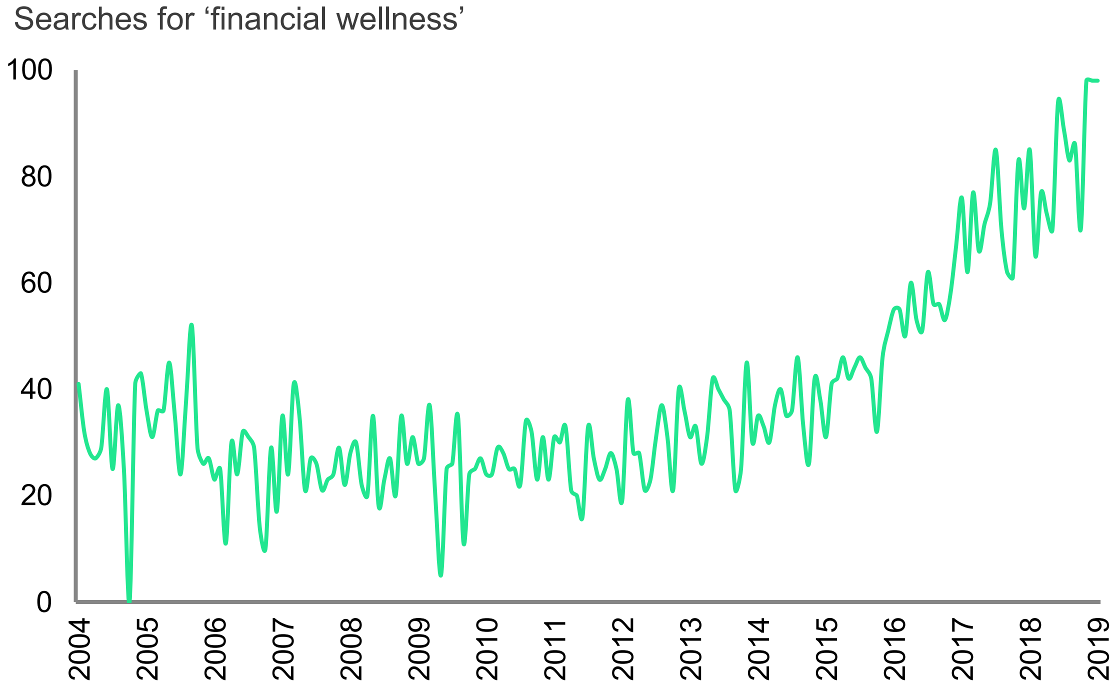
"Which, if any, of the following are you planning to do in the next 6 months?"
Take more control of my personal finances



16-24s are 20% more likely
to want to be more thrifty with their money

70% of 18-22 year olds
Check their bank balance almost daily

Financial wellness is becoming a hot topic

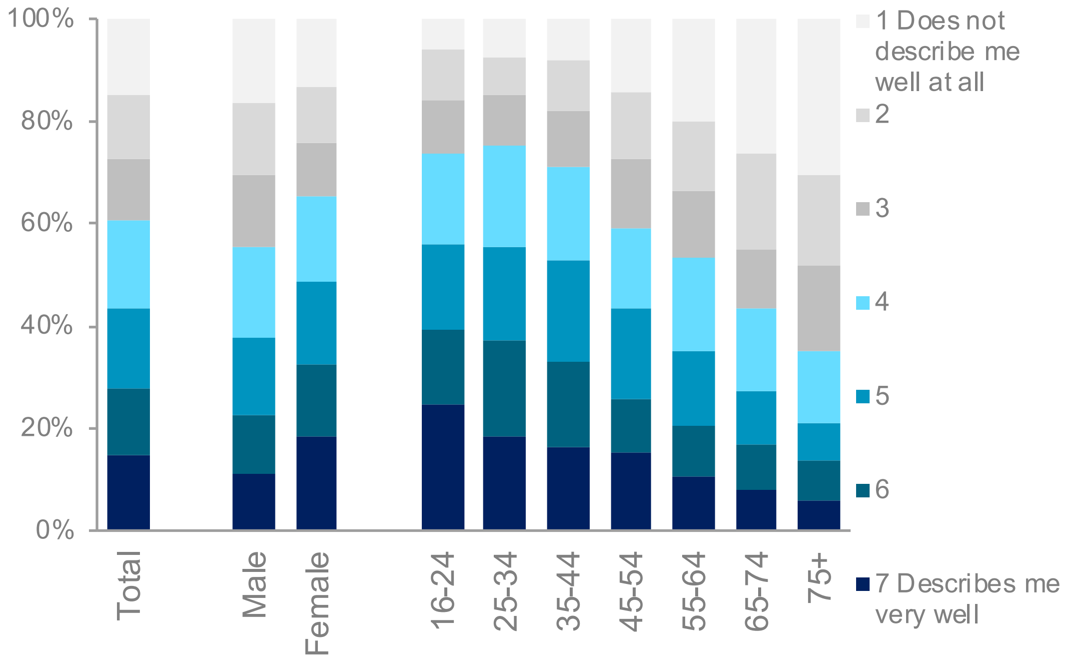


Source: Foresight Factory, Canvas8, Zopa

Mental health issues are an everyday reality for a lot of people

Stress and anxiety affect significant numbers of the UK population…

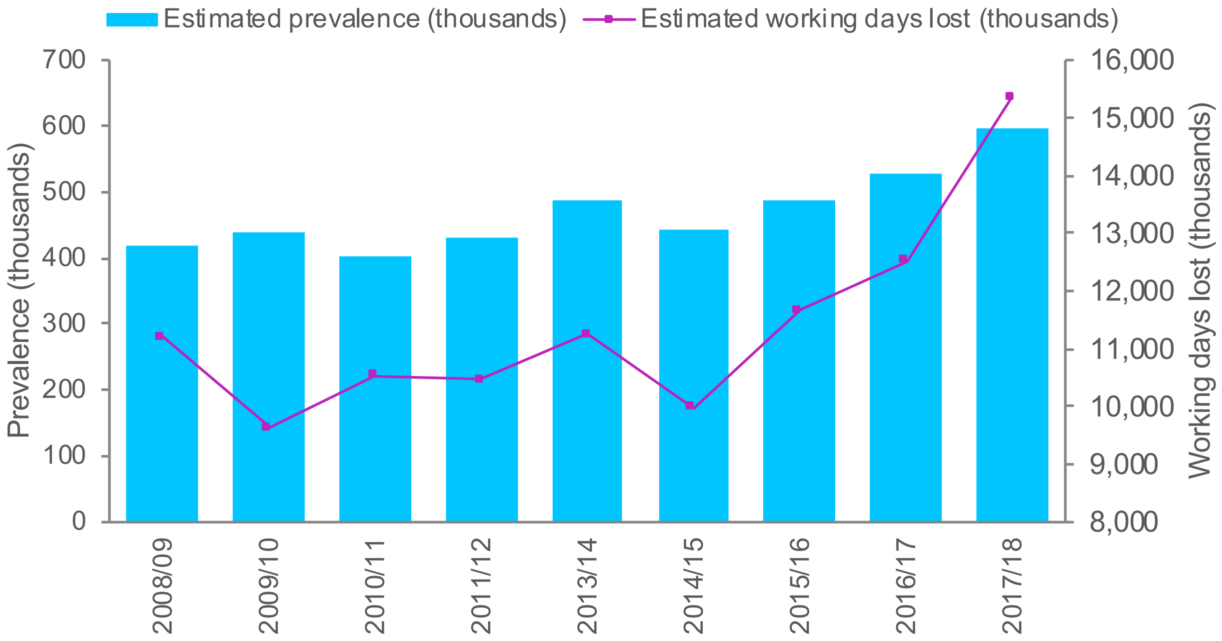
“I often feel stressed or anxious" | % agree



6 in 10

people struggle to keep their daily life organised due to everything they have going on

*…with high levels of **anxiety** starting to affect productivity…*



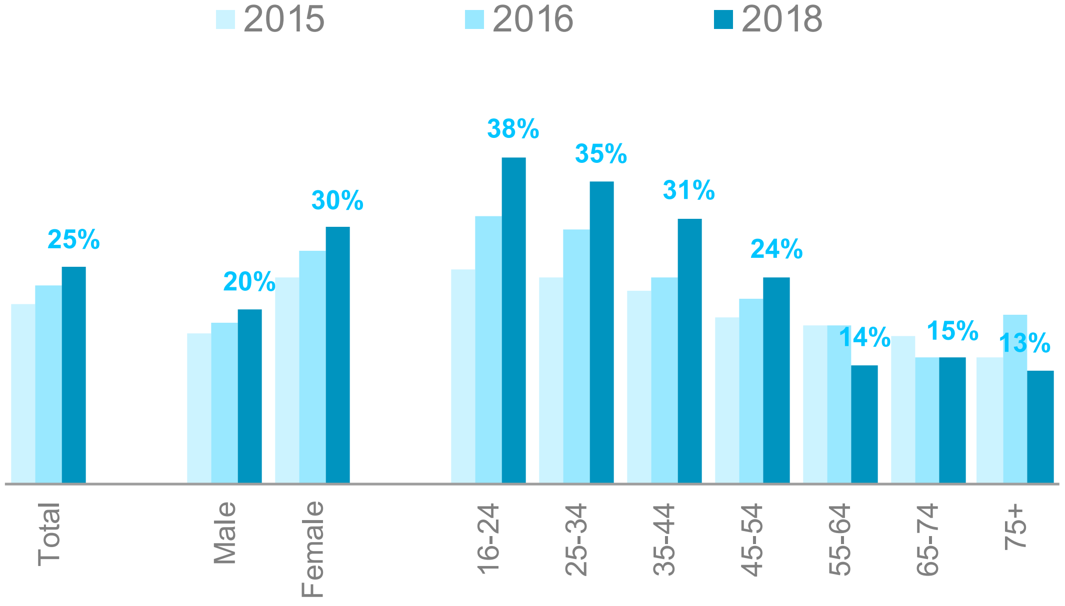
2/3

feel a constant sense of dread caused by the stress of their day-to-day lives

Source: ONS, Google Trends, GWI, The Independent

Despite, or maybe in light of this, individuals are increasingly taking greater control of their mental health & wellness…

% those interested in ***practising mindfulness***

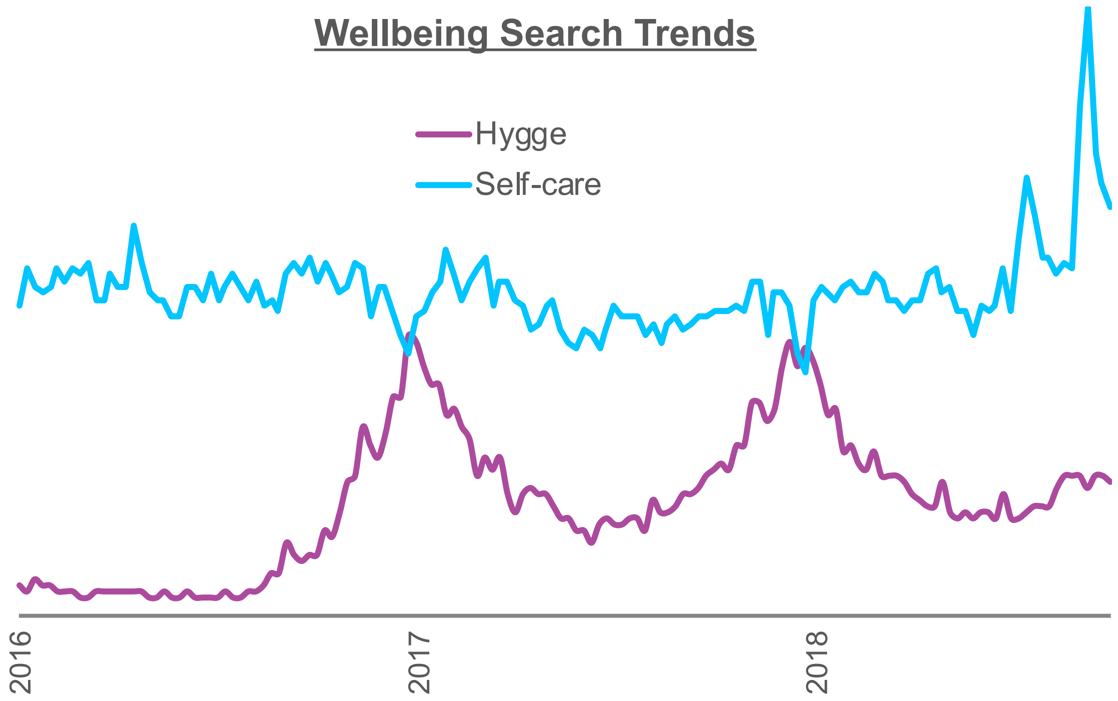


…with ***women & younger generations*** *being most open to new approaches*

16%

Of Gen Z monitor their ***mood via smartphones***

Wellbeing Search Trends



Source: Foresight Factory, ONS, Google

Home based lifestyles are on the rise

34%
are planning to eat more at home instead of eating out
(compared with 28% in 2017)

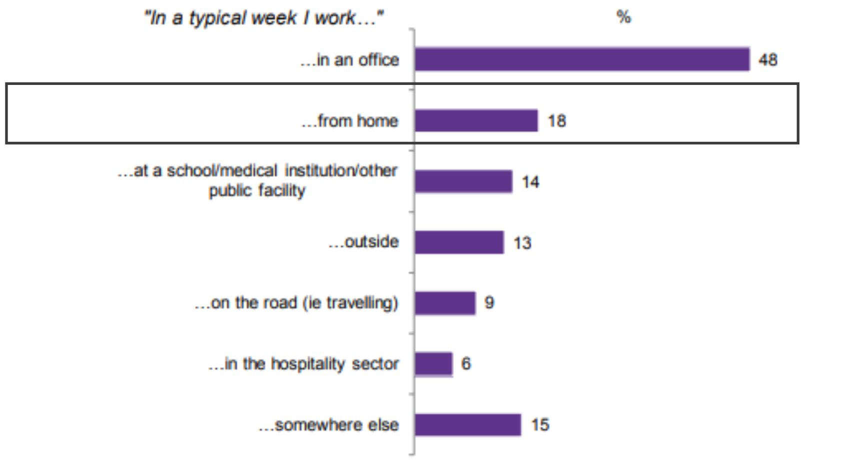
50%
of UK workforce to work remotely by 2020

Increased by ***1/4 of a million*** *in a decade*
(up 12% between 2012-2016)

20%
are planning to drink more alcohol at home
(compared with 15% in 2017)

FIGURE 2: PLACE WHERE PEOPLE WORK IN A TYPICAL WEEK, OCTOBER 2017

"In a typical week I work..." Please select all that apply."



Source: Foresight Factory, ONS, Mintel

Upskilling has become a workplace essential in the face of fractured careers, fast-changing technology, and the threat of automation

The value of one's education no longer lies in only gaining knowledge, but in also developing a dexterity for learning

51%

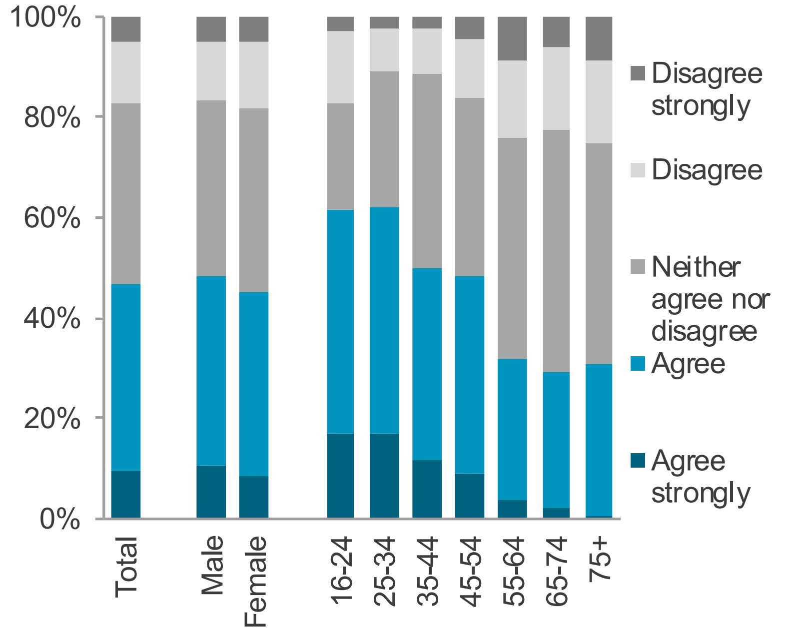
of GB consumers want to be more knowledgeable

75%

*Of global consumers search for an answer **online** when they don't know how to do something*

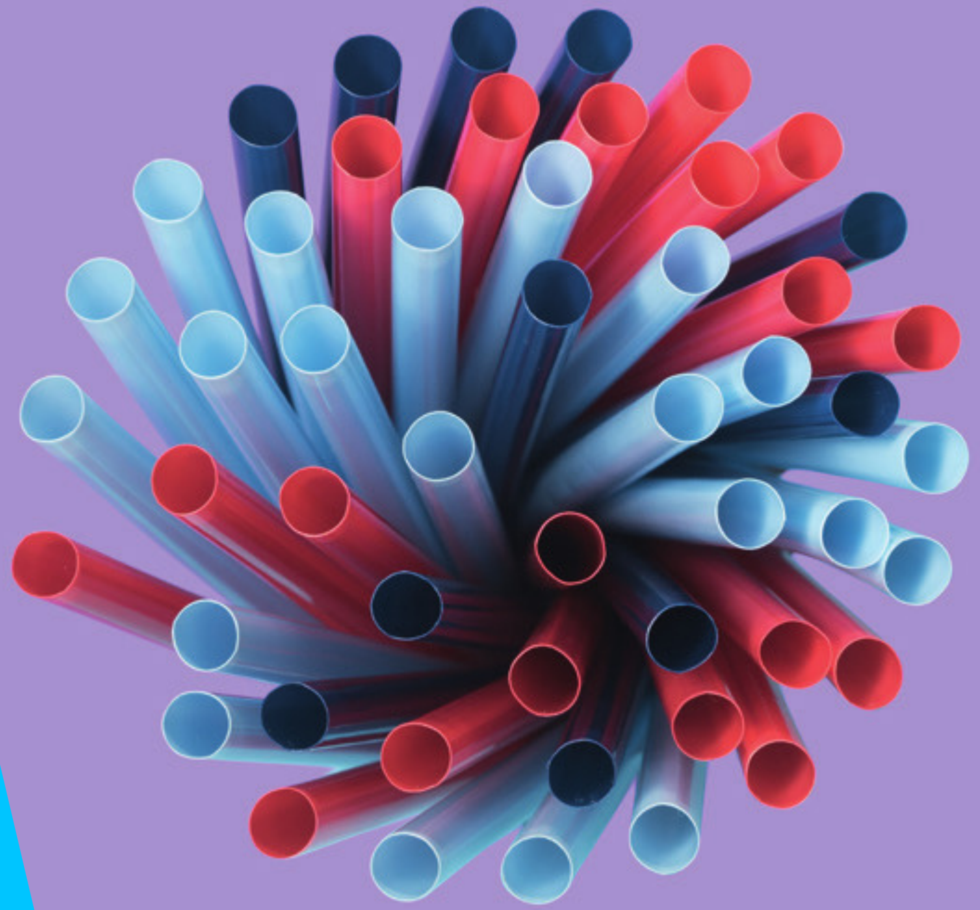
Appetite to learn using online tools is strong, particularly amongst ***Gen Z & Millennials (62%)***

"I can teach myself ***anything I want*** with free online tutorials"



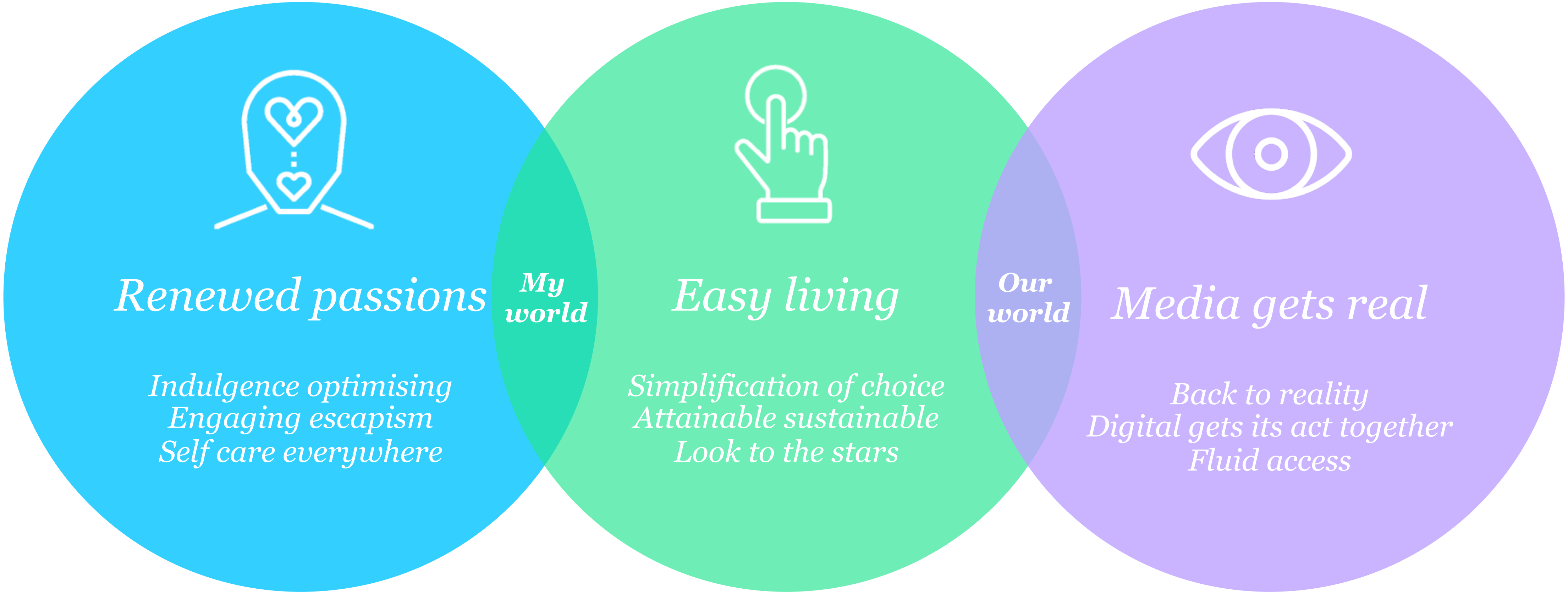
Source: Foresight Factory

Cultural Trends



2020: The Year of Renewal

Our 9 trends for 2020 fall into three important categories that reflect our personal, and our shared worlds of interest:



Renewed Passions: Indulgence optimising

Consumers are learning that less is more. Concerns about ‘over doing it’, pressures being put on free time and disposable income, and growing worry about waste mean that people are pulling back from seeking instant gratification, and are instead looking to invest in quality over quantity, and optimising every experience they choose to invest their time and money in.

Five nights out at a bar are turning into one big blowout night out, multiple holidays shift to a month long sabbatical to travel to new places, the alcohol free drinks explosion means enjoying a drink, but saving the hangover (and the calories!) for another time, TV time means curating your top boxsets rather than flicking through channels. Even in clothing, we see a movement back to investment in classic items with longevity, and people embracing second hand and/or renting garments to optimise their wardrobe.

- Only 37% of people in the UK think a new vehicle with a new license plate is a status symbol
- 30% of customers in a pub or bar won’t be drinking alcohol
- The second-hand market is predicted to be 1.5 x bigger than fast fashion in 2028

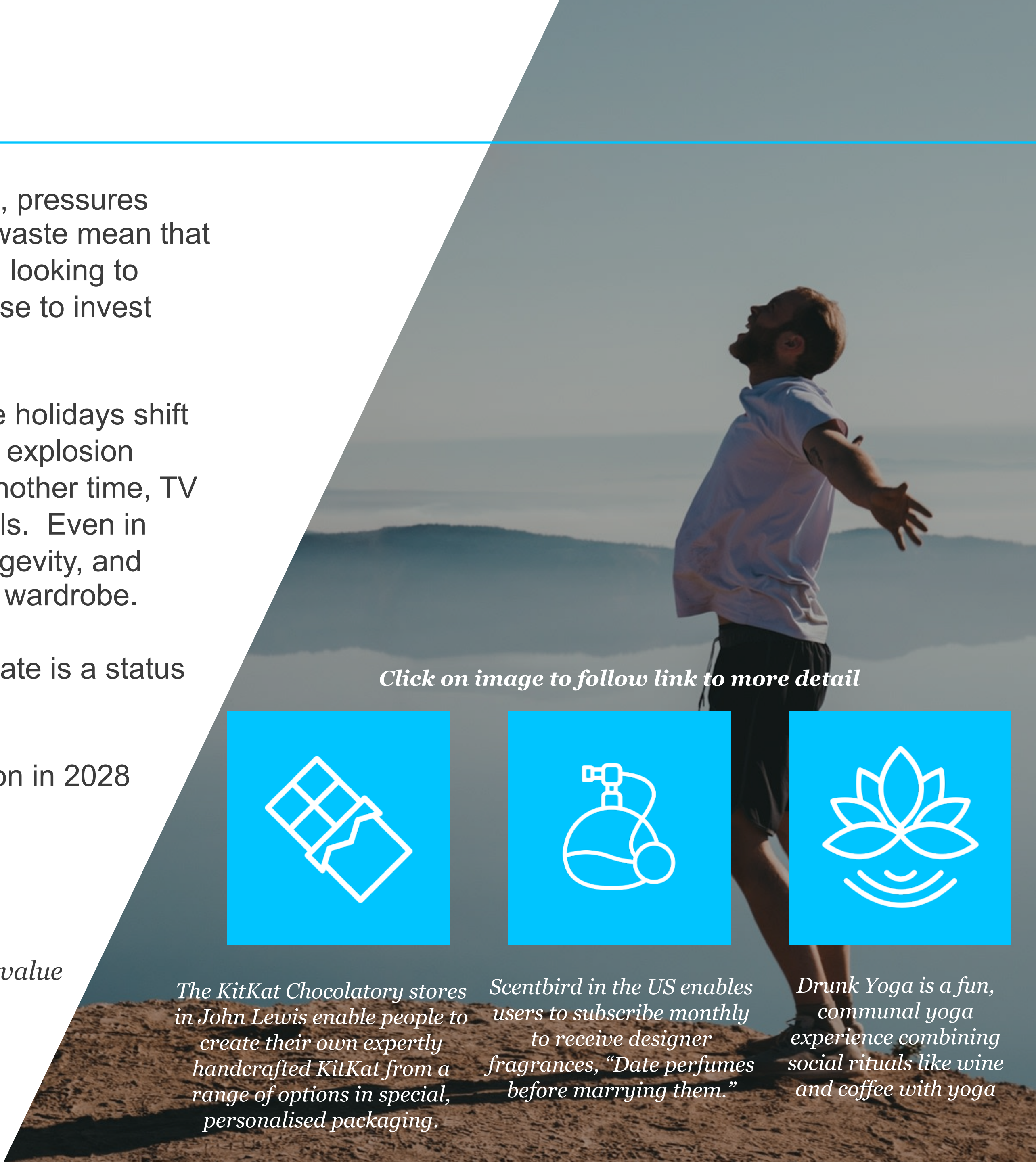
Data Sources: Hitachi, mindfuldrinkingfestival.com, thredUP,

Thought Starters

How can you give your consumers the opportunity to ‘trade up’, or extract the most value from your product?

What ‘hacks’ can help people access your product as quickly and easily as possible?

Can advertising & comm’s become a resource to help support an optimised life?



Click on image to follow link to more detail

The KitKat Chocolatory stores in John Lewis enable people to create their own expertly handcrafted KitKat from a range of options in special, personalised packaging.

Scentbird in the US enables users to subscribe monthly to receive designer fragrances, “Date perfumes before marrying them.”

Drunk Yoga is a fun, communal yoga experience combining social rituals like wine and coffee with yoga

Renewed Passions: Engaging escapism

The online gaming explosion, TikTok challenges, purposeful travel and retail experiences; people are looking to escape the strains of everyday life, but they're increasingly looking for more while they're doing it, to maximise their down time, and find joy and sociability in everything they do.

Whereas gaming was previously considered a niche solus activity, gameplay now offers people the opportunity to socialise, connect with people and express themselves creatively. Social media has grown from being a place to connect, to a place to learn, create movements, and even buy. Even social activism is transforming into the realms of passion projects, people are finding joy in being part of bigger collectives, and shared experiences whilst protesting about something they care about.

- 68% of British Gen Z'ers say completing a challenge for a good cause brings them joy
- 64% of 16-25's regard social media platforms as an essential part of achieving social change
- In the past three months, 2.7b hours of live content was viewed on the live streaming gaming platform Twitch, compared with 735m hours on YouTube

Data Sources: YouGov, Demo's Think Tank, NY Times (Sep '19)

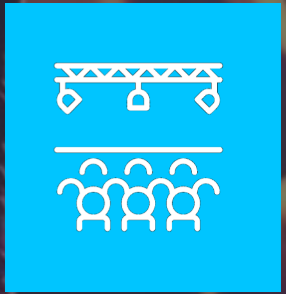
Thought Starters

If your brand offers escapism, how can you maximise this for consumers?
Are there partners you can work with to enhance this?

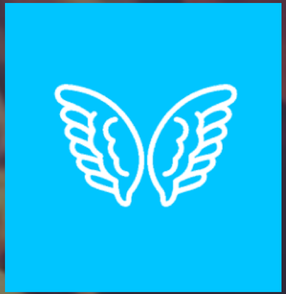
Have you previously discounted online gaming, but could benefit from it's more social side?

Can you tap into this maximising behaviour through event marketing or content?

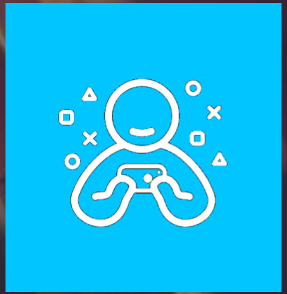
Click on image to follow link to more detail



DJ Marshmello hosted a concert in online game Fortnite, attended by 10.7m people



Goodgym are a community of runners that combine getting fit with doing good



JustGiving has launched a new initiative to grow the world of charitable giving through computer gaming

Renewed Passions: Self-care everywhere

Wellness used to mean going to the doctor in the presence of a physical ailment, nowadays it is a much more holistic approach to physical, mental, and sexual health. This is born out of an increase in awareness (and in turn, importance) of mental health, a booming health and fitness industry, and the normalisation of female intimacy in the era of new-wave feminism.

Being part of the wellness movement has never been easier, with plenty of apps (think Headspace, Calm, Fiit, Peloton) and digital content within easy reach, and an increasing number of workplace wellness initiatives. As such consumers are making moves to reduce alcohol intake, meditate regularly, make healthy food choices, and dabble in homeopathic medicines (CBD enhanced everything). Into next year, we'll see this spread into beauty, conscious snacking, nights out, pet care, home interiors…self-care is going to be everywhere! 2020 consumers are therefore unashamedly looking for short-cuts to wellness in everything they do, and they want brands to help enable this.

- The wellness industry in the UK is set to reach £22.8bn in 2020
- 39% of adults intend to reduce their alcohol intake in the next 12 months
- 45% of UK employers currently offer workplace wellness schemes

Data Sources: Statista, Foresight Factory, Financial Times

Thought Starters

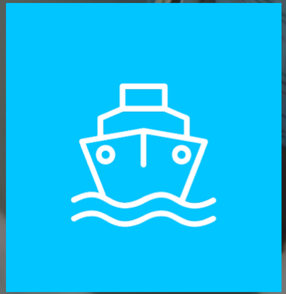
How can your brand help consumers on their wellness journey?

What might they be rejecting that could affect your brand? How can you futureproof?

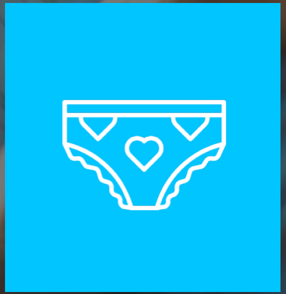
Can you link with wellbeing moments or occasions?

Click on image to follow link to more detail

Braun and the influencer Really Rae have teamed up to promote #selfcaresunday, encouraging women to indulge in 'me time' on Sunday evenings



Virgin is set to launch wellness cruises in 2020. The Scarlet Lady will focus on health and wellbeing and include activities from boxing to yoga



Ann Summers has launched new brand; My Viv, which claims to be the worlds first sexual-wellbeing brand that puts women first

Easy Living: Simplification of choice

The concept of heuristics and satisficing in human decision making has existed for over 50 years, whereby mental shortcuts are used to make decisions quickly and efficiently. However, the last 5 years have seen an explosion in new products and services that have simplified the consumer journey for us. DTC (Direct to Consumer) brands in particular have seen a surge in popularity, using digital to their advantage to cut out the middle man, and enabling consumers to avoid the abundance of options when they shop, and build direct relationships with their consumers.

We predict 2020 will see peak streamlining, with people going direct, investing in subscription boxes and services, and turning to curated options to simplify decision making, and maximise convenience.

- 46% of online shoppers have failed to complete a purchase online because there were too many options to choose from
- 30 million Instagram users tap on shopping posts every month
- 39% of the online population have purchased from one or more DTC brand
- 27% of UK consumers are currently signed up to a subscription box service, either for themselves or on behalf of somebody else

Data Sources: Episerver, Hootsuite, IAB, GlobalData

Thought Starters

How easy is it to buy your brand? How many options are there?

What can you learn from DTC brands?

Could chatbots help consumers navigate your category?

Click on image to follow link to more detail

Disney is incorporating Hulu and ESPN+ into its streaming subscription package to give US consumers access to a wider range of programs, and avoid subscription fatigue

Hewlett Packard Enterprise, have created a playful chatbot Hugo, designed to engage people on a journey to purchase servers for their businesses

Callaly provide tailored boxes of organic period products delivered direct, and have developed the 'tampliner' - the first meaningful innovation to a tampon in 80 years

Easy Living: Attainable sustainable

Concern for the environment now permeates everything we do. The likes of Greta Thunberg and David Attenborough continue to ensure that it is top of the news agenda, so much so, that ‘climate strike’ has been confirmed as Collins Dictionary's 2019 word of the year. However, for the ‘normal’ consumer, trying to do the right thing is fraught with contradictions and difficulties.

People want to learn about sustainability, but without being preached to, they want to be accountable, but also want expectations of them to be realistic, and for changes they can make to be little and often, rather than dramatic shifts that aren’t possible living in the real world. Making sustainable attainable has never been so important to people who want to make a difference, but have also realised trying to be an everyday eco warrior could set them up to fail.

- 54% of people feel that living healthily and sustainably is a major personal priority for them. However, just 6% say they’re actually managing to do so
- Only 12% of Britons say they think they get all the help they need to make sure their waste is reused
- Following the attempted shutdown of Canning Town tube station, 60% of Brits said they had more sympathy for the delayed commuters vs. Extinction Rebellion

Data Sources: Globescan, Lyst, YouGov

Thought Starters

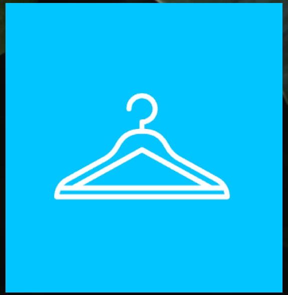
What is the right tone when speaking to people about environmental concerns?

How can you work with consumers to make sustainable behaviour convenient?

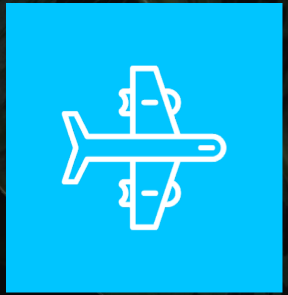
What eco behaviours do your audience currently engage with, why?

Click on image to follow link to more detail

John Lewis is helping customers to minimise their impact on the environment by offering slower ‘eco-deliveries’, when a van is close by



Asda trials ‘Re-Loved’ clothes shop in store to promote sustainable fashion



Low cost airline EasyJet has become the world's first major airline to operate net-zero carbon flights across its entire network

Easy Living: Look to the stars

The 'truth' is no longer easy to find. A deluge of false data and statistics on the internet, fake news, deceptive coverage on social media, and mistrust of politicians, and big institutions, have all contributed to prompting people to put their faith and trust in other sources. Where expert-driven forecasts can turn out to be totally inaccurate, perhaps it is inevitable that some consumers will be drawn to altogether more mystical, non-rational means of navigating the world around them, harking back to the days of belief systems driving decisions over and above facts and science.

The last few years have seen a rise of astrology and mystical practices, with some – such as the use of crystals in wellness activities – crossing over into the mainstream. Consumers are looking to the stars for guidance in decision-making, and some brands are bringing astrology-related propositions to market. 2020 is likely to see a shift to people merging hard fact with pseudo science to develop their own belief systems.

- 31% of adults think there may be some truth to astrology and star signs, 41% believe in karma, 27% believe there are people with psychic powers
- Urban Outfitters comes up with 61 results when you search "astrology"
- Searches for 'birth chart' have increased 80% since 2014

Data Sources: YouGov, Vice, Google

Thought Starters

As personal beliefs become more important, what do your target audience believe in?

Does your brand over-rely on facts and figures, or science to appeal to consumers?

Can you tap into this passion for mysticism/alternate science in comm's?

Click on image to follow link to more detail

Spotify have launched Cosmic Playlists based on star signs, which also include an astrological reading from Chani Nicholas

Amazon have launched a new horoscope feature in its Prime newsletters, matching purchasing recommendations to zodiac signs

Bumble has allowed users to filter potential matches by star sign as another measure of compatibility

Media Gets Real: Back to reality

The artificial nature of online personas and interactions is driving a need for more authentic connections, particularly among Generation Z. The way some members of this generation are using social media lies counter to the perfection of Millennials and their favoured influencers. In place of highly edited posts and curated feeds are streams of consciousness in captions and silly selfies. Gen Z appear more willing to share an accurate, warts-and-all representation of their daily existence. The rise of Chinese social app TikTok – which allows users to make and share typically lo-fi, short-form videos – is also a testament to a desire for authenticity.

We predict this will drive a step change to a more quirky, ‘real’ social media movement. Already, across all social users, there is a growing scepticism around #ads, brand partnerships, and their authenticity, giving opportunity for more down-to-earth, and smaller nano-influencers to come to the fore. Expect to see less filters, less one-size-fits all, and more real life in the social sphere.

- Only 22% believe that social media celebrities portray their lives honestly
- 47% of Europeans are fatigued by repetitive influencer content on social media
- 61% of UK consumers say they don’t think brands are transparent about how they use influencers to promote their products online

Data Sources: YouGov, Endelman Trust Barometer, Bazaarvoice

Thought Starters

Does your brand ever get real? What is your authentic voice?

How can you find authentic influencers who really love your brand, and engage them?

Click on image to follow link to more detail

#Sephorasquad: “We value unique, unfiltered, sorry-not-sorry storytellers, no matter the number of followers they have.”

Instagram has announced it is testing a new feature that would hide likes on posts. It claims the test is “because we want your followers to focus on your photos and videos”

Seed, a direct-to-consumer probiotics company schools potential partners in the science behind probiotics, and how to market their products in an authentic and accurate way

Media Gets Real: Digital gets it’s act together

As concern about the impact of digital devices and services on consumers’ general wellbeing grows, so too does government interest in legislation that aims to protect consumer-citizens from online risks. Launched in April 2019, the UK Government’s Online Harms White Paper lays out its plans for a suite of guidelines and measures designed to make “the UK the safest place in the world to go online”. A particular concern is exposure to illegal and harmful content, particularly for children and other vulnerable groups.

Concern about digital protection from bullying has also been driven into the mainstream by popular reality figures taking a stand against online trolling (think Jesy Nelson’s from Little Mix’s documentary, or Bobby Norris from The Only Way is Essex’s fight to make online homophobia a criminal offence). 2020 looks likely to be the year that positive controls on digital media force online companies to proactively protect consumer’s security and wellbeing.

- 80% of children don’t feel safe on social media
- Sharenting could cost almost £670m in online fraud by 2030 due to images of kids sometimes revealing personal data often used in passwords
- Almost one if four people (23%) have experienced some sort of cyberbullying

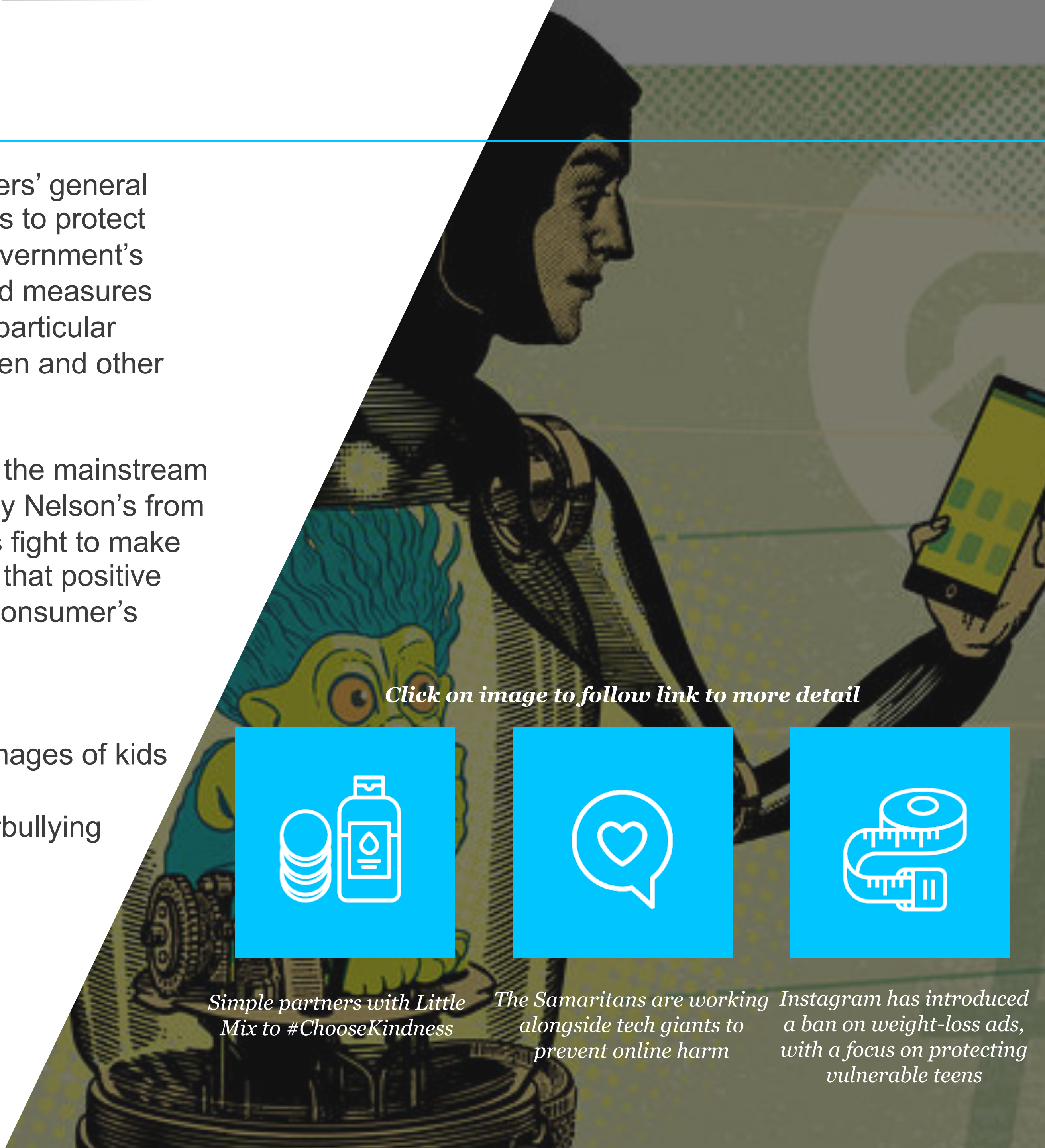
Data Sources: NSPCC, Barclays, YouGov

Thought Starters

Can digital kindness be encouraged by your brand(s)?

How can you ensure digital safety is embedded in all campaigns?

How is content moderation handled on your owned/social sites?



Click on image to follow link to more detail

Simple partners with Little Mix to #ChooseKindness

The Samaritans are working alongside tech giants to prevent online harm

Instagram has introduced a ban on weight-loss ads, with a focus on protecting vulnerable teens

Media Gets Real: Fluid access

The reliance on the internet is nothing new, but reliance on seamlessness, and uninterrupted connectivity is growing. This is resulting in the blurring of lines between media and shopping, with every touchpoint becoming an opportunity to engage in the path to purchase, and also an opportunity to actually purchase. Soon everything (from video content to social media), and everywhere (from mirrors to virtual reality), will be directly shoppable. But this also means consumers expect to be able to flow seamlessly through their journey, from platform, to format, to device, to site.

5G will become an enabler of this seamless reduced thinking world for consumers. It is estimated that by 2030 5G will link 125 billion devices (11 billion in 2019) whilst also creating more immersive experiences (providing immersive video content, voice control, AR and streamed gaming).

- 30% of GB consumers say they are interested in TV programmes that allow them to directly buy the products they see.
- In 2019, 47% of consumers shopped via their smartphones on a monthly basis – a figure that has risen from 32% in 2015
- One in 5 homes in the UK are estimated to use a smart speaker

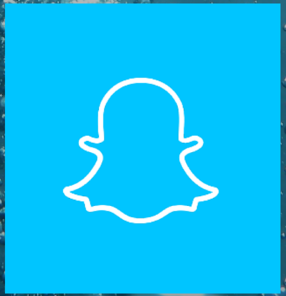
Data Sources: Foresight Factory, Zenith, OFCOM

Thought Starters

Have you begun thinking about how to leverage more immersive video and content with the launch of 5G? (e.g. visual search to find products or 360 video to experience a new product)

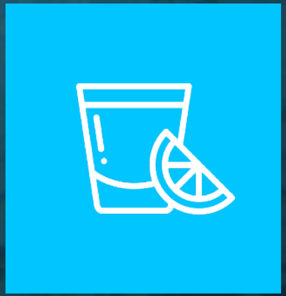
How can your brand create more seamless consumer experiences?

Click on image to follow link to more detail



Visual ordering – Amazon's partnership with snapchat means that consumers can take a snap of a barcode or product and then see if it is available on Amazon

On Father's Day 2019 Clarins targeted men on Facebook with instructions to order their free trial through their Alexa/Google Home



Since October 2019, US consumers have been able to purchase tequila brand Patron directly from Instagram stories

Key Takeaways

Renewed passions
How will you help consumers to optimise their experience of your brand? If people are looking for joy givers, and wellness enhancers, what purpose can you play in their lives?

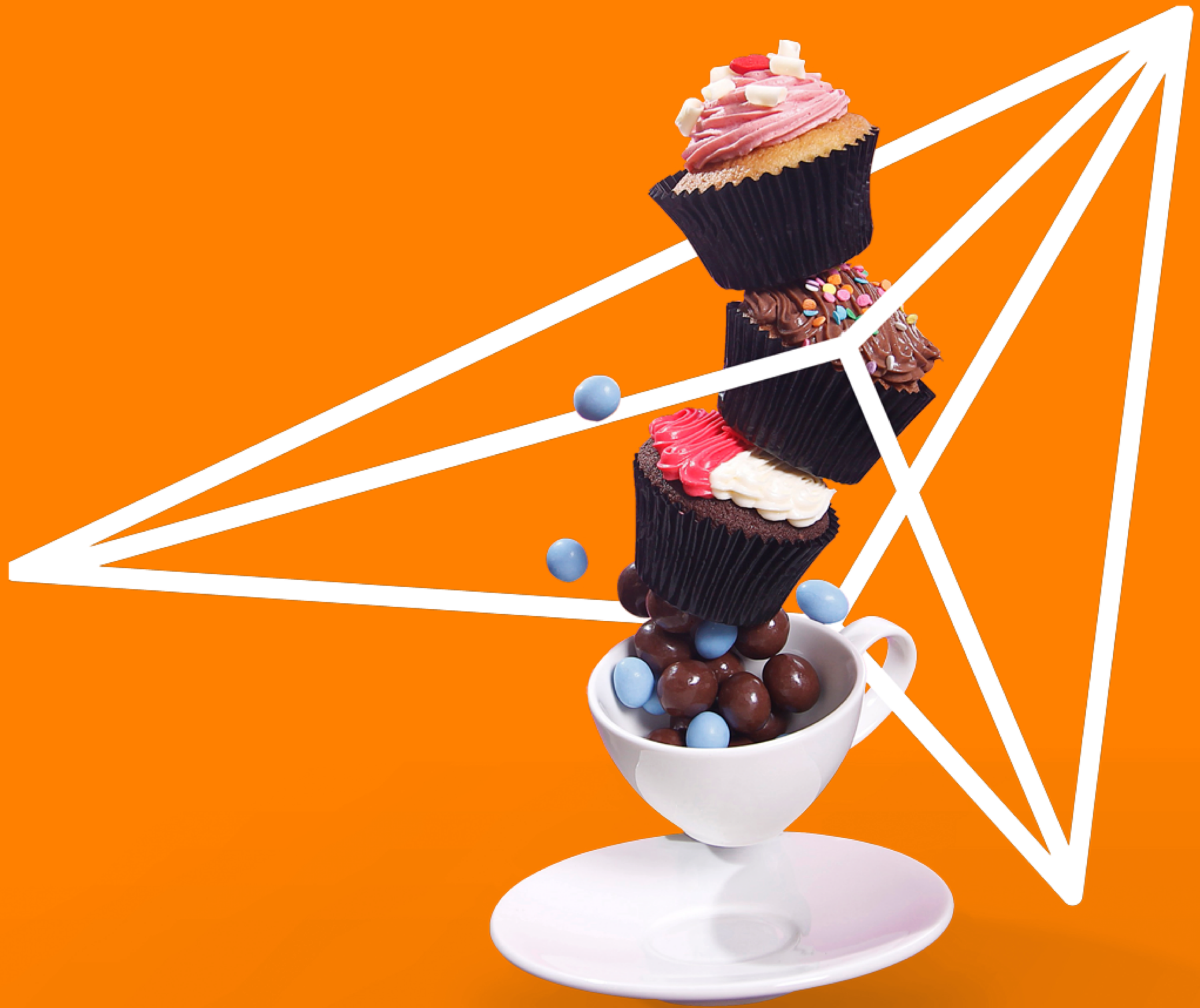
Easy living
Life feels busier, and people are more pressurised than ever before to 'do the right thing'. Can you help enable this to make their lives easier, or can you get playful, and tap into less austere belief systems to contrast the fake news backlash?

Media gets real
Authenticity craving consumers are not always looking for glossy, edited, and perfected presentation. They're also becoming more aware of the reality of digital perfectionism, and it's impact on our future generations. As access to people, brands and products becomes easier and more rapid, how can you leverage the benefits without falling foul of ever more demanding critics?

Thanks for reading!

Any questions? Please get in touch with Leonie Galliford in the Insights Team:

Leonie.Galliford@zenithmedia.com



Zenith
The ROI agency