

WHAT'S HOT

July 2020



IS THE HAPPINESS REBOUND AMONGST BRITS SET TO BE THROWN OFF COURSE?



This month we learnt that seeing friends and family in real life is one of the most important antidotes to the anxiety caused by coronavirus. But is the “happiness rebound” among Brits set to be thrown off course?

The 7stars proprietary quarterly tracking study of 2,000 Brits found happiness levels hit a record low in May among all consumer groups (the lowest recorded over a period of 4 years of tracking). In the month of May when most people were still suffering the full force of lockdown measures 55% felt anxious - a 31% spike from the same point in 2019.

Yet, stress levels improved dramatically in June, when groups of six people were given the go-ahead by the Government to meet up together outdoors and in household bubbles. Evidently, seeing friends and family in real life became one of the most important antidotes to anxiety caused by the coronavirus pandemic, and the happiness recovery was very much felt to be in motion.

This change was especially pronounced amid groups who rely heavily on their peers for contact and support. Anxiety dropped by 36% for Generation Z (those aged 15-25) in June, while those living in London also experienced a 28% decrease in anxiety compared to May.

This highlighted the pivotal role that friends in particular play when it comes to combating emotional turbulence and feelings of stress. It's no coincidence that anxiety levels reduced most in the groups that place the greatest value on having contact with close friends.

Previous research has shown that a person's friendship circle peaks at age 25: the same age group who experienced the most dramatic improvement in mood in our research. Anecdotally, many talked about the relief and joy

of being able to socialise with their friends in real life once again. Londoners also felt this difference acutely once lockdown lifted, perhaps because of the emphasis that city living places on friendships and community ties.

There's a limit to what virtual connections over Zoom or Houseparty can offer. By going out and meeting loved ones again in real life, some Brits were able to access a potent remedy to feelings of stress and uncertainty caused by lockdown.

Human beings are social animals. Isolation and prolonged social distancing have been a well-documented cause for mental ill-health issues. Longitudinal research also shows that close social relationships are the number one factor when it comes to feelings of happiness and positivity.

Having experienced a “happiness rebound” last month we'd like to hope that this trend will continue. However, the fear of a second-wave of the coronavirus looms, along with the threat of localized, or even national, lockdowns, meaning the sensitivity of Brits happiness could once again be impacted by their contact and closeness to friends and family.

This presents an opportunity for brands to connect with people through empathy. Brands can become relevant to the rhythms of consumers happiness - knowing how and when to help. While brand purpose has recently been at the forefront of communications strategy, it would appear now is the time for brands to really listen and connect with consumers through understanding what's going on in their lives and being there to support them through it.



PANDEMIC PROGRAMMING

HOME (MADE) IS WHERE THE HEART IS - FOR NOW



As the global pandemic pushes every sector to think out of the box creatively, the UK's commercial broadcasters have played their part, none more so than the production of new TV content in these tricky times – pandemic programming.

Like with any sector the show must go on, as normal routines have been cast aside, it is up to the broadcasters to provide some sort of comforting normality in the schedule. From breakfast to chat shows, from afternoon quizzes to evening news, then finishing with a soap or drama to end the fifth Monday feeling of the week. Since the beginning of lockdown on 23rd March, we've all been glued to our televisions, with individual impacts across the major stations up year-on-year (March +26%, April +20%, May +8%, June +8%) and broadcasters have had to adapt in order to produce new content.

The viewer like anybody has the desire for new material and in the current circumstances broadcasters are making ends meet. Every broadcaster has utilised homemade content, from **Channel 4's *The Last Leg: Locked Down Under*** which broadcast simultaneously from Melbourne, London and Huddersfield to ITV's ***Isolation Stories***, four short dramas depicting life in lockdown and what families are going through during isolation. Even our very own Smithy has had to perform his ***Late, Late Show*** amongst a backdrop of some fetching décor in his garage on Sky Comedy.

In late May, the UK's biggest broadcasters agreed guidelines endorsed by the Department of Digital, Culture, Media and Sport to resume filming popular programmes such as *Coronation Street*, *EastEnders*, *Emmerdale* and *Top Gear* as archive episodes began to run out. This came as a timely response, with the

UK being one of the most important film and TV locations in the world with a record £3.6bn spent on making more than 300 movies and high-end TV productions last year (*Guardian*). Yes broadcasters have saved money in producing this pandemic programming, but has it come at a cost of quality? We may in the future see an amalgamation of cheaper homemade programming (instead of repeats), supplemented by our big production shows. The fact that every broadcaster is in this current position aids the popularity of pandemic programming, but no broadcaster will want to be left behind and still show this user-generated content whilst their rivals brush off their shiny cameras and large production sets.

Television has always provided the element of escapism and fantasy for a viewer, such as ***Game of Thrones*** (Sky Atlantic), ***Tiger King*** (Netflix) & ***Derry Girls*** (C4). The popularity of these lockdown created shows may be down to the fact that everybody is doing it and there is no other alternative. Once our lifestyle becomes more 'normal' and restrictions pass, everybody will be dying to meet Lord Sugar's next Apprentice, gripped to see who's the latest to have a soggy bottom in front of Paul and Prue, and keen to see who is who's type on paper around the firepit in sunny Spain.



HONESTY IS THE BEST POLICY



Since the start of lockdown brand trust has become more important and consumers are more willing to call brands out for inauthentic and bad behaviour, especially on social media. Understanding and reflecting the mindset of the nation has therefore never been so important for brands.

As we spend more time on social media our expectations of platforms are also evolving. Ofcom's Online Nation report shows we spend 18 minutes more on social media since lockdown began (vs 3 mins on news sites)¹. Alongside this 40% agree they feel less pressure to portray perfect or unrealistic images of themselves on social (rising to 51% of GenZ & millennials)².

This desire for authenticity and humanity is something consumers expect from brands as well. Kantar's latest BrandZ report highlights the increasing importance of brand trust as a driver of growth (3x rise in contribution of corporate reputation to brand equity over the last decade), with "honesty & openness", "respect & inclusion" and "identifying with & caring for consumers" the three main traits shown by trusted brands.³

This emerging 'Era of the Public'³ is playing out faster than ever on social media. As the most responsive and reactive channel most marketers have, consumers expect progression not perfection from brands.

A recent study by Twitter found that only 7% of surveyed users want brands to return to their 'normal', pre-COVID tone of voice on the platform⁴. And in the context of wider societal issues and injustices that have played out alongside the pandemic on social platforms (from Black Lives Matter to trans rights and misinformation to name

but a few) brands must build an open and accountable voice within social channels.

Social media can also drive understanding of the mood and mindset of the nation to inform paid campaigns alongside organic responses. Carlsberg's recent campaign "Welcoming Back to the Pub" was fuelled by close daily monitoring of consumer sentiment and opinion, ensuring no message was tone-deaf or out of sync with ever-changing attitudes to lockdown easing⁵.

With ever-increasing scrutiny on social media platforms, brands must take the time to reflect the authenticity and openness that consumers expect from them. Humanity has been one of the defining features of COVID, and brands that fail to use social media to understand and connect with consumers will be called out quicker than ever.

¹Ofcom 'Online Nation' 2020 - <https://www.ofcom.org.uk/research-and-data/internet-and-on-demand-research/online-nation>

²Global WebIndex & WeAreSocial June 2020 - <https://blog.globalwebindex.com/trends/social-media-covid-19/>

³Kantar BrandZ Report 2020 - <https://online.pubhtml5.com/bydd/yeib/#p=1>

⁴<https://www.campaignlive.co.uk/article/brands-not-revert-pre-covid-messaging-twitter-study-finds/1689652>

⁵ <https://www.marketingweek.com/carlsberg-marketing-campaign-welcome-back-pubs/>



HOW WILL THE HFSS BAN AFFECT ADVERTISERS?



On Monday 27th the government released their latest policy paper *“Tackling obesity: empowering adults and children to live healthier lives”* which includes a ban of HFSS products being shown on TV and online before 9pm. The government intends to bring the ban into place by the end of 2022.

During the next year the government intends to research making the ban stricter for online advertising which would ban HFSS products all together.

Next stages in roll out of the legislation:

- The government will publish the results from their consultation in 2019 on the pre 9pm ban by the end of 2020.
- The government will launch a new consultation on a full ban on HFSS advertising online as soon as possible.
- Following this they will then propose the new legislation to the House of Commons and House of Lords for a vote before being presented as a new law which the government aims to have completed by the end of 2022.

Leaders from across the UK’s advertising and media industries have written to the Government. The letter has been signed by the following leaders: Stephen Woodford, CEO, Advertising Association; Paul Bainsfair, DG, IPA; Jon Mew, CEO, IAB UK; Phil Smith, DG, ISBA; Lynne Anderson, Deputy CEO, NMA; Owen Meredith, MD, PPA; Richard Reeves, MD AOP.

“A pre-9 pm watershed ban is an out-of-date solution that has been discredited as an effective solution to obesity, whilst a total ban online is a blunt and totally disproportionate proposal that completely disregards

the fact that advertisers target their ads very accurately at adults and away from children online. These measures would have far-reaching consequences for businesses large and small, as well as for broadcasters, producers and publishers. They would ride rough-shod over ASA self-regulation which has proved to be so successful over the last 60 years. Furthermore a complete online ban has not been consulted on.”

Channel 4 have said, “we remain ready to collaborate with the Government to identify solutions and play our part in supporting this vital objective of combating obesity, as we have done in the past through a wide range of programmes that have focused on healthy eating and get fit initiatives”.

This change comes at a time when TV houses have only just started to recover from the impact of Covid-19 and is a further blow to the advertising industry. Estimates are the proposed bans could cost British broadcasters £200M in lost revenue.

It puts greater restrictions on media channel selection with the ban across TV and online channels. This may see advertisers move towards channels which are not covered by the ban such as Radio, Print, Cinema and OOH outside of TFL.

The biggest question for brands, due to the vague nature of the report, is whether HFSS deemed brands will be able to still advertise at brand level with just HFSS products prohibited or if it is a complete ban all together. In addition, what level of categorisation will be used to determine whether or not a product is HFSS. At the7stars we will keep up to date on the latest developments as we move towards the ban coming into place.



GENERATION GAME



Lockdown united the nation, but as we emerge, underlying concerns faced by audiences are diverging once more. These play out differently by generation: baby boomers face short-term unhappiness driven by fear of the virus, whereas Generation Z face an uphill uncertainty over their future. Brands should adapt their comms to address these differing anxieties.

Touchpoints' data from earlier this year showed an increasing divide between the media habits of Baby Boomers and Generation Z. But then COVID-19 arrived, along with a swathe of lockdown restrictions. The result? The nation was united by Zoom calls, Thursday nights clapping and daily government TV briefings.

Differences in lifestyles were smoothed over as younger audiences, usually out and about, were homebound. They rediscovered the joys of in-home experiences such as live TV and took up new hobbies to pass time, like baking and crafts (1). Meanwhile, older audience adopted new digital behaviours to keep connected with the outside world. Over half of 55+ used video calling to stay in touch with family and trialed online shopping (1). This gave brands an opportunity to reach both generations in new places.

But as we come out of lockdown, it's important to acknowledge the differences re-emerging in these audiences – while there may now be more similarities in media consumption than pre-lockdown, their concerns and challenges post-lockdown differ significantly.

On the face of it, Generation Z seem able to bounce back from the disruption of quarantine. They have more spontaneous lives and so are more responsive to changing advice: over a third are already comfortable returning to pubs (2). However, this short-term confidence disguises the longer-term uncertainty they face. They are now

more likely to suffer unemployment and financial concerns, added to their existing worries for the future of the planet more broadly. This makes them more susceptible to two different levers: value and brand values. This means showing why a brand is worth share of their wallet by demonstrating what it stands for in the current cultural context.

By contrast, Baby Boomers, who profited from booming property prices, are less concerned about finances. Despite this security, almost half report feeling less happy than this time last year (1), and 80% are worried about a second wave (2). For them, the worry is not financial health, it is personal health. Their need for short term reassurance means brands should use trusted comms channels and create customer experiences that address these concerns.

Are there new audiences or new advantages that brands can speak to by solving the issues faced today? Likely yes. But first, just as audiences have adapted to the changing world, brands must challenge their pre-lockdown beliefs.

1 the7stars QT

2 YouGov "Returning to the Pubs"
<https://yougov.co.uk/topics/food/articles-reports/2020/07/24/how-do-brits-feel-about-reopened-pubs>



POSITIVE NEWS THIS MONTH



Small high street retailers have been long under threat from bigger businesses, but lockdown may have triggered consumers into reconsidering how, and where they shop. Nearly two fifths shopped locally during lockdown for food and drink, kickstarting a change in their shopping habits. Their local support also extends to non-essential shopping too, suggesting their new habits are filtering through to wider categories. Local shopping won't be exclusive to lockdown either with 70% of those that have shopped locally agreeing they will continue!

Snapchat has launched a brand profiles platform to help strengthen brand and advertiser engagement with their own consumers. The profile will allow brands to build permanent archives to continue to engage consumers with their own “real estate” – including branded lenses or ecommerce stores where consumers can shop directly from the platform. Brands will also be able to use their branded profile to gather insights on their core audience, understanding how they are engaging within the channel and how they feel about the brand.



US tech investors are reportedly trying to buy a majority stake in Chinese owned TikTok to head off data concerns around the app – this has subsequently halted talks on a London HQ. Despite TikTok's recent scrutiny, it remains a hugely successful app, particularly within lockdown with 315m downloads from Jan through to March. It's success is kickstarting competitor launches, including Instagram's Reels, designed for 15" short form video. From an advertiser perspective, TikTok remains a strong platform and opportunity for brands to reach audiences in new creative ways, generating real value and connection.

