

# What's Next? The Post Covid-19 Consumer



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## Evolving the fundraising experience to meet the wants and needs of the Post Covid-19 Consumer.

A few weeks ago [Sam Poole](#) wrote about [how Covid-19 has turned our lives upside down](#), forcing us to re-evaluate what it means to be an employee, a citizen, a global consumer. One hundred days into lockdown and **life continues to change on a daily basis**. With restrictions easing, we're starting to look ahead to **what life will be like in the future**, shaped by our collective experience of the pandemic.

Previously, Sam explored 5 key emerging behavioural trends that CMO's/senior fundraisers in the charity space will need to consider when interacting with the Post Covid-19 Consumer (PCC). Times are changing fast, so **how is our supporter feeling now, after 3 long months of lockdown?**

### 1. Crisis of confidence

### 2. Virtual living

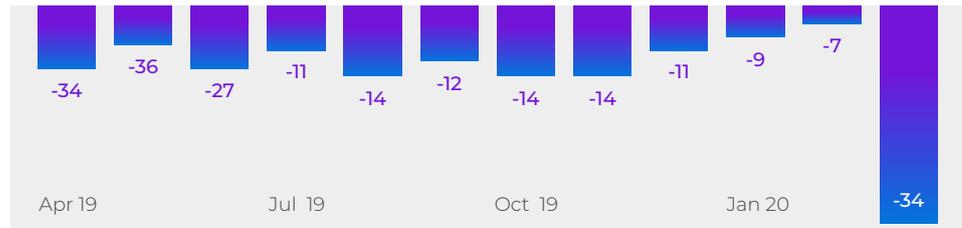
### 3. Shifting media landscape

### 4. Health & wellbeing

### Getting ready for the PCC / Get in touch

## 1. Crisis of confidence

**Consumer confidence has taken a huge hit since the middle of March 2020.** The scale of the shift can be seen in the GfK consumer confidence index below, with a drop to -34 in late March, representing the biggest fall in more than 45 years. By 5th June this had dropped further to -36, with GfK's client strategy director reporting consumer confidence to be "battered and bruised". However, as the UK starts to open up for business again, there are positive signs with GfK reporting a nine-point rise in confidence and a seven-point increase in consumers' willingness to spend on expensive items by early July.



### What this means for charities

For brands, subdued consumer confidence means that **building trust is more important than ever**. People are contextual decision makers – after months of anxiety they will be craving security and stability. Brands will need to focus on building confidence at every touchpoint, ensuring their values match the experiences their customers expect and desire.

Consumer confidence is closely linked to charitable giving. In March, About Loyalty's Sentiment Tracker showed that up to 30% of people intended to stop or reduce their donations since Covid-19. Similarly, Virgin Money saw a 44% decline in donation value (excluding NHS charities) on its VMG platform in the first month of lockdown with the top 50 charities seeing income reduce by 93% compared with the same period in 2019.

However, more recently there have been indications of an upturn in charitable giving behaviour – at the end of March About Loyalty reported only 9% of people said they had given to charity, but by 20th April this had risen to almost 16%, potentially due in part to the incredible fundraising effort of Captain Sir Tom Moore. Likewise, at the same time, Virgin Money saw charity donations (excluding NHS) improving to 70% of the 2019 level while nfpSynergy reported average gifts increasing from £50 in January to £67.70 in May 2020.

So while there is some way to go before consumer confidence returns to previous levels, there are encouraging signs of improvement in the sector. In their latest briefing (June 2020) CAF acknowledged that recent easing of lockdown restrictions have had limited impact on charities, but as shops begin to open and Big Issue sellers return to the streets, the charity sector is starting to see reasons to be optimistic. As a result, CAF reports, a third of charities said they are feeling more positive about the future than they did a month ago.

## 2. Virtual living

The ONS reports that 49% of workers reported working from home at some point in the 7 days to 14th June. Facebook announced in May that it expects half its workforce to work remotely over the next 5-10 years; Twitter has said its staff can do so “forever” if they wish.

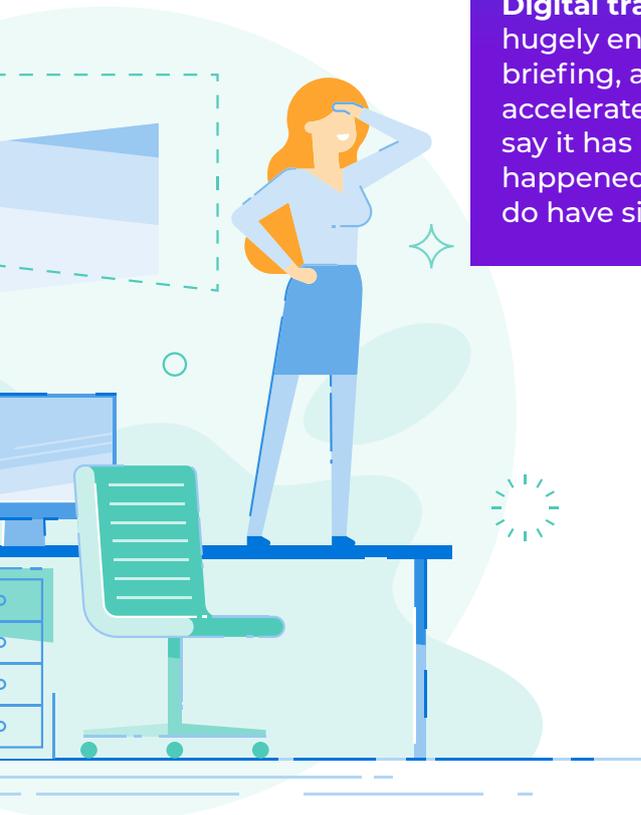
Meantime Virgin Money reports that **digital banking has become more popular** during lockdown with 30% of people downloading a mobile banking app and 40% of digital banking users saying they’ve used it more during lockdown. In addition 83% of people are planning to continue using digital banking as they have during lockdown or to use it more frequently. This is even higher among people aged 55-64 with 87% intending to maintain higher usage or increase it post lockdown.



### What this means for charities

The move to virtual raises a significant challenge for the sector, with many charities still heavily reliant on older, offline and quite traditional audiences. But the sector has acted fast to adapt, embracing digital change, adopting new techniques in the most challenging of circumstances. The Big Issue’s speedy digitisation, the virtual 2.6 Challenge in place of the cancelled London Marathon and CRUK’s Race for Life At Home are all examples of nimble innovation to help recover funds that would otherwise have been lost.

**Digital transformation** is hard at the best of times but it’s hugely encouraging to read that, according to CAF’s June briefing, a fifth of charities say the pandemic has helped them accelerate their plans for online fundraising and another fifth say it has helped them modernise. We all wish it could have happened in different circumstances but maybe some clouds do have silver linings.

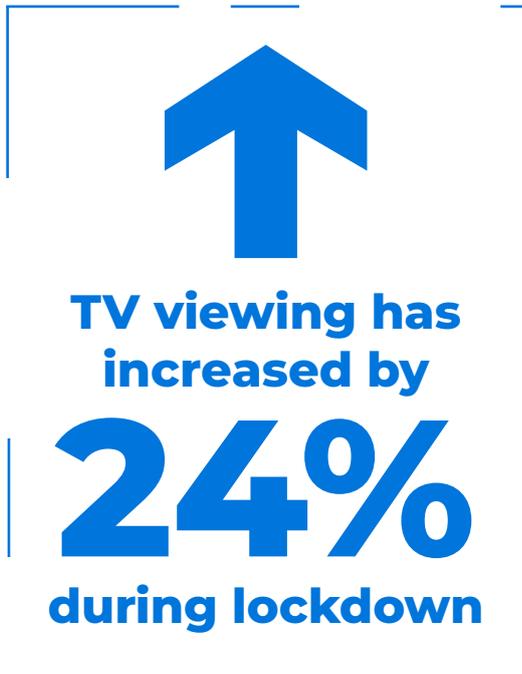


### 3. Shifting media landscape

**TV viewing has increased by 24% during lockdown**, according to BARB, a natural consequence of people spending more time at home. In the early days we obsessively watched the news, seeking trusted sources of information: over 27 million people tuned into Boris Johnson's addresses on 24th March and 10th May, surpassing the audience figures for the 2012 Olympics opening ceremony and

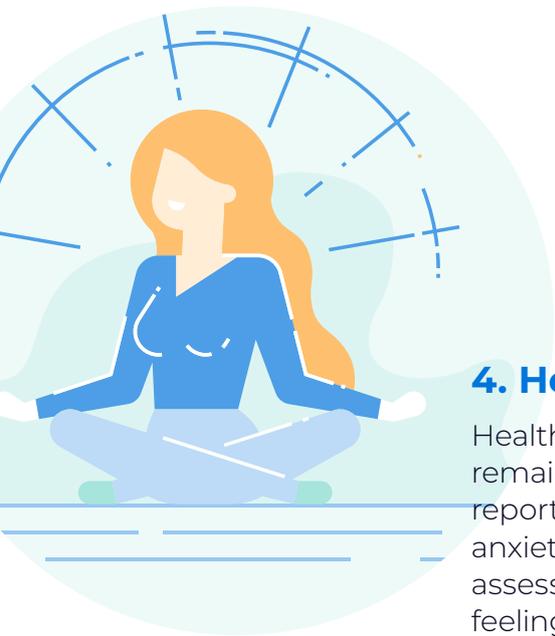
Prince William & Kate Middleton's wedding. But we also seek escape and distraction from our isolated lives: Disney+ doubled their global subscriber numbers to 50m in April thanks to a very fortuitously timed launch in March.

**In a world of social distancing, TV brings us closer to each other** – be that families enjoying the shared viewing experience together or conversations with friends about must-see programmes.



#### What this means for charities

Increased viewing, coupled with discounted rates and penalty-free deferrals, make TV an attractive opportunity for brands wanting to **drive both short-term business performance and long term brand-growth**. Furthermore, with many more people furloughed or at home during the day, traditional daytime charity advertising has the **potential to reach a whole new audience** of workers which would otherwise have been out of reach. TV offers the chance for charities to tell authentic, human stories which drive the emotional connections a distanced society needs; coupled with contextual placement it's a powerful proposition and an opportunity too good to miss.



## 4. Health & wellbeing

Health and wellbeing – **physical, mental and emotional** – remain primary concerns for many people. While the ONS reports that “our day-to-day emotions like happiness and anxiety have improved since the beginning of lockdown, our assessment of life overall, such as our life satisfaction and feeling that the things we do are worthwhile, have remained subdued since 20 March 2020”.

Academic evidence has shown that people can **adapt to both positive and negative events**, which implies we’ve adjusted to our new life, reducing our short-term anxiety a little. It’s likely that increased community spirit and appreciation of the NHS and key workers, alongside financial measures such as furlough and mortgage relief have balanced out negativity to some degree, positively impacting happiness levels.

But **life satisfaction and the sense of our actions being worthwhile** remain as they were at the start of lockdown, as our long-term view is clouded by the prospect of recession, job losses and unemployment. The longer lockdown has gone on, the longer people think it will take for life to return to normal. People aged in their 60s – the UK’s Baby Boomers - are the least optimistic about how long it will take for life to get back to normal, with a higher proportion saying it will take more than a year or that life will never return to normal, than those aged under 60 years and those aged 70 years and over.



### What this means for charities

It’s a complex picture. Short-term, with anxiety levels and happiness increasing a little, there are opportunities to make the most of the improved societal mood and **capitalise on people’s more appreciative sense of empathy**. Longer term, there is a need to adapt to **supporters’ shifting attitudes and concerns**. With Baby Boomers being such an essential cohort for the charity sector, brand trust again becomes a critical focus. As their sense of life satisfaction remains low charities will need to make vital human connections and show them how their support is making a difference. Never has there been a more appropriate time to show your supporters how important they are, how much value they add to beneficiaries’ lives, and in turn give them back their own sense of worth.

## Getting ready for the PCC

**Our lives have changed beyond imagination over the past 100 days; what will life be like after the next 100?** Understanding your supporter has always been important but it's essential in a socially distanced world where people feel isolated and cut off. So, **keep talking to them – connect with them and show them you're listening.** Build experiences to suit their needs; create trust and stability; and make them feel valued and worthwhile.

## Get In Touch

At Signal we have extensive experience supporting a wide range of charity clients and we are working with many right now to get ready for the PCC – so please do get in touch if you'd like more information.

Connect with [Karen Williams](#) on LinkedIn