

The State of Play

The Influence of Fear

Fighting Fear

Communicating with Empathy

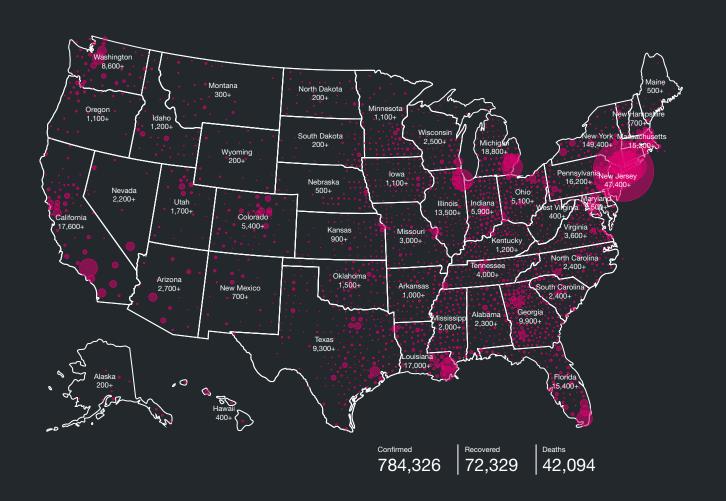
Next Steps

AGENIDA

THE STATE OF PLAY

A Moment Without Precedent

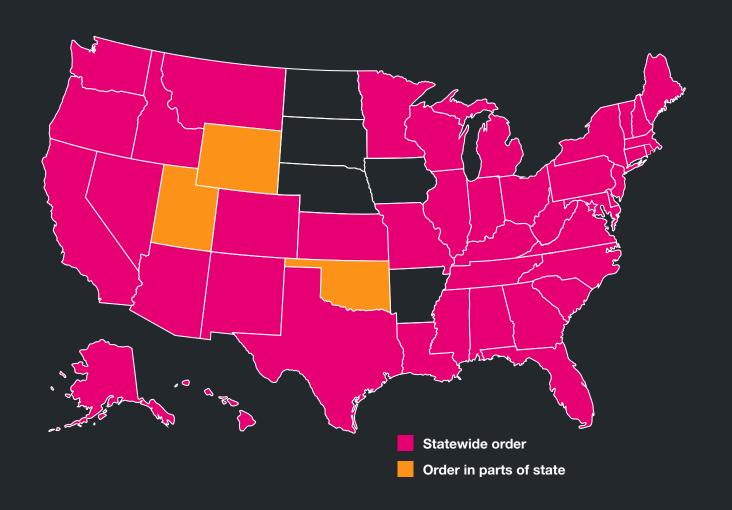
A global pandemic driven by a highly infectious disease is a nightmare scenario that epidemiologists and economists have been warning about for decades. That scenario is here, and its impact has been even more devastating to the U.S. than many predicted.



Source: New York Times, Johns Hopkins CSSE Updated: April 20, 6 p.m.

A Fiercely Free Nation Confined

With stay-at-home orders issued in 45 states, a country that prizes personal freedom is coming to grips with heavy restrictions on personal choice and mobility. It is difficult to overstate how challenging this is to the psyche of the American public. But it's not just damaging to our identity...

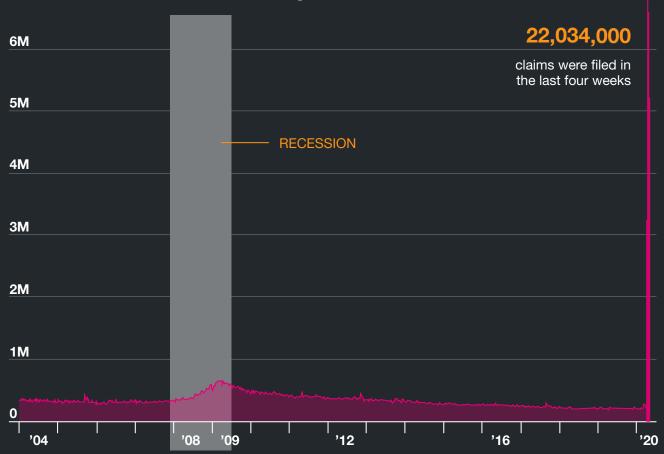


Source: New York Times Updated: April 20, 6 p.m.

Record Unemployment

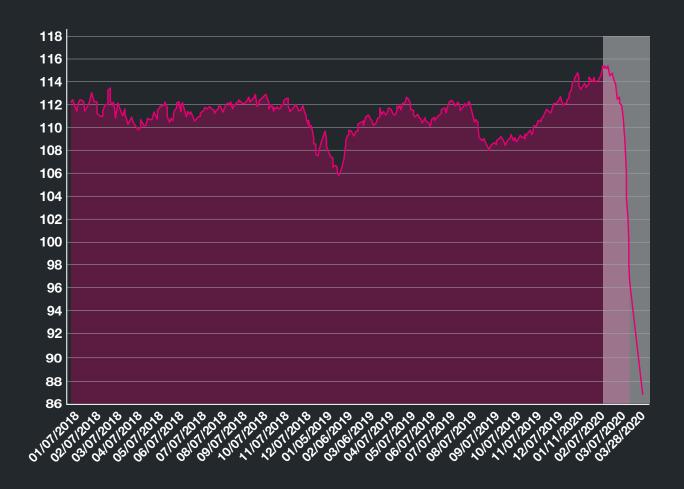
America is shedding jobs at 10 to 20 times the weekly rate at the peak of the Great Recession. Layoffs and furloughs are outpacing our ability to report the changes. As things get worse, your customer is more and more concerned about their job security.

U.S. Weekly Jobless Claims



Source: U.S. Department of Labor

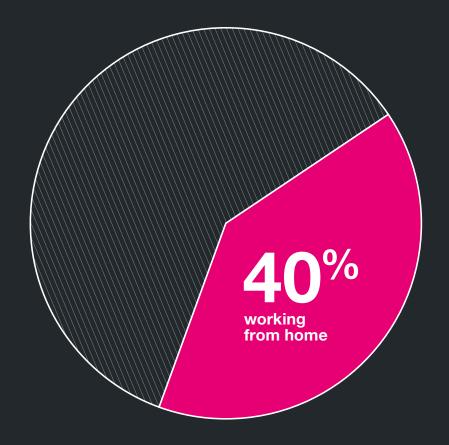
Daily U.S. ICS



Sagging Consumer Confidence

Even those confident about their employment security struggle with their outlook on the economy writ large. Older Americans are eyeing their retirement accounts with increasing worry, while younger Americans are contending with the potential erasure of one of their peak earning years.

Source: Morning Consult



Challenges at Work

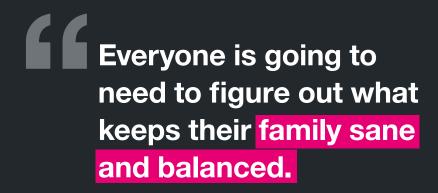
The sudden shift to working from home has caught many organizations flat-footed.

The challenge of onboarding thousands of employees to new software and new processes through remote training is immense.

Source: Pew Research Center

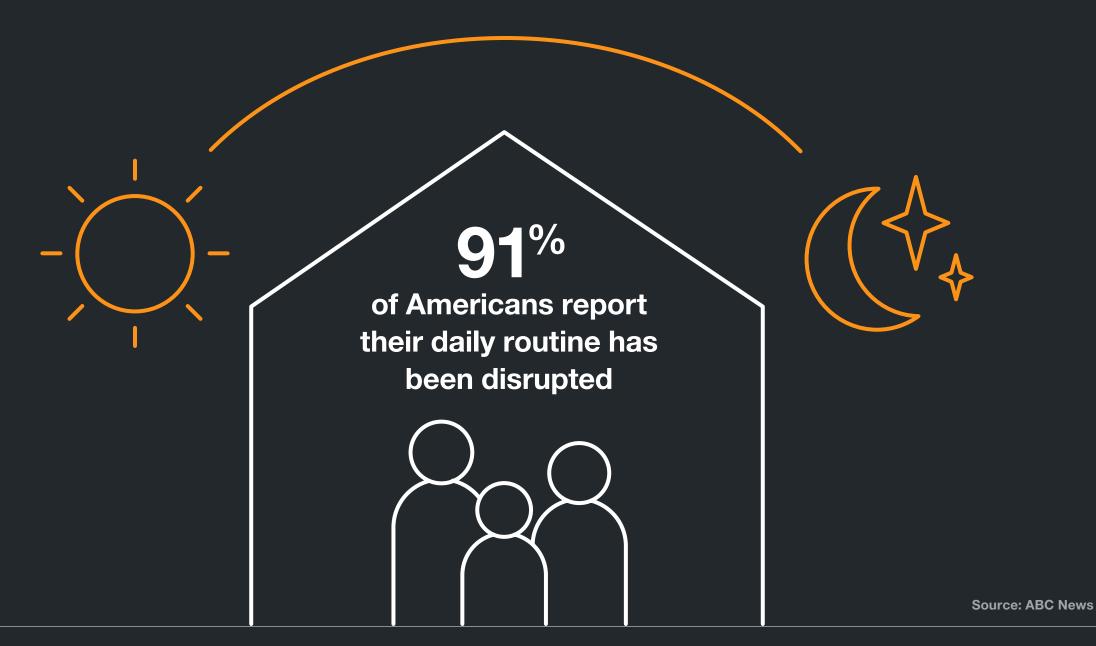
Challenges at Home

Sheltering in place has an obvious and radical impact on the average American home. Those living with children must balance work and childcare. Those living with spouses are seeing new strains on their relationships. Those living alone are facing the crippling effects of loneliness and isolation.



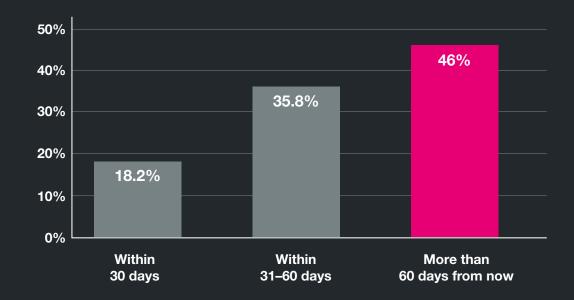
Corinne Purtill, journalist

Source: New York Times



When do you anticipate social distancing directives to subside?

And with no end in sight, the overwhelming feeling we're experiencing is...



Source: Proprietary Periscope Research

THE INFLUENCE OF FEAR

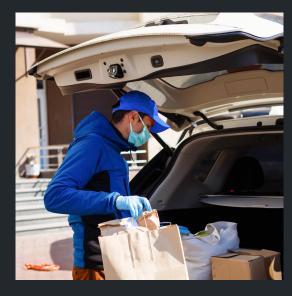




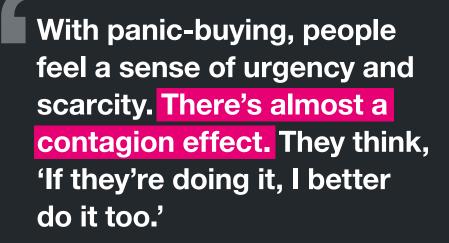
Fear is predicated by the perceived or actual loss of control, with consumers looking for brands that bring order to chaos and ultimately bring relief to their lives.

People act differently when they're scared.









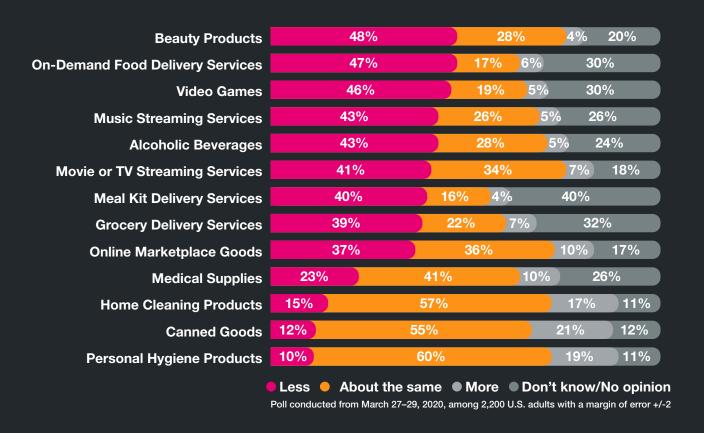
Steven Taylor, clinical psychologist

We Hoard

Hoarding has a cascade effect.

When people are afraid, they stock up to create a sense of security. When others see it, they get scared and do the same. The empty shelves create more fear, and the process continues.

U.S. Consumer Spending Shifts in Response to Job Loss in Family



We Cut Spending

Many of those who have lost all or part of their income are taking measures to cut spending. Those who fear losing their income are planning their future spending cuts. A number of nonessential areas will be the first to go.

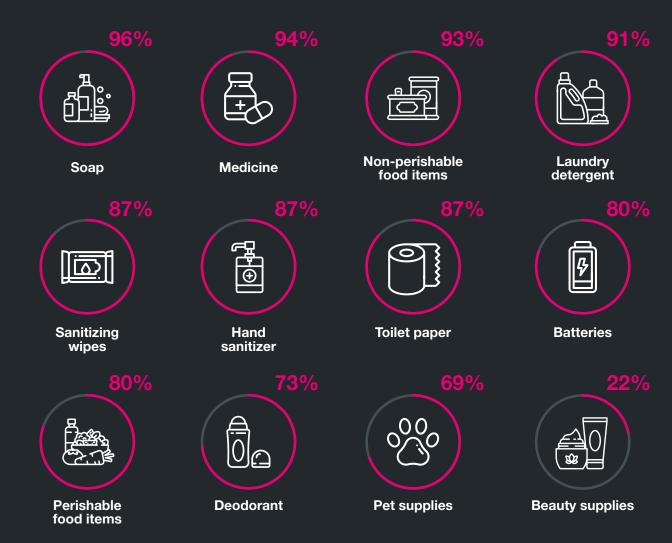
Source: Morning Consult

Essential Purchases

Most Important Items in U.S. Households, March 2020

We Get Back to Basics

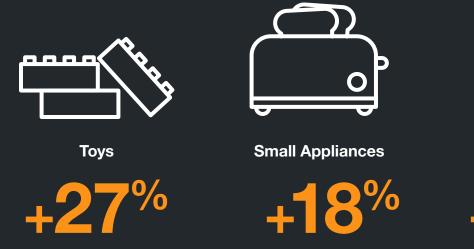
In a fear-dominated economy, essentials come first. Even those who aren't hoarding are ensuring they have cleaning supplies and other essentials on hand. As people try to limit their trips to the store, they buy essentials in larger quantities.



Source: Morning Consult

But Don't Underestimate the Appeal of a Splurge Purchase

As the American home takes on new life to replace the office spaces, classrooms, restaurants and movie theaters we're used to, people are able to justify once-fringe purchases as necessities. Toys to entertain children and kitchen appliances to help speed up meal prep are current bright spots, along with office supplies as stay-at-home workers are left to fend for themselves.



Source: NPD Group

Office Supplies



Or the Occasional Vice

In a state of fear, people often turn to vice industries for distraction and escape. Historically, we have seen growth in alcohol sales during recessions and other challenging times for society. In the last few weeks, alcohol sales have skyrocketed.

Source: Nielsen

We seek out things that make us feel safe. We seek out things that remind us of simpler times.

We seek out "antidotes" to fear.

Can fear be eliminated in the age of COVID-19?



But we can use other emotions to reduce it.

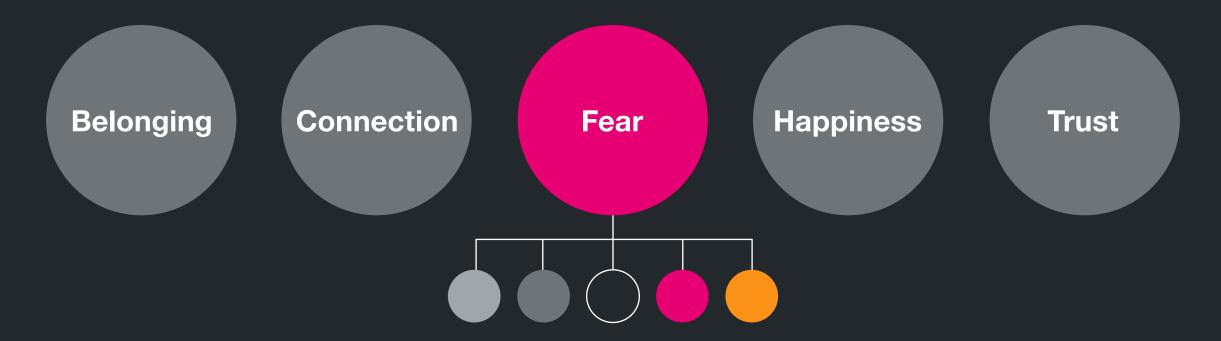
Introducing

PERISCOPE REVOLV®

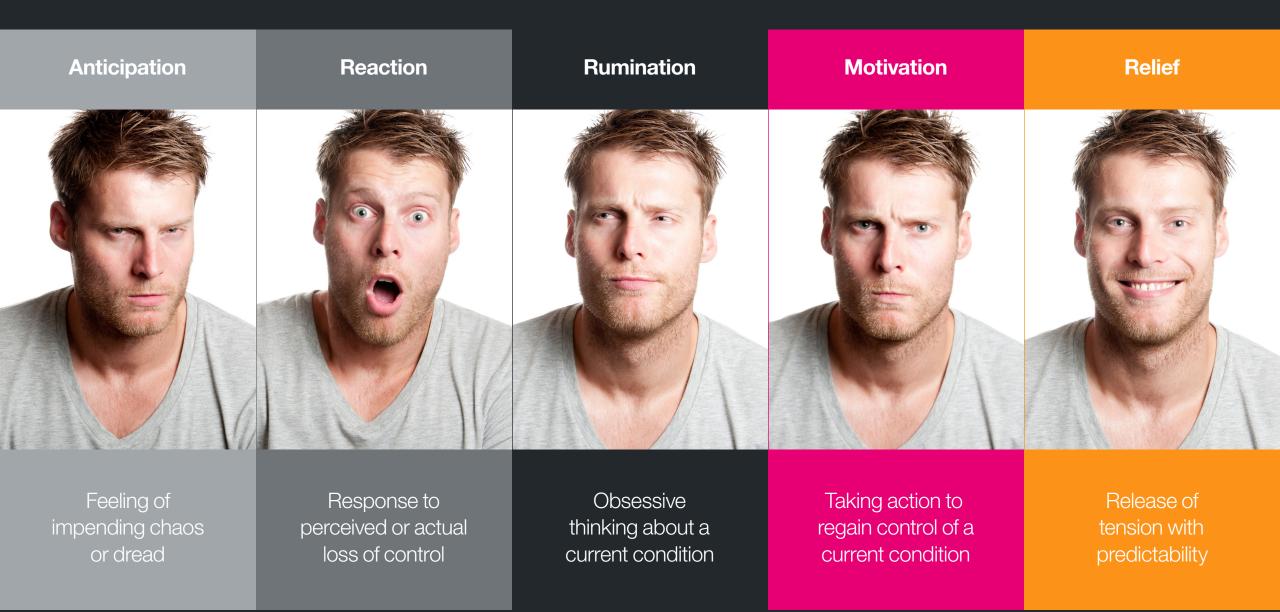
REVOLV® is based on the scientific reality that five emotions drive all purchase decisions.



Within these five purchase-driving emotions are a range of nuances that help us make strategic decisions on how to help brands engage.



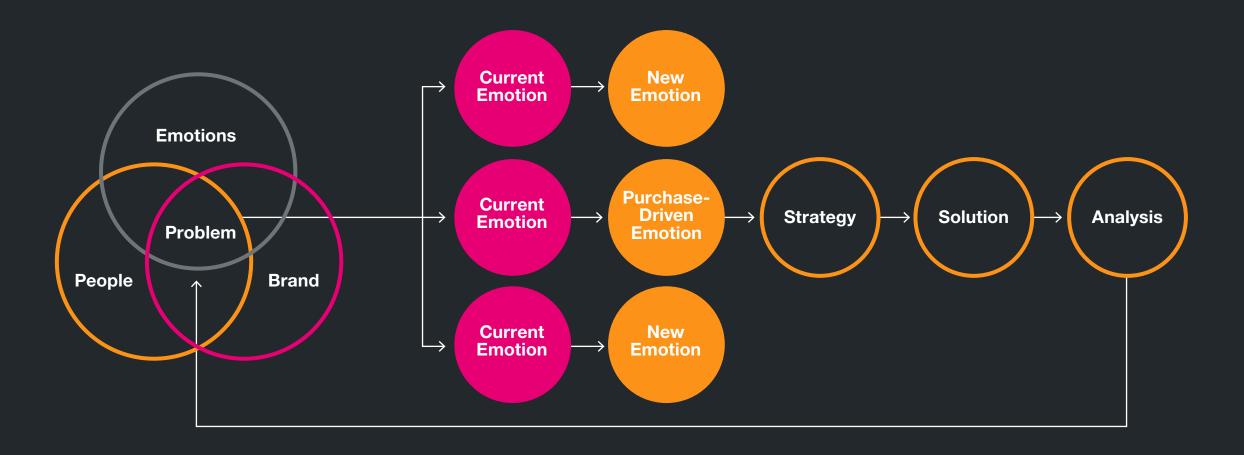
The Fear Journey Consumer Mindset



We Are Here -

Anticipation Reaction **Rumination Motivation** Relief Feeling of Response to Taking action to Obsessive Release of perceived or actual thinking about a impending chaos regain control of a tension with loss of control current condition current condition predictability or dread

By evaluating the COVID challenge with empathy, we can forge strategies that shift consumer mindsets and drive them to take new actions.



To re-engage. To retake control. To treat themselves. To change their minds. To connect with others. To re-evaluate the situation.

To fight fear.

To remember their humanity. To think of the good times. To block out the noise. To try something new. To pay attention. To feel better.

PERISCOPE

FIGHTING FEAR



Fight fear with

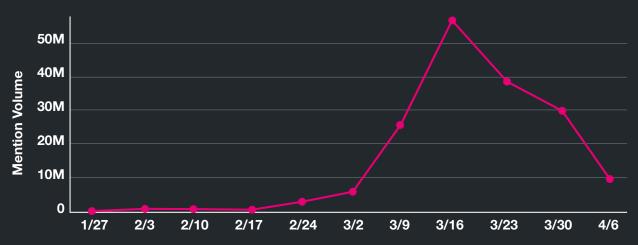
Connection

Fight fear with

Connection

Connection provides relief through the building of mutually beneficial and personal bonds that are essential for physical, mental and social well-being.





Source: Proprietary Periscope Research

Connection Today

Social and physical isolation of this scale is unprecedented in our country's history. With face-to-face connection deemed unsafe, people are seeking out connection in different ways to satisfy their needs as social creatures.

Current Barriers to Connection







Stay-at-Home Orders



Strained or Missing Support Systems



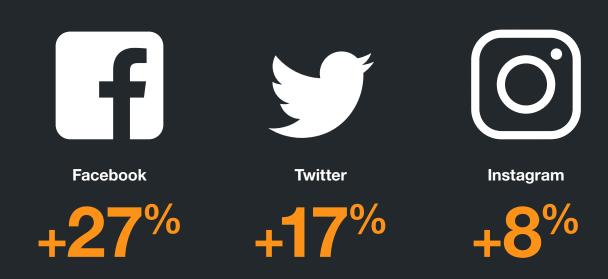
Increased Caregiving Responsibilities



Technology Limitations

Social Media

It should come as no surprise that people are flocking to social media as a means to stay connected. However, the ways people are using it has changed: Interest in TikTok has surged as new content has bubbled up from isolation-driven creativity; the seldom-used live video functions of Facebook, Twitter and Instagram are picking up steam; and stories, now an old standby, are being used with increased frequency for people to give others a more detailed glimpse into their lives at home.

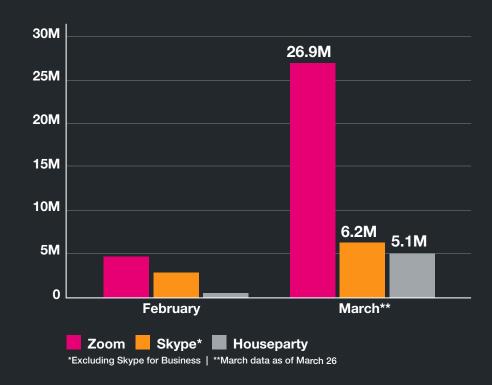


Sources: SimilarWeb, Obviously, Twitter

Rise of Video Messaging

Video messaging isn't new by any means, but the technology has met the moment with force. Zoom has been the runaway winner, seeing substantial use for both work and play, along with Houseparty, a Gen Z hit now seeing broader adoption. FaceTime and Facebook/Instagram are also seeing increased daily average users, showing the growth is need driven, not brand driven.

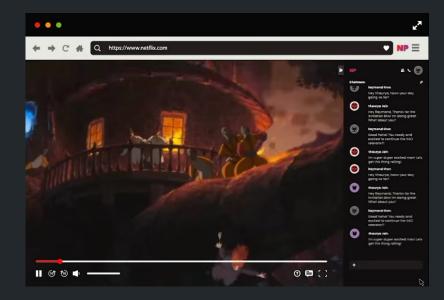
Global Downloads of Video Messaging Apps for Mobile Phones



Source: Priori Data

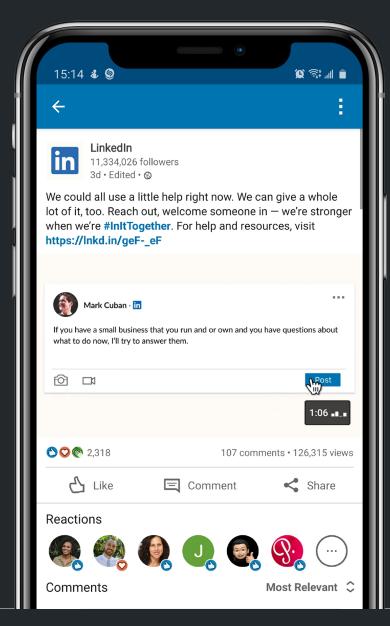
Hacking Connection

From Zoom happy hours to Netflix Party nights, people are finding creative ways to replicate in-person experiences they once shared with friends in the age of social distancing.





Source: Netflix Party



Brand Response

"We're In It Together"

Brand: LinkedIn | Agency: Internal

Much media attention is rightly focused on the woes of U.S. employees. Yet many freelancers, entrepreneurs and small business owners are also reeling from the sudden change to the economy. LinkedIn gave business owners a way to ask for help and give help to each other, reminding them that they aren't in it alone.

Watch Video ▶



Watch Video ▶

Brand Response

"Sext Us Instead"

Brand: Trojan | Agency: 72&Sunny

When you're stuck in a house with nothing to do, well, things happen. Trojan recognized the potential uptick in sexual activity for those sheltering in place — with or without partners and positioned its condoms, lubrication and vibrators as essential products through a series of cheeky spots and clever giveaways.



Brand Response

"Chipotle Together"

Brand: Chipotle | Agency: Internal

As the stay-at-home orders started rolling in, Chipotle recognized a problem: A sizable piece of its business came from dine-in orders from colleagues looking to grab lunch together. For a week, Chipotle hosted virtual lunches over Zoom where Chipotle megafans could shoot the breeze and enjoy an overstuffed burrito — just like the good old days.

Fight fear with

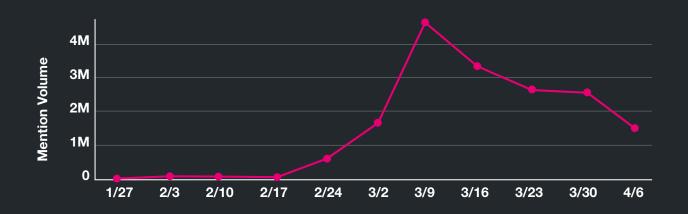
Trust

Fight fear with

Trust

Trust reduces anxiety and cynicism through earned belief by creating predictability and safety with actions, transparency and support.

Volume of Social Conversation Around Trust



Source: Proprietary Periscope Research

Trust Today

With unpredictable and sometimes unreliable narratives around coronavirus, increasing polarization has led to rumors, urban legends and distrust of most messages received by audiences.

Current Barriers to Trust



Lack of Information



Poor Communication



Misinformation & Conspiracy Theories



Political Polarization

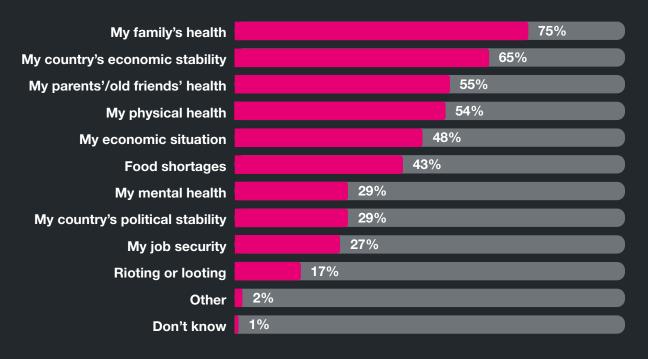


Rapidly Changing Facts

Putting Safety First

With a climbing death toll and the peak of this pandemic not yet in sight, health has become the number one concern for most Americans. The steady drip of worsening news has made even trips to the grocery store or drive-thru feel perilous, and many are going to extraordinary lengths to protect themselves and their loved ones. They are sewing masks, donning surgical gloves and stocking up on medical supplies and health supplements.

Main Worry or Concern About COVID-19



Source: Statista

Turning to News

The tide is shifting for news: The pandemic entered a volatile political climate that has been defined by a distrust of news media. Now the public is turning back to news sources with a renewed sense of trust, because information creates a sense of security when things feel out of control. We're seeing spikes in news media engagement, along with increased sharing of news information.

Prime-Time News Viewership, All Ages

March 16-20



2.2 Million

+119%



4.4 Million

+60%



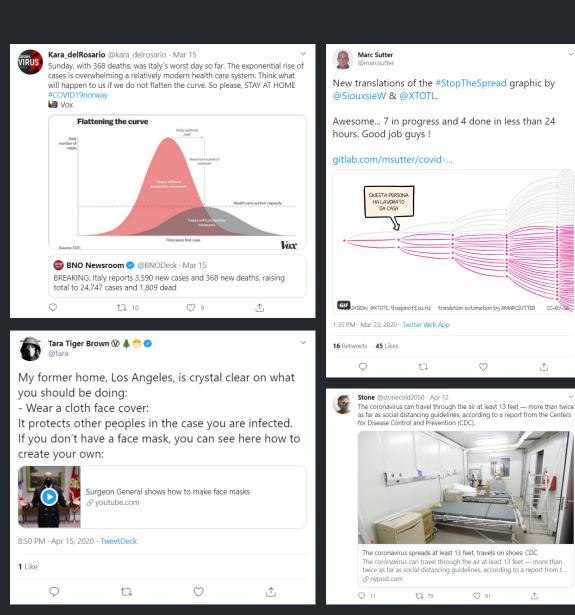
2.9 Million

+37%

Source: Nielsen

Signal Boosting Messages

To put it lightly, President Trump has sent inconsistent messages from the Oval Office on COVID-19. In response, many citizens have taken to social media, group texts and email to circulate information from leading infectious disease experts and nonprofit organizations. "Flattening the curve" has become a meme of a different kind, emerging organically from public health experts and gaining life through graphics created by journalists and civically engaged consumers.



Source: Twitter

we assure you there will be enough to go around.

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Brand Response

"#ShareASquare"

Brand: Cottonelle | Agency: Wunderman Thompson

Toilet paper scarcity is a very real problem that many Americans are concerned about. Cottonelle addressed the issue head-on with its #ShareASquare campaign. Not only did Cottonelle communicate to the public that it was doubling down on production capacity, but it also tied promotion of the hashtag to a fundraising drive for United Way. Good for the customer. Good for the country. Good for business.



Watch Video ▶

Brand Response

"Peace of Mind"

Brand: Domino's | Agency: Crispin Porter & Bogusky

As U.S. consumers grew increasingly wary of human interaction, Domino's put together a shrewd and clever spot touting its "hand-crafted" pizza before assuring customers that "the only hands that touch [our pizza] are yours." By making a plain language promise and prominently pushing contactless delivery, Domino's was able to both promote its product and build trust with its customers.



Brand Response

"Donated Feed"

Brand: Coca-Cola | Agency: Internal

As one of the most recognized and revered brands on the planet, Coca-Cola correctly recognized that it did not need to keep a steady drumbeat of branded content going to keep sales up. So it decided to make a sacrifice to make a difference: It donated its social feeds to signal boost messages from worthy causes doing challenging work on the front lines.

Zero cost. Big impact.



Brand Response

"Community Response"

Brand: Steak-umm | Agency: Internal

In a move that literally no one saw coming, Steak-umm, a frozen meat sandwich brand, took to Twitter to drop serious knowledge about the spread of misinformation. Though the primary driver of the posts' virality was the irony of Steak-umm being behind the message, it nevertheless calls attention to the power of every brand's social channel to make a difference by speaking truth to power.

Fight fear with

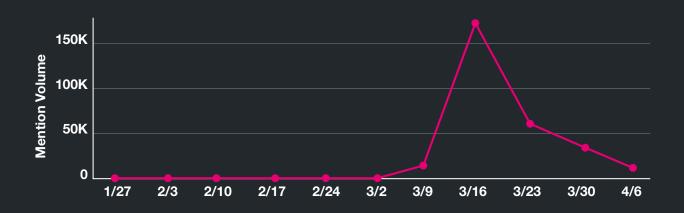
Happiness

Fight fear with

Happiness

Happiness provides a welcome distraction from ruminating on uncontrollable stressors by creating repeatable, craveable experiences that spark joy.

Volume of Social Conversation Around Happiness



Source: Proprietary Periscope Research

Happiness Today

Economic hardship, health concerns and isolation create self-imposed austerity and reduce the opportunity to experience things that create happiness, since they may be considered frivolous or dangerous.

Current Barriers to Happiness







Increased Stress



Reduced Discretionary Spend



Lack of Free Will



Lack of Motivation

Binge Watching

With more free time on their hands, U.S. consumers are streaming more content than ever before. TV has long been a form of escapism for America, and the rise of Connected TV positions Netflix in particular for growth. But as viewers lock in for more and more marathon sessions, the streaming service's catalog of prestige originals will struggle to keep up with demand. We are seeing signals that consumers are more willing to explore additional streaming services — potentially perfect timing for Quibi and HBO Max to enter the fray.

36%

increase in streaming video usage in March

47M

new SVOD subscribers due to COVID-19

Sources: Nielsen, Strategy Analytics

Gaming & Esports

What's America's second favorite form of escapism? Video games. Gaming is now a \$35B industry in the U.S., nearly 7 times the size of domestic movie theaters. Gamers have flocked to online multiplayer games in particular as a way to kill time with others.

The other big winner? Esports and streaming. Riot Games' Valorant was released in a closed beta to record-shattering viewership numbers. And Twitch's Live Aid-style "Stream Aid" proved the streaming platform isn't just for gaming.

22M

concurrent users on Steam

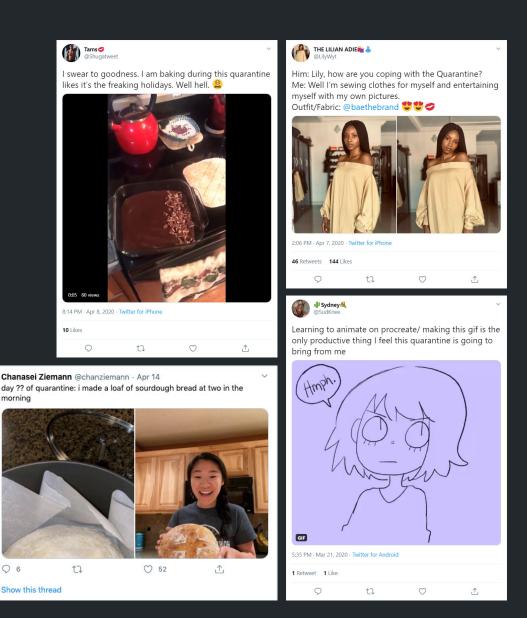
34M

Twitch gameplay hours watched on a single day

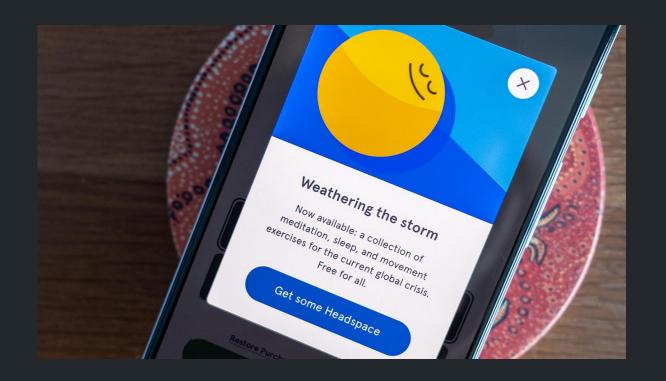
Sources: Eurogamer, Twitch

Kicking It Old School

With all this excess screen time, is it any wonder there's been increasing interest in more hands-on hobbies? Many offline activities have emerged as trends, but sourdough bread has become the unlikely hero of the pandemic, driving sellouts of flour and yeast in grocery stores across the country. According to social media analysis, drawing, sewing and gardening have also picked up in frequency.



Source: Twitter



Brand Response

"Weathering the Storm"

Brand: Headspace | Agency: Internal

With daily stress at an all-time high for many Americans, leading mindfulness app Headspace saw an opportunity to help. For the duration of the crisis, Headspace committed to making a collection of meditation, sleep and movement exercises free to the public. It's a small act of service today that will likely result in many customers upgrading to the full package when money is a little less tight.



Brand Response

"Fried Chicken & Chill"

Brand: Popeyes | Agency: Gut

People need to eat. People need entertainment. Popeyes ran the numbers and came up with a scrappy stunt to drive sales: Take a picture of yourself eating Popeyes and post it with the hashtag #ThatPasswordFromPopeyes, and they'll "share their Netflix password" with 1,000 select winners.

Watch Video ▶



Watch Video ▶

Brand Response

"Social Distancing"

Brand: Hotels.com | Agency: Crispin Porter & Bogusky

Demand for hotels has plummeted as the intensity of the COVID-19 crisis has grown, but that doesn't mean Hotels.com can't add to the conversation. By running a spot chock-full of social distancing tropes, Hotels.com reinforced the need to stay at home, showcased their brand's mascot and added a bit of levity to the conversation.

Fight fear with

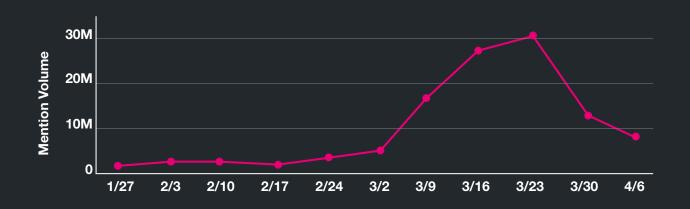
Belonging

Fight fear with

Belonging

Belonging overcomes isolation and alienation by providing community support and forming social identity and affinity through activities, fandoms, beliefs and interests.

Volume of Social Conversation Around Belonging



Source: Proprietary Periscope Research

Belonging Today

Individuals can lose their sense of identity when they are no longer able to spend time with their social group in a shared space, removing their social support network and outlets for expression.

Current Barriers to Belonging



Disconnection from Community



Inability to Participate



Disruption of Routine



Insufficient Support /
Reinforcement



Questioning of Identity

Getting Back in the Saddle

The need to interact with affinity groups remains strong, and people are finding new and interesting ways to commune with one group in particular: their gym buddies.

From doing online workouts on Instagram Live to sharing more runs and rides on Strava to finally pulling the trigger on a Peloton, people are discovering new ways to get fit, together.



Source: Instagram @militiamethod

Giving Back

Even at a time when consumer confidence is low, charitable giving is flying high. Americans have always come together in times of crisis, and COVID-19 is no different. Raising and giving money restores a sense of control to people and gives them a sense that they are part of something bigger — that they are doing their part as American citizens.

1 in 3

new GoFundMe campaigns related to COVID-19

\$40M+

collectively raised to support COVID-19 relief

Source: GoFundMe

Live Streaming

Live streaming has taken on new prominence in the era of coronavirus. Everything from spontaneous activations like beat battles between famous hip-hop producers to branded activations like iHeartRadio's Living Room Concert for America has taken on new meaning, as Americans seek out new ways to experience life together again.



Source: iHeartMedia



Watch Video ▶

Brand Response

"You Can't Stop Us"

Brand: Nike | Agency: Wieden+Kennedy

For many Americans, losing a few weeks at the gym is a gift. But for the committed, the inability to get their reps is a direct affront to their way of life. What to do? Nike launched a multichannel campaign encouraging fitness enthusiasts to stay at home. From free live classes to viral challenges to motivational TV and digital spots, Nike made a concerted effort to not only make their customers feel like part of the Nike family, but also like they are working out for the greater good.



Brand Response

"Dive Bar Tour: Home Edition"

Brand: Bud Light | Agency: Wieden+Kennedy

In response to the COVID-19 crisis, Bud Light extended its popular experiential campaign, the Dive Bar Tour, with a twist: virtual concerts held in the musician's home that everyone could enjoy.

By bringing Bud Light drinkers a private concert, the brand was able to emulate the social experience of a show and give friends a place to raise their glasses once more.



Brand Response

"A St. Patrick's Day Message"

Brand: Guinness | Agency: BBDO

Few brands are as synonymous with a global holiday as Guinness is with St. Patrick's Day. Recognizing that this year things would be a little different for folks, Guinness launched a 90-second brand anthem reminding people that they "would march again," but that today was the right time to stay home.

The results? Ace Metrix ranked it the top-performing ad since it began tracking ad sentiments in 2009.

COMMUNICATING WITH EMPATHY

Communicating with Empathy

Every day, Americans are waking up feeling anxious about the day to come. Whether it's the health of their loved ones, the stability of their income or the new challenges of working from home and taking care of their children, a mountain of new stressors is weighing heavily on their minds.

Now more than ever, brands need to read the room and tread carefully.

With a deep understanding of the consumer mindset established, a few clear Do's and Don'ts emerge for how to communicate with your audience.



Don't Go Dark

Connection

Only a small fraction of the public thinks brands should stop advertising, and countless studies have shown that slashing marketing budgets in an economic downturn is counterproductive.

People are craving the illusion of normalcy now more than ever. Don't shatter that by going dark. 8%

of U.S. consumers feel brands should stop advertising

75%

of U.S. consumers feel brands should inform them about what they're doing

Source: Kantar

Do Show You Care

Connection

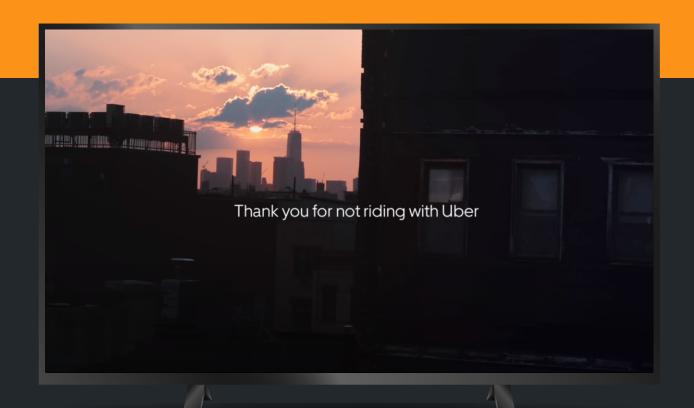
"Thank You for Not Riding"

Brand: Uber | Agency: Wieden+Kennedy

Empathy is a powerful thing. Put yourself in your customer's shoes and think:

"What would I want to hear in a time of unparalleled crisis?"

Messages of solidarity. Tales of American heroism. Stories that remind us of our humanity. Find a way to show you care, and your customer will appreciate the effort.



Watch Video ▶

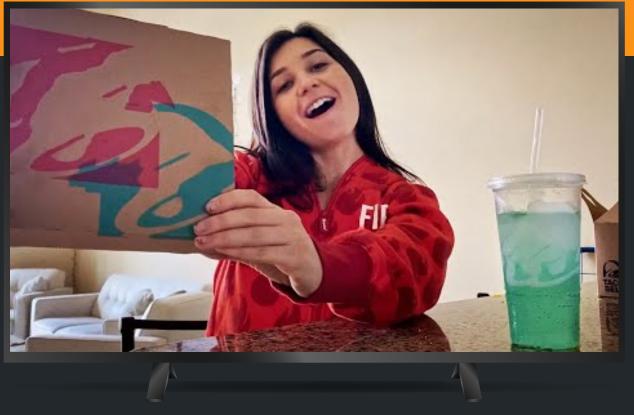
Don't Be Transactional

Trust

"Boxed In"

Brand: Taco Bell | Agency: DraftFCB

This is not a time to cash in. This is a time to give back. Be a good corporate citizen and be careful about taking advantage of perceived opportunities. If you play your cards poorly, it could backfire spectacularly.



Watch Video ▶

Do Add Value

Trust

Not all brands can retool their manufacturing lines to produce masks, ventilators and hand sanitizer, but that doesn't mean you can't find ways to add value to your customers' lives. From reassurance on steps you've taken to reduce the risk of transmission to simply keeping your promises on delivery times, finding ways to reduce stress can go a long way.



Source: AB InBev

Don't Downplay the Crisis

Happiness

"Thank You to All Our Heroes"

Brand: Hy-Vee | Agency: Internal

A fact lost on no one is that COVID-19 is an incredibly serious subject. People are dying because of it. People are losing their livelihoods because of it. The world is changing because of it.

This doesn't mean humor is off the table, but it does mean you have to be careful not to downplay the situation or give consumers the impression that you aren't taking this seriously.



Watch Video ▶

Do Look on the Bright Side

Happiness

"The Great Indoors"

Brand: Fiat-Chrysler Australia | Agency: Cummins & Partners

Despite the risk, a little levity can help lighten the mood at a time when the consumer is feeling down. The last thing the consumer needs is for the airwaves to turn into an outand-out funeral dirge. If you're communicating with empathy, a touch of humor can be just what the doctor ordered.



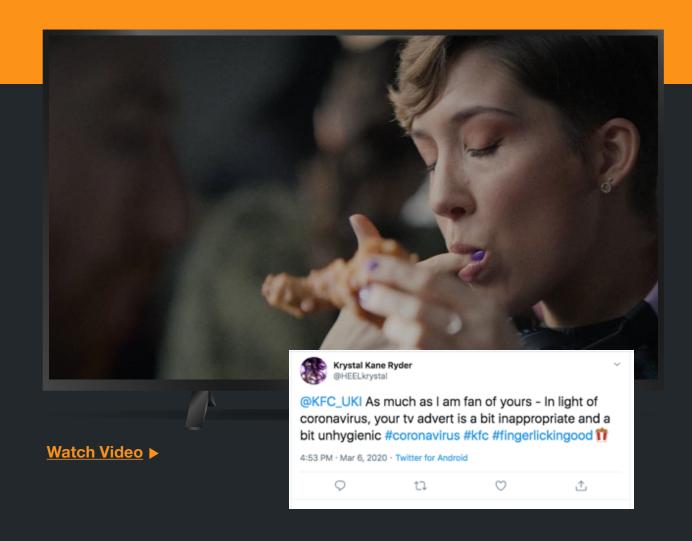
Don't Model Bad Behavior

Belonging

"Piano"

Brand: KFC UK | Agency: Mother

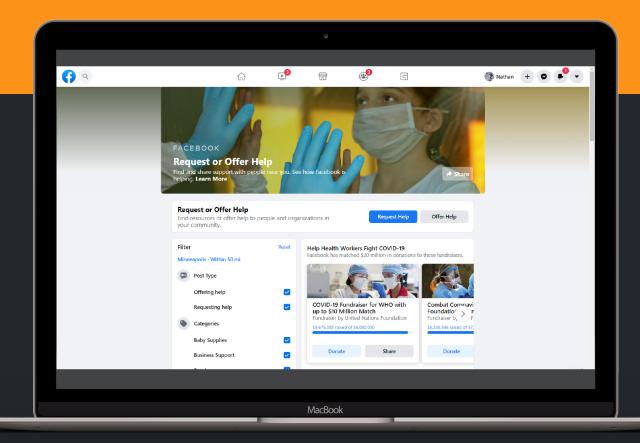
With public health officials struggling to ensure people avoid person-to-person contact and people actively resisting the urge to hang out with friends, don't pour fuel on the fire by showcasing the types of interactions people are missing. Reflect the realities of today, not the fantasies of yesteryear.



Do Bring People Together

Belonging

With most Americans separated from the social groups they rely on for support, this moment marks a prime opportunity to galvanize pent-up energy in service of a big initiative. There's no better time to be running campaigns that require group action. Think hard about a savvy message that will engage your customer, and use social tactics to bring people together at a moment when they're feeling the most alone.



Source: Facebook

NEXT STEPS



□ Audit existing marketing materials
 □ Create a response plan with the help of a third-party partner
 □ Adjust evergreen and upcoming campaigns to be COVID appropriate
 □ Develop and launch new campaign(s) optimized for emotion
 □ Track consumer response and news carefully, adjusting plans where needed

ACTION ITEMS

ABOUT THE AGENCY

Periscope is a full-service agency, with offices in Minneapolis, Chicago, Delhi and Hong Kong. With the support of more than 400 employees worldwide, we create cultural and economic growth for our clients by using emotions to drive inventive solutions that make indifference impossible.

ABOUT THE REPORT

Periscope conducted this report as a public service to U.S. marketers trying to navigate the challenges of the COVID-19 pandemic. Our team of strategists and data scientists is working daily to uncover optimal opportunities for reaching consumers and helping our clients communicate with emotional impact.

If you could use some help understanding the mindset of your customer and what to do about it, please reach out.

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