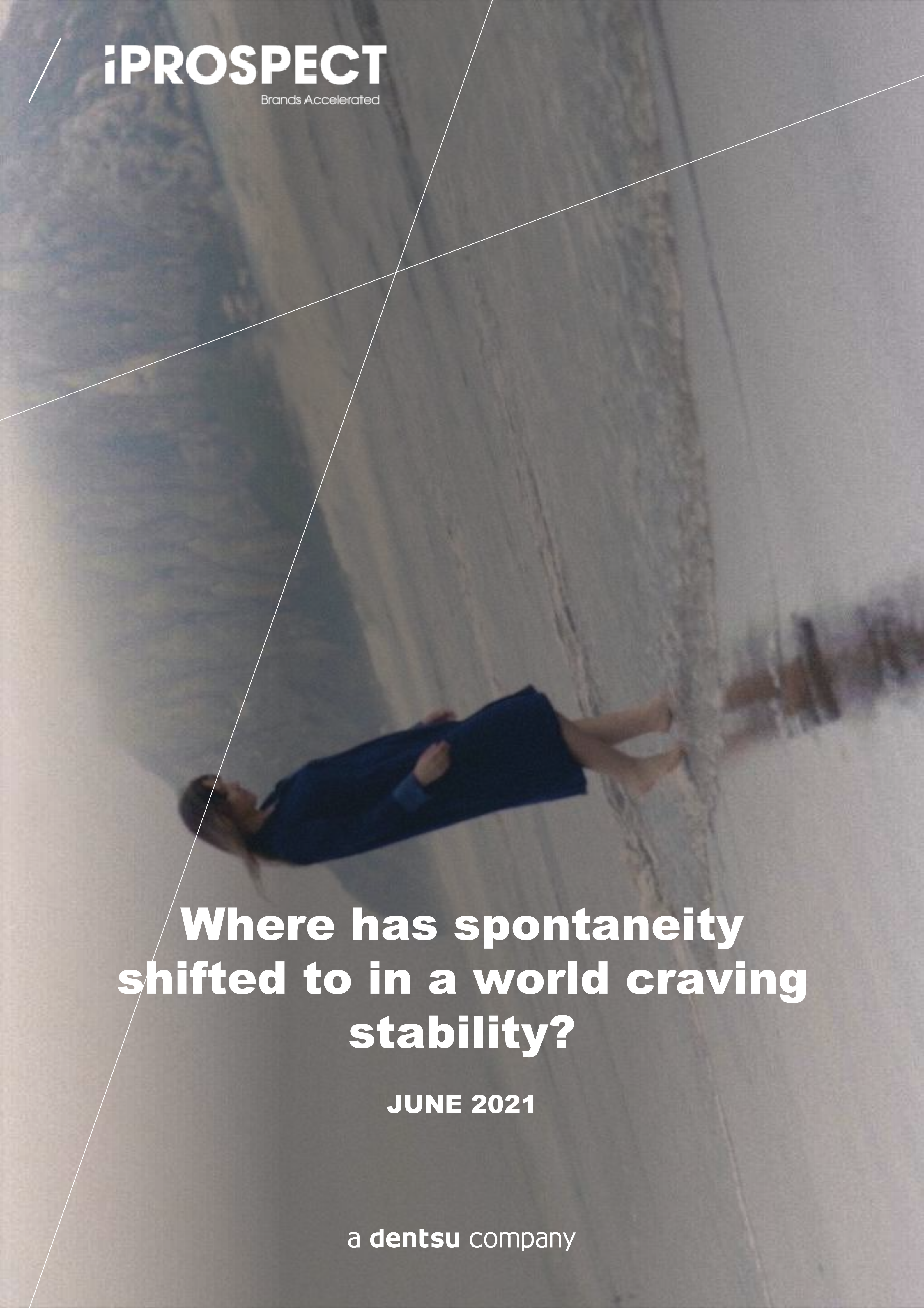


iPROSPECT
Brands Accelerated

Where has spontaneity shifted to in a world craving stability?

JUNE 2021

a dentsu company

Australians since COVID want to be secure and stable. But a regulated world suffocates spontaneity of choice, activity and purchasing.

Remember a time where you could just show up to a bar and have a drink? A time where you didn't need to book in for a swim, or secure a desk at work? A time when travel plans never had to change.

The new reality of snap lockdowns, checking in, watching the case numbers, and having to be more adaptable than ever is here.

With that, are we losing the art to be spontaneous?

We've had to rearrange our thinking, planning in a short to medium term cycle. But at the same time unable to plan any further into the long term.

We don't know where we will be or what we will be allowed to do in the future. We're effectively stuck in a short term vortex, dreaming of the long term, tentatively planning the medium term.

Consumers have found new and inventive ways to get 'instant gratification'. How we make decisions, or choose brands and services in these moments has fundamentally changed.

This report explores the impact of the need for stability, at the same time as the need to be spontaneous. If we're more secure and stable, are we able to be more impulsive in our choices?

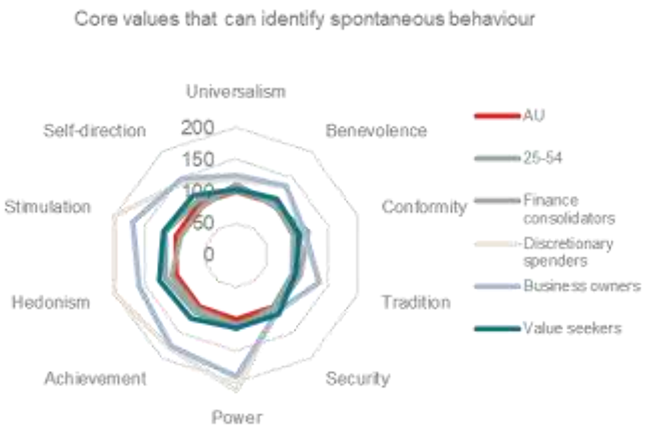
Spontaneity is a basic human need.

Spontaneity is a fundamental human need. It is a pivotal part of what is called ‘Optimal mental functioning’. (How our mind functions at its full potential). It’s how we enable ourselves to be agile, flexible and adaptable to situations. It enables how we cope. Some personalities need more spontaneity in their lives, others need less. We’re adapting to what this looks like now.

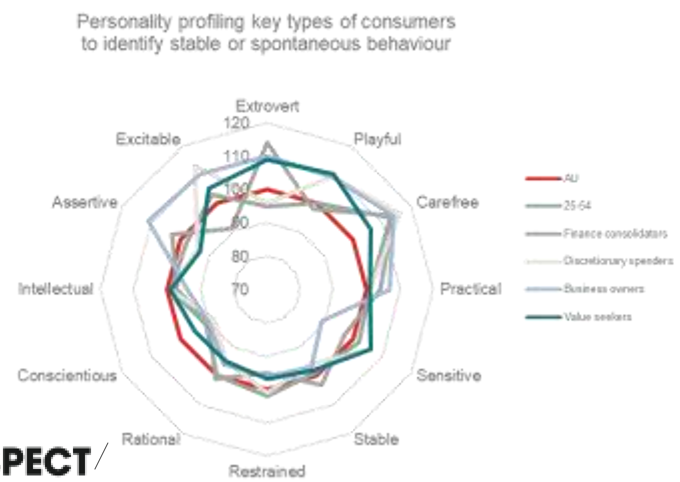
If you think back to some of your best memories many of them will be those spontaneous catch ups or events, that stay with you forever. Or some of your life experiences may be how proud you were of dealing with an unplanned situation.

Spontaneity and impulse are often at odds with each other as we learn rational thinking and good judgement, which isn’t fully matured in the human brain until the age of 25. If we take this away from our essential learning, what happens?

Using our proprietary single source panel iCCS we analysed key strategic audiences against personality profiling and Schwartz values to see what can indicate both stable and spontaneous behaviour. In Schwartz values stimulation indicates curiosity and the need to be engaged and active in life. Here we see discretionary spenders and business owners over index.



When we look at personality traits we’re looking for excitable and carefree traits to indicate a need for impulse purchasing, many audiences exhibit this.



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Spontaneous behaviour is performed "without any constraint, effort, or premeditation." It's thereby understandable as "unplanned" or "impromptu"

Over scheduling can increase anxiety, but humans often find ways to diversify

In a more planned world the younger generations Gen Z and potentially Gen Alpha will be more at risk of being ill equipped to cope with a changeable world. Younger generations experience much mental and emotional growth at this time and need to understand their impulsive behaviour and how to enjoy or adapt to spontaneous situations. There is the potential to build an ill equipped future workforce.

Millennials have always been viewed as the most spontaneous generation yet, living by experience. COVID changed their values for the first time (you can read more about that here). Is there the opportunity to reconnect with their impulsive selves, but in a new way?

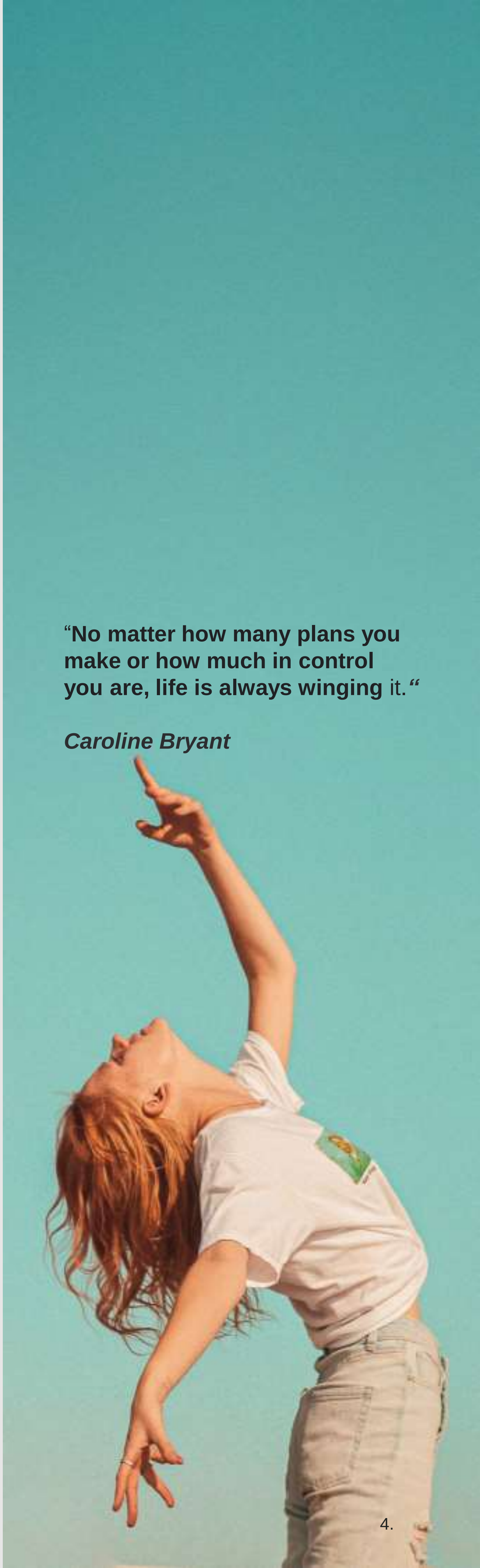
In a more planned life, do things become more of a chore? There is less opportunity for spontaneous joy, to experience the freedom of life. A more planned life can drive anxiety and mental health issues. If the casual catch up or day trip or weekend away was planned to the hilt, trying to drop out of the event causes a high state of anxiety and guilt.

In 2020 Hermit culture was on the rise (we discuss this in our future of home piece which you can find here) with people cancelling social events and outings in a fully maximised and busy lifestyle. COVID accelerated the move to the homebody economy and took out some of the anxiety in social situations that many people feel. A home and local based lifestyle has been the source of much balance for many, especially those suffering social anxiety.

Humans are also essentially lazy. The effort required to do some of these things is too high. We are always looking for shortcuts, small habitual wins where we don't have to tax ourselves overthinking. Some consumers will reject an overly planned life and find ways to either retreat or diversify. One route may result in more insular behaviour, and the other in new ways to fill the gap of spontaneous joy.

Something to think about

In a more planned world, some will thrive and others will not. Consumer behaviour will ebb and flow and find ways to adapt. Being present throughout the consumer journey has never been more important, **Understanding the tension people face and when they will take action means approaching comms from the bottom and the top will be equally as important**. 'Brand' will be needed to uplift performance, and performance will be needed to capitalise on behaviour. How can your brand enable spontaneity, or ease anxiety? Or is it better to enable planning for consumers by equipping them with the tools they need to convert?



"**No matter how many plans you make or how much in control you are, life is always winging** it.**"**

Caroline Bryant

The long and the short of it

Over the last few years brands and marketers have done a great job in applying the research by Binet & Field with positive effect, managing both short and long term outputs.

But in a world where its harder to plan for the long term because consumers have evolved mentally, emotionally and physically; how do we implement the right long term strategies? And are the ones we are implementing today relevant for any and all future outcomes?

In his [Funnel juggling article Ritson]discusses the different tactics associated with trying to manage short and long term objectives in a non-linear way.

Essentially the long term goal should not change for a business even when consumers they are planning for, will.

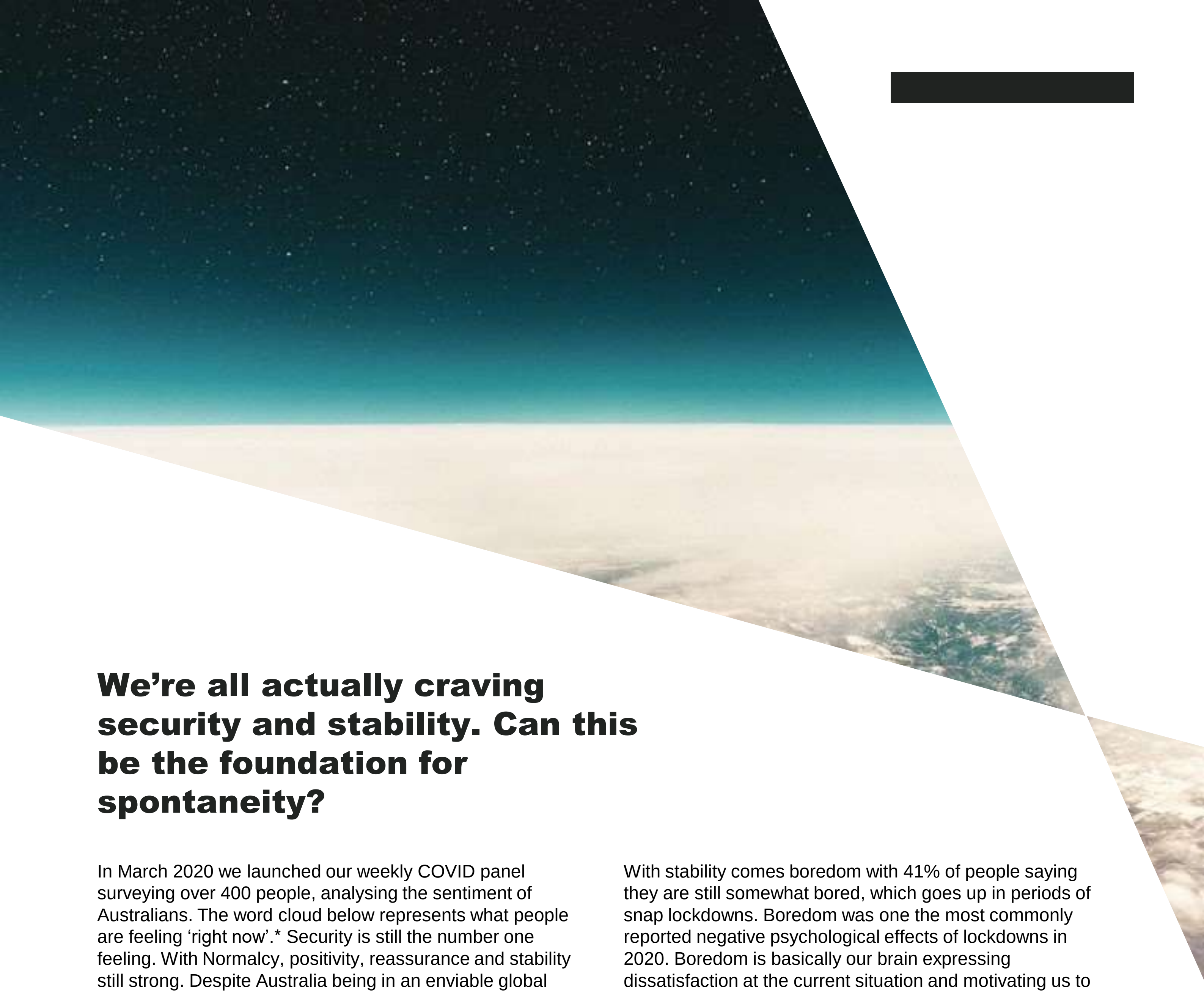
This means the short term is where we need to be more agile. More than we thought we needed to be before. Planning for the short term may have meant price discounting and short term goals. But it also means adapting context and targeting to by hyper local. Whenever there is a snap lockdown or a flux in restrictions, only part of the country shifts. Brands and agencies need to be better planned, preparing for all possible outcomes.

In 2020 when some brands pivoted from making Gin to Hand sanitiser, or evolved from being a flower shop to a general store, it had to be a leap tied into the core brand values. Therefore the long-term strategy has to allow this level of diversification, so it's a believable jump for the consumer.

Essentially the current tension seems reversed, we're in 'a present' that needs over-planning with a future that potentially can't be at all,(instead of the other way around).

Something to think about

Long term brand building is more important than ever. So whilst the future is unplanned, it will never be a waste of money to build memory structures of your brand. It may just mean adapting imagery or tone to show deeper understanding of flux, and in the future adapt the short term messaging to be highly targeted and specific to the needs of your customers in that exact moment. Data on your customers at a hyper targeted level will be important to be able to activate this. Especially in a world that focuses on living and working and travelling closer to home.



We're all actually craving security and stability. Can this be the foundation for spontaneity?

In March 2020 we launched our weekly COVID panel surveying over 400 people, analysing the sentiment of Australians. The word cloud below represents what people are feeling 'right now'.* Security is still the number one feeling. With Normalcy, positivity, reassurance and stability still strong. Despite Australia being in an enviable global position, as a collective we still feel unsettled.

For many people core values have shifted. Security and stability were once traits associated with older generations, but now it's a fundamental shift to these values for cohorts under 40.

Naturally security comes with association around finances. We've seen 37% of people checked on their super balance in the last month. 84% agree that the pandemic changed their relationship with insurance, changing their preferences or requirements. 40% say the level of cover is the most important

Family health and job security are still the major concerns followed closely by mental health for Australians. 48% still worry about outbreaks and the majority still think life will not return to normal for over 6-10 months.

Domestic travel whilst back on the agenda for many, hasn't shifted for one fifth of the country as 20% have no desire to travel at all, with 30% have no interest in travelling overseas when we can.

With stability comes boredom with 41% of people saying they are still somewhat bored, which goes up in periods of snap lockdowns. Boredom was one the most commonly reported negative psychological effects of lockdowns in 2020. Boredom is basically our brain expressing dissatisfaction at the current situation and motivating us to do something different.

Something to think about

If people feel stable and secure in life are they more motivated to find spontaneity in other forms elsewhere if they can't find it in their usual spots. Are you a brand that can promote stability or spontaneity?

*when they answer the survey

Where has spontaneity moved to?

When our collective behaviour evolves due to circumstance around us, does spontaneous behaviour become more linked to scarcity? Have you found yourself buying toilet roll when you don't need it 'just in case'? As demand vastly outstrips supply in many categories there's never been more of a need to be first in best dressed.

There is a direct link to time and convenience here. A shift to more time at home and less time on the commute or being away from home means people have more time (and motivation) to have a stocked pantry for the friends that 'might' pop over on impulse. Or more time to fill up the car in the middle of the day, or when the cost per litre is right, just in-case you go somewhere on the weekend. If you stock up on wine whilst your browsing you've got more convenience to be spontaneous later on.

Here are some thought starters on where spontaneity has moved to.

The supermarket

No matter what happens, the impulse buy will still reign in the supermarket. As one of the key reasons to leave home in any lockdown, the shelf has become more important for instant gratification. The same could be said for larger more integrated pharmacies and newsagents. But the consumer isn't going to spend ages weighing up the options, that defeats the purpose of impulse. It will be a 'fast' decision based on gut and feeling and emotion (and yes still influenced by price). But your brand still needs to be top of mind at that moment.

Casual outside occasions

The casual catch up has made a comeback. Especially out of the home where no booking is required. People have embraced the humble picnic, walking, takeaway coffees, simple moments that require no planning. The shortened decision making around these moments rely heavily on dark social groups and instant messaging that can be hard to target. Audio has become a companion in these moments, and a great time to integrate seamlessly from home to close to home when needed. The are more moments out of home to connect with audiences, even more so when dynamic targeting and real time measurement can make your message even more meaningful and effective.

Family meal times & in-home moments

At the peak of the pandemic 52% of Australians were able to work from home. For many workers this level of flexibility especially in white collar roles, has continued and is expected. This means a great level of flexibility to do things as a family around meal times or after school. No longer tied to the commute and rushing home.

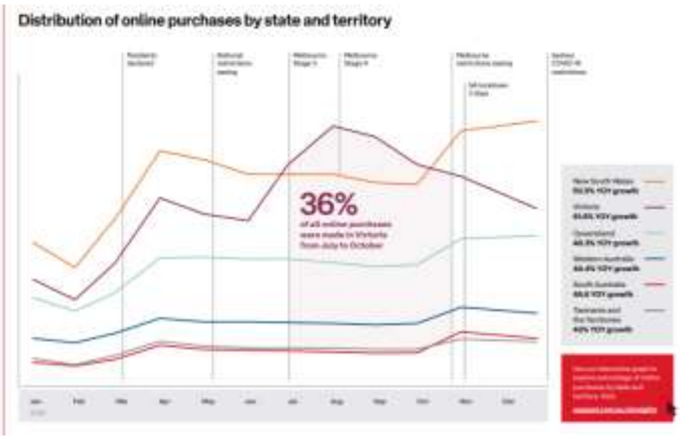
Snacking

During Lockdowns snacking goes up. Our panel shows sometimes up to 40% agree they are snacking more. With more in-home moments and more flexible meal times the opportunity for spontaneous snacking has gone up. In the dip category peak spending was always at key times of the years where families got together. These moments are now any day and everyday. How can your brand surround this or own new ones?

Online commerce

One place that continues to retain spontaneous behaviour is online. Digital commerce across all channels is reaping the benefits of a hyper local and home based life. The more time we spend at home the more time we spend online and the more we purchase. Each snap lockdown reduces spend on petrol, entertainment, hospitality and sport or leisure but increases on groceries and retail. We saw last year distribution of online sales by state mirrored peaks against increased restrictions.

"I still impulse buy, because the reduced time spent going out to shops means I've had more time to browse on my phone (Iconic is my guilty pleasure" Natalie 24



Evolved payment methods

By their very nature 'buy now pay later' payment options invoke instant gratification for planned and spontaneous purchases. As partnerships broaden between provider and outlet, there will be more opportunities to capitalise on where spontaneity has moved to.

Lifestyle wear

As the fight for commerce dollars stays competitive consumers are maximising sales for lifestyle wear that makes them feel they've done the task without doing it. Impulse purchase for athleisure is akin in our minds to actually getting out there and exercising. The latest example of the athleisure evolution is hiking. Hiking boots are the new yoga pants with people buying them for that purpose and wearing them as everyday wear. It's even got a name, its called 'Gorpcore'. This kind of spontaneous purchase actually sets consumers up to tap into day trips and local hikes and walks at shorter notice, especially as we stay closer to home. Can your brand in this category add value with content around the best urban hikes or walks or anything related to the lifestyle purchase?

Where has spontaneity moved to?

Flexible contracts

People are looking for greater flexibility when it comes to activities that are often on the list of things we cant do in snap lockdowns or when restrictions are in place. This is time for the subscription model to shine. Think flexible gym passes spread across at home and in studio sessions, movies passes that encompass in the cinema and at home, spa treatments that cover at home treatments and in the salon. This is also a great way to drive loyalty. Additional benefits for the stability of 10 classes gets you one for free, and the freedom to be spontaneous on your terms. This can work across many categories and shows customer investment, understanding and your ability to be flexible.

"I'm still fairly spontaneous when it comes to things like going to the beach, walks with friends – in other words anything that doesn't require booking. I think if anything COVID has made me less inclined to lock myself into any sort of contract, for example I recently signed up to Class Pass instead of getting a gym membership" Jeanna 29

Day trips/staycations/weekends away

Never before have we had to be more agile with plans constantly changing. The travel purchase journey is exponentially shorter for day trips and weekends away. Offers, options and availability should be communicated in real time with messaging tailored to time, device, location. Providers need to work quickly to offer alternatives when plans change or provide exceptional customer service to keep them for the next impulse.

Social media

With increased time spent on social media since 2020, it is still the place for spontaneous conversations that evolve into plans. House Party was the epitome of spontaneity linking you directly with your friends the minute you opened the app. Its shine quickly wearing off as it became massively inconvenient. Clubhouse is built on a similar premise, you have to be in know, or in the right place at the right time to experience some of the rooms. An always on strategy would be needed to capitalise on these moments, so how can you align yourself with the right groups, or target the right behavioural triggers when you can't be part of the conversation? Remembering social isn't just social anymore, it's lifestyle; so there will be 'ways in' for your brand whether it's commerce, community, education, support, inspiration, connection or news. Organic reach will always be higher so the right content strategy can be the way in.

"For a while—47 hours or so—it seemed as though Houseparty would carry us through the entire pandemic. But after 48 hours, it lost its sheen. The app can offer only a false spontaneity, one that is contingent on the conscious opening of an app, the release of a notification like a smoke signal announcing loneliness" Laura Fadiman Harvard magazine

Thought starters for brands

Most of the suggestions here are cornerstones of what ‘good’ should look like in comms planning for brands. The growing base of increased desire for stability gives brands the opportunity to create tools to help their customers feel secure. The shift in where customers are able to be spontaneous, enables brands to connect with them by demonstrating understanding. Understanding your audience is always important, but exploiting some of this nuance could be the next level of understanding that they need from you. And remember all that understanding is fuelled by data, so maybe looking for the insight *where it might not usually be found.*

Agility & flexibility

It goes without saying that being agile and flexible is something we all have to be. In these instances where spontaneous behaviour has shifted, targeting, messaging, environment and context are all affected. Leaning into dynamic messaging and automated behaviour based on new cues can accelerate the easy wins in digital whilst we build an emotional story around it in other channels.

Long term mindset

It doesn’t really matter what the short term throws at us, brand activity will never be wasted. It just has to have some stretch to it. Believe in your story, tell it well and own the change.

Instant gratification

How can you deliver an experience immediately. Impulsive behaviour needs an outlet, what does that look like in your category? Promotional activity related to snap lockdowns has been hugely successful for retail online especially in clothing, where *state* or *city* only offers feel personalised and demonstrate understanding and offer the gratification of clicking ‘buy’.

Shift in occasion

Where is there opportunity to surround new occasions in your category. If more have been created some of them can be ownable with the right insights. Customer data and intent can help identify the what and the when. Keeping on brand and in spaces you’ve got credentials to play is key.

Different user experiences

No one persons journey is the same, so personalised experiences become more important. Having a base understanding of the different journeys where someone over indexes against spontaneity versus a natural planner helps inform comms choices throughout that journey.

Maximising the new communities

Last year there were more new entrants to most categories than ever before. More people trying online shopping for the first time, more people buying products they’d never needed before. How have those customers evolved since the height of the pandemic and how might this tension between stability and spontaneity help you connect with them?

Lean into values and circumstance

Understanding your customers core values and what they align with helps identify where they may default and what they might need when snap lockdowns or restrictions come into effect. This could be as simple as enabling connections between separated families or facilitating virtual guided content for children so that adults can manage work and home school. For single households it could be disarming loneliness and isolation for when they need connection. If they feel more planned around pressure points, they can lean in to more impulse.

Dial up delivery options

Cart abandonment is often linked to delivery wait time and cost. The more options people have to get something now the closer the gratification can be to the impulse. Potentially Aligning with the right delivery partners even if its just during a snap lockdown or dialling up the click and collect experience.

Extending your remit

This week Netflix just announced they have entered the ecommerce business selling key merchandise related to core shows. Lupin based in Paris have partnered with the Louvre to deliver affordable products that people can impulse buy during or around the show. Netflix are not only owning the storytelling narrative but the future involvement with consumers and major partners, for moments that evolve around content choices.

Resources used to pull this report together

The Age of Inclusive Intelligence, our 2030 vision. Dentsu Intelligence

Our proprietary panel data in market each week to over 400 Australians

Our proprietary single source panel iCCS which fuses CCS data with Roy Morgan.

Previous thought leadership pieces that we have produced which can all be found here

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