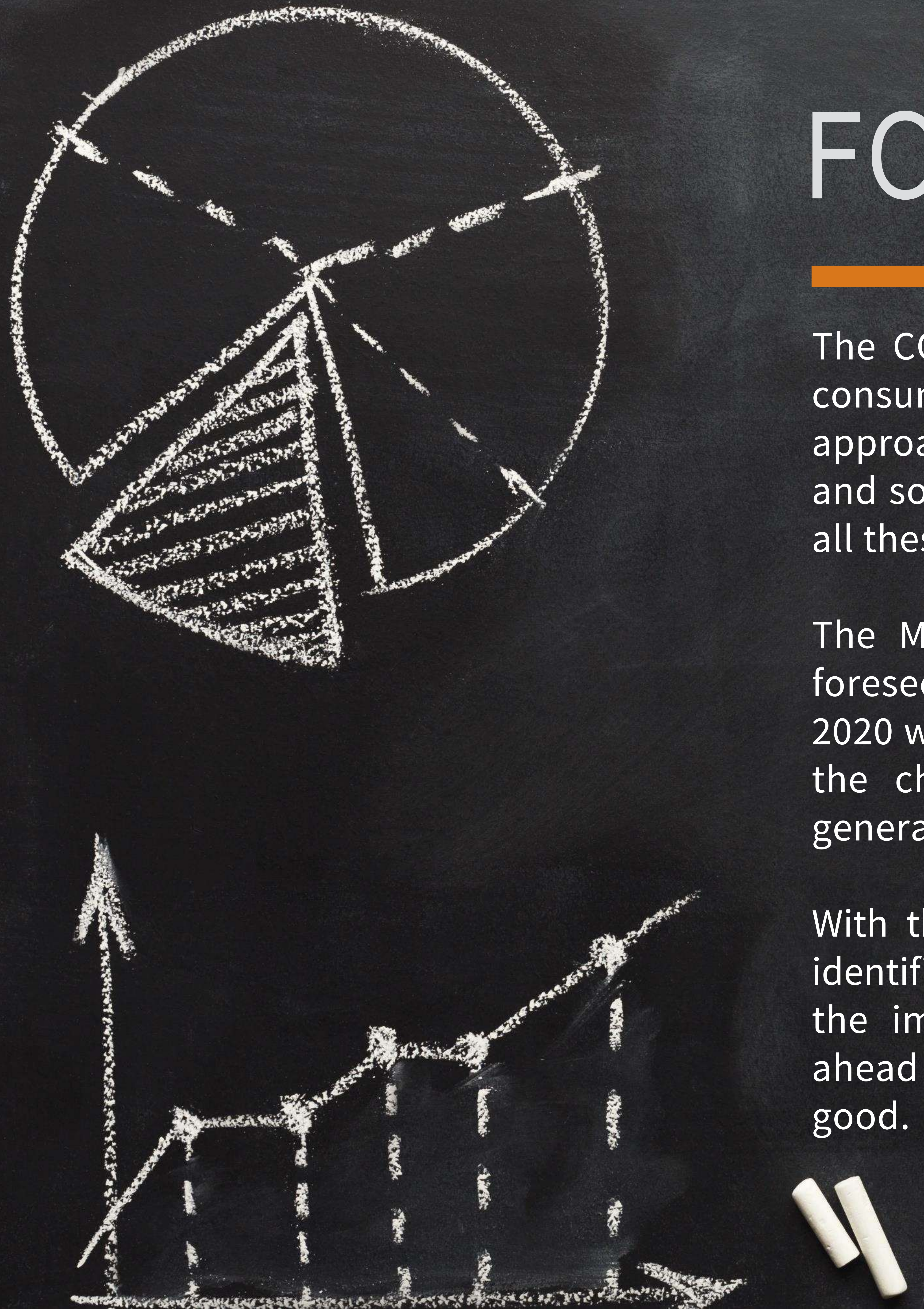
MADBOX

Gen-REAL

Insights Report

ISSUED @9. 2020

Talk to “Gen-REAL” consumers
to learn the experiences, changes, expectations and
next moves to go beyond the post-COVID era.
It’s not the end, it is the beginning of a new and unique start.



FOREWORD

The COVID has blown our everyday life that all of us, from media, KOL, consumers to businesses have learnt to take a new perspective, a new approach and a new mode at LIVE, WORK and PLAY! We cannot go back, and so we have to learn and adapt the new way and make the best out of all these changes.

The Madbox team, seeing the changes, feeling the uncertainties and foreseeing the challenges, take the initiative to conduct a survey in mid of 2020 with 150 local consumers, with the hope of understanding more about the challenges faced by consumers of different backgrounds, roles, generations and situations.

With the findings, “Gen-REAL”, a new generation of consumers has been identified. We hope to share the findings so we can understand more about the impacts, the challenges and most importantly, the opportunities ahead of us and hopefully, together we can create some more changes, for good.

TIMELINE

What period this report covers

JAN | COVID 1.0 | COVID 2.0 | MAY | JULY | COVID 3.0 | SEPT | DEC

First Challenge

When COVID-19 outbroke and we for the first time faced the new normal in everyday life, work, learn and play. We are learning every single day to cope with the ever-changing new normal. The lockdown happened locally and globally also changes how people see consumption and travel.

Survey

As the outbreak stabilizes, we resumed to the 'norm' though it's somewhat changed implicitly. After the long period of working from home or low consumption, there seemed to be anti-pandemic fatigue among general consumers, leading to the emergence of 'revenge consumption'

The Challenge Continues

COVID returns and there has been record-breaking confirmed cases, implying potential outbreak in the community. We entered into another phase of lockdown where consumers have further solidified their beliefs in the anti-pandemic efforts, which shifted their consumer behaviour for more profound changes.

"Gen-REAL" BELIEVES...

Key Takeaways

Realistic

MINDSET DOMINATES ...
QUALITY, PRACTICABILITY, ORIGIN AND PRICING COME FIRST WHEN MAKING A PURCHASE DECISION

Authentic & Visible

TO CONSUMERS AS THEY RELY ON FACT-CHECKED AND FIRST HAND INFO FOR EVERYDAY DECISION

Gen-**REAL** likes ...

- FACTS
- FIRST-HAND INFO
- DIRECT 1ST PERSON COMMUNICATIONS
- VISIBILITY OF A BRAND & ITS VALUE
- AUTHENTICITY

Engaging

WITH INDIVIDUALS/GROUPS/ PLATFORMS THEY TRUST/SHARE THE SAME VALUE

BY NEWS/INFO THEY FEEL CONNECTED WITH

Live

& REAL-TIME UPDATES ARE SEEN AS TRUSTED INFO FOR CONSUMERS

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Gen-REAL INSIGHTS

What we see from the findings

1 WHAT GEN-REAL CONSUMERS CARE & TRUST

What consumers care at the very beginning, seeing what they primarily care and trust when facing the pandemic and seeing unpredictable changes in everyday life

How the behaviour has been changed as the pandemic evolves

2 WHAT IMPACTS GEN-REAL CONSUMERS

What they read, what they like, what they trust and who they listen to impact significantly where, what and how they consume

3 HOW GEN-REAL CONSUMERS WANT NEXT?

Looking forward, what they care and value most?

How and what to talk to consumers to make them feel relevant and engaged?

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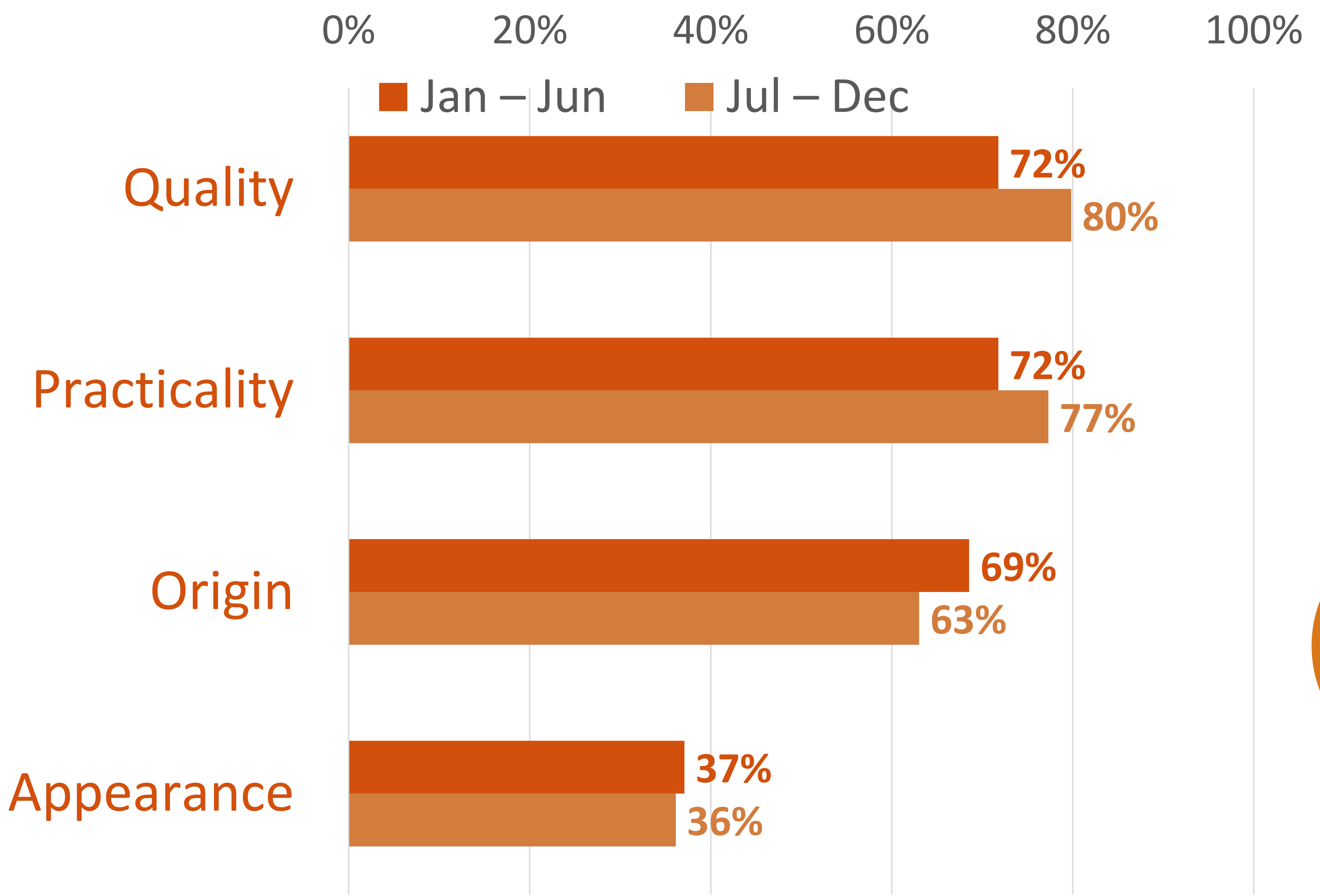
WHAT GEN-REAL CONSUMERS CARE?

Before/After

REALISTIC:

CONSUMERS GET PRAGMATIC, QUALITY & ORIGIN TOP THEIR MIND



Quality, practicality and origin of products marked Top 3 considerations for consumers at different stages of the pandemic, while only one-third still concerns appearance of a product.

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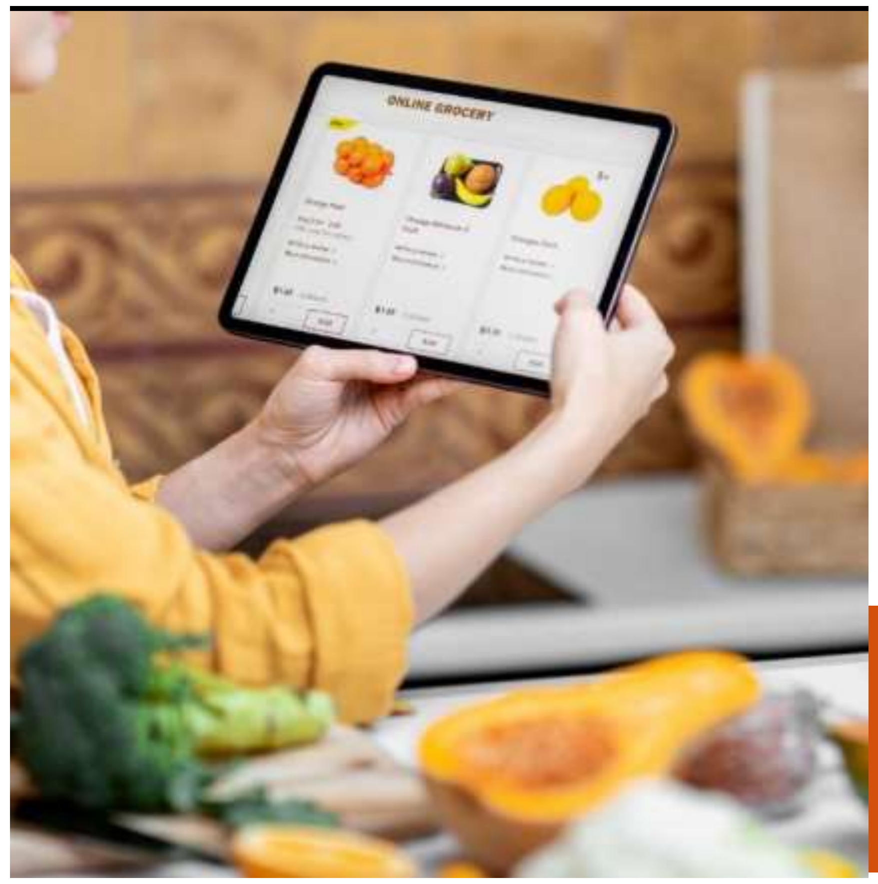
ENGAGED WITH RELEVANCE

ONLINE SHOPPING & SOCIAL MEDIA BOOM
ASPIRING FOR PANDEMIC-FREE LEISURE



Not a surprise to see online shopping becomes the main trend in H1 (74%), just it is losing traction in H2 (dropping to 39%), probably because of consumers' aspiration to get away from tying their everyday life to takeaways and social distancing measures.

Online as new normal

Social media (Facebook 90%, Instagram 73%, YouTube 65%) dominants and consumers rely on self-found information or first-hand observation for consumption decisions. Online media (41%), compared with print media, is more popular among consumers in getting information.

Social/digital media as major info channels

Social distancing makes us feel less engaged and connected that reunion with friends and families becomes the 2nd priority. People are craving for social life and inter-personal engagement.

Gathering!

When asked what they want to do most when social distancing ends, they are all in for going out from travel (76%), sport (37%) to exploring nature (31%), while only 6% would keep staying home.

Craving for travel & fresh air!

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AUTHENTICITY RULES

CONSUMERS LISTEN & RESEARCH BEFORE PURCHASE

>50%

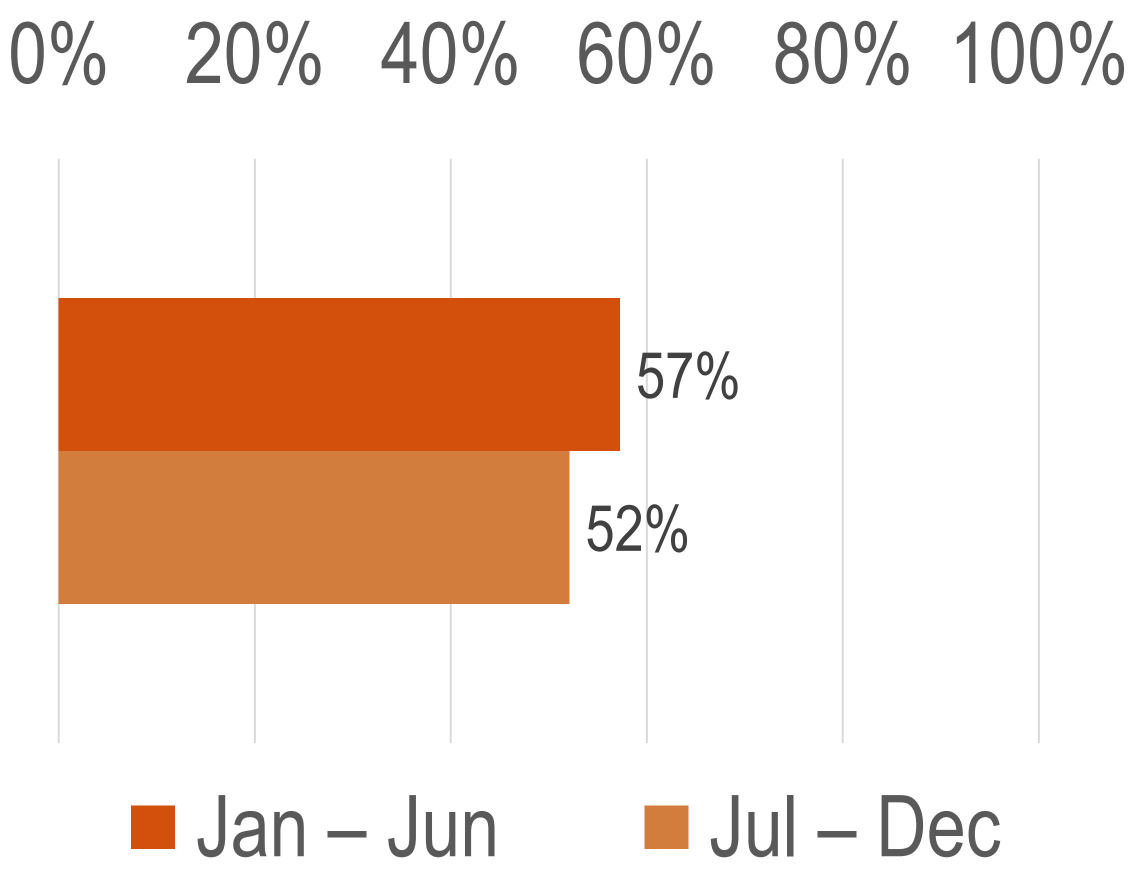
Consider word of mouth a key driver to consumption decision making

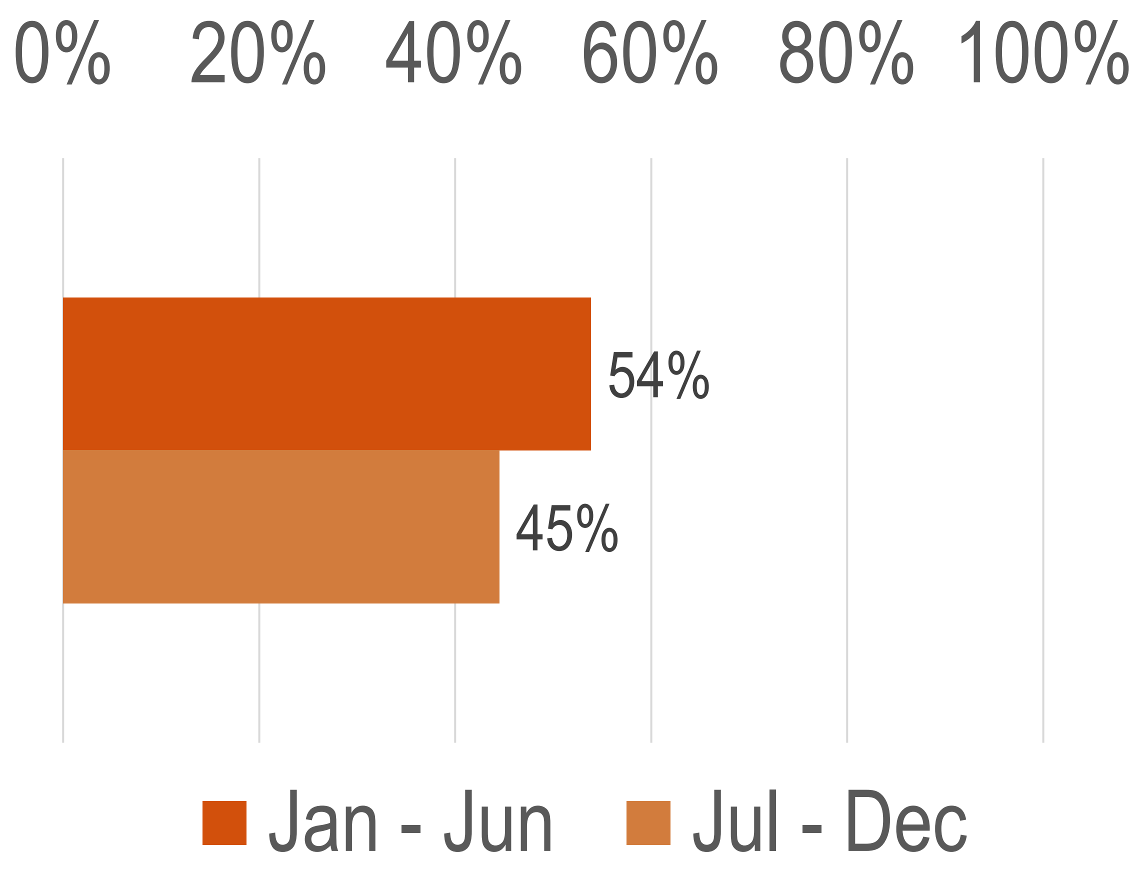
Word of mouth

~50%

More consumers would conduct research before making a purchase

Pre- purchase research





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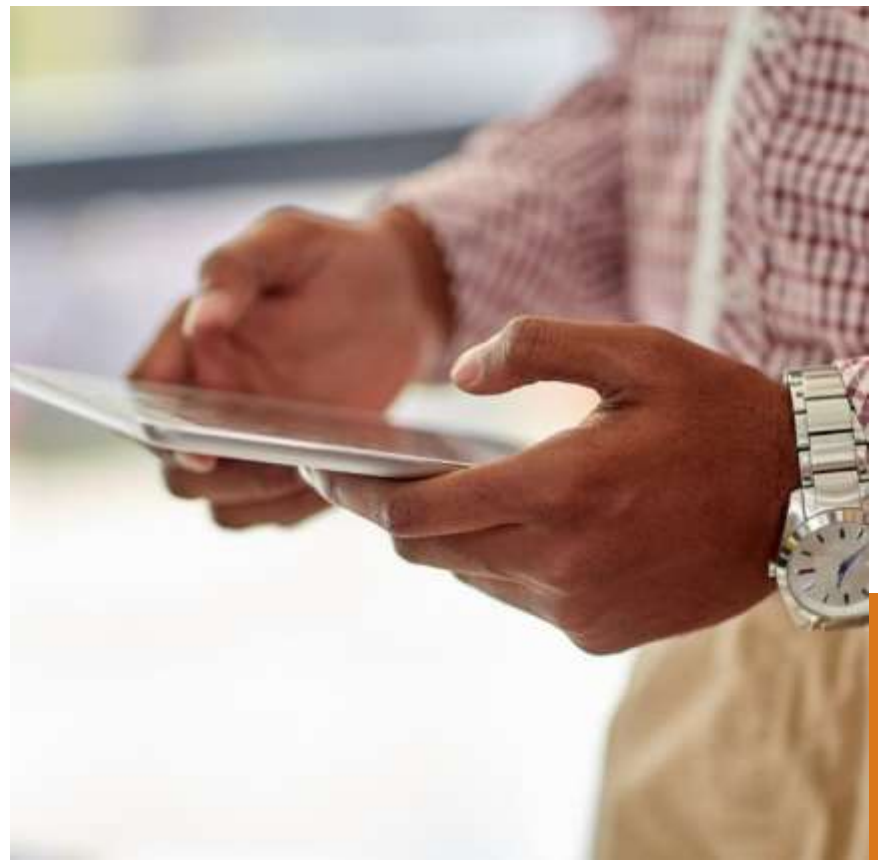
LIVE TELLS FACTS!

CONSUMERS PREFER HARD FACTS & FIRST-HAND INFO!



83%

Expect to read articles and information when they go online

Information matters

52%

watch live when they go online

LIVE = FIRST-HAND

JAN – JUN

- COVID-19 81%
- Social Issues 62%
- General News 52%
- Health & wellbeing 48%
- Online Shopping 46%

JUL - DEC

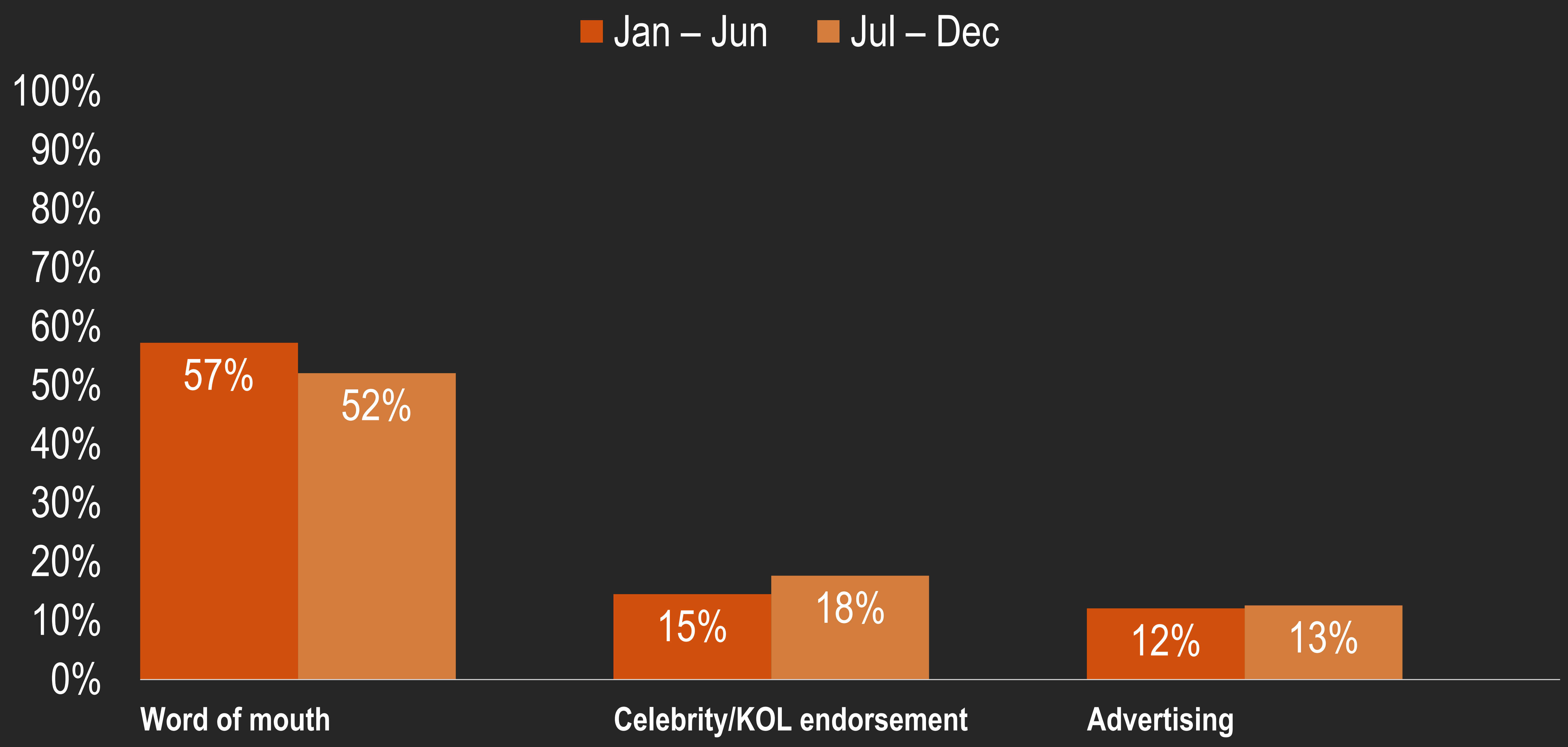
- COVID-19 73%
- Social Issues 57%
- Travel Info 51%
- Health & wellbeing 51%
- General News 50%

- News and information (COVID/social/general news) becomes the most concerned information during the pandemic, while lifestyle news dropping out the people's minds
- As COVID develops, people slightly moves eyeballs from pure COVID-news to well-being information
- Travel, together with entertainment news and trend & culture news, are seemingly out during H1 but travel is expected to pick up in H2 as consumer interest jumped by almost 35%.

WHAT IMPACT GEN-REAL CONSUMERS

Before/After

CONSUMERS VALUE GENUINE SHARING



Consumers, though listen, have been selective to whom they listen. Celebrity/ KOL/ advertising may seem to be less considered when making a purchase decision but brands may try adding value to such sharing with emphasis of genuineness sharing through refined strategy and smart choice of KOLs OR mixed content / format / platform e.g. unboxing, live broadcast, product review to bring your brand close to what consumers really like to see.

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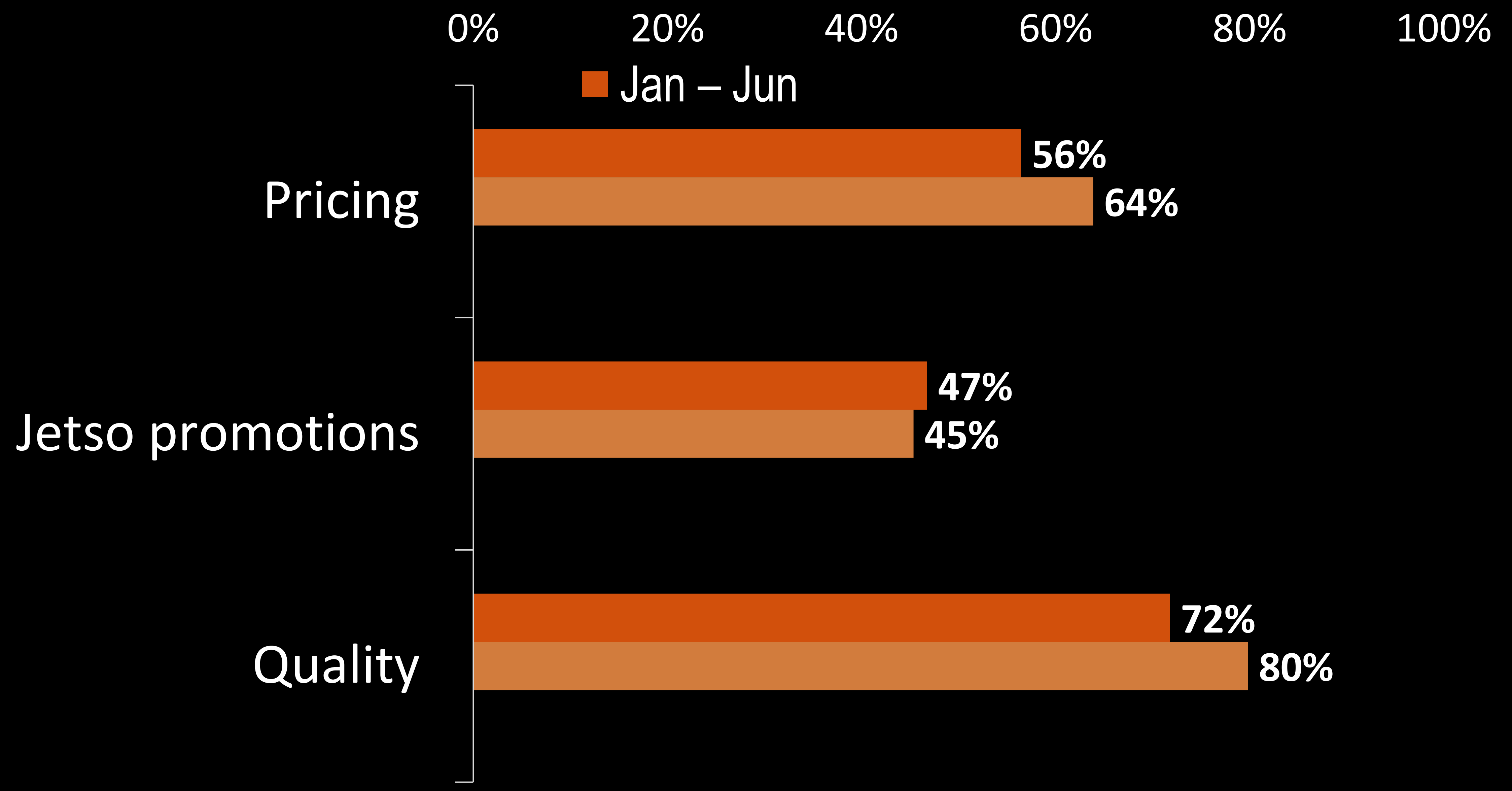
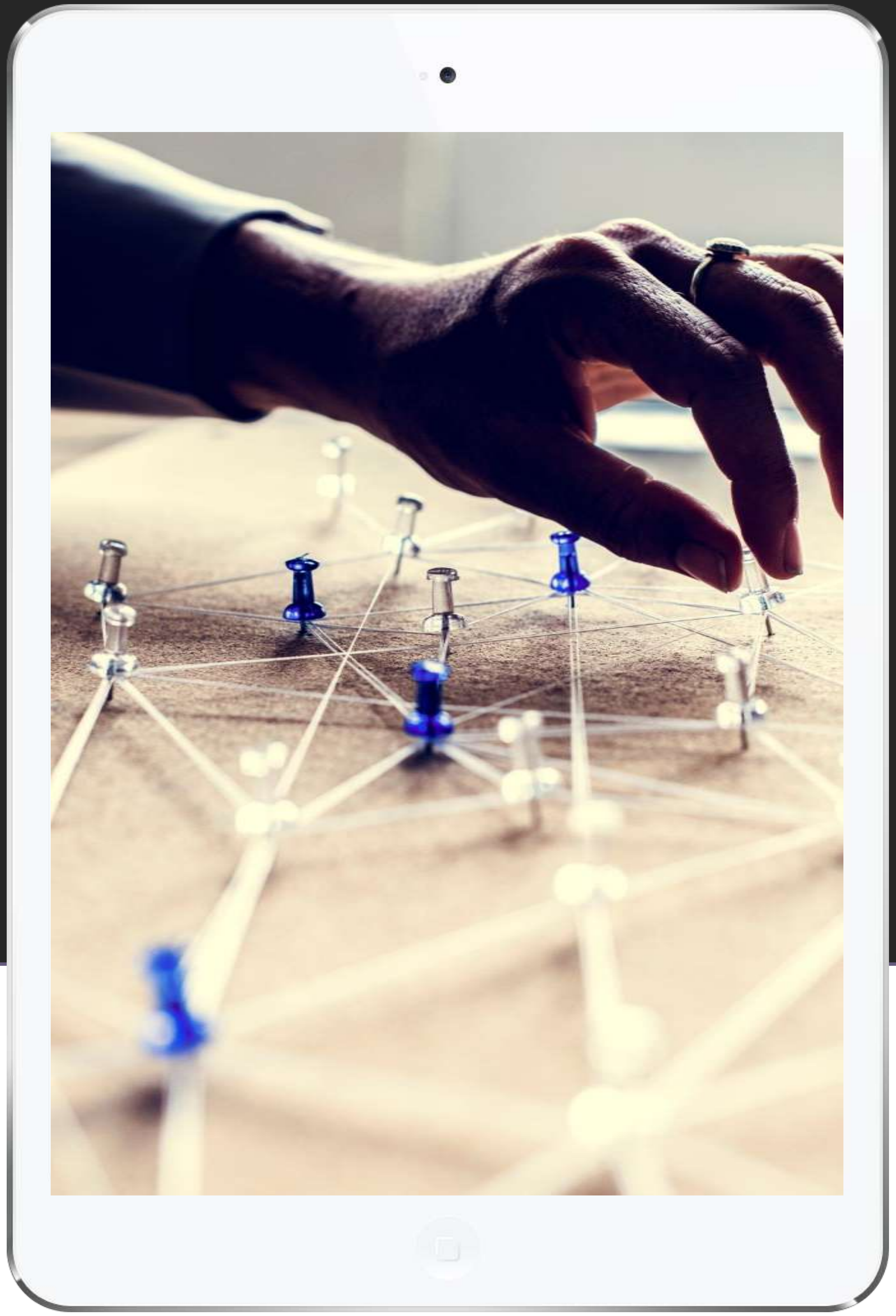
PRICING AND JETSO BETTER GO WITH VALUE



Consumers are conscious about pricing and like promotional jetsos, however, as they place quality as a more dominant factor in affecting their consumer decisions, brands need to find a way to show and tell the value for money and price-cut alone may not be able to change consumers' mind.

SOCIAL SENTIMENT AS SUBTLE GAME-CHANGER

58% consumers read and watch news and information about social issues (Top 2), which implies consumers' decisions are strongly impacted by what they see in everyday life.



56% admitted that social issue is the Top 5 factor that they will take into accounts upon purchase

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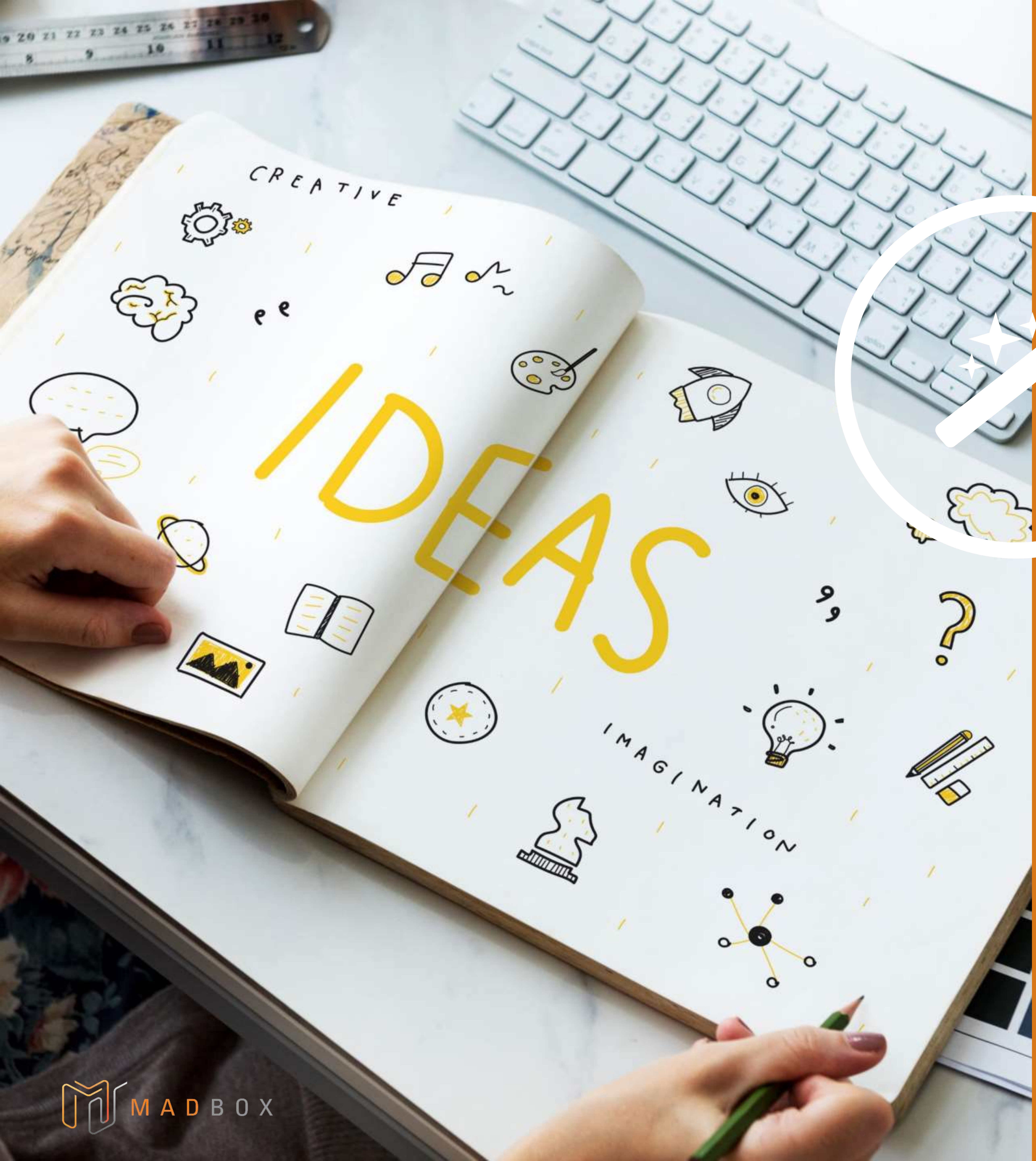

WHAT'S NEXT FOR GEN-REAL CONSUMERS?

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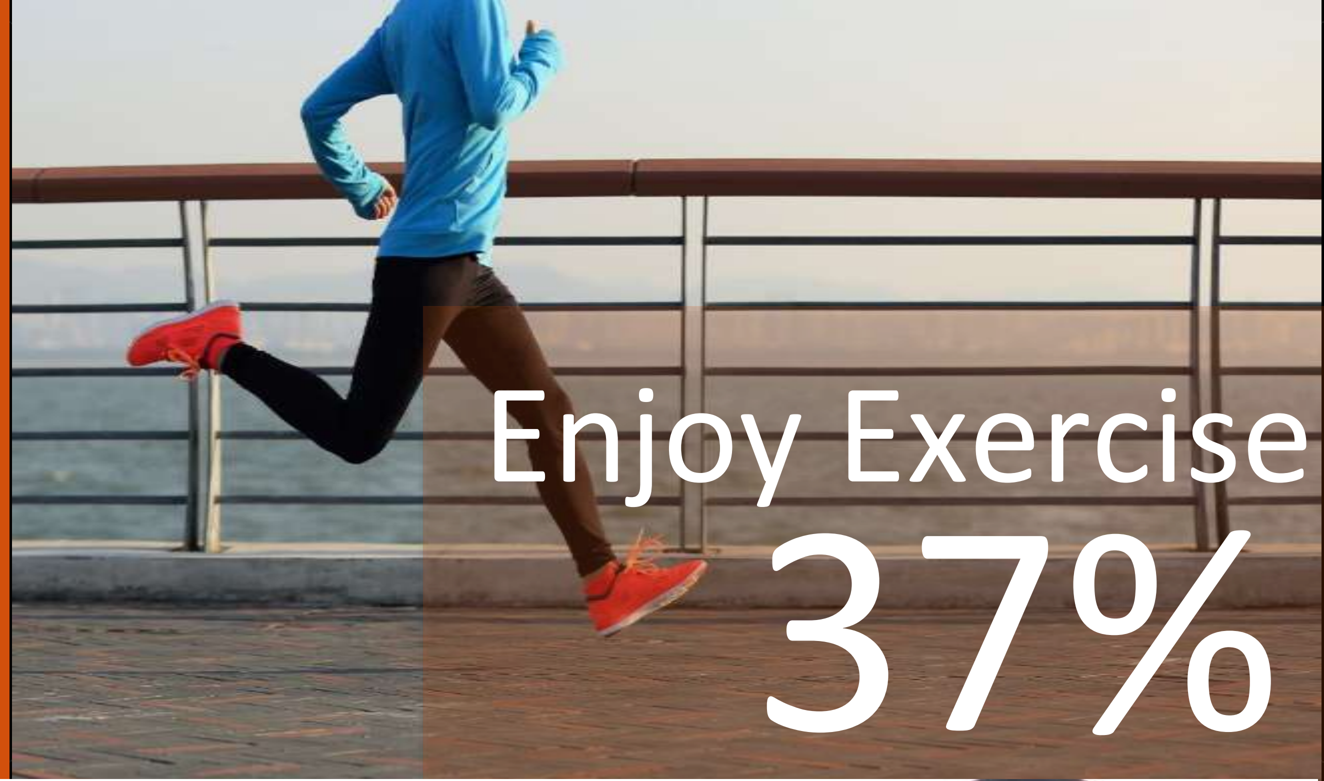
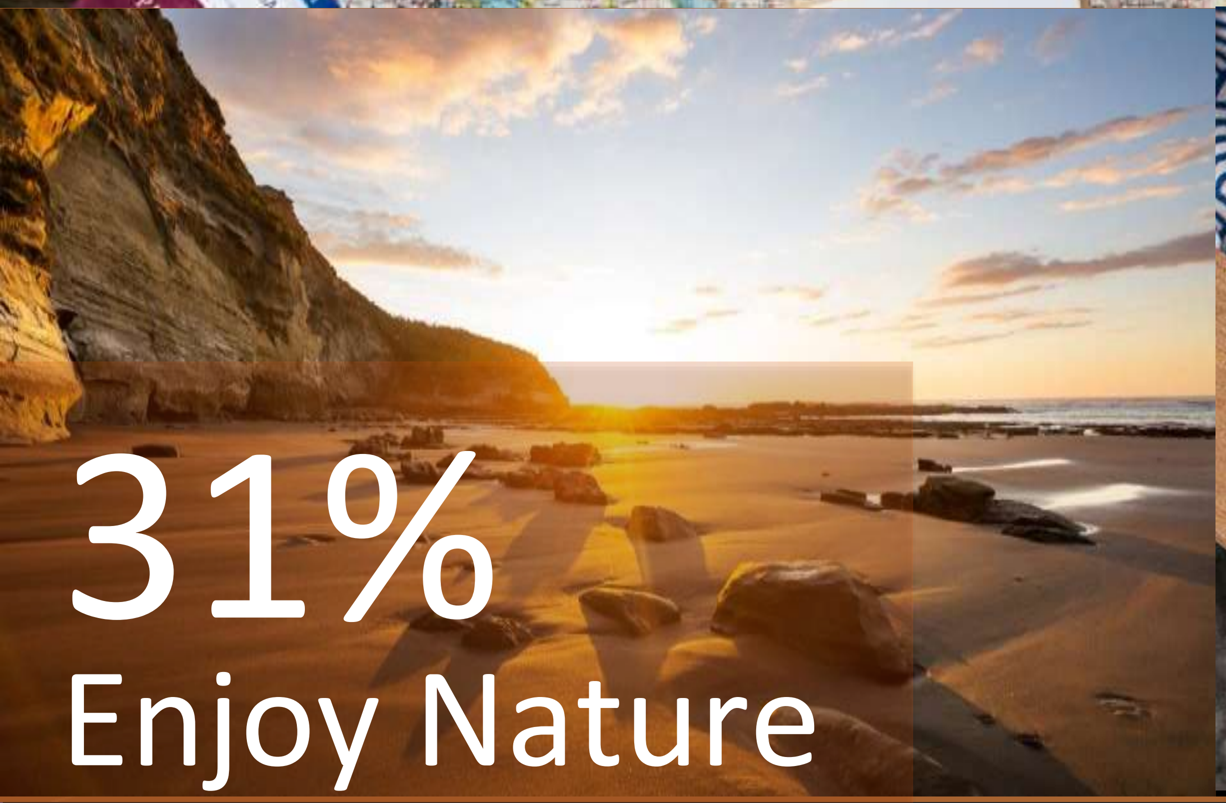
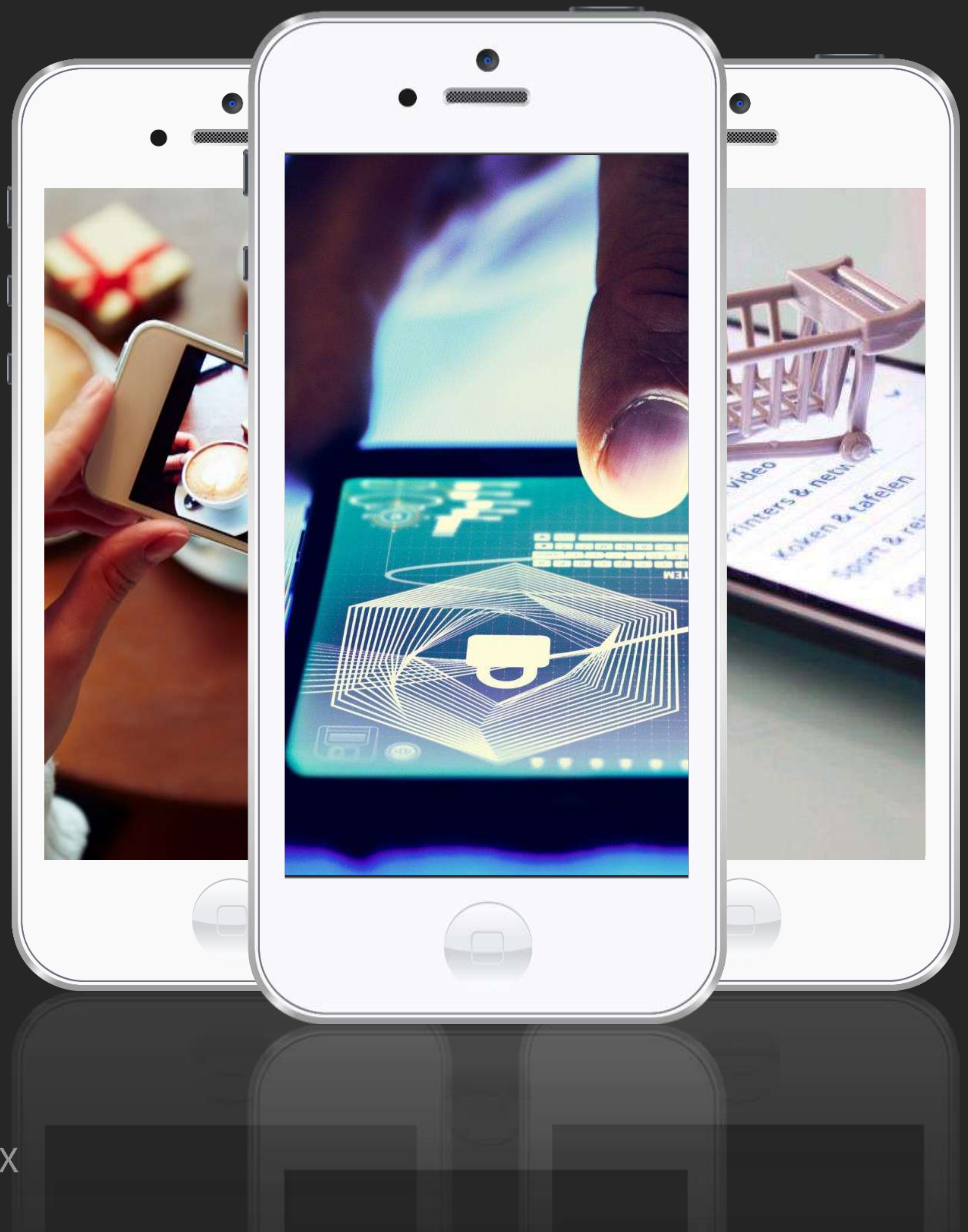
WHAT YOU WANT TO DO FIRST AFTER THE PANDEMIC?



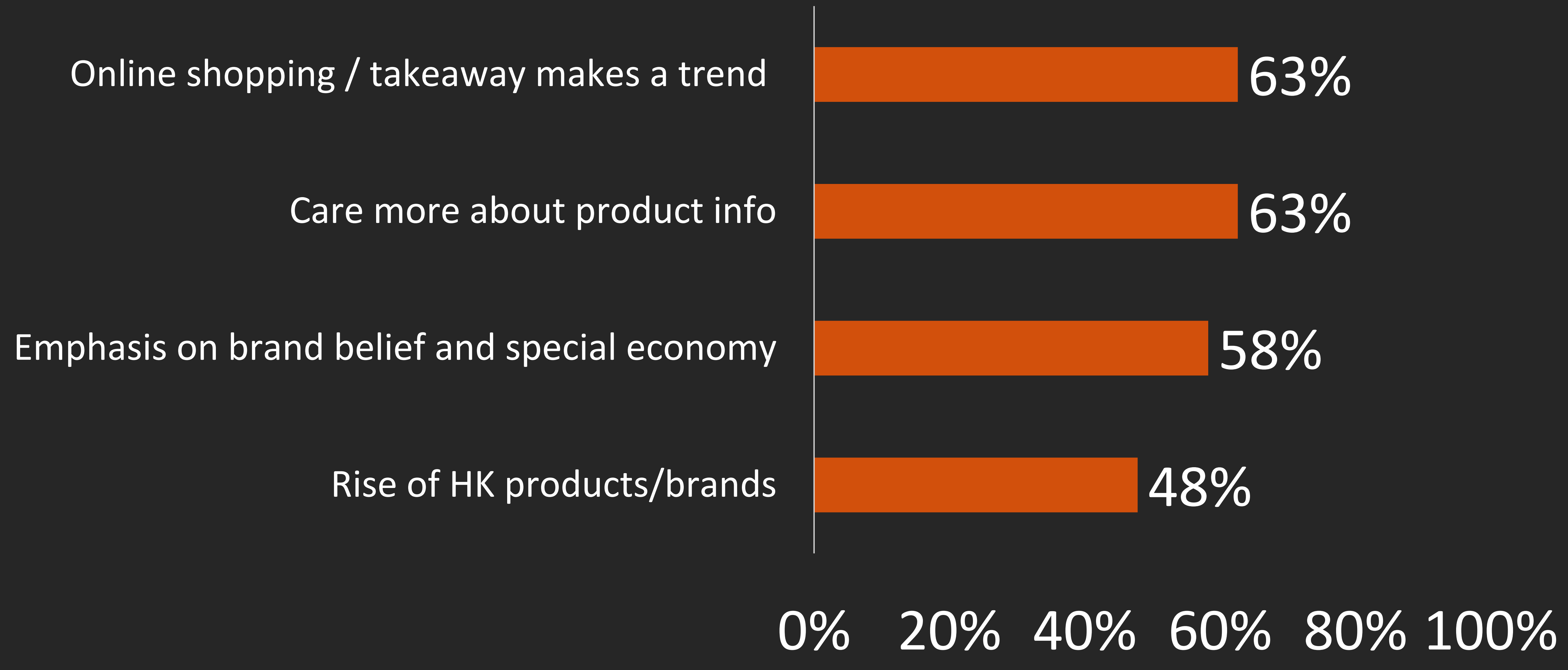


- Social distancing makes us feel less engaged so reunion with friends and families becomes what consumers want (2nd priority)
- Consumers become more health-conscious (37%)
- Dining is core of many Hong Kong consumers' daily lives, and with the gathering measures, Hong Kong consumers are missing good meals at restaurants so when possible, they aspire for an enjoyable dining experience out of home (no more food delivery NOR home cooking)

HIGHER LEVEL OF CONSCIOUSNESS AS PEOPLE CONSUME



Consumers agree that online shopping and takeaway make the new normal, while the pandemic has pushed consumers to a complete new normal in terms of everyday life that over 50% of them would now care more about product information, brand belief which are more factual and objective , while more than half (58%) keep special economy in their consumption radar.



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CREATIVITY
HOW TO COMMUNICATE WITH Gen-REAL
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BE REAL & ENGAGING!

DELIVER CLEAR, UNTWISTED MESSAGES & FACTUALLY CORRECT INFO

LEVERAGE MEDIA/NEWS/PLATFORMS/FORMATS TRUSTED & VALUED BY CONSUMERS ESP YOUR TARGET AUDIENCE

HIGHLIGHT QUALITY & VALUE

FOCUS ON QUALITY & VALUE OFFERED, EXCEPT FOR PRICE-CUT OF QUALITY NECESSITIES

TELL MORE ABOUT YOUR USPs - ORIGIN, QUALITY, VALUE, BELIEF WHICH CONSUMERS FEEL RESONANT WITH

RE-THINK COMMUNICATIONS, SMARTLY

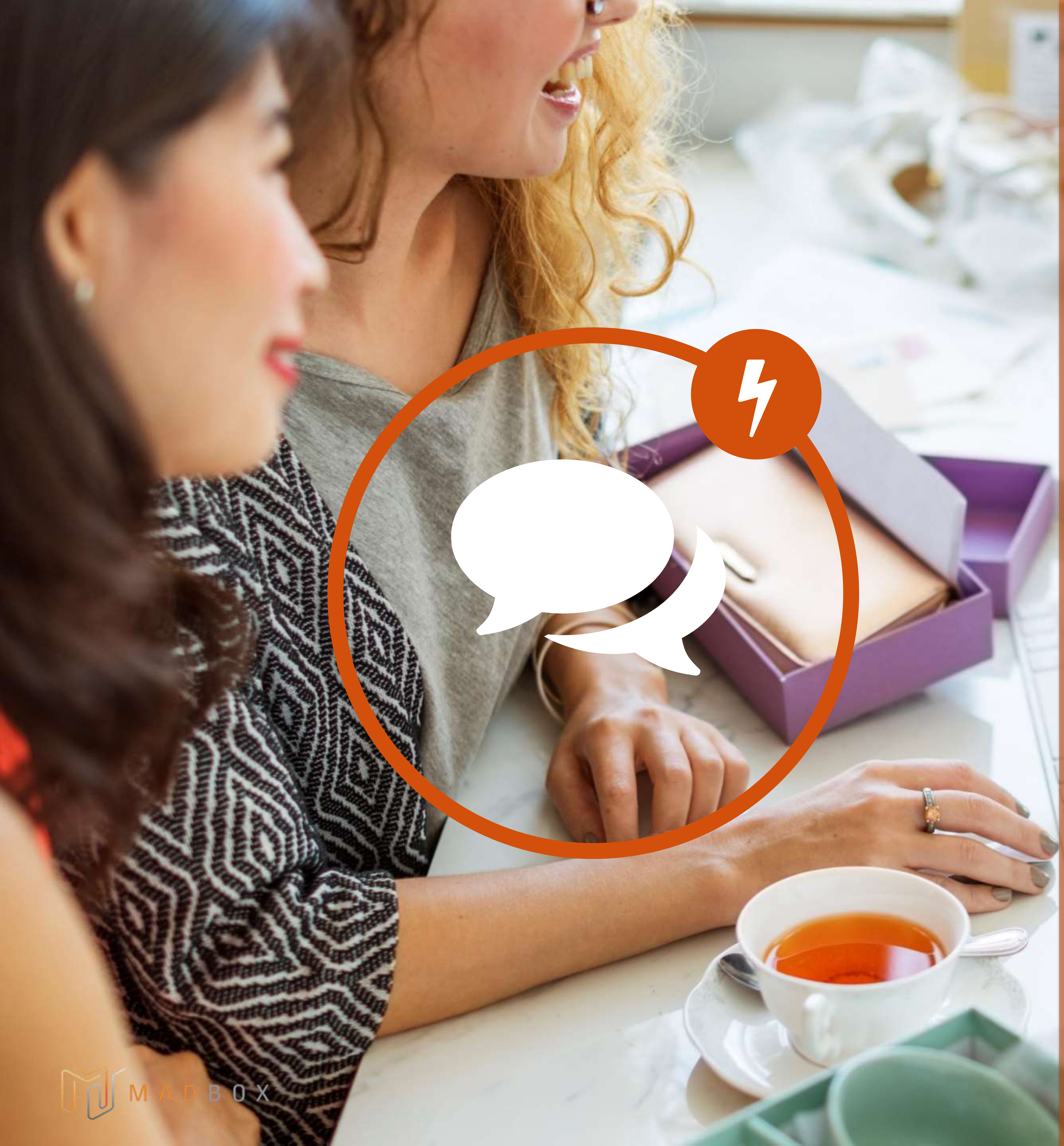
IDENTIFY & PARTNER WITH MEDIA/KOLS WHO SHARE SAME VALUE AS YOUR TARGET AUDIENCE AND TALK GENUINELY, EVERYTHING GO REAL!

EXPLORE NEW FORMS OF COMMUNICATIONS TO TALK AND INTERACT DIRECTLY WITH CONSUMERS WITH MEASURABLE CONVERSION AND PERFORMANCE

DESIRE TO BREAK AWAY FROM "NEW NORMAL"

AS BOTH MARKET AND CONSUMERS EVOLVE RAPIDLY EVERY DAY, IT IS WORTHWHILE TO CONSIDER CONDUCT REGULAR BUSINESS REVIEW, MARKET RESEARCH AND LEVERAGE BIG DATA TO KNOW MORE ABOUT YOUR CUSTOMERS

STAY SENSITIVE TO THE BEST-POSSIBLE TIMING TO TALK TO YOUR AUDIENCE AND PLAN AHEAD FOR NEW CAMPAIGNS TO GET YOUR BRAND READY ONCE THE MARKET IS READY



WHAT’S NEXT?

WHAT MAY HELP?

ENGAGE WITH EARNED MEDIA
WITH A NEW MINDSET

TRACK & VERIFY YOUR AD STRATEGY
TO OPTIMISE VALUE OF PAID MEDIA

MAKE CONSUMERS & KOLS
YOUR SHARED MEDIA

GET AHEAD OF THE MARKET
& LEAD YOUR CUSTOMERS

THANK YOU!

CALL US FOR MORE SHARING & DETAILS!

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