COVID-19 and media buying | Anticipating a change in the new normal

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In any period of disruption, opportunities arise alongside the challenges. Level heads and pragmatic decision making are key. Media consumption is being affected by COVID-19 and media buying will follow suit. Anticipated increases in Social, Audio, TV and Display provide brands with an opportunity to engage with their customers, potentially reassigning budget from Out-Of-Home and Press where impact may decline.

Introduction

We are monitoring the media impact of COVID-19/SARS-CoV-2 on user behaviour and industry media buying.

It is becoming increasingly clear that very few aspects of everyday life will remain unaffected by the global situation.

Although it is impossible to predict the full impact of such an unique and significant event, some core underlying behaviours are already emerging as new norms in response to the abrupt shifts in public behaviour.

We can extrapolate from these patterns to anticipate their likely effect on the full media environment. The insights below represent a guide to adjusting strategic spend for optimal impact and clarity during this unprecedented moment of uncertainty.

To speak to an **aip** consultant for more information on how these trends affect you, just **get in touch** or speak to your account lead.

The impact on audience behaviour

The primary response to the situation is of course mass social distancing, voluntary self-isolation, involuntary quarantine measures and the general rediscovery of the great indoors.

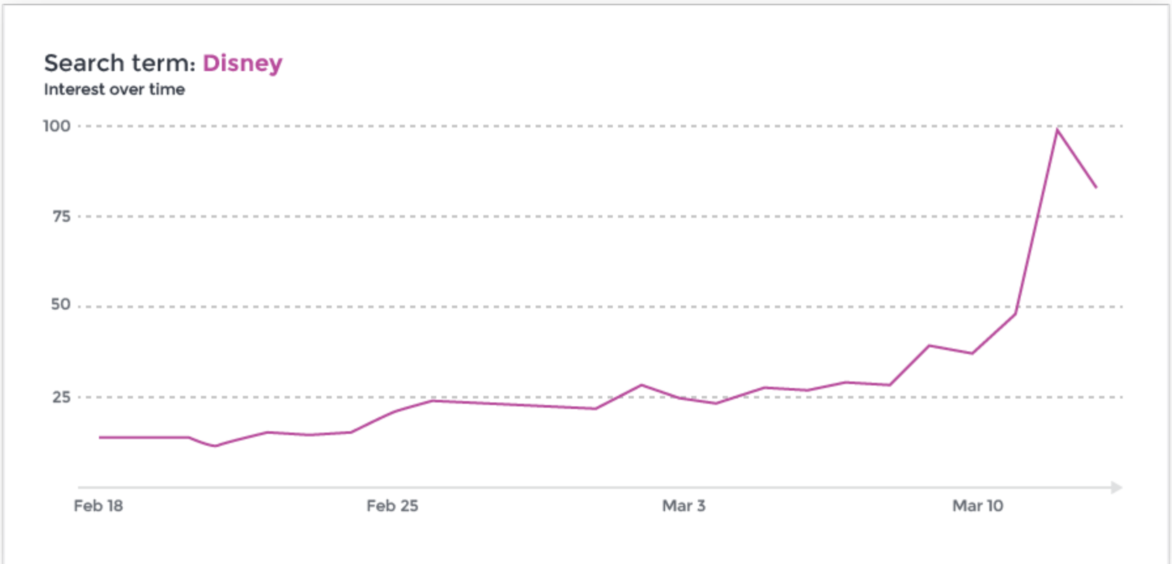
The negative impact on offline media will be balanced by surges in domestically-consumed digital. The trends are likely to largely converge on two separate but complementary points we can call **comfort** and **caution**.

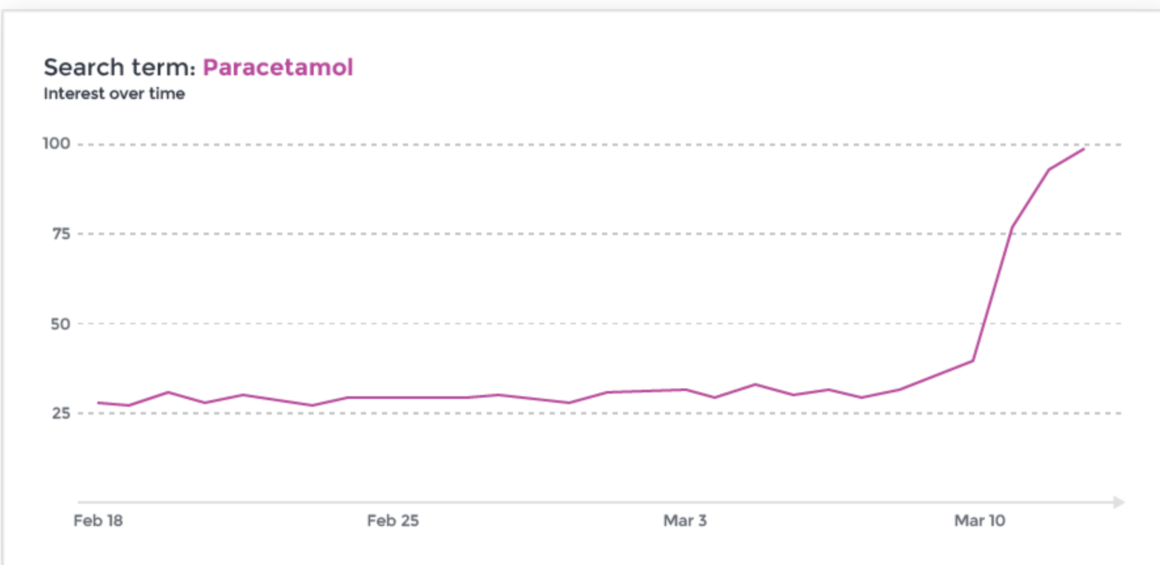
People will actively seek out content and products that make them feel good amid the heightened pressure of the new situation. Premium online content and low-risk luxury interior items will be in high demand.

Western anxiety on the rise (Source: YouGov)

To support these family and individual feelings of comfort, data, guidance and commodities relating to resilience, self-sufficiency and wellbeing will also surge to balance the heightened sense of caution and difficulty.

These will include up-to-date medical advice, public health guidelines, items and information related to basic sustenance and utility supply.





Indicative comfort and caution terms showing recent upswings (Source: Google)

The Impact on Media Channels

We are working side-by-side with all media owners to assess the impact of the ongoing situation. We have access to a range of sources and systems which we are closely monitoring to benchmark new targets, standards and variances from expected performance.

Outdoor Advertising

With fewer people outside and on public transport, Out-Of-Home (OOH) advertising will see the biggest impact on its effectiveness as a media channel. In the IPA's recent report *Making Sense: The Commercial Media Landscape* OOH is the dominant media when it comes to reach. This is now unlikely to be the case, at least for the foreseeable future.

The new normal, with people more confined to their homes, we must re-evaluate our channel mix.

Not all OOH media will be hit in the same way. Public transport placements will suffer most in audience share as the overall commuter network slows down. But there will be counterintuitive effects too, as concentrations in key infrastructure hotspots squeeze remaining commuters into tighter, more valuable spaces.

Roadside and vehicle liveries should fare better. There will still be select groups of people moving around the country, and we will be able to make more accurate assessments of who they are and what they are interested in. With smaller audiences available to capture, we can expect short-term discounts to adapt to the current media value.

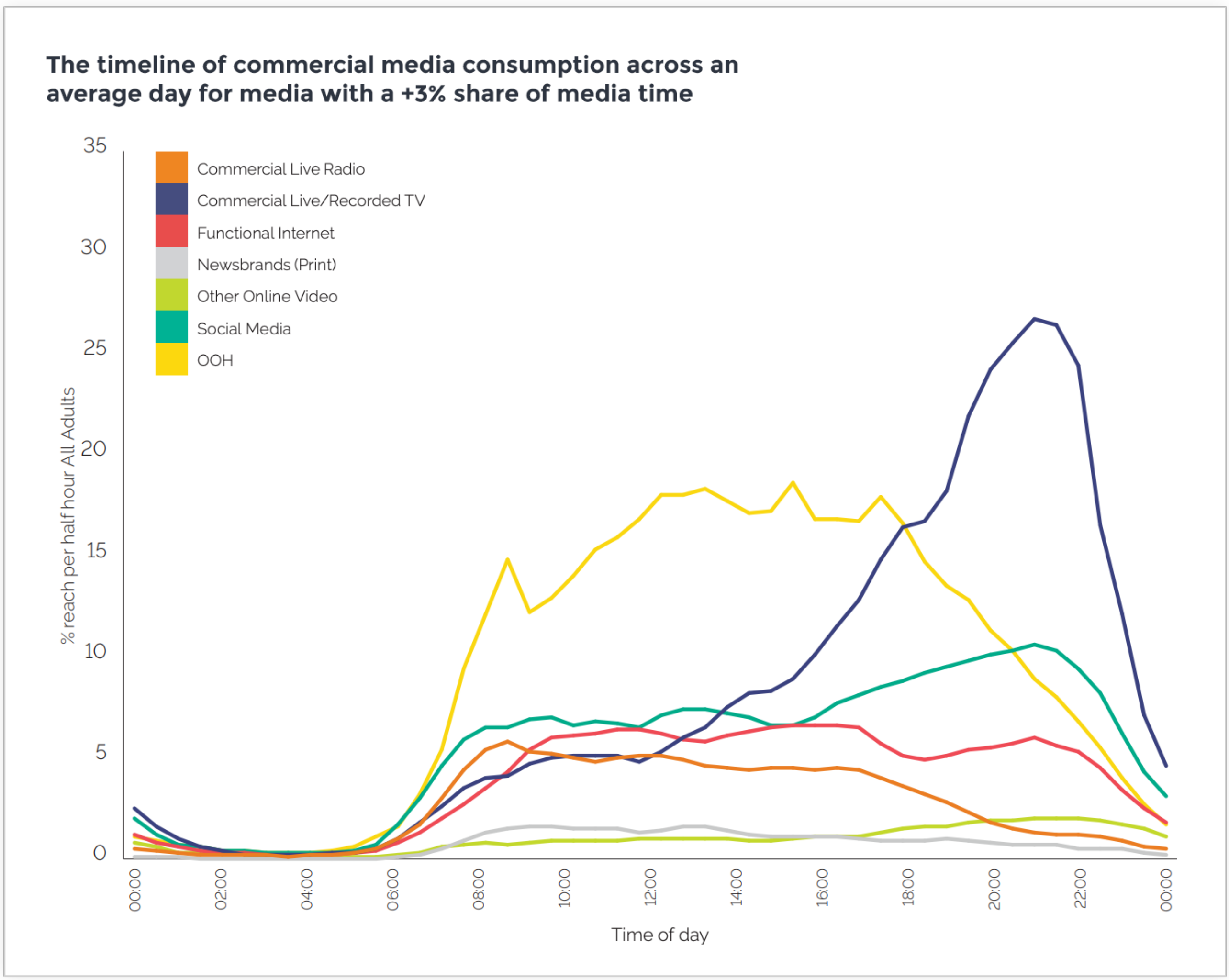
Ultimately, whilst OOH is a fantastic channel to reach a huge audience, particularly during the day - for the next few months this simply won't be the case.

> **Key Takeaway**
> Temporarily, brands should review their OOH investment, with particular attention to bookings within the transport network. But be aware of the inevitable re-emergence as quarantine fatigue sets in, adjust timing plans and be ready to move quickly when social distancing is over.

TV, VOD & Digital Video

We expect TV and video-on-demand (VOD) to surge in usage. This will be true of traditional ad-funded platforms (Sky, Channel 4, ITV etc.) as well as ad-free subscription platforms such as Netflix and Prime Video. We can expect digital video (YouTube, TikTok etc.) and streaming consumption to increase, with big gains in child- and youth-oriented channels as school closures increase.

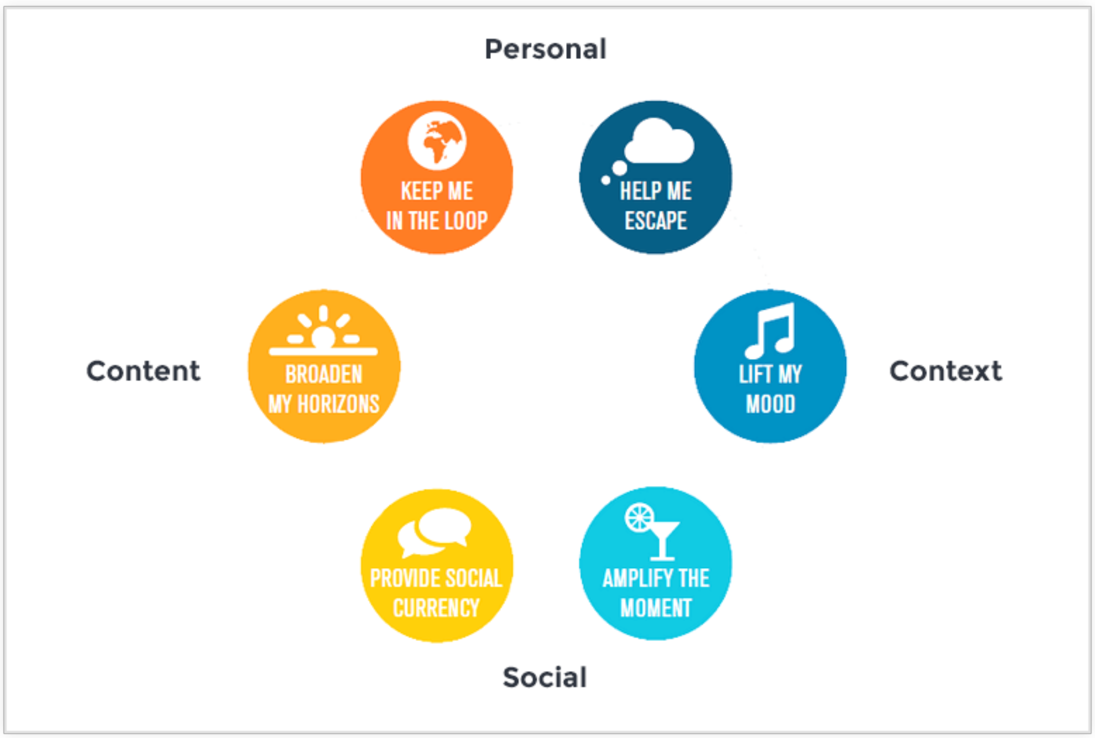
We expect consumption habits and broader audience demographics to change as more diverse generations are exposed to daytime TV. Typically, TV & Video consumption is at its highest during Peak (appropriately named!) 5:30pm - 11pm. We don't expect this to change but we do expect daytime view to increase.



Pre-crisis media consumption across an average day (Source: IPA TouchPoints 2019)

Key Takeaway
There are significant opportunities with the increased effectiveness of TV, VOD and Digital Video advertising. Big chunks of the schedule which were previously out of bounds are now back in play, so smart brands will increase investment throughout the day and look again at which channels they should be targeting.

Audio



Consumer needs serviced by audio content (Source: Radiocentre)

According to Radiocentre research audio serves six consumer needs.

At a time of crisis these needs become more acute, but they don't qualitatively change. What will change is people's access to media. Audiences could turn to TV or social media for their news rather than the radio. Conversely, as people work-from-home or go into lockdown, the radio playing in the background is a favoured, time-honoured way of cutting through feelings of isolation.

What is clear though is that the environments in which we consume audio will change. No longer will it be in the workplace or the car, but in the home. Traditional peak slots such as drivetime and breakfast shows may see audience decline as commuting becomes less of a factor.

Digital audio platforms such as Spotify may see increases in usage as shared workplace accounts are no longer utilised.

> **Key Takeaway**
> As audio streaming choices personalise and become increasingly subject to individual preference, audience profiling and smart targeting of audio spend will be crucial.

Press

At this stage it is very hard to predict the medium-term impact on press circulation at a macro level. People's increased desire to be well-informed at a local and national level will work against the drop in natural footfall and the disruption to daily routines. Free papers such as the Metro and Evening Standard will see a significant drop in line with changes to commuter patterns.

As community initiatives start to scale we could see a widespread rebirth of online local press platforms, social channels and community groups as they become important neighbourhood organising hubs.

We anticipate digital consumption to surge across the board, but these gains will cluster in particular topic areas and traditionally popular sections such as Sport and Travel will take a hit.

> **Key Takeaway**
> Anticipated gains will be made in online News sections but carry risk of negative association. Consider if advertising alongside potentially distressing content is appropriate for your brand, and manage with effective contextual controls.

Social

Social is likely to see a significant and sustained upswing in attention as face-to-face interactions fall off. The increased dwell time and daily usage will mean more available impressions for existing activity, and will open the door to higher engagement and long-form brand communications, providing that is sensitively handled. Increased usage coupled with a potential reduction of the number of advertisers in the auction could lead to more efficient activity and represents a real opportunity for brands.

Medium term there is a risk of social media fatigue setting in if people feel they are receiving low-value information or are overwhelmed by increased activity in their feeds, particularly in the daytime. But practical, helpful, high-clarity content that is refreshed often will be in high demand.

COVID-19 has impacted a number of planned events across all industries, including perennial mass-participation gatherings like Glastonbury and Euro 2020. For this reason, when not already instructed to do so, we have paused all social ads that promote upcoming events at a global level.

> **Key Takeaway**
> Despite risks of misinformation and harmful bubble-effects, social media could be about to undergo another generational uplift. As usage rises, so do opportunities to reach larger, consolidated audiences.
>
> The potential space for brands to insert themselves into the online community mix and play a vital connecting role is immense. Brands who step up with positive contributions will reap the rewards.

Search

Search is the gateway to understanding user intent. In sectors like Travel and Hospitality COVID-19 will have a pronounced impact on campaign performance. This will present as a reduction in demand for their services and a parallel decline in web conversions as a result of people delaying travel plans due to uncertainty. In these instances, we are adjusting our spend rates in line with performance at a daily level to ensure we continue to meet performance targets.

Additionally, it's also likely that for advertisers such as those in the Education sector, we may see an increase in to-site traffic through brand terms as people seek information around the company's stand point on COVID-19 and whether or not it has impacted their services. COVID-19 related terms (corona, coronavirus, co-vid, SARS-CoV-2 etc.) have been negated across all Paid Search campaigns, including any Video or Display activity run out of Google Ads or Microsoft Ads platforms.

In recent days Google has stopped showing any Ads related to queries such as these but it is worth monitoring and keeping an eye on secondary search derived from the crisis.

> **Key Takeaway**
> In the near-term, introduce strict rules around negative terms and monitor them closely for impact on conversion rates - and as always, adjust where necessary.
>
> Further ahead, keep an eye on wish-list searching and think about the lookback window. 'Boredom browsing' for aspirational lifestyle products with low immediate intent to buy will become a popular pastime. As the crisis recedes there will be huge opportunities to re-engage those searchers when they are more inclined to buy. If you are only retargeting users based on a 30 day window, extend to 180 days to open up those new opportunities.

Display

As people spend more time at home and online the volume of available inventory will increase. At a macro level this may lead to a decrease in CPM, though ad slots on prestigious inventory are likely to become more competitive and therefore more expensive.

Similar to our approach for Search, we have added an extensive list of COVID-19 related terms to ensure creative is not shown beside any content relating to the disease.

> **Key Takeaway**
> It is crucial to ensure brand safety and tight contextual controls are in place. This ensures campaigns are only displayed within environments complementary to your brand.

The Impact on Measurement & Analytics

With people spending more time online, some brands will see an increase in sessions and new visitors to-site as consumers browse more, broadly along the lines of comfort and caution described above. An increase in people browsing your site will lower conversion rates and bring potential for a direct drop related to consumer confidence. Both elements should be considered and separated when analysing performance as the driving force for each is quite separate. Assess how your new visitors and sessions were trending year-on-year before the outbreak, and account for any change to give yourself a true view on conversion rate change.

> **Key takeaway**
> Having a robust remarketing and re-engagement approach in place is vital as new visitors and current non-converters provide your warm leads of the future. Ensure that you're building these audiences across social, search and display platforms.

Look for the bounce!

Above all, things change.

Our media and social environments are a lot like living organisms - when they receive a shock, as they have this week, they recoil and react in negative ways. The shock is still fresh, so right now a lot of common perspectives are more emotional than necessary or realistic.

Although no-one should mislead themselves about the potential depth and gravity of the current situation, as we have detailed above there are myriad positive opportunities developing from the new habits and behaviours arising in response.

These could be fleeting but undoubtedly offer huge rewards for those primed to move first. Bunker mentalities which may be temporarily necessary in the home are a dead end for dynamic and successful brand media strategies.

As normalisation sets in across the coming days, it will be possible to model and anticipate new behaviours, and target new media investment accordingly. For instance, it doesn't take a crystal ball to forecast a mini baby-boom in January 2021!

The world that emerges into the sunlight will be new and full of optimism. The living habits and working practices we step into now will form the building blocks of the *next* normal.

So it's time to think smart, make bold moves, get ahead of the pack and be ready to meet the new world head-on.

Over the coming days and weeks **Anything is Possible** will continue monitoring all the relevant trends and data sources to optimise our advice and provide the high levels of service and insight our clients have come to expect.

If you have any questions about how the ongoing situation will affect you or your specific media strategy in the short-to-medium term, speak to your account lead or **contact us directly.**

Anything is Possible
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