



Expert.

One of our Clean Beauty Experts is right here (in-store) to help.

Ask a question

# Canected Economy



**NELSON** 

**INSIGHT SERIES** 

# **CONNECTED ECONOMY:**

An economy that places more value in meaningful experiences with a focus on authentic human connection, supported by revolutionary new technology that allows consumers greater access than ever before.

### COVID-19 will usher consumers into a new Connected Economy

In recent years, consumers embraced a heavily experiential world, driven by an era of pop-up shops and Instagram-worthy moments. Those experiences had more value than the product or service itself, but the personal connections lacked authenticity. Post COVID-19, brands will see a rapid shift in the way consumers engage, and a new economy will emerge.

Brands were already experimenting with new technologies and service offerings, but consumers weren't quick to adopt these new behaviors. Now they are being forced to. Although consumers won't be forced into these behaviors forever, they will be more accustomed to them in the future, and brands will need to adjust accordingly.

This Connected Economy places more value in meaningful experiences with a focus on authentic human connection, supported by revolutionary new technology that allows consumers greater access than ever before.

Our future economy will reveal the flaws of our past, but it will also be more connected than ever before. How will this shift change future behavior, and will your brand be ready?

There are four insights brands must understand and uphold to succeed in the future Connected Economy:



"Experiences that embody a brand's core values will resonate more with consumers who will be looking for authentic connections post-pandemic."—Robyn Novak

In action

insight #1

#### MEANINGFUL EXPERIENCES

Consumers will still find value in experiences post-pandemic, but the focus will shift to those that are driven by meaning, authenticity, and connection. Campaigns that are just looking for PR buzz or their fleeting moment on social media will feel forced. Experiences driven by human connection and emotion will gain more loyal fans. Consumers will be looking for companies to rally around. Ones that lift us up, support social causes, or simply make us laugh. Brands that can provide optimism in an uncertain time will be rewarded, and they will remind us we're all human, all connected, and have made it through this together.

#### Selfridges

British luxury department store Selfridges found a creative way to overcome social distancing to celebrate Easter this year with their customers. Blending an online shoppable gift guide with nostalgic personal memories, the brand created a meaningful activation that allowed visitors a personal view into the lives of iconic brand founders. From the co-founder and CEO of Good American, to Charlotte Tilbury herself, friends and family of Selfridges shared their most cherished Easter memories, knowing this year's holiday could vastly differ for some around the world.



US grocery delivery app Instacart's sales grew 1,000% during the first week of March (Stylus)

innovation in action



#2

# EXPECTED CONVENIENCE

Consumers are adjusting to stay-at-home guidelines and relying on amenities once thought to be indulgent. This includes grocery delivery, curbside pick-up, live streaming fitness offerings, virtual doctor visits, and even direct-to-consumer movie screenings. Brands will need to continue offering flexible solutions to keep up with learned behaviors during social distancing, and that especially means embracing technology. Every touchpoint of a shopping or dining journey should be frictionless. Whether it's contactless payment, virtual consulting, or replicating grocery orders with a touch of a button, technology will be the key to expected convenience.

#### KFC Drive-Thru

FRCH NELSON partnered with KFC to create the brand's first-ever drive-thru only prototype. The goal of the new concept was to develop a more efficient operating model that would support the growing demand of online ordering. With traditional restaurants, the building is the experience, but with this new concept it became a fixture – one element supporting the overall experience. Every touchpoint from the landscaping, signage, and architecture of the drive-thru portal comes together to create a seamless experience. In a post-pandemic world, this type of elevated convenience will become the new normal.



"Consumers will hold brands accountable to an entirely new level of responsibility, especially as they seek guidance on how to best transition back into stores and experiences." –Tori Tasch

innovation in action

UT CCCLOTO

BREWDOG

ONLINEBAR

LIVETHIS FRIDAY - 6PM

LIVETHIS FRIDAY - 6PM

#3

#### RESPONSIBLE SOCIAL ENGAGEMENT

Brands will need to consider how they can bring their products and services to consumers while remaining socially responsible post-pandemic. For retail, this could mean smaller, more localized stores in place of larger flagships. Shopping outings may become appointment-based, with a greater focus on customized service. Restaurants will need to rethink communal tables and focus on leveraging mobile ordering and contactless payment. "Zero touch" solutions like automatic doors, voice activation, and motion-sensor lighting will help combat sensitivities when easing back into social engagements.

#### **BrewDog**

Scottish craft beer brand Brew Dog hasn't let the COVD-19 pandemic ruin their happy hour. The brand, which owns 48 bars around the world, launched a virtual platform that hosts trivia nights, live music, comedy shows, and even home-brewing classes, all featuring custom backdrops replicating the inside of their bars. Leaning into their community-driven values, the brand can continue to bring patrons, fans, and friends together in a responsible and engaging way, which most certainly will drive consumer support long after the pandemic ends.



88%

The percentage of US and UK consumers that say they want brands to help them be eco-friendlier and more ethical (Stylus)



INSIGHT #4

#### **AUTHENTIC ACCOUNTABILITY**

COVID-19 brought with it a new standard in accountability. Consumers will lean into brands they feel are not only trustworthy but thinking about the greater good. Purpose-led brands will set the tone, showcasing the impact of transparency and sustainability in our post-COVID world. Customers will undoubtedly come out of this pandemic with tighter purse strings, but more importantly, a greater sense of what's most important—and applying that filter to the services and products they are willing to support. Brands that remain focused on being better corporate citizens will create more informed and loyal customers in the future.

## The Commons by Neighborhood Goods

The direct-to-consumer department store Neighborhood Goods is launching a new platform for brands, restauranteurs, musicians, and artists whose businesses were negatively affected by COVID-19. The free platform will allow individuals to apply for space within the store's three locations. Brands selected will have an opportunity to sell their products online until the physical stores reopen. This meaningful activation is a win-win for everyone involved, providing small brands an opportunity to reinvigorate their business while Neighborhood Goods gets a leg-up on competition by identifying exclusive, new products.

## Let's talk.

Looking for custom ideas to elevate your brand experience? Schedule time with your NELSON team of experts to discuss your brand and business goals and how you can succeed in the future Connected Economy.

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