



Adapting to meet customer and employee needs due to COVID-19

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The Details

As the Covid-19 situation oscillates between quarantine and opening, we asked 570 Americans how they feel about their work situation, remote work, and how the pandemic has affected their lives.

The following pages detail our findings.



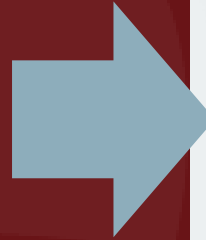
Motive for this study

As COVID-19 (C19) gripped the globe, it has...

- Shuttered industries & strained supply chains
- Forced unemployment to climb
- Driven millions to work from home
- Required front-line workers to confront daily viral risk
- Separated people from one another
- And most painfully caused sickness and loss of life

Despite these hardships, we know we must carry on. We know populations have overcome equally challenging, and even more difficult circumstances.

And having the right data & insights can increase favorable outcomes.



Our response

As a strategic marketing organization, we wanted to understand what businesses can do to survive, thrive and even flourish by adapting to meet customer and employee needs by answering:

What are the guiding criteria businesses should use to best serve their customers and employees in the time of C19?

We used message testing, image testing, and other techniques to survey 570 US consumers and employees; and observed and analyzed numerous examples of how companies are adapting to best serve their customers and employees.

Let's discuss what we learned...

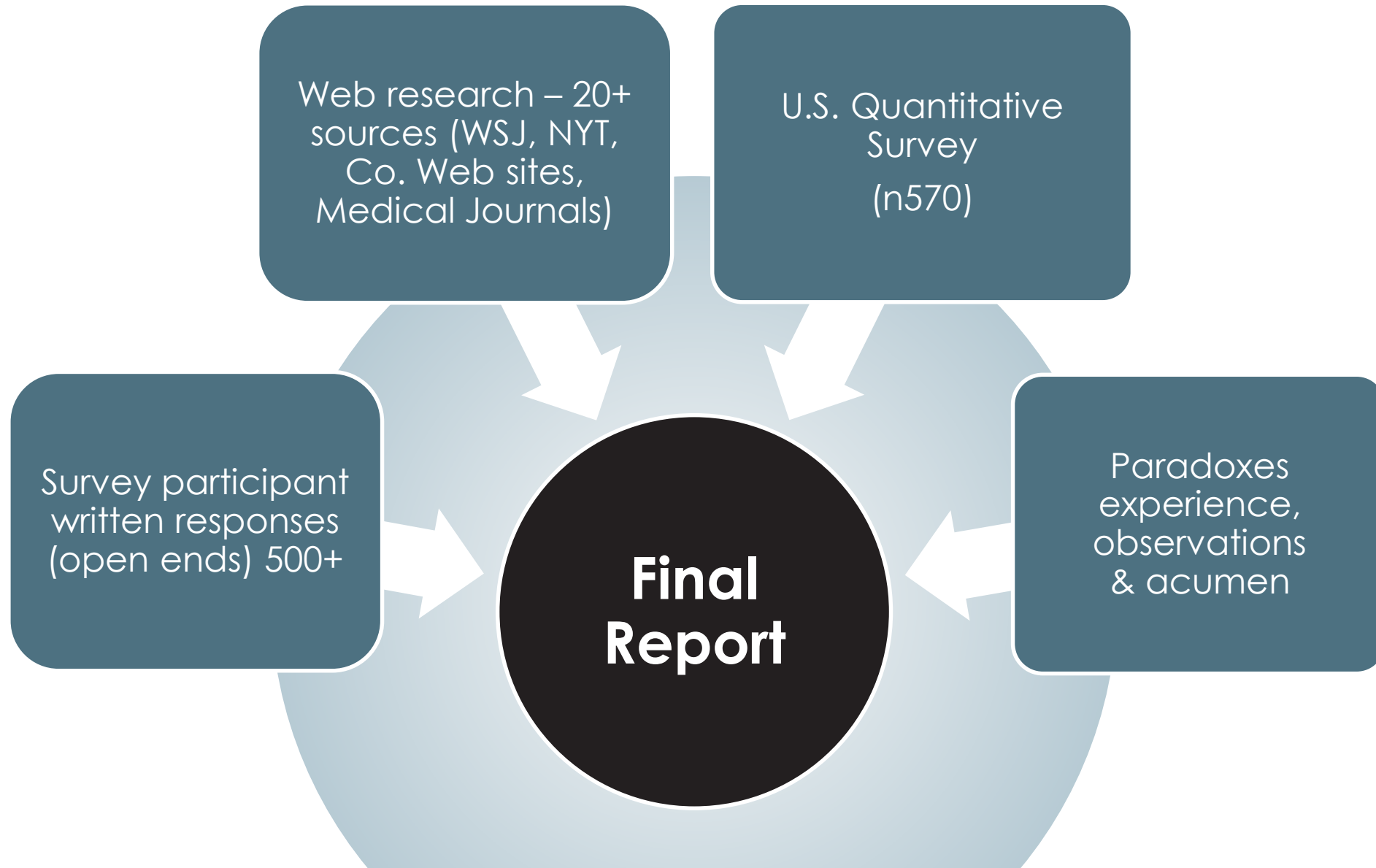
Webinar topics

- Study background
- COVID-19 situation
 - Pre-COVID
 - Where things are today
 - Where we're going
- Paradoxes product & service development framework
- How companies are already applying the framework
- Summary & recommended actions
- Q&A

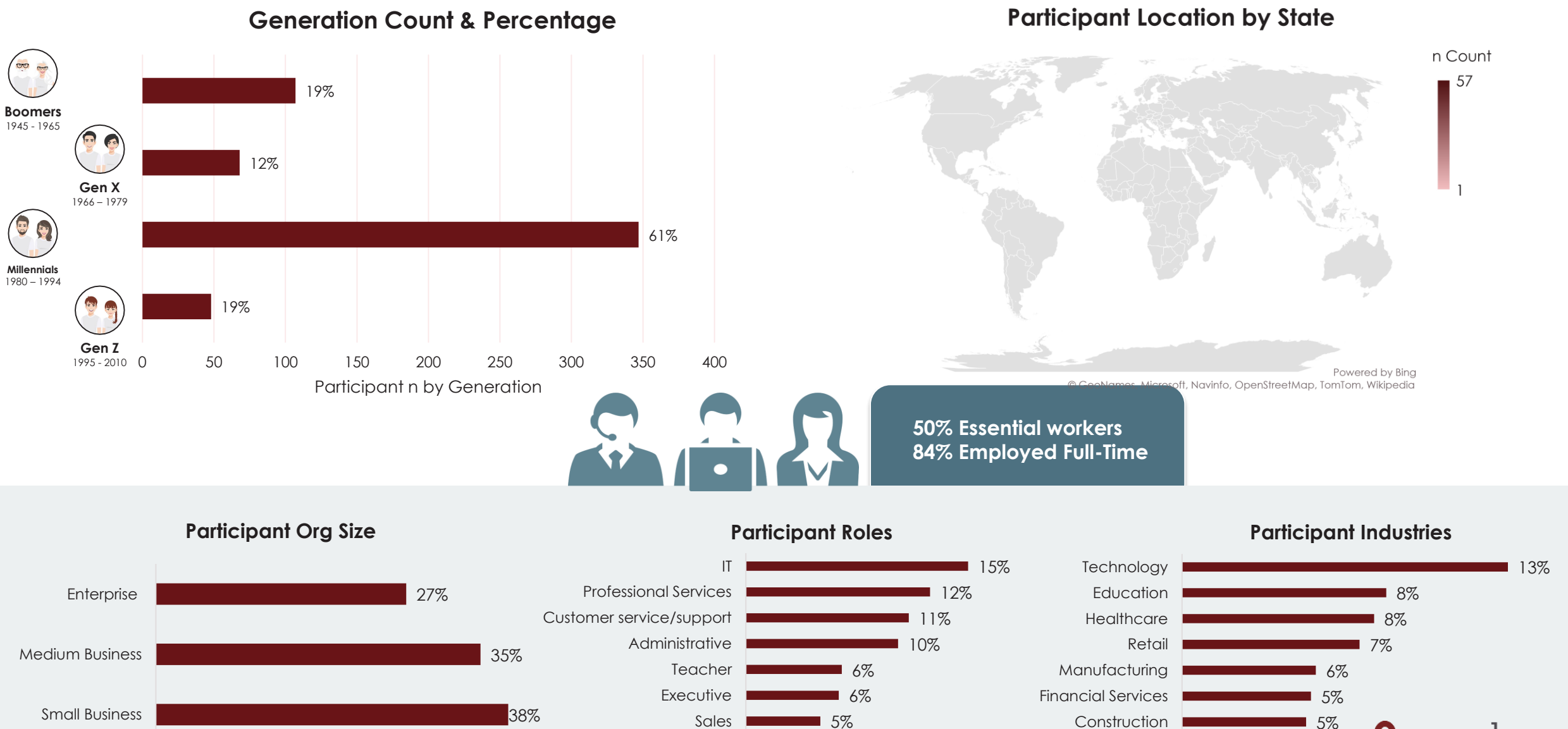


Study Background

Study inputs



Study participants represented a mix of ages, organization sizes, roles and industries





Situation



Pre-COVID



Now



The Future



Pre-COVID



Pre-COVID normal...



We felt mostly safe interacting with others, gathering in small and large groups



We traveled without reluctance for business & pleasure



Kids went to school in classrooms



We eagerly went to sporting events, plays, concerts and the movies



Technology augmented how we interact



Office workers went to the office

And now things are different...



Where things are today



Now people feel anxious around physical connection

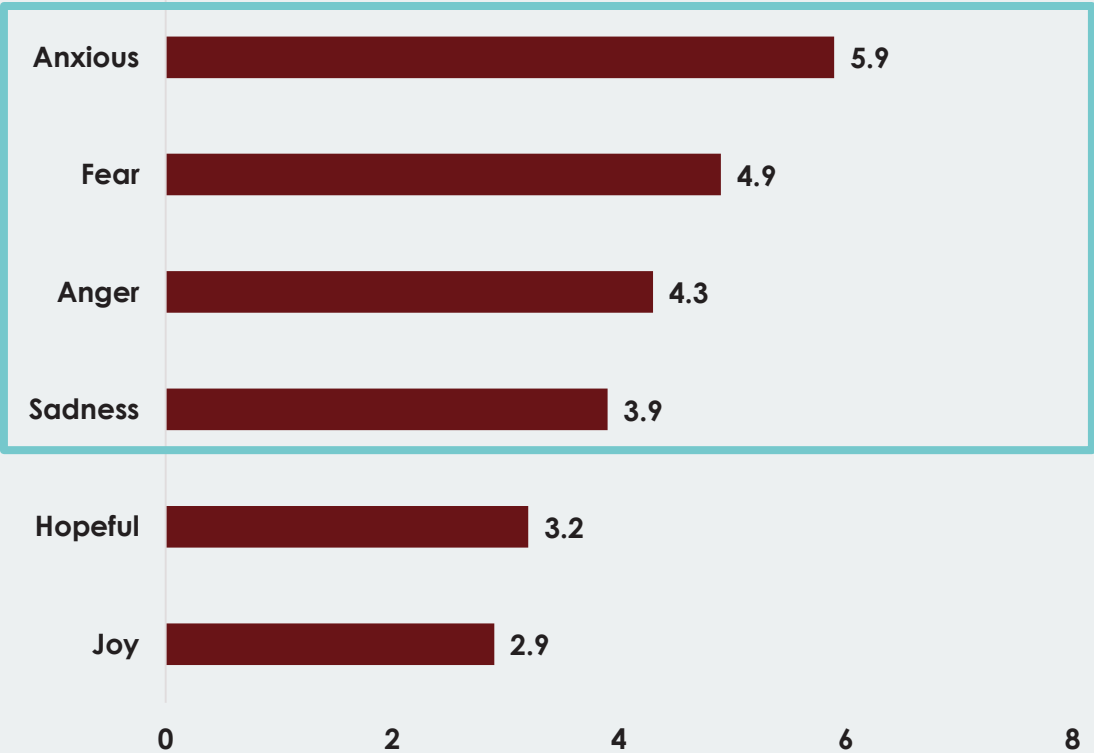


We often display images, ads and promotional materials to understand the feelings they evoke. This crowded coffee shop image triggered more **anxiety and fear** rather than hopefulness and joy about returning to crowded spaces.

Coffee bar photo used in image test



Feelings associated with coffee bar photo

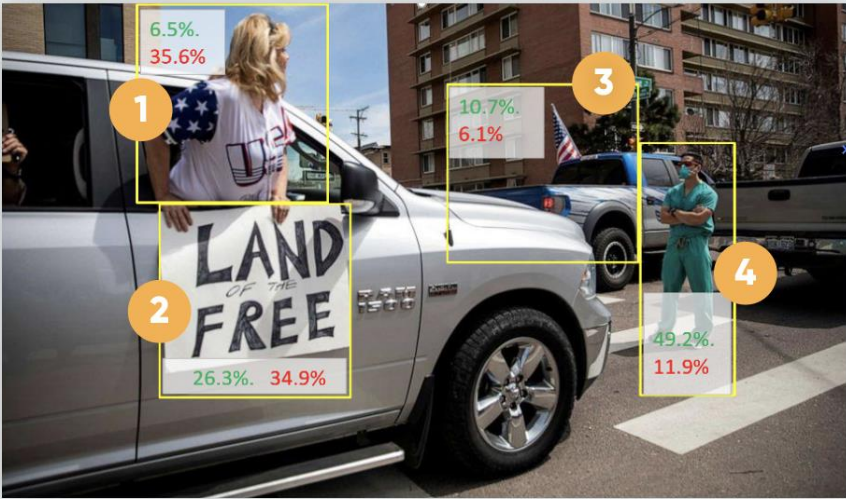


Aspects of COVID are triggering positive and negative feelings



Another technique we use is **sectional image testing** in which respondents click on areas of an image and then designate if they like or dislike that portion. They can also make additional comments about each area.

Looking at sectional image tests indicates the high favorability respondents currently feel toward health care workers (nearly 50% liked that section of the image), while the woman protester was the most disliked (35%). Nearly 85% were most neutral toward the truck flag (section 3).



Respondents were asked to click on any sections of the image they like or dislike, and click to turn them **green** or **red**.

	Description	Dislike	Neutral	Like
1	Woman protesting	35.60%	58.00%	6.50%
2	Land of the free sign	34.90%	38.90%	26.30%
3	Truck flag	6.10%	83.20%	10.70%
4	Healthcare worker	11.90%	38.90%	49.20%

Safety related reopening messages were most appealing



We often use word **highlighter exercises** to quantitatively help clients determine which words and messages are most popular, divisive and negative. In this study, we tested five reopening messages.

Safety related words and phrases were most appealing; phrases that reduced choice and control were most negative.

Message test findings

MESSAGE TESTING KEY	Mostly liked words are in green	Mostly disliked words are in red	Divisive words are highlighted yellow	Net Positive Score
	Words that >=15% of participants highlighted, and the majority are positive	Words that >=15% of participants highlighted, and the majority are negative	Words that >=20% of participants highlighted, but the number of positive and negative highlights were within 30% of each other are divisive	Total positive highlights - total negative highlights / total highlights

75% net positive

MESSAGE #3: 75% Net Positive

Based on customer demand, despite the end of social distancing, we will **no longer allow walk-in traffic** but will instead **schedule appointments** for you to visit our showroom or retail outlet. You will be greeted by an associate who will provide you **white glove treatment** during your visit including loading your purchases in your car for you if desired. This will **reduce wait times** and make **efficient** use of your time and our staff's time.

FINDING: People really want to enter stores, but are frustrated by lines, and miss the spontaneity of simply going to a store without having to plan ahead.

Net positive score indicates percent of positive words minus percent of negative words.

Message test findings

Reopening Message Testing

Most Popular, Most Divisive and Negative

USE THESE WORDS	Score	AVOID THESE WORDS	Score
Your continued safety is our first priority	94.90%	Checkout using your smartphone	67.23%
Safe delivery to your home	92.52%	Schedule appointments for you	65.40%
Products will be disinfected	90.33%	Our stores will return to normal	63.23%
Contactless curbside pickup	88.60%	Conducting Business entirely online	49.78%
Keeping our customers and employees safe	87.90%	We have decided not to reopen	38.80%
Easy options for contactless checkout	84.04%	No longer allow walk-in traffic	30.62%

Somewhat surprisingly, work from home appears here to stay



Q:

In the months 1) prior to social distancing regulations
2) after social distancing is relaxed, what percent of your
working time do you expect to spend working from each location?

The trend is clearly
to **more isolated,
separate locations.**

	Before	After	% Change
Office in your home	16.0%	39.5%	147%
Someone else's home	2.6%	3.3%	27%
Other	3.5%	3.3%	-6%
In a vehicle or outdoors	5.4%	4.8%	-11%
Other employer facilities	7.0%	6.2%	-11%
Retail space	5.9%	4.5%	-24%
Co-working space, coffee shops, etc.	4.0%	3.0%	-25%
Business travel or client's facility	4.2%	3.1%	-26%
Company office	51.3%	32.3%	-37%

This has massive implications for employee collaboration, morale, commercial real estate, traffic, environmental impact and the list goes on.

People have mixed feelings about work from home and the implications are significant



Negative Implications

- Strained team collaboration
- Hindered employee morale
- Difficult new employee onboarding
- Hard to sustain/develop culture



"The hardest part was not having a dedicated office space like what I have in the office. There I have multiple computer monitors, external keyboard, mouse, wired LAN internet connection with a top of the line computer desk and chair which enabled me to do my job much more efficiently."



Positive Implications

- Reduced travel expenses
- Broadens talent pool reach
- Improves work/life balance
- Improves efficiency



"Higher productivity for myself and my team. I wasted 3 hours a day commuting to SF from San Jose. It's super hard to stay productive with a commute (even on the train). If I was the CEO, I'd want maximum productivity for my employees. I do miss some of the backslapping that comes with being in sales (e.g. going to bars and whatnot). This stuff is important for entry-level employees but less so for mid to senior level folks (e.g. the ones who are supposed to bring in the most money)."



Where we're going



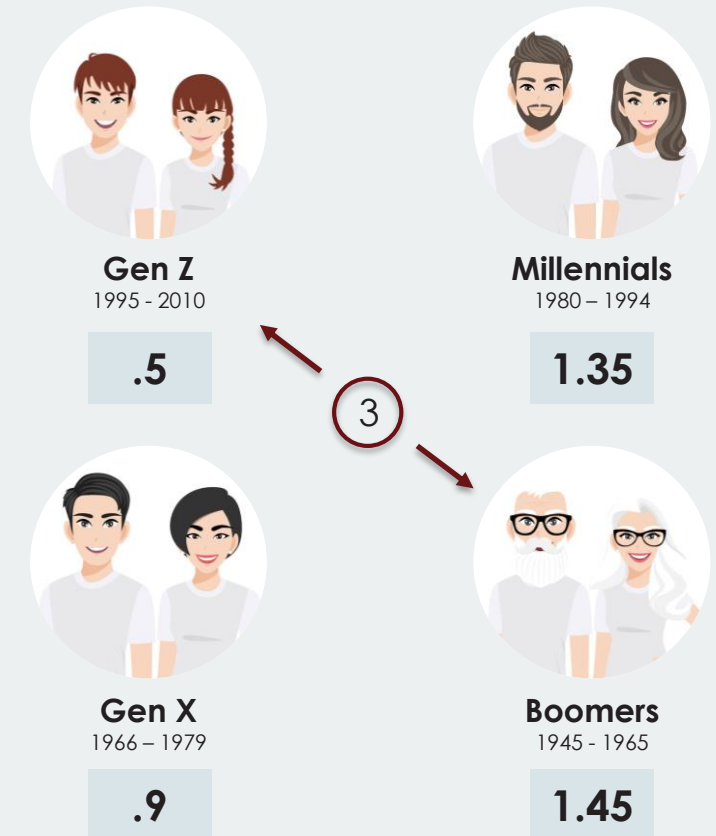
Overall, participants are not optimistic about a post-COVID future; Baby Boomers are the most optimistic and Gen Z the least



Aspect of Life	Optimism Rating (+10 best, -10 worst)
	10
Your Company	3.1
Human Health, Locally	2.1
Rural Residential Real Estate Market	1.8
Environmental Health	1.7
Suburban Residential Real Estate Market	1.6
Stock Market	1.5
Domestic Travel	1.5
United States Economy	1.4
Urban Residential Real Estate Market	1.1
Global Economy	1.1
Human Health, Globally	1.1
Commercial Real Estate Market	0.7
International Travel	-0.1
Partisan Politics	-0.9
	-10

Not surprisingly, the data shows a **shift to rural and suburban real estate from urban centers**. This factor alone will have massive implications on American society over the next decade.

Average Optimism Rating by Generation



Q: Thinking about what the world will be like three to five years from now, how optimistic are you about each item in the list below?

Participants forecast numerous technologies will be used more after C19 than before



Q: In your personal activities, which technologies did you use, do you currently use, and/or do you want to use at least once per week prior to, during and after social distancing?

1

Boomers are predicting the largest increase in post C19 technology usage

Pre-Post Delta (Post - Pre = Change)

	Gen Z	Millennial	Gen X	Boomer	Average
Video chat with doctor, therapist, or other medical professional	10%	17%	19%	25%	18%
Online/app curbside pickup for restaurant takeout	8%	17%	12%	16%	14%
Online/app curbside pickup for shopping	13%	15%	4%	19%	14%
Online/app shopping with local business (e.g. grocery store, lawn service, cleaning service, etc.)	2%	13%	4%	14%	10%
Video chat with retailer, customer service rep, or other service provider (e.g. lawyer, contractor, etc.)	4%	10%	6%	12%	9%
Online/app food delivery	8%	3%	9%	12%	8%
Online/app workouts or exercise classes	8%	10%	6%	5%	7%
Watch a live artistic performance over the internet	4%	8%	1%	11%	7%
Video chat with friends/family	-4%	9%	4%	13%	7%
Attend virtual classes	-4%	13%	0%	10%	7%
Virtual home tour (buy or rent)	-4%	3%	3%	6%	3%
Online/app dating	2%	-3%	-6%	2%	-1%
Online/app shopping with national/international business (e.g. Amazon, Walmart)	-6%	-1%	-7%	3%	-2%

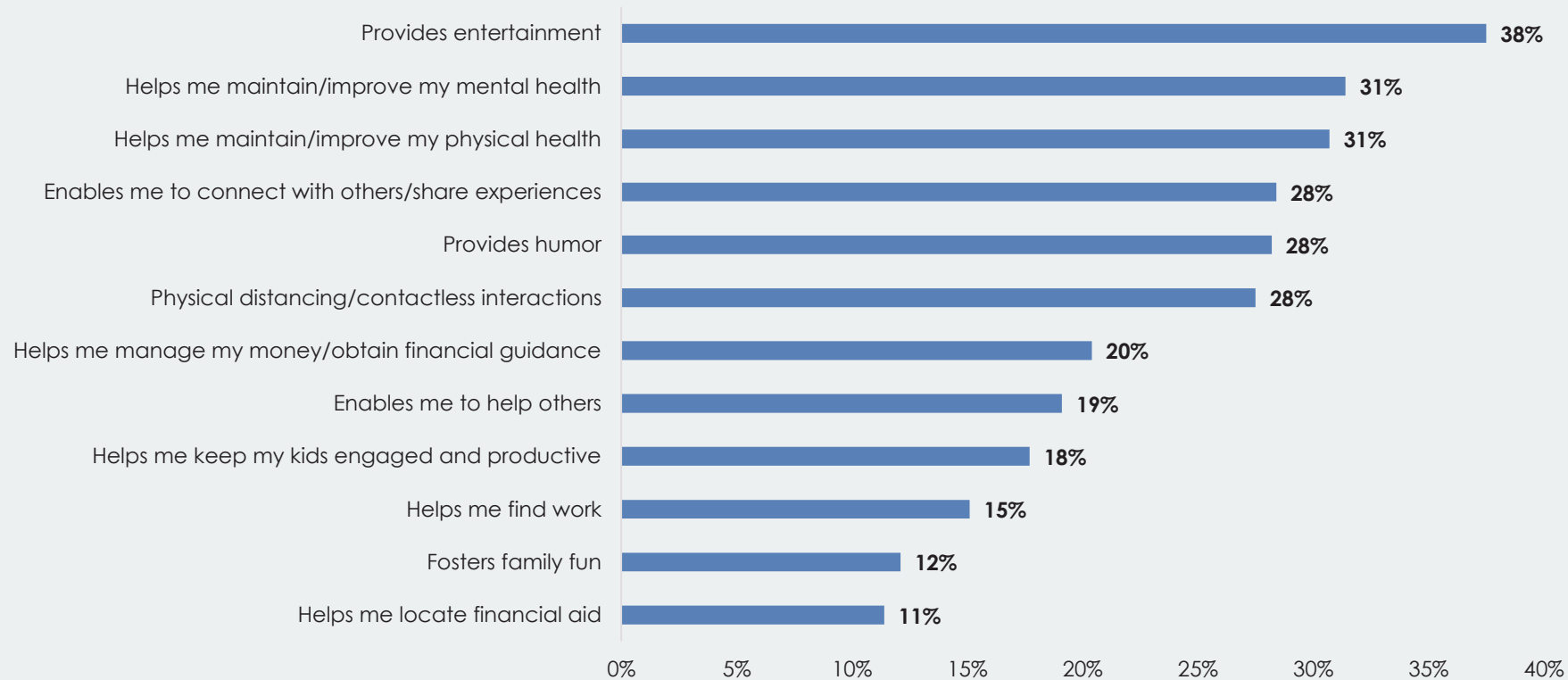
2

Telemedicine, apps for curbside pickup, apps for local shopping, video chat with retailers/customer service rep are forecasted to see the greatest lift pre-post C19

Consumers want products and services that provide entertainment & humor, improve mental and physical health and foster connection with others



Characteristics sought in new products and services during social distancing

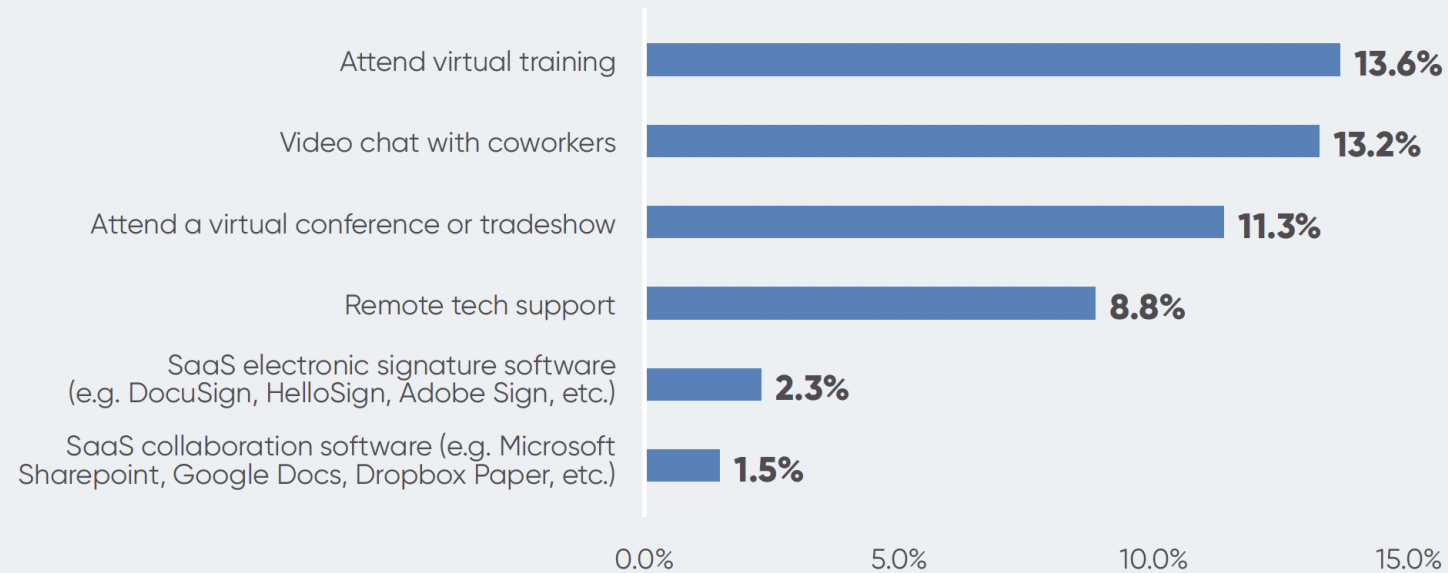


Q: Thinking about new products and services you may be interested in during times of social distancing, select up to 3 characteristics you would want new products or services to provide.

Virtual training, video calls, virtual trade shows and remote tech support are forecasted to see the greatest business usage increase pre/post COVID



These business products & services are forecasted to see the greatest usage increase from pre to post COVID



Q: We asked participants about their technology usage change from before to after COVID

n=478, Gen Pop Currently Employed, May 2020

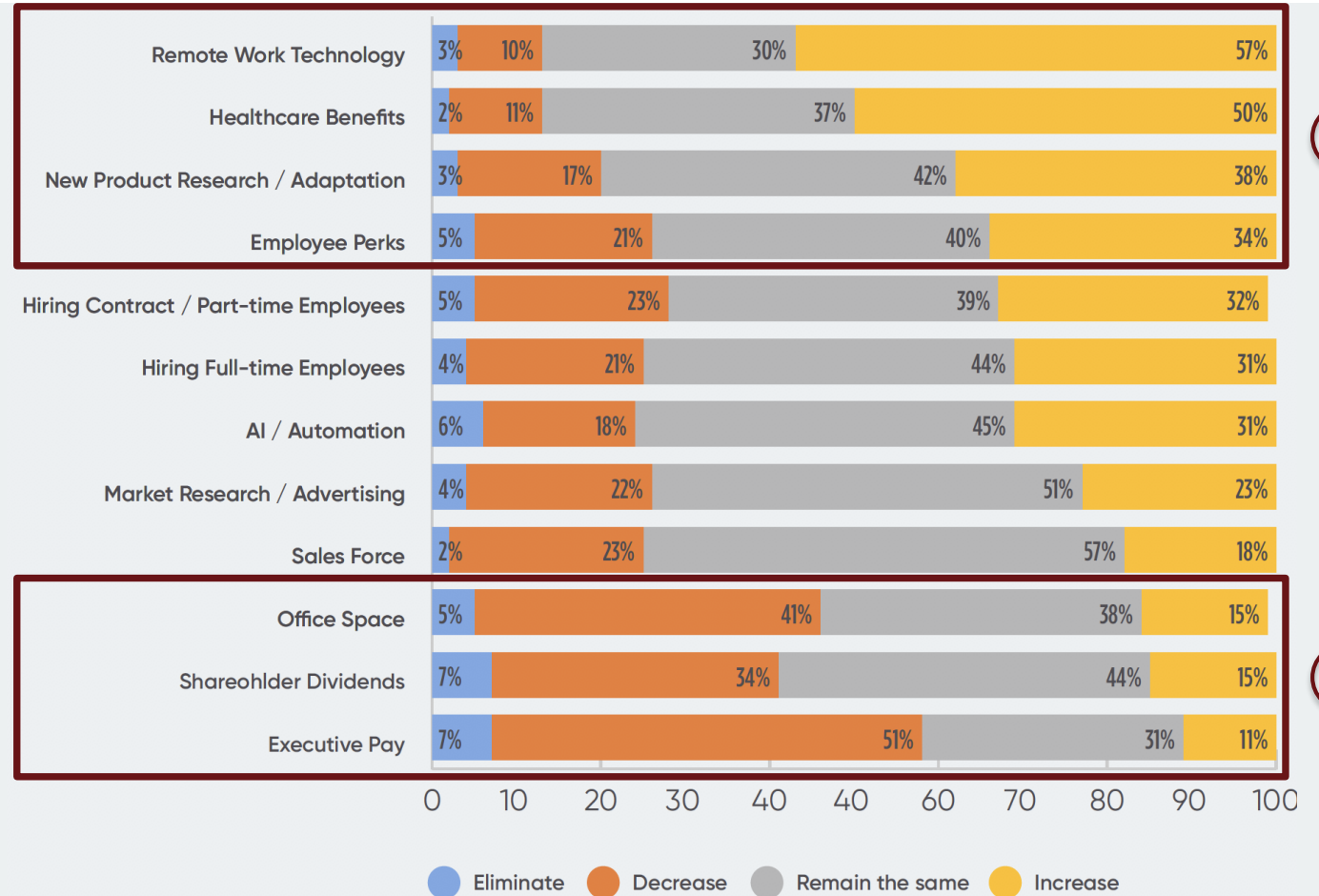
Delta: change in %populating using technology from before to after COVID

Employees want their companies to invest most in remote work technology, health care benefits, new product research and employee perks



Q:

Many economists are predicting that there will be a recession for a few months or years. Big companies will need to adjust their budgets accordingly. In your opinion, where should these companies increase spend, and where should they decrease spend?



n=478, Gen Pop Currently Employed, May 2020



Summary & Recommended Actions

Top consumer and business takeaways

Consumer

TECHNOLOGY:

- Consumers **are saving time** using alternative channels (e.g. curbside pickup, telemedicine); many forecast continued heavy usage of these channels after COVID
- **Technology is the great enabler** to offset COVID limitations
- **People want technologies that foster human interactions, mental and physical health, humor and entertainment** during this time

BEHAVIORS:

- **Migration from urban to rural** communities
- **Contactless activities** (e.g. curbside pickup & payments)
- Consumers want to **minimize risk, and feel safe** and in control going into public places

Business

TECHNOLOGY:

- **Employees forecast a net increase in technology usage** from pre to post COVID
- **Employees want employers to most invest in** remote working technology, healthcare benefits, new product research/adaptation and employee perks **while decreasing investments in** executive pay, office space and shareholder dividends

UPSIDE:

- Many savvy businesses are **expanding their reach beyond their physical limitations** as customers use new channels (e.g. curbside pick up, telemedicine, remote learning, outdoor dining)
- Companies are **increasing profit through more efficient delivery of products and services** that require less resources or better utilization of existing resources

When creating new products and services during this time, check some of these boxes...







Next steps and how you can succeed

Given the implications of COVID are likely to remain for years to come, companies can use this framework to guide development of products and services

Paradoxes product/service development framework to meet customer needs during C19

- ☐ Provides safety
- ☐ Delivers convenience
- ☐ Provides control / transparency to make decisions
- ☐ Offers entertainment / humor
- ☐ Fosters mental/physical health
- ☐ Facilitates human interaction

We see many leading brands aligning to this framework to deliver innovative products & services during C19

Company		Innovation Example	Safety	Convenience	Entertainment / Humor	Control	Health	Human Interaction
Google		Workspace						
Walmart		Drone delivery						
Fortnite		Virtual concert						
Headspace		Mental health app						
NBA		Games in the bubble						
Check-in		Supermarket queue app						



Q & A

Submit your questions in the chat
window

Download the full study and related 3-part series



www.paradoxesinc.com/studies

Episode 1:

Insights to help B2C companies survive & thrive during COVID-19 derived from innovative message & image testing

Episode 2:

B2B & B2C products & services during and after COVID-19

Episode 3:

The changing perspectives of COVID-19 on consumers & business



About Paradoxes

Established in 2007, Paradoxes is a **strategic marketing organization** that gathers and analyzes information to help technology-driven organizations make smarter sales, marketing and product decisions.

We enable our customers to **capitalize on opportunities, overcome challenges and mitigate risk.**





For more information about how Paradoxes can help you make smarter decisions, go to **paradoxesinc.com** or contact **jscott@paradoxesinc.com**



Thank you!



Appendix: Example Innovations


Example & Takeaways: Apps for Grocery Busy Times



Plan ahead with our WhatsApp Chatbot to find the quietest time to shop...

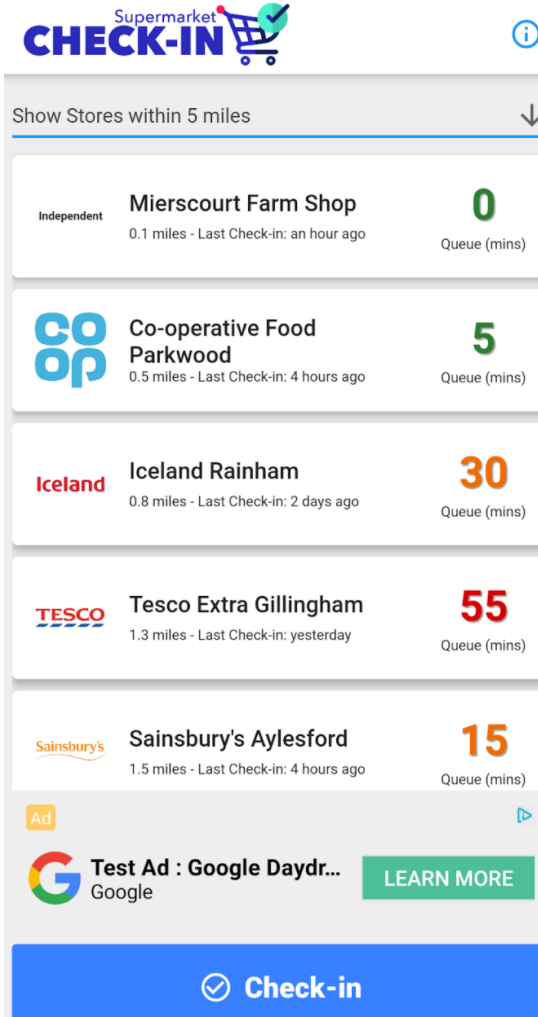
Send us the day and time you plan to visit and it will let you know if that's a quieter, average or busier time to shop!

WhatsApp icons and Lidl logo.



line:scouts

Rate the busyness of your shopping experience and do your bit to keep the vulnerable in your community out of harms way



CHECK-IN Supermarket

Show Stores within 5 miles

Store	Distance	Last Check-in	Queue (mins)
Mierscourt Farm Shop	0.1 miles	Last Check-in: an hour ago	0
Co-operative Food Parkwood	0.5 miles	Last Check-in: 4 hours ago	5
Iceland Rainham	0.8 miles	Last Check-in: 2 days ago	30
Tesco Extra Gillingham	1.3 miles	Last Check-in: yesterday	55
Sainsbury's Aylesford	1.5 miles	Last Check-in: 4 hours ago	15

Ad: Test Ad : Google Daydr...
Google

[LEARN MORE](#)

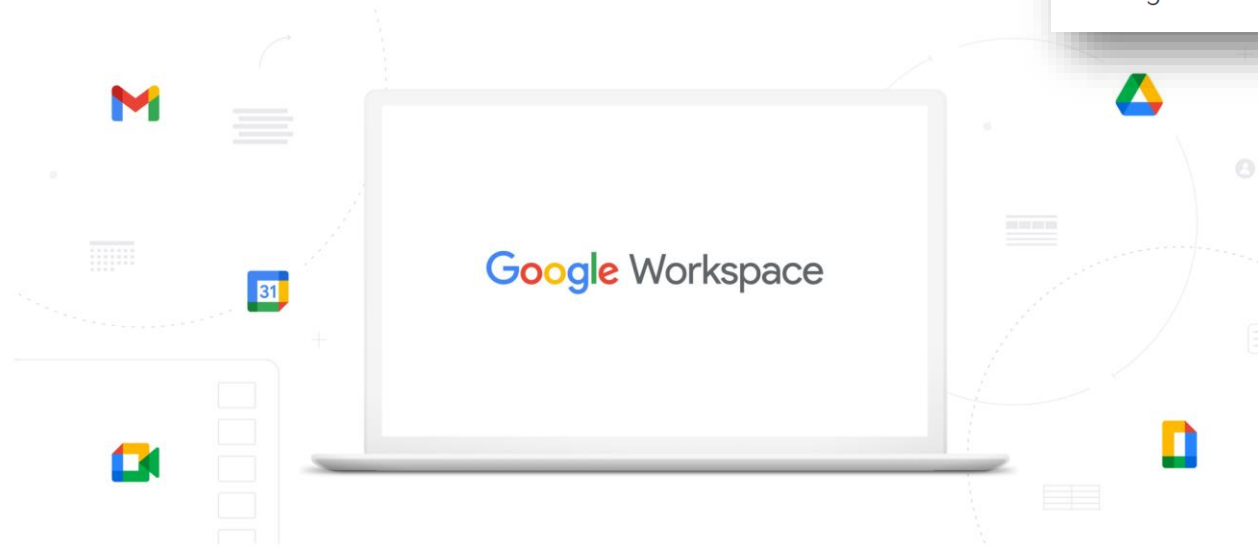
[Check-in](#)

“...a social app which allows people to check their local supermarket queue information and stock levels, submitted by other users of the app, and then "check-in" themselves to share their own experience...”

Example & Takeaways: Google Workspace

GOOGLE WORKSPACE

Introducing Google Workspace



Back in July, we shared that we're bringing Meet picture-in-picture to Gmail and Chat, so you can actually **see** and **hear** the people you're working with, **while** you're collaborating. In the coming months, we'll be rolling out **Meet picture-in-picture** to **Docs, Sheets, and Slides**, too. This is especially powerful for customer interactions where you're pitching a proposal or walking through a document. Where before, you could only see the file you were presenting, now you'll get all those valuable nonverbal cues that come with actually seeing someone's face.

*"brings together core tools for communication and collaboration—like chat, email, voice and video calling, and content management and collaboration—into a **single, unified experience** to ensure that employees have **access to everything they need in one place**"*

Example & Takeaways: Delivery Robots and Drones

Tech / E-Commerce

China's e-commerce giants deploy robots to deliver orders amid coronavirus outbreak

- As customer fears about the coronavirus cast a shadow over China's food delivery industry, several companies have announced robot delivery-related services
- Meituan put its autonomous delivery vehicles on public roads for the first time this week, while JD.com and Ele.me are sending robots into quarantine areas



Minghe Hu in Beijing

Published: 6:00am, 21 Feb, 2020



Walmart Now Piloting On-Demand Drone Delivery with Flytrex



Press Kit



Additional News

Walmart Now Piloting Drone Delivery of COVID-19 At-Home Self-Collection Kits
September 22, 2020

New Checkout Experience

04-24-20 | WORLD CHANGING IDEAS

These delivery robots make it easier to do contact-free deliveries to at-risk quarantiners

Sept. 9, 2020

By Tom Ward, Senior Vice President, Customer Product, W

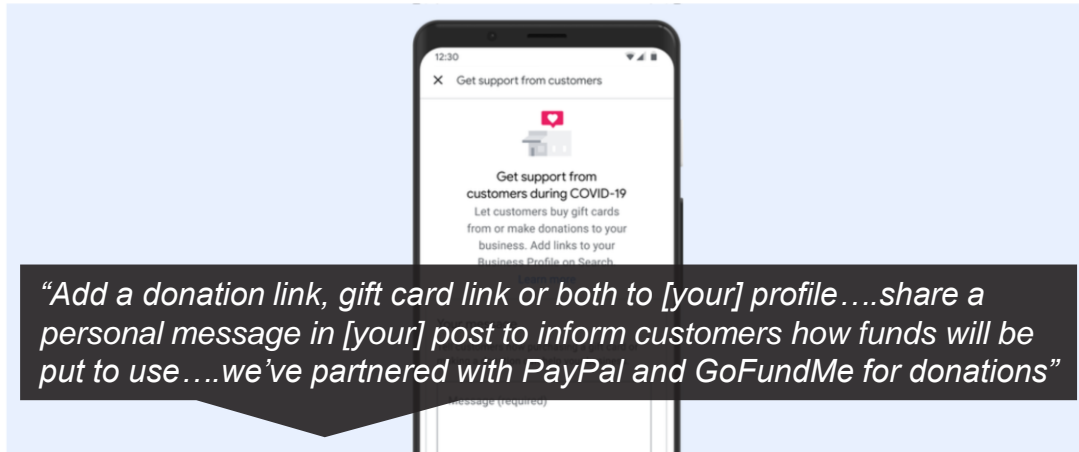
As delivery becomes a requirement for people sheltering in their homes, is it the moment for autonomous robots to shine?



Starship Technologies robot

Example & Takeaways: Google for SB's and COVID tracking

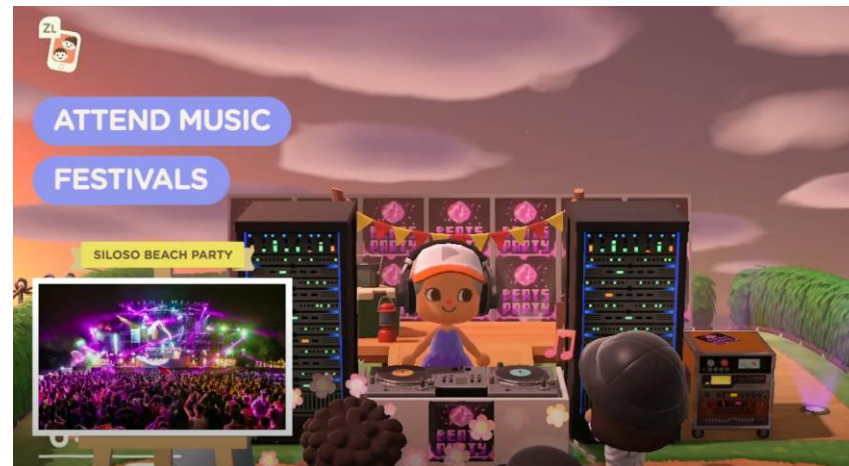
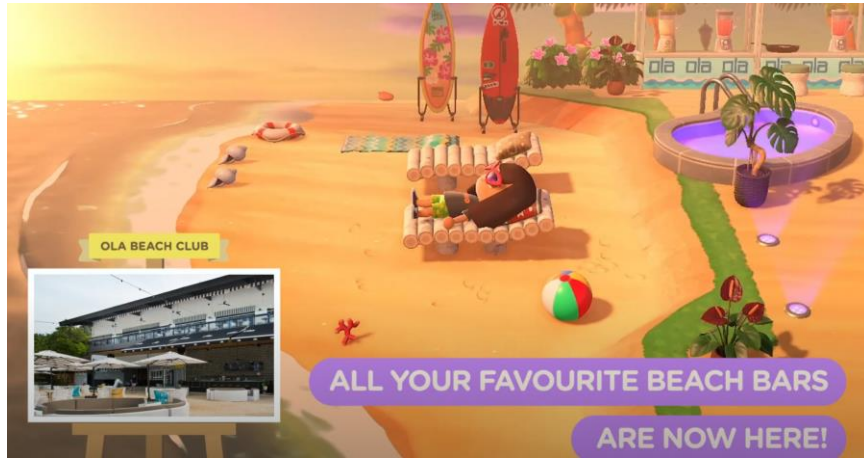
Add support links to your Business Profile on Google



Navigate safely with new COVID data in Google Maps



Example & Takeaways: Animal Crossing Virtual Vacation



“Through our virtual offerings, we would like to encourage everyone to make time for an “island getaway” during these challenging times, as a break is important for one’s mental wellbeing.”

- **Lynette Ang**, Chief Marketing Officer, Sentosa Development Corporation

Example & Takeaways: Virtual Concerts with Wave and Fortnite



Fortnite: Travis Scott Astronomical experience seen by almost 28 million players

The jaw-dropping concert was a truly unique event for the battle royale game.



Oscar Gonzalez · April 27, 2020 1:26 p.m. PT



▶ LISTEN - 01:10



Wave raises \$30 million for superstars to stage virtual concerts

Dean Takahashi

@deantak

June 10, 2020 8:00 AM

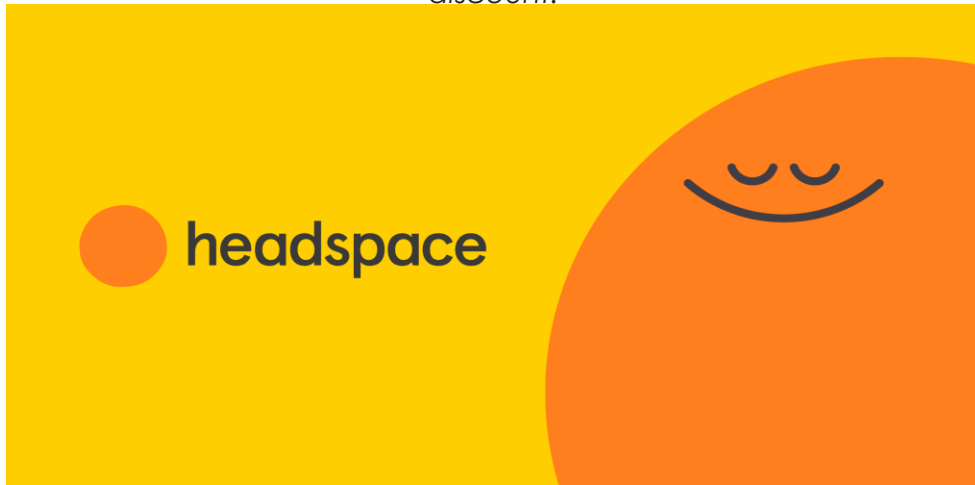
Media



Example & Take-Aways: Virtual Approaches for Employee Well-Being

To better care for employee health, companies are offering mental health and wellbeing apps/software for free. Some companies, like the Bank of Ireland and Microsoft, have engineered their own.

Headspace has emerged as one of the most popular mental health apps being offered through employers for free or at a discount.



The proof is in the science



Less stress

30 days of Headspace lowers stress by 32%, and just 4 sessions reduces burnout by 14%.



More focus

4 weeks of Headspace can increase focus by 14%, and just a single session cuts mind-wandering by 22%.



Easier teamwork

3 weeks of Headspace shows 21% more compassionate behavior, and cuts aggression and reactivity to negative feedback by 57%.



Staff wellbeing

BOI launched a new wellbeing app at the start of the year which can be accessed by staff on their personal devices – a move Elliott describes as “timely”. “We don’t have everyone on bank systems when they’re outside of work and so a huge issue for me has been making sure our people can access the support they need at any time on any device,” he says.

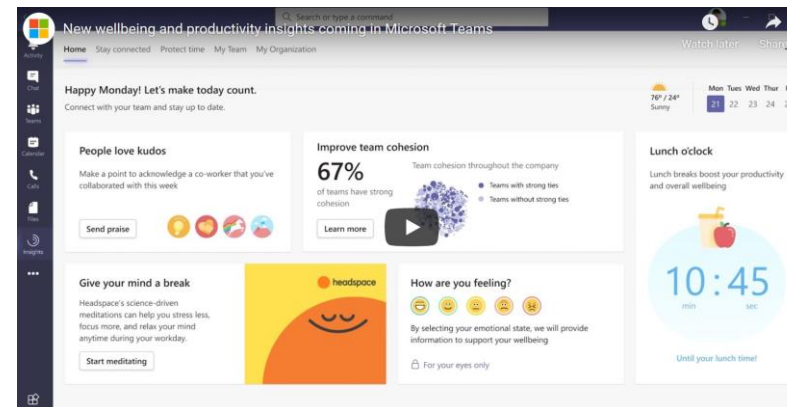


BOI Wellbeing

Spectrum.Life Health & Fitness

Everyone

Add to Wishlist



Introduced several new features through Teams:

- Virtual commute
- End of day “close out”
- Reminders to/assistance in staying connected and protecting time
- Scheduled breaks and mealtimes
- Emotional check-in
- Partnership with Headspace
- ...and more!

Example & Take-Aways: Cleo, Fringe, & The Mom Project

In light of the growing childcare crisis, many companies have started partnering with more flexible benefits platforms like Cleo and Fringe to support working parents. Additionally, Cleo + The Mom Project (and others) created the Invest in Parents pledge, a growing movement to commit to supporting working parents.

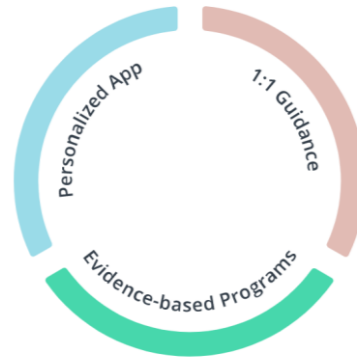
cleo

Why Cleo How it Works About Partner Resources COVID-19 Cleo Care

Making families that work, work

A family benefits platform to pick up where the healthcare system leaves off.

See the Cleo Difference

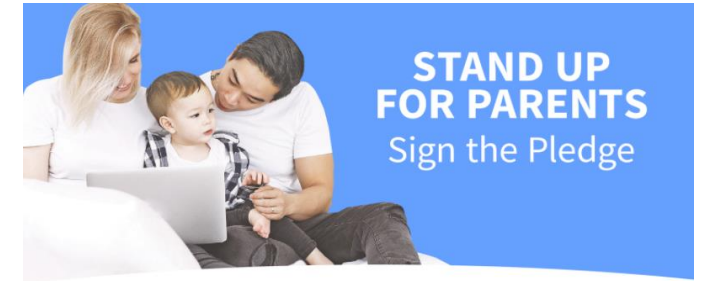


OUR COMPREHENSIVE FAMILY SUPPORT PLATFORM

1:1 Guidance with trusted experts

Evidence-based Programs that drive results

Personalized App with every family benefit in one place



As a Caring Employer,

We pledge to protect the wellbeing of working parents who are stressed and challenged by the COVID-19 crisis. Working parents — particularly working mothers — need our support.

- ✓ We will help raise awareness about working parent challenges.
- ✓ We will support flexible options for working parents.
- ✓ We will support greater access to resources to assist working parents, such as training managers, to better understand the special challenges of working parents and to avoid bias.
- ✓ We will review findings from and/or participate in the Invest in Parents task force to further the cause of helping working parents and their families.

We are proud to encourage companies and communities to help working parents — particularly working mothers — participate in, remain in, and thrive in the workforce.

cleo happiestbaby P L U S THEMOMPROJECT

investinparents.com

#InvestInParents

FRINGE

I Am... How it Works Partners Blog Log in

Schedule a Demo

Free Trial

With Fringe, your employees can pick the benefits they want.

- ✓ Give points to your employees.
- ✓ They pick the services that matter most to them.
- ✓ They enjoy their new benefits!

SCHEDULE A DEMO

FREE TRIAL

Easy as 1, 2, 3...

Gift your employees Fringe benefits in just three easy steps



Step 1: Give Your Employees Points



Step 2: Each employees chooses what they want on the Fringe platform



Step 3: Fringe sends them their benefits!

Example & Take-Aways: Ally Bank and COVID-19

Ally has been made a corporate example by its response to COVID-19, extending medical coverage and leave, financial assistance, mental health and childcare support, as well as well-being modules and challenges to help support its employees.



- “All employees making \$100,000 or less in annual base compensation will receive a **\$1,200 tax-free financial assistance** payment to help cover unexpected costs related to working from home.
- Ally added **100% coverage for diagnostic testing** and the associated visit related to COVID-19.
- Immediate **paid medical leave** for any employee diagnosed with COVID-19.
- **Expanded childcare support**: When daycare or adult/elder care arrangements are disrupted, Ally will cover **30 uses of emergency care**.
- Access to **free mental health professionals**, via phone or text, through the Employee Assistance Program.
- **Free financial planning support**, including access to certified planners and credit monitoring.
- **100% coverage for virtual doctor visits** and online health care services.
- **Paid caregiver leave** for employees caring for an ill family member.
- **Well-being modules and challenges** geared to staying physically and mentally healthy at home”