TECH, MEDIA & TELECOM EDITION
CONSUMER MINDSETS IN THE WORLD POST COVID

fractal

JUNE 19th 2020

PRIMER

The notion of survival has changed dramatically since the early days of humankind. Humans have evolved to live **beyond a constant state of fight or flight.** We have developed meaningful mechanisms that help us process as well as respond effectively to sensory and physical threats.

However, in this uncertain and unprecedented world that we find ourselves in today, our **'emotional radars'** are highly aroused and under-prepared.

The pandemic has created a pervasive and lasting threat, leaving us feeling vulnerable and cognitively drained. The emotions, behaviors and coping mechanisms that best support us through times of heightened distress are therefore brought to the forefront. It is no surprise that this context has triggered a fundamentally **self-preservative** version of us.
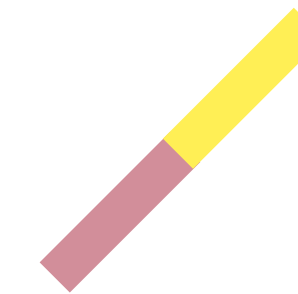
SURVIVAL MODE KICKING IN

A PERSPECTIVE DOCUMENT:
Behavioral Science & Design led approach

It is impossible to make predictions about what's to come. Thus, this report aims to **build preparedness for businesses** in the Covid-affected world by highlighting the possible-durable consumer mindsets and relatedly the industry-focused implications of these mindsets.

Written by the Behavioral Sciences & Design team at Fractal, this report takes a **consumer lens** on rapidly shifting trends; these shifts and needs highlight the **physical and psychological experiences** of individuals during and soon after Covid-19.

The way to build preparedness is to leverage the shifting behaviors and design to address **emerging needs for the new normal.**

Threat Context

The nature of the current threat of COVID-19 can be characterized by the following factors

Looming uncertainty; existing & anticipated

+

Strained resources

Diffused, passive, external

+

Precautions don't assure protection

Lasting, non-episodic

+

Unfamiliar, abstract, unpredictable

Emerging Consumer Mindsets

To breakdown consumer decision-making in this context, it becomes essential to understand the combination of mindsets:

Tunneling: Present & Future

Reduced resources drive a shift from abundance to scarcity as a mindset.

FATIGUED

VULNERABLE

OVERWHELMED

Defaulting to Distrust

Separation increases, driving divisiveness. Personal safety is at risk in all social contexts.

VIGILANT

ISOLATED

SKEPTICAL

Engineering Adaptability

New states of equilibrium are inevitable, as humans cannot live in heightened states of stress over time.

APPRECIATIVE

INSECURE

ACCEPTANCE

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1 **Tunneling :**
Present & Future

There is a certain amount of anxiety and fear that suddenly creeps through your body and your heart races just thinking of what the future is going to be

Scarcity is the feeling of something missing, of resources being less than optimal. The brain focuses attention and primes actions towards optimizing these scarce resource - an effect known as tunneling. When in the 'tunnel', individuals face an inability to process peripheral information even if relevant to them, as it might be irrelevant to the tunnel.

How are individuals feeling?

FATIGUED

Individual goals get rewired to focus on more immediate and outcome oriented decisions

They reduce focus on tasks and activities that don't feel purposeful

They blur out stimulus that feels 'distracting' in an attempt to minimize effort and conserve energy; they are in the pursuit of optimizing all resources

How are individuals feeling?

VULNERABLE

Individuals cannot process a way out of the 'tunnel' and default more to products and services that meet them in the tunnel

Their isolation drives investment / purchase of products that provide a sense of near term safety

Once safety is established, they seek avenues to provide a clear sense of progress

How are individuals feeling?

OVERWHELMED

The current context is highly cognitively taxing. Hence, individuals over-allocate resources on tasks that could be relatively unimportant in the bigger picture

They start to set lower expectations for themselves

They seek interactions to mitigate disappointment, and if this disappointment is not managed over time they could end up with a sustained lower standard for self

It's an interesting setting to understand how designated or accepted authority can be wrong. Governments, WHO - all failing in predicting the state of our society. Everything will have a layer of caution from now on.

2 Defaulting to Distrust

Physical distance drives psychological distance too. As physical interaction is hindered and conflicting opinions prevail, trust-inducing cues will become less available. It becomes harder for consumers to assume positive intent around them and the risk perceived is higher, making them default to distrust across levels of interaction: *person-person, person-state, person-corporate.*

How are individuals feeling?

VIGILANT

There is a need for self-initiated information seeking, as despite heightened precautions, uncertainty prevails

Individuals combine information from multiple sources before taking actions in an attempt to gain a sense of control and semblance of predictability

Individuals make efforts to validate personal beliefs and justify their own decision-making

How are individuals feeling?

ISOLATED

Loneliness becomes more commonplace, as separation from products, people and places one relied on continues

With no real way to assure protection, individuals are forced to apply new heuristics and cues to evaluate safety

Decision-fatigue stems from constant caution. This will eventually reduce precautions in spaces perceived as 'safe' by the individual (when in reality the threat could still be prevalent)
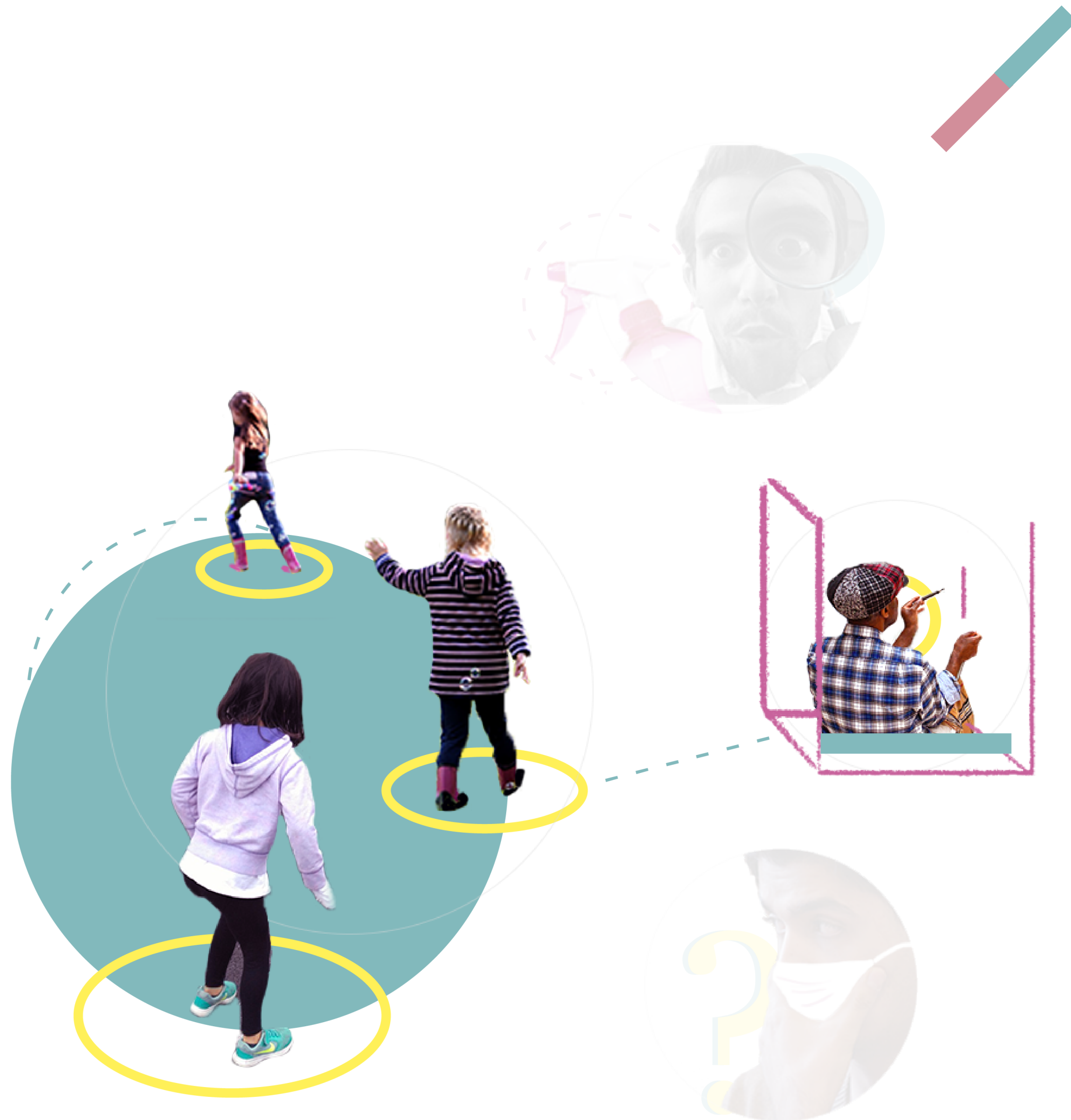
How are individuals feeling?

SKEPTICAL

Individuals grow more conscious of their surroundings, the existing boundaries between self and other grow more defined, and "othering" becomes more common

With lowered visibility into the intent of other's actions, individuals face an underlying need to attribute blame for the circumstances they find themselves in

New-in groups form, especially based on physical or psychological proximity; social validation from these groups significantly impacts individual decision-making

3 Engineering Adaptability

In the face of dramatic change, consumers are forced to make choices based on access, not preference. The criteria of 'essential' comes into question, and people perceive decisions more from the lens of needs, not wants. The changing world forces adaptation - to new products, services and mediums.

"I am using digital means to socialize. Looks like this crisis is going to change the way we live life and we should instead ensure that we don't get into same rut. This is an opportunity to reinvent, restructure, and relieve oneself external pressures of their expectations,"

How are individuals feeling?

APPRECIATIVE

Individuals experience a deep empathy and appreciation for the mundane that was invisible or went unnoticed thus far

Individuals start to develop an affinity for what was previously unused / considered sub-par due to mere exposure and repeated usage

New dependencies emerge; there is a higher attachment towards products and services that help the individual 'sail' through these tough times, as emotional and economic utility is felt

How are individuals feeling?

INSECURE

As individuals continue to long for what was accessible earlier, the limited available options are reframed as 'choices' to aid coping with the new reality

Individuals build positive rationales for what they are forced to use

Their choices are disproportionately influenced by social proof from their in-groups due to the lack of cues that would normally influence their decision making

How are individuals feeling?

ACCEPTANCE

Individuals have a lower capacity and willingness towards discretionary spending; consumers opt for products and services that are positioned as 'life choices' instead of 'lifestyle choices'

Premium in products shift from being luxury-focused to being health-focused

Individuals experience an openness to altering their identity, as they move from discomfort -> resignation -> acceptance. Over time they seek deeper meaning in everyday choices

TECHNOLOGY

Change in physical infrastructure and lifestyles influence expectations from digital experiences. Technology is seen as the 'savior' to solve for many immediate needs of consumers.

1 Be the connector for the socially starved

Provocation

Opportunity

Simulate meaningful shared experiences

Design for not just personal but curated shared experiences that simulate mass environments. Individuals seek to be 'seen' even in collective digital interactions and thus look for spaces that provide the comfort and spontaneity of physical social interactions.

It's the 2021 Superbowl, each team has their own local Food & Beverage partner in place. Fans have been in online queues to for over 8 hours to get their curated "Team snack box", to be double sure that they aren't left hanging at half-time as the in-home crowd cam is turned on.

1 Be the connector for the socially starved

Provocation

Opportunity

Find the FOMO

When feeling vulnerable and insecure, people seek more belonging and validation from their social counterparts. 'FOMO' becomes more wide and faster spread than ever before. Design to give individuals the feeling of being part of a desirable in-group (eg. invite-only products / exclusive spaces).

As things open up, people gear up to jump into the dating circles again. A new dating platform has come up with the 'earth score' that uses peoples' digital traces of the last 3 months to score them on the following parameters: hygiene, altruism, activism and sustainability. Entry and progressing through levels of membership rely on maintaining this score.

2 Set the new benchmark for transparency & responsibility

Provocation

Opportunity

Have a voice, take a stand

Exploitation of privacy will be frowned upon as individuals remain distrustful. Proactively designing to display high social responsibility and transparency drives differentiation and over-time engagement, as individuals seek platforms that represent their social identity.

For the 2020 elections, social media platforms now give users cues to identify content that could be spreading misinformation, hate-speech or prejudice explicitly or implicitly, giving power to the users to further apply that 'filter' when sharing, thus ensuring that outrage doesn't get confused with propagated views.

3 Match digital literacy with more inclusive features

Provocation

Opportunity

Curate propositions for never-before users

The mental model of 'tech averse' populations alter. Companies leverage individuals' adaptability and new-found dependence on technology to drive adoption - new cohorts, markets, potentially for new use cases too. Usability of technology for all is no longer altruistic or nice to have, but a business imperative.

It's time for the school exams in December. As parents get back to regular work, the customizable text, audio and visual settings of on-screen content enable grandparents to remote-in to help their grandkids prepare for their upcoming exams, even if they are miles away.

4 Design to be 'fun'ctional

Provocation

Opportunity

Be the jack of all trades & master them too

The openness for tech in various novel aspects of life influences how personal time gets allocated to balance mindless, mindful, productive and social time online. User expectations grow disproportionately, as the boundaries between what is realistic and fictional have blurred. While adoption is high during the Covid context, retention depends on the product adequately satisfying a gamut of needs, not just one, or they can become quickly redundant.

As new year resolutions are around the corner, a group of employees discuss the DIY skill goals for the next year. The company has great programs, in partnership with many established specialists. Employees no longer have to go out and spend on haircut appointments, or order exquisite desserts for occasions, or even wait around when they have plumbing issues, as over the year they have been incentivized to learn more of these skills. They virtually browse the catalogue for 2021 as celebrations wind down.

MEDIA & TELECOM

A shift in the creation, distribution and fundamental nature of what constitutes quality media will influence consumption choices everywhere. To be relevant in the lives of customers, service providers will have to go beyond connectivity and price differentiation, and in fact become true-to-their-name service providers.

1 Rethink the human element

Provocation

In memory of the BLM protests of 2020, an automated content creator bot crawls the web to find tiktok videos, public Instagram account saved highlights, tweets and Youtube news clips to switch together a 30 minute piece and is overlaid with the 'documentary template' filters for visual aesthetics, music and further produces a shortlist of voice-over artists that would match the tone of the film.

Opportunity

Develop alternate ways of content creation and distribution

Growing pervasiveness of technology coupled with limitations in production could lead to a rise of content created and shared like never before. With more 'regular' individuals becoming sensations overnight, and longtime 'celebrities' sharing more of their everyday lives, the lines between audience, collaborator and creator will start to blur. Ownership, monetization and copyright rules will have to be adapt to match the nature of content being created.

1 Rethink the human element

Provocation

Opportunity

Engineer live audience experiences

Geographical boundaries will now be replaced by technological ones. Real time engagement with content has never been more possible, and thus digital cues will have to substitute and compliment the role of physical feedback from audiences to artists / content creators. This will further impact business models, acquisition, booking and slotting of artists - for instance even embedding ads more seamlessly in programs, in the voice of the curator, as opposed to being a break from it.

It's time for the new season of Love is On The Air - the reality dating show that now allows viewers to suggest matches to the participants in real-time; to be the 'eyes' and 'ears' of the participants and help them make the right choice. A two-way chat exists for participants with their viewers. Each viewer has to commit to one participant to 'back' and 'support' for the show once the first episode airs.

1 Rethink the human element

Provocation

Opportunity

Harnessing likeness of 'celebrities' for new use-cases

The definition of celebrities will be redefined - a gradual increase of the everyday and mundane will emerge, leaving audiences drawing from vulnerability and 'realness' of artists. The opportunity lies in leveraging these hidden aspects of 'celebrities' and finding use-cases for not just their physical selves, but their voices, personalities and avatars. 'Celebrities' are everywhere now, thus allowing for far more than one channel of reaching them.

The next iOS update comes with the exciting promise of customers being able to choose the voice for Siri from a selection of actors, actresses and celebrities that were 2020 audience choice poll. With the functionality of not just setting alarms and scheduling bed time, but also sharing stories to aid relaxation and sleep, the voice of your favourite celebrity speaking to you, will be one ask away.

2 Be the negotiator for the cognitively overwhelmed

Provocation

Opportunity

Facilitate easier choice-making for customers in extended avenues

A good telecom service provider becomes synonymous to better functioning life as productivity, leisure and even connection disproportionately rely on it. As consumers spend more time in home and on platforms, telecom service providers become the enabler, the much needed bridge between customers and the many digital services/ media platforms they are now forced to evaluate constantly.

On activating the 'family service' pack for your household, you receive a home automation start-kit, curated for the size and type of home you have, including smart plugs, sensors, and switches. It also gives you a choice of adding on up to 3 streaming services of your choice, with the same family accounts you have signed up on the pack.

3 Be present when (and where) no one else can

Provocation

Opportunity

Ensure seamless service for mental and physical wellness

The need for 5G is constantly rising, not just because of individuals working from home/ spending more time at home, but because other industries fundamental to their existence - banking, retail, and most importantly healthcare shift overbearingly to digital, not as an option but as the default.

As you plan your travels for the winter holidays, you worry less knowing you can opt-in to the interactive AI service that allows your network provider to give you visibility into all essential services, no matter where you are in the world by connecting you with partners that are on their network - both in your current proximity and in your local residential area too.

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*For further clarification or conversations,
do reach out to us*

"Foresight is not about predicting the future, it's about minimizing surprise"

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Other sectors

Similar to this document of mindsets & implications for Tech, Media & Telecom. Watch this space for industry specific reports for the following:

- **CPG & RETAIL -** Published
- **FINANCIAL SERVICES -** Coming soon
- **HEALTHCARE -** Coming soon