

THOUGHT LEADERSHIP

# What the East Reveals about Recovery

COVID-19   GLOBAL   INSIGHT

GUY WALDING, STRATEGY DIRECTOR AND ANDREW RAYMOND, ASSOCIATE STRATEGY DIRECTOR   01 MAY 2020

China and some of its neighbours (e.g. Korea) are further along in their COVID-19 journeys, allowing us to look eastward for a glimpse into our futures.

On looking at previous crises in Asian markets, China should now be in a steady recovery phase, with pent-up Chinese consumption contributing to 15% GDP growth in Q2. This suggests an opportunity to make use of successful responses to consumer patterns from the ‘containment’ phase. (Source: Bain & Company)

However, some of the patterns in China are different to those we’re seeing in the UK. For example, China has a highly developed digital economy, authoritarian control over the population – which helped containment – and a collective memory of the SARS outbreak. Furthermore, unlike in the UK, they had relatively few cases beyond Wuhan and a central

government which is able to push money into the economy each week in order to prevent economic slow-down. Given these national nuances, our respective paths to recovery will differ in many ways – **but not completely**.

Case in point, China has proved to be a true indicator of media consumption habits under lockdown. Visible shifts to key digital channels were mirrored throughout the world as lockdown laws cascaded. Thus, we can still look to China as a crystal ball for post-lockdown media behaviours, amongst other things.

And what do we see? Shifts in media behaviours, advertising revenue, and consumer attitudes – each with their own set of questions for you to ask in order to best address the specific implications to your business and industry.

Currently, China's media behaviour is rebalancing.

Questions to ask:

How are you shaping media plans to allow for changes in behaviour once we're in recovery?

Have any media channels emerged during lockdown that we expect might retain their appeal when we're back to normality?

Media spend is returning.

Questions to ask:

Media inflation is likely to occur once we're in recovery. What is the best way to approach flighting and budgeting for the rest of the year?

Shopping has shifted to new channels, and categories are being re-evaluated.

Questions to ask:

What will consumer confidence be like in your category? How long will you have to maintain your current strategy before you return to your pre-COVID strategy?

Greater focus on short-term treating after a period of deprivation – from haircuts to travel.

Questions to ask:

Are my operations and my availability poised for a sudden surge in demand? How could my brand help celebrate or welcome back customers to the category?

People are wary of planning for the future.

Questions to ask:

How are my specific audiences reacting to uncertainty? What should this mean you need to be communicating to them?

Many other behaviours and routines, such as going to work, are returning to normal.

Questions to ask:

Which behaviours does my brand rely on? How might these behaviours be affected when we're in recovery? How might this impact points of influence along the purchase journey?

Lockdown has lifted, but the fear of crowds remains.

Questions to ask:

Will increased caution have an impact on your category in the recovery phase? What impact will self-imposed social distancing have on media channels?

Emphasis is being placed on health and wellbeing.

Questions to ask:

How can your brand help instil positive behaviours that are relevant post-lockdown? How can your brand align itself with a more health-conscious lifestyle?

*Read the full report [here](#).*

**COVID-19 GLOBAL INSIGHT**