

Bold Predictions for 2021

We made it to 2021! Last year our predictions welcomed you with a note about the only constant being change. Well, we certainly got that one right.

2020 changed many things. As we now look forward, the biggest question will be what aspects of that change will be permanent or temporary. We offer a few thoughts within.



▶ **You won't measure customer loyalty. They will measure yours.**

The acceleration in adoption of digital interfaces doesn't fundamentally change what makes customers loyal. Value, availability, convenience, service and reliability are still the key drivers. What changes is the transparency the digital experience affords. It makes it easier for customers to measure and judge your ability to deliver against these factors.

The past year has taught more people how to compare prices, see product availability, delivery or appointment times, review returns policies, compare quality of provider and the ease (in most cases) of trying an alternate provider. These rising expectations fueled by mass digital adoption will undoubtedly put pressure on companies who are slow to respond. It will drive a baseline of what a strong customer experience is, however, and that is good news for most of us.

▶ **With more time and data than ever, citizen scientists will be on the rise**

Based on their own life experiences, cause-based passions, and even their own genetic codes, citizen scientists will apply their understanding of analytical principles to drive a tectonic shift in the health sector. Inspired by citizen developers in the technology space and bolstered by the pandemic, medical and healthcare insurance companies will tap into citizen scientists to innovate trial programs, take part in research studies and evolve healthcare at a significantly accelerated rate.

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▶ **New customer experiences emerged quickly and many are here to stay**

During the past year, many innovations appeared out of necessity. Less driven by the ideal experience consumers say they want, and more driven by how to keep business afloat. Brands were forced to evolve. The restaurant figuring out contactless, curbside pickup, or the retailer enabling FaceTime shopping sessions allowing customers to see products virtually, have broadened our thinking about how things “should be.”

Here's what will stay:

Telehealth for applicable categories

This is easier for both doctors and patients in many circumstances.

The focus on local

We've seen strong messaging like “support local restaurants” and “shop local” for years, but 2020 has brought greater visibility to this as we, sadly, watch businesses close. Moving forward, even more so, large national brands will need to show how they are helping local communities, either through community investments or employment.

The new in-store experience

Shop online, pick up in-store, touch-free checkouts and virtual shopping all offer brands, employees and consumers more comfort and convenience. How brands continue to innovate around their “in” store experience will bring a new energy to a historically bland “big box.”

Food delivery

Platforms such as Grubhub, DoorDash, Shipt and Instacart will continue – as 62% of consumers expect to maintain or increase use of them post-COVID-19. While we're all excited to return to relaxed dining inside a restaurant, 57% of consumers expect to dine less frequently in restaurants and bars than they did before. What does this mean? Could we see a new segment of consumer referred to as the “at-home” foodie?

What will we be happiest to see go? The moratorium on hugs and high-fives.

National brands will need to show how they are helping local communities.

▶ **Shopping local will go national**

National brands are going to have to pivot their messaging and fully embrace engaging in local communities. How they build national campaigns that showcase they are local and invested in communities will be the brief for 2021. Franchisee brands have a huge opportunity to Go Local. Consumers today think of many franchised brands as “big brands,” but they are owned and operated by local entrepreneurs. How national brands build out a true local marketing platform is yet to be seen, but with the digital tools and partnership opportunities it's more possible than ever.

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▶ **Businesses are going to rethink their workforce—
from where to who**

At the onset of the pandemic, many businesses large and small were forced to shift to a remote working environment almost overnight. For large organizations with dispersed teams across national or global offices, the tools, technology and operational processes for remote work have been in place for years, making the transition fairly seamless. For other small and mid-size businesses (SMBs), this shift required significant changes in how teams collaborate and operate their businesses. This forced move to remote and dispersed working environments has changed perceptions among SMB executives, and will change how they build their teams in the future.

SMBs have historically sought talent in local markets or acquired talent with the expectation that they will relocate to a central office. By restricting their search, these companies have been limited to the abilities and experience of locally available talent. SMBs have been exposed to the effectiveness of their staff in a remote environment, and according to an Intermedia survey, 57% of SMBs plan to retain or increase remote working options for employees post-pandemic. This shift in mindset will affect not only the existing employee base, but also staffing and recruiting. The ability for SMBs to bring on the right talent for their business, regardless of location, will further accelerate business growth and economic progress.

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▶ **The "shiny object" will move from how to creatively acquire customers
to how to creatively keep customers**

According to a McKinsey study published last fall, over 65% of consumers have shifted their buying behaviors during the pandemic and they intend to incorporate these new behaviors going forward. Brands aren't pivoting their customer experiences fast enough to either take advantage of these new behaviors or hold onto them. The winners during COVID-19 need to take a hard look on "why" they are winning and then work relentlessly to keep their value propositions strong and the shopping experience even stronger. And for those who are losing, they can't hope customers will come back. Customers want value, convenience, availability, quality and purpose. Brands need to pivot hard and make fundamental shifts in their operating models in order to thrive. Those who want to win will take a percentage of acquisition dollars and repurpose them to more nurturing and engagement activities of existing customers. Those customers may not be shiny, but they sure aren't dull.

▶ **Healthcare technology will progress rapidly thanks to willing participants**

COVID-19 has brought many challenges, but it has allowed for progress in many areas of consumerism as well. Grocery delivery increased 500% between August 2019 and June 2020. Zoom usage increased 2900% in terms of daily meeting participants. Target Corporation saw an increase of 734% in curbside pickup. Centers for Medicare and Medicaid Services (CMS) released early data showing that telehealth services in Medicare and CHIP programs increased by 2532% between March and June. Consumers have become much more comfortable adopting services of convenience in ways they would never have considered before.

In healthcare, this paves the path for adoption of medical technologies and tools in a greater way. Healthcare companies are going to take advantage of this willingness to adopt new ways of managing conditions and providing data to Providers. Part of this evolution will include making the technologies available as well as creating an experience that makes the adoption possible and desirable. Insights should be gained from the industries that have been building these 1to1 experiences for years by understanding what customers need, along with how they need and want to receive it. It includes onboarding in a clear and concise way to drive adoption, checking in regularly to remove barriers and provide ongoing reminders for usage, nurturing activities aimed at deepening the connection to the brand and, lastly, becoming a resource for support throughout the relationship.

▶ **Employers will need to work even harder to retain talent**

After a turbulent year, the power dynamics of the office space have shifted. Companies will need more compelling reasons than ‘Friday bagels’ to persuade their employees to come back into the office. With almost 30% of the workforce working from home full-time through the end of 2021, there is still uncertainty looming around what work will look like in the years ahead. Rather than face that instability day-in and day-out, more people will take their chances on a big idea or make career changes (LinkedIn). The industries that were most heavily impacted by furloughs and layoffs, such as travel and hospitality, will continue to grapple with the volatility that the pandemic has created in the job market.

To remain competitive, companies will need to rethink their employee value propositions and make it more enticing for current employees to stick around and for new employees to join the team (ADP). In doing so, they will also need to address dated company policies and align them closer to what work looks like in the new normal—providing more flexibility in schedules, freedom to work in different environments and the technology and tools to continue to get things done wherever they are.

Companies will need to rethink their employee value propositions.



▶ **Newbies are knocking. Lead them outside.**

2020 reminded us what we truly value and appreciate the most is quality time with our closest family and friends. When our usual opportunities to socialize were restricted, people sought new outdoor activities and environments as a way to have meaningful experiences, occupy time and be healthy.

Suddenly the outdoor industry is facing a surge of new customers hungry to try new things to share with their family and friends. These customers are seeking content that inspires, introduces and guides them in learning new activities. Outdoor brands that want to earn customers' consideration and ongoing loyalty will need to refocus and include more tailored content, one-on-one 'how-to' workshops and create interesting partnerships designed to familiarize new customers with the outdoors. Just think what Airbnb, Patagonia and REI could do together for us.

▶ **AI-powered content will rule the kingdom**

Leading into last year, customers had already come to expect personalized, relevant digital experiences on every device, at every moment. Now, after a year where those experiences shifted to first deliver on basic needs then expanded to engage and entertain, that previous expectation has become a demand. Plus, with new channels emerging and more time than ever being spent on devices consuming content, they want more. Adobe states that 47% of marketers say producing content at scale is one of their biggest challenges. But it's not just more content. Smarter, even more personalized. And faster. Because we all saw just how quickly things change and how quickly content becomes out of date or irrelevant.

Given this convergence of content needs from both consumers and brands as well as recent advancements in AI, this is the year companies will fully incorporate AI-powered content in their marketing plans to generate additional content more efficiently and cost-effectively.

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Cheers to an inspiring and purposeful year ahead.

Stay bold,
Margaret Murphy, CEO & Founder



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