

Understanding today's consumers to solve the business problems of tomorrow

Staying ahead of the curve has never been more challenging—or more important.

COVID-19. Racial injustice. Political upheaval and spiraling unemployment. To say 2020 has brought unimaginable changes to consumers' lives is, perhaps, the understatement of our time. And yet, even as these crises continue to unfold, it is apparent that new behaviors and emotions are forming rapidly as people navigate, adapt, and heal.

ML:Next is MullenLowe's new proprietary research that arms brands with the insights they need to plan for the times ahead. The consumer study delves into the macro- and micro-shifts that occur every day by leveraging robust data analysis and modeling to understand how they will shape future actions.

ML:Next asks Americans (aged 18+, U.S. Census matched) critical questions about their well-being and overall life satisfaction. In addition, we ask behavioral questions regarding daily activities, brand interactions, shopping habits, media preferences, and more. Understanding how consumers are feeling, what they are doing, and why, keeps us ahead of what's next, even when everything goes sideways.

Quality of Life Score, Eight Dimensions of Well-being

Wave 2 (W2): July 31–August 10, 2020 | Wave 3 (W3): September 17–25, 2020

1 Conservatives report the highest quality of life.

ML:Next utilizes the Kemp Quality of Life Scale to keep a pulse on the shifting consumer mindset. Quality of Life (QOL) averaged 5.06 on a seven-point scale for this wave, the highest score achieved since ML:Next tracking began in June. QOL is on the rise, with a significant lift over last wave's score (4.87). Nearly half of respondents rated their QOL as a 6 or 7 (7 = "life is great"), showing a greater sense of optimism.

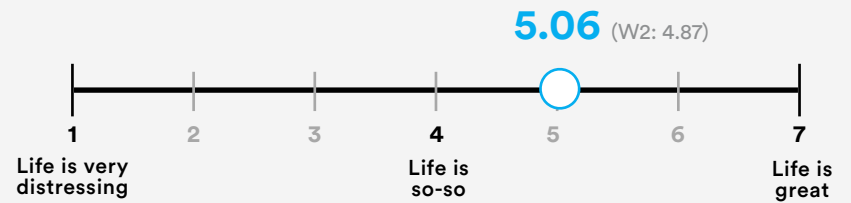
QOL appears to be tied to what's happening with the COVID-19 pandemic. This wave's higher life satisfaction score coincided with a subsiding "second wave" of COVID-19 cases in the sunbelt. Average COVID-19 cases and deaths decreased 30% and 22%, respectively, since the last report (The COVID Tracking Project). Preliminary findings suggest that there is a negative correlation between QOL and the number of COVID-19 deaths—as deaths decrease, QOL increases.

With the election just a few weeks away, we assessed QOL based on political ideology. Conservatives reported a score of 5.34, significantly higher than both moderates (4.93) and liberals (4.99). This difference in QOL aligns with the reported "happiness gap" between conservatives and liberals. Research shows that conservatives report a more positive outlook and greater feelings of optimism and self-worth than liberals (Schlenker et al, 2012).

As brands communicate with consumers subscribing to a wide range of ideological beliefs, it's important to keep in mind the implications beyond party or candidate preference. To effectively navigate what can be difficult territory, brands need to research the audience they are targeting and the context where content will be displayed. Media partners and publishers can provide brands/agency partners with details about their viewer/readership, allowing for appropriate customization of messaging.

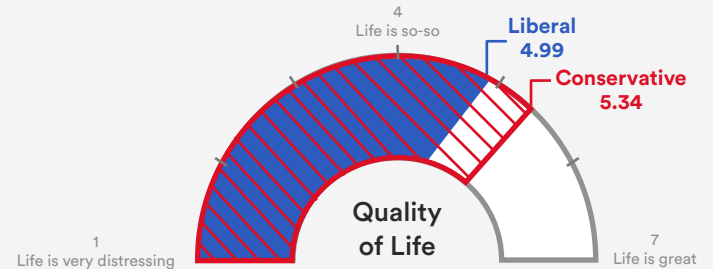
QUALITY OF LIFE SCORE

Q: "Taking all aspects of your life into account, please rate your overall quality of life on the following scale."



CONSERVATIVES' ROSIER OUTLOOK ON LIFE

Q: "Taking all aspects of your life into account, please rate your overall quality of life on the following scale."



2 Why the "happiness gap" matters to brands.

The Eight Dimensions of Well-being framework evaluates different aspects of a person's well-being. This wave, "learning new things" and "sense of purpose" improved directionally (+5pp and +3pp, respectively). These lifts are not statistically significant, suggesting no single dimension plays an outsized role in the QOL improvement.

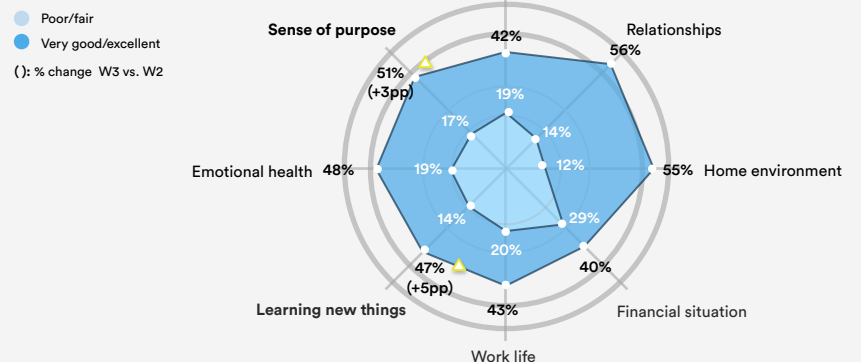
Our model shows that political ideology is a significant predictor in five of the eight dimensions, above and beyond common demographic predictors (e.g., age, gender, income). This suggests that some characteristics of being politically conservative yield a more positive view of one's emotional health, work life, sense of purpose, relationships, and home life. As a respondent's ideology becomes more conservative, they rate the five dimensions more positively. The average ratings by conservatives were significantly higher than liberals, further validating this marked ideological difference.

What's clear is that ideology has a powerful influence on people's outlook. Our model not only highlights that influence but remind us of the differing ideological principles that drive the "happiness gap" (Schlenker et al, 2012). If conservatives perceive their lives as matching up to their ideals, then they are more likely to rate their current outlook positively and be resistant to change. Liberals perceiving a gap between their current situation and their ideals are less likely to rate their outlook positively and therefore desire change.

The implication for brands, then, is to be tuned into the ideological beliefs of their target consumers and develop comms strategies that thematically align. So, for more conservative consumers, themes such as tradition and stability may be especially resonant. Brands with a liberal audience, on the other hand, should consider incorporating themes of change, progress, and flexibility into their comms strategies.

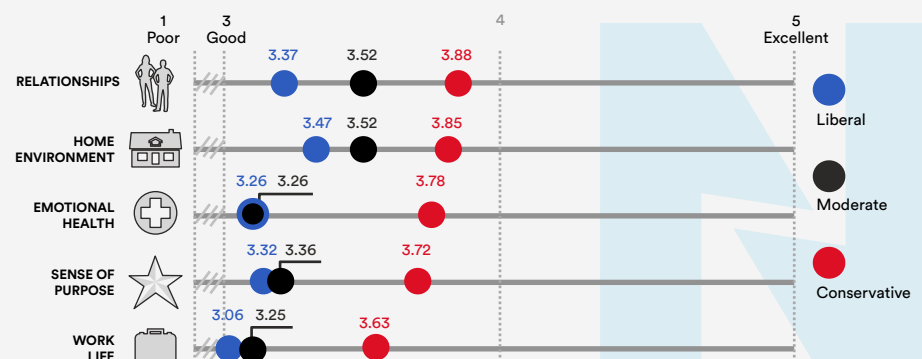
EIGHT DIMENSIONS OF WELL-BEING

Q: "At this current time, how would you rate your...?" Scale: 1 (poor)–5 (excellent)



IDEOLOGICAL DIFFERENCES ON KEY DIMENSIONS

Q: "At this current time, how would you rate your...?" Scale: 1 (poor)–5 (excellent)



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Spotlights: Brands Encourage Voting, Big Tech's Popular Role

Brands are getting out the vote. How they could be doing more.

Whether you're scrolling through social media or catching up on your favorite series, it's hard to miss the many brands—Uber, Nike, Postmates—joining the election conversation. The message is most often focused on getting out the vote, with companies making substantial investments in ads trying to get Americans to the polls. And it appears to be resonating—56% of consumers recall seeing a company or brand encourage voting this election season.

Consumers are making it clear that many brands have permission to participate in major social issues of the day. Americans support brands' getting out the vote messaging, with 40% stating it has a positive impact on brand favorability and over a quarter saying they would purchase more from the brand. An even larger number (45%) believe it is a company's duty to encourage its customers to vote. It's a win-win for brands to grow affinity among consumers while also doing a public service.

So perhaps the real question is, should more be done? Building on the energy and urgency of the current cycle, brands are well-positioned to encourage voting in non-presidential elections too. In the U.S., election turnout is around 20 percentage points lower in off-year cycles (MIT Election Lab). Brands should heavy-up spend in off-year elections to increase awareness about the importance of having your voice heard at the state and local level. The truth is that locally elected officials determine budgets, resource allocation, and local policies that have a great impact on citizens' lives. To scale their impact, the boldest brands can target communities with the greatest voter disenfranchisement, support voting rights legislation, and provide paid time off to employees on election day, just to name a few.

Silicon Valley goes all-in on voting advocacy in 2020.

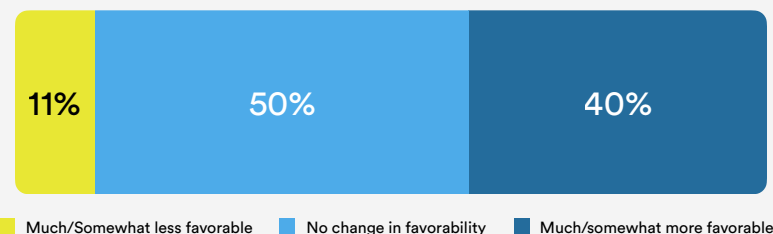
Chances are you've seen at least one ad from Google or Facebook encouraging voting this election cycle. Facebook, in particular, is investing heavily in their voter turnout initiative, which includes a voter information hub, "Vote-A-Thon" programming, and an impressive voter registration operation. All of that is accompanied by a massive ad buy to raise awareness of the program and earn some goodwill with consumers. Among respondents wanting only certain organizations to encourage voting, technology companies rate the highest. Fifty-three percent state it's appropriate for them to advocate voting, more than charities and NGOs (42%). This sentiment is strong among ideological moderates (64%) and weak among those under age 35 (42%).

The emergence of technology companies as leaders on this topic is interesting and unexpected. Given that big tech and Silicon Valley have been under so much scrutiny about spreading misinformation, election meddling, and their disproportionate influence over people's lives, one might not expect such a high level of endorsement from consumers. In actuality, these results may reflect their ubiquity—big tech may simply be more visible in its voter turnout efforts.

In the years after 2016, technology and social media have become deeply intertwined with voting and elections. The malicious ways in which these mediums were used to influence voters is widely known and still quite salient. Before brands wade deeper into the conversation, they must understand the level of permission they have to do so. That means closely tracking brand health metrics, in the short and long term, paying particular attention to skeptical groups for any signal the brand has stepped out of bounds.

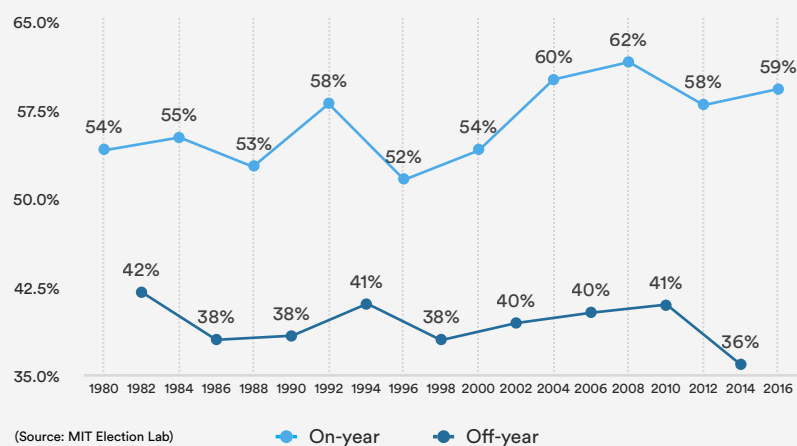
VOTING ADVOCACY HAS POSITIVE BRAND IMPACT

Q: "If your favorite brand encouraged people to get out and vote in the 2020 presidential election, how would this impact your favorability towards the brand?"



LOW TURNOUT IN OFF-YEAR ELECTIONS

Voter Turnout as a Proportion of Voting-Eligible Population



SECTORS CONSUMERS WANT TO HEAR FROM ABOUT VOTING

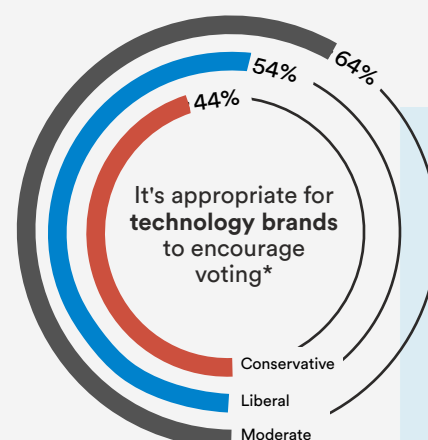
Q: "Which of the following types of companies/organizations do you feel it is appropriate for them to encourage voting in the 2020 presidential election? Select all that apply."



Among those who somewhat/strongly agree that only certain companies should encourage voting

MODERATES MOST SUPPORTIVE OF TECH SECTOR

Q: "Which of the following types of companies/organizations do you feel it is appropriate for them to encourage voting in the 2020 presidential election? Select all that apply."



*Among those who somewhat/strongly agree that only certain companies should encourage voting

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Spotlight: The Weight of this Year's Election

A high stakes election? It depends on who you ask.

There is little question that this election has triggered a sense of urgency and consequence felt across the country. Seventy-eight percent of Americans state that voting in the 2020 election is a high or very high priority. We set out to investigate concern over free and fair voting access, the importance of the election, and priority of voting.

Two categories of people emerged based on the intensity of response: a high stakes and low stakes group. The high stakes group is concerned with a free and fair election, likely related to their view that the election is important and a top priority. The high stakes group leans more liberal, while the low stakes group leans more conservative. This data supports what can be felt in society—liberals feel they have more to lose with President Trump's reelection. Fear of this loss is driving liberals to feel anxious (30%) and pessimistic (16%), while conservatives feel hopeful (46%) and optimistic (37%).

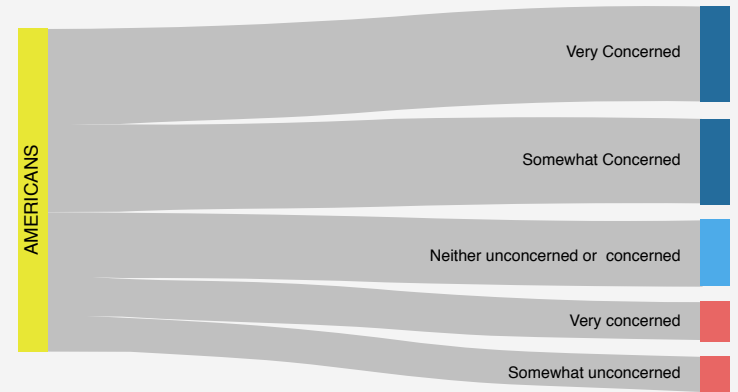
There may be a hidden element explaining different voter motivation levels—loss aversion, or the principle that people hate losing more than they like winning. We can infer that liberals are experiencing loss aversion more than conservatives based on the fear of unfair elections, the high importance placed on voting, the high priority placed on the election, and the experience of more negative emotions.

Driven by loss aversion, liberals are already primed to act and require less encouragement to get out and vote, making them more responsive to political ads. The theory of loss aversion would say that conservatives, who seem to be experiencing less loss aversion, will ultimately end up less motivated to vote. As a result, conservatives may need a firmer push, in the form of greater ad investment, to get to the polls.

The principles that underlie psychology also underlie advertising. Consumers experiencing loss aversion are riper targets for marketing activation than those not experiencing it. With this knowledge, marketers can be better equipped to make smart investment and strategic messaging decisions, ultimately driving better outcomes for their brand(s).

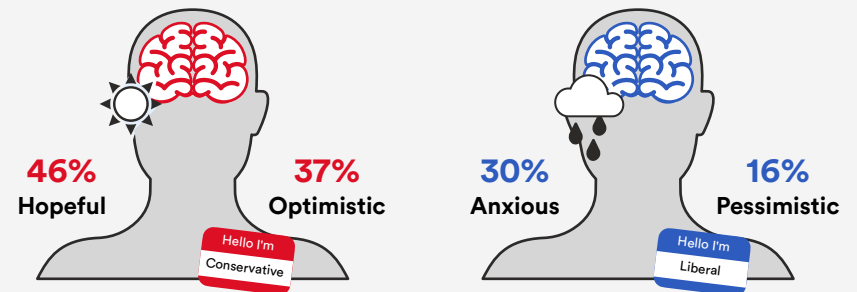
SIGNIFICANT CONCERN OVER FREE AND FAIR VOTING

Q: "Please rate the extent to which you are concerned about having free and fair access to voting in the 2020 presidential election on November 3, 2020?"



EMOTIONAL STATE OF CONSERVATIVES AND LIBERALS

Q: "From the list below, what are the top phrases that best describe how you are feeling right now?"



Coming up Next

Navigating the Holidays in a Pandemic
The Value of Things and Experiences