

MARKETING

Consumers will be guided by emotion in 2021 decisions: Forrester

October 19, 2020



Cruising is expected to see a resurgence in interest in 2021 when people are allowed to come back on board, Forrester Research suggests. Image courtesy of Cunard

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This year's chaos means emotion will play more of a role in people's decisions in 2021 as the wealthy look to fortify their homes and draw new boundaries between public and private.

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Per Forrester's "Predictions 2021: Consumer" report, the affluent will emerge even more prosperous from the crucible of COVID-19 as they expand their homes and living spaces while their poorer peers suffer public health, economic and social difficulties. As a result, chief marketing officers must study the zeitgeist to understand why 2021 will be difficult for brands to navigate.

"CMOs should read our predictions to understand how the crises of 2020 will lead to a year of further fragmentation among already-divided consumers and tension for brands," wrote the Forrester analysts.

Report in detail

Next year, Forrester expects consumers will begin to draw new boundaries around and give new meaning to their communities. Indeed, this year's social isolation is forcing consumers to find new types of interaction that lead to new definitions of what is "public" and what is "private."

In 2021, public gatherings will still require social distancing. More concerts, for example, will be hosted in the style embraced by Virgin Money's Unity Arena in the United Kingdom which permitted people to attend a live concert in socially-distanced five person pods.

"CMOs must understand the new dynamics of "public" and "private" experiences so that their brand can facilitate creative gatherings that meet consumers' need for human interaction and connection," wrote the team at Forrester.

People's fear of crowds will also linger longer than the pandemic and strained public school systems will encourage the wealthy to pay for private schools, as well as tutors and additional childcare. Affluents will also continue to move to the suburbs and to rural areas in droves on the hunt for space for their families.

"Consumers who can't afford to access educational alternatives, work remotely or repurpose their living space will

struggle," wrote Forrester's analysts. "Work and domestic roles will collapse; the internet will form a lifeline; and mounting anxiety will stymie economic and social progress."

Those who begin 2021 with little baggage, meanwhile, will channel their pent-up desires into thrill-seeking to make up for the deprivation brought on by the pandemic. For instance, Carnival Cruise lines saw its customers shatter pre-pandemic booking benchmarks within a week of announcing its service would resume.

Looking at regional differences, it is interesting to note that only 38 percent of American adults online are confident of a post-pandemic recovery compared to 61 percent of their counterparts in China. Indeed, "Brand USA" is undergoing something of an existential crisis.

"As consumers become highly sensitive to brands that improve local well-being and influence national pride, CMOs must determine if and how their brands should signal solidarity through their company values," noted Forrester.

Lastly, the rise of computers and virtual reality means that consumers will turn next year to new forms of leisure; this means brands' marketing teams will be able to offer advertising in creative forms. Roughly 27 million viewers attended a virtual Travis Scott concert hosted by the rapper on the gaming platform Fortnite, while over 2 million people signed up for The Weeknd's virtual concert via TikTok, Forrester noted.

Forrester in focus

The coronavirus pandemic is far from over, but Forrester is of the view that it has fundamentally changed the worlds of business and technology in ways that will resonate for years to come.

In a report last month, the consultants identified macro trends that this "new, unstable normal" will likely usher in over the next several years. Among the shifts are increased tensions between privacy and surveillance as governments turn to private data and contact tracing to contain the coronavirus and other diseases ([see story](#)).

Additionally, while consumers stay closer to home during the ongoing coronavirus pandemic, many have made smartphones their primary digital devices and brands should adjust their marketing to meet this important shift.

Forrester forecasts mobile spends will account for 64 percent of digital ad spend across search, social, display and video in 2020.

This does not mean that all brands should invest in mobile advertising without a plan, however. The likelihood of consumers purchasing products or services through smartphones should help determine spending on mobile ads ([see story](#)).

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