



2020: The Year of Gratitude?

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The goal of every brand is to create positive emotional experiences that deepen the brand's relationship with its customers or buyers. One of the most powerful, yet not easily attained emotions is **gratitude**. Academic research has shown that evoking gratitude across customers or buyers leads to valuable behavioral outcomes such as positive word of mouth or recommendation (Soscia, 2007) and increased purchase intentions (Palmatier et al., 2009). Eggert et al., 2015 further confirmed that gratitude fosters commitment and enhances loyalty.

Yet, somehow, try as they may, evoking gratitude is a challenge for most brands.

Decooda's research into emotions shows that experiences rarely evoke gratitude among more than 5% of a brand's customers. Yet, the experiences that evoke gratitude have a disproportionately positive impact on future behavioral intent. Evoking higher levels of gratitude among customers should be a goal of every brand and company; yet it is much easier said than done.

Early in 2020, as the country began to quarantine, our emotion algorithm detected an increase in gratitude across our CX related research efforts. This pattern of increase continued throughout all our 2020 CX related work. Given the COVID-19 Pandemic of 2020, perhaps it is not particularly surprising to see increases in gratitude among customers – after all the entire planet required extra help in 2020! However, the increase does shed some light on how brands can create experiences that evoke gratitude in a post COVID-19 world.

Back in the early spring of 2020, Decooda conducted a series of surveys focused on people's experiences during the COVID-19 pandemic. Each of the surveys posed three "Imaginative Questions" to 500 US respondents. The three questions were specifically created to explore people's daily lives while in quarantine, understand what some brands did to go above and beyond for their customers and conversely what other brands did to let customers down.

Decooda's Imaginative Questions are open-ended questions designed to elicit engagement, verbosity and emotional responsiveness from respondents. While typical survey open ends yield 12 to 15 words, Decooda's Imaginative Questions average about 50 words. For this series of surveys about pandemic experiences, the average across the three Imaginative Questions was 100 words. Respondents were clearly very engaged! Our proprietary machine learning, AI and cognitive approaches were used to extract the "what," the "why" and the emotions from people's words.

We asked respondents to name a brand or company that went above and beyond to improve their experiences during the pandemic and then to describe their experience. Conversely, we also asked them to name a brand that let them down and then to describe that experience, too. This was then followed up by asking NPS for both brands.

Below are the collective NPS scores for the brands that went above and beyond and the brands that let people down. From these two data points alone, it is evident that brands that went above and beyond deepened the connection with their customers. While the actions of those brands that let people down will likely not be forgotten soon.

Collective Experiential NPS of Brands During the COVID-19 Pandemic (March 2020 thru May 2020)

Brands Going Above and Beyond

73



Brands Letting People Down

-85

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Our emotion algorithm showed the brands that customers identified as going above and beyond evoked gratitude. In fact, they evoked a whole lot of gratitude! Our emotion algorithm **detected gratitude from a whopping 94%** of people as they talked about a brand that went above and beyond for them during the pandemic. Brands that let people down, on the other hand, evoked anger and frustration among an average of 61% their customers (versus 15% in 2019).

We noticed an uptick in gratitude across all 2020 CX related Imaginative Questions. Gratitude was evoked, on average, by 32% of respondents (up from 5% in 2019). **Indeed, there is a market shift in standard emotional responses to brand experiences in 2020.**

Our exploration of NPS illustrates that how brands interact with their customers is more critical in 2020 than ever before. Yet so many brands are struggling to appropriately navigate the pandemic. For example, at the outset of the spring quarantine the airwaves were saturated with a sea of advertising sameness as brands scrambled to tell consumers they were “in it with them” and “there for them.” Many brands even used the same dramatic stock music score in their advertising. However, many other brands just stayed the course; doing little to change how customers experienced their brand.

So, what is behind the increases in gratitude? And what will the implications, if any, be for a post COVID-19 market? As we explored the data to understand why, we were struck by a few human dynamics that we have not seen before.

Pervasive and Consistent High Arousal, Negative Emotions Among People.

The intensity and consistency of negative emotions revealed when people talked about their daily lives during the pandemic was palpable. While we certainly expected to see negative emotions, the intensity of negative emotions was surprising and, even, alarming. Our research showed that over the three months we surveyed (March thru May), people in the US felt some combination of fear, anger, frustration, and sadness daily. Imagine that, for at least three months, although likely longer, most of the people in the United States felt intense, negative emotions **every, single, day**. As we wrapped up our series of pandemic surveys in May many people described a feeling of numbness and concern for their mental health.

Over 50% of our respondents exhibited fear throughout our pandemic research. The fear was driven primarily by concern that they, themselves or a family/pod member might contract COVID-19.

Gratitude “arises when an individual (beneficiary) perceives that another person (benefactor) or source (e.g. God, luck, fate) has intentionally acted to improve the beneficiary’s well-being” (Fredrickson, 2004, p. 150).

Brands that knocked it out of the park quickly invested in the health and safety of each individual customer. They showed that they cared for the individual and, by extension, their family or pandemic pod. For example, ‘their service was personalized’, ‘they offered special hours for the elderly’, ‘they placed limits on product purchase to ensure that everyone could obtain necessities’ or ‘they provided a little financial help for customers struggling to make ends meet’. These brands touched people’s hearts during a time of need, evoking gratitude.

Conversely, brands that missed the mark, were not quick and agile enough to adapt their experience, leaving people feeling unsafe and evoking extremely high levels of anger and frustration.

In 2020 brands demonstrating loyalty to their customers and keeping them feeling safe and secure during these extraordinary times are deepening relationships by evoking gratitude.

Maslow's Most Basic Physiological Needs at Risk

Along with preparation for and navigation of daily life during the pandemic came a profound concern for access to the most basic items necessary for survival.

Shopping for necessities was stressful. People venturing out to shop had to take extra safety precautions, experienced hoarding, empty shelves and price gouging for basic necessities such as food and hygiene supplies. While toilet paper became the subject of many memes, the outages were very real and very upsetting for people.

As unemployment rose life's most basic necessities such as food, shelter, and health were suddenly in peril. Many people faced financial challenges. For those who had been laid-off the situation was often dire. Too often the stimulus checks were simply not enough to make ends meet. Even those fortunate enough to retain their jobs felt an uneasiness about the future and began to prepare for the worst.

The stress also took a toll on people's health as many people went without basic healthcare – annual check-ups, mammograms, elective surgery and dental care. By summer, many people expressed concern for their mental health and wellbeing.

During this stressful time, some brands came through for people. These brands showed their customers loyalty during their time of need. They 'placed product limits on high demand items', 'created a safer shopping environment for customers', 'offered special discounts', or 'deferred payments for a few months.' These brands evoked gratitude. People felt these brands cared about them as an individual.

However, some brands were not as focused on the customer and let the hoarding go on. Some brands even raised their prices and were slow to get product to market. These experiences evoked more anger, frustration, and disgust. These intense emotions will not soon be forgotten.

The Need for Human Connection

In this year of quarantine, working from home, home schooling, restaurant take-out and restrictions on businesses people hunkered down at home and had little contact with other humans. Brands that found new and safe ways to connect their employees with customers evoked gratitude.

For example, brick and mortar retail outlets going above and beyond for customers charged employees with helping customers safely and efficiently navigate the shopping journey. Actions as simple as a socially distanced and masked greeting and offer of help evoked gratitude among customers. Additionally, 'real-time disinfection of shopping carts', 'dispensing hand sanitizer', or 'help navigating the store' were appreciated by shoppers.

Financial service brands that helped ease the concerns of people overwhelmed with the new normal also tapped into gratitude. People were grateful for ‘call centers with personalized support’, ‘call center agents helping to revise payment plans’, and ‘financial advisors who took extra time to understand and adapt to shifting financial needs.’

Services brands that went above and beyond to personally help people navigate their finances tapped into gratitude. People struggling financially often had the difficult task of calling their creditors to request financial assistance. The companies that had people answering the phones, didn’t leave people on hold and worked with them to ease their situation evoked gratitude. The concession did not have to be large; just enough to show they cared and alleviate some of the burden.

No doubt 2020 will become Customer Experience lore in the years to come. But the lasting impact of our 2020 experiences remains to be seen. Will more brands figure out the secret to deepening relationships by evoking gratitude? Will they understand that loyalty is a two-way street? Will they recognize the importance of substantively helping customers during a time of need? Will they realize the importance of human connections? Will they realize their customers’ wellbeing leads to their own wellbeing?

As the world returns to some semblance of normality evoking gratitude will likely again be a challenge for brands – but as 2020 has shown, it can be done. The key will be keeping a pulse on how your customers think and feel and responding appropriately to their needs. Only brands that consistently and broadly listen to their customers’ words will be able to create positive emotional experiences that evoke gratitude and deepen relationships with customers.

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About Decooda

Decooda delivers the facts that inspire every level of an organization to embrace a culture of aligning to the needs of the customer to understand each customer's state-of-mind in real-time.

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