



Why Habit Formation Research Should Guide Your Brand Strategy

MATERIAL+

Habits have always been—and will always be—a central aspect of consumer behavior.

To say we're living in an age of ongoing disruption is ... an understatement. Even before the COVID-19 pandemic, developments in technology were driving significant behavior change. Then the pandemic hit, and the consumer landscape changed in ways we're only beginning to grasp.

What's coming next? We can't predict everything, but habit formation research can help us anticipate how consumers will adapt to their new circumstances, adopt new habits, and, perhaps, double down on the habits they hold most dear.

In this ebook, we'll outline how to use habit formation research to maximize your brand strategy.





Habit Illumination provides a framework for delving into consumer habits and uncovering rich insights for brand prosperity.

Material's Habit Illumination™ brings to light the forces that influence existing or emerging habits in your category to craft a proactive strategy that builds upon rather than fights against behavior.

Do you need Habit Illumination? If you're trying to answer one of these questions in your category, you might.

- ✓ What factors influence the habits in my category?
- ✓ How can I make habits around my product stronger?
- ✓ How can I influence habits in my category?
- ✓ Is my product or category vulnerable to disruption?
- ✓ Will consumer behavior go back to "normal" after the pandemic?
- ✓ What habits involve my product or brand?
- ✓ How habitual is the use of my product relative to others in the competitive set?

A man with dreadlocks is shown from the chest up, leaning over a kitchen sink and washing his hands. He is wearing a dark t-shirt. The kitchen has white subway tile walls, a black faucet, and a black light fixture. A woven basket is on top of the refrigerator in the background. The overall lighting is soft and natural.

What is Habit Illumination?

Material's Habit Illumination is a strategic research approach that leverages the science of habit formation to quantify the strength of category habits and guide recommendations to adapt, disrupt, and evolve consumer behavior.


Habits are formed over time when a behavior and a cue (that prompts the behavior) are paired together repeatedly with reinforcing outcomes.

By understanding how to create more of the habits we want, less of the habits we don't, and disrupt the habits that benefit our competitors, we can develop strategy and marketing that builds upon rather than fights against consumer behavior.



How does Habit Illumination work?

Our standard quantitative approach allows you to profile 4-5 category behaviors to understand:




Habit Strength

- What factors influence the habits in my category?
- How can I make habits around my product stronger?



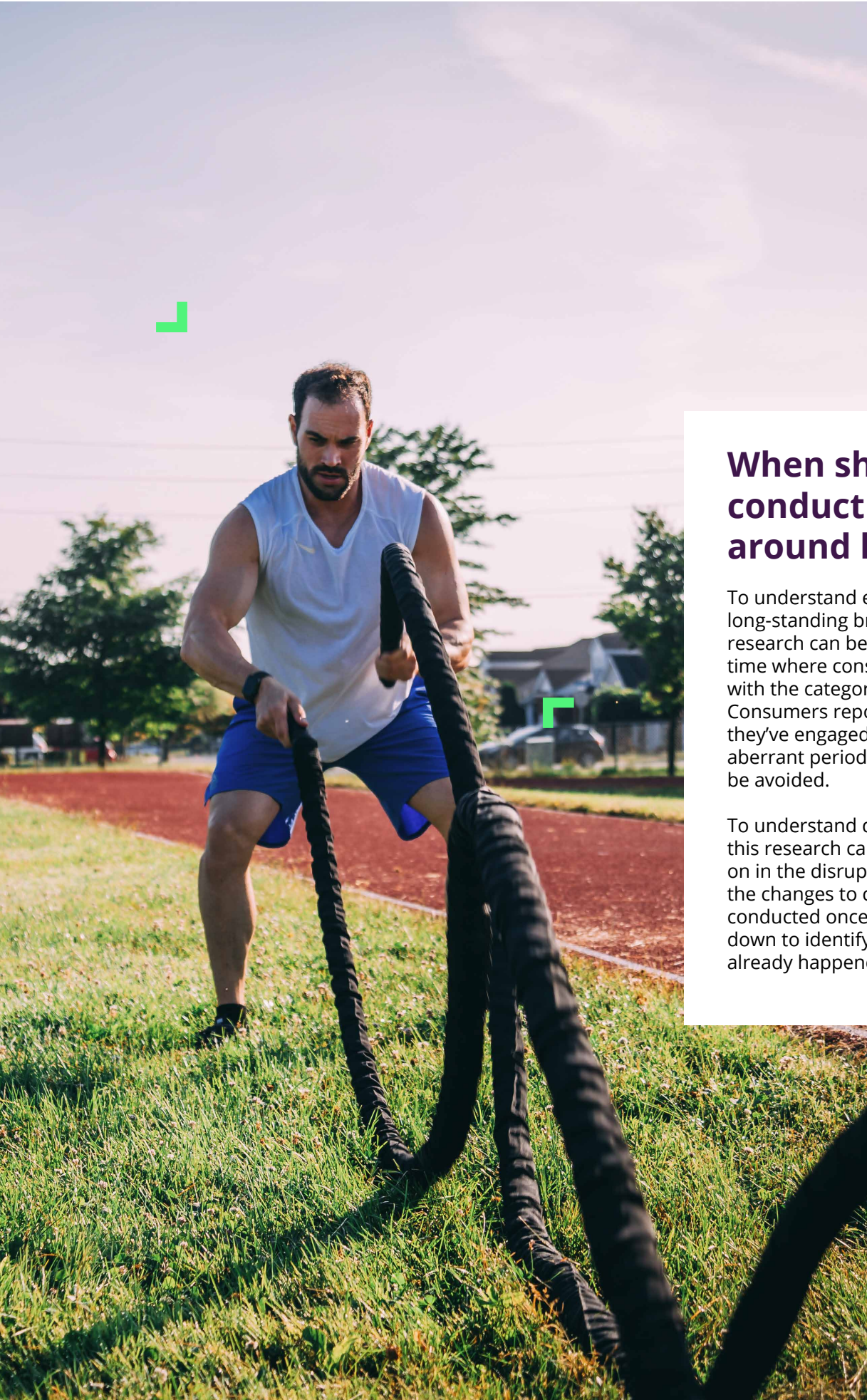
Habit Modification

- Which benefits or pain points most influence your habits' "stickiness?"
- Do your consumers want to keep their habits the same, or are they looking for a new offering?



Habit Strategy

- Develop behavioral science-backed strategy to adapt, disrupt, and evolve consumer habits based on current consumer behavior.



When should you conduct research around habits?

To understand established long-standing brand habits, this research can be conducted at any time where consumers are engaging with the category in their typical ways. Consumers report on recent times they've engaged in each behavior, so aberrant periods or seasons should be avoided.

To understand disrupted behaviors, this research can be conducted early on in the disruption to help predict the changes to come, or may be conducted once things have settled down to identify the shifts that have already happened.



Understanding your customers' new habits can help you plan for future success.

Every company faced unique challenges during the pandemic. Depending on your situation, you may need to Adapt, Disrupt, Recover, and Reimagine.

Adapt

Brands that have experienced increased demand due to the pandemic need to focus on retaining existing customers while also growing share and maintaining new habits.

Disrupt

Brands and categories that have evolved over the past year can identify opportunities to meet new demand and shift category perceptions.

Recover

Categories that have quieted or shut completely during the pandemic need to focus on reinstating old brand habits and avoiding losing share.

Reimagine

Industries that have experienced massive shifts in demand should identify white space opportunities to meet the needs of the future.

Adapt

Brands that have been fortunate enough to experience a boom year due to the pandemic have been struggling to adapt and meet new demand. When faced with increased demands, brands need to focus on areas that hold the most long-term promise.

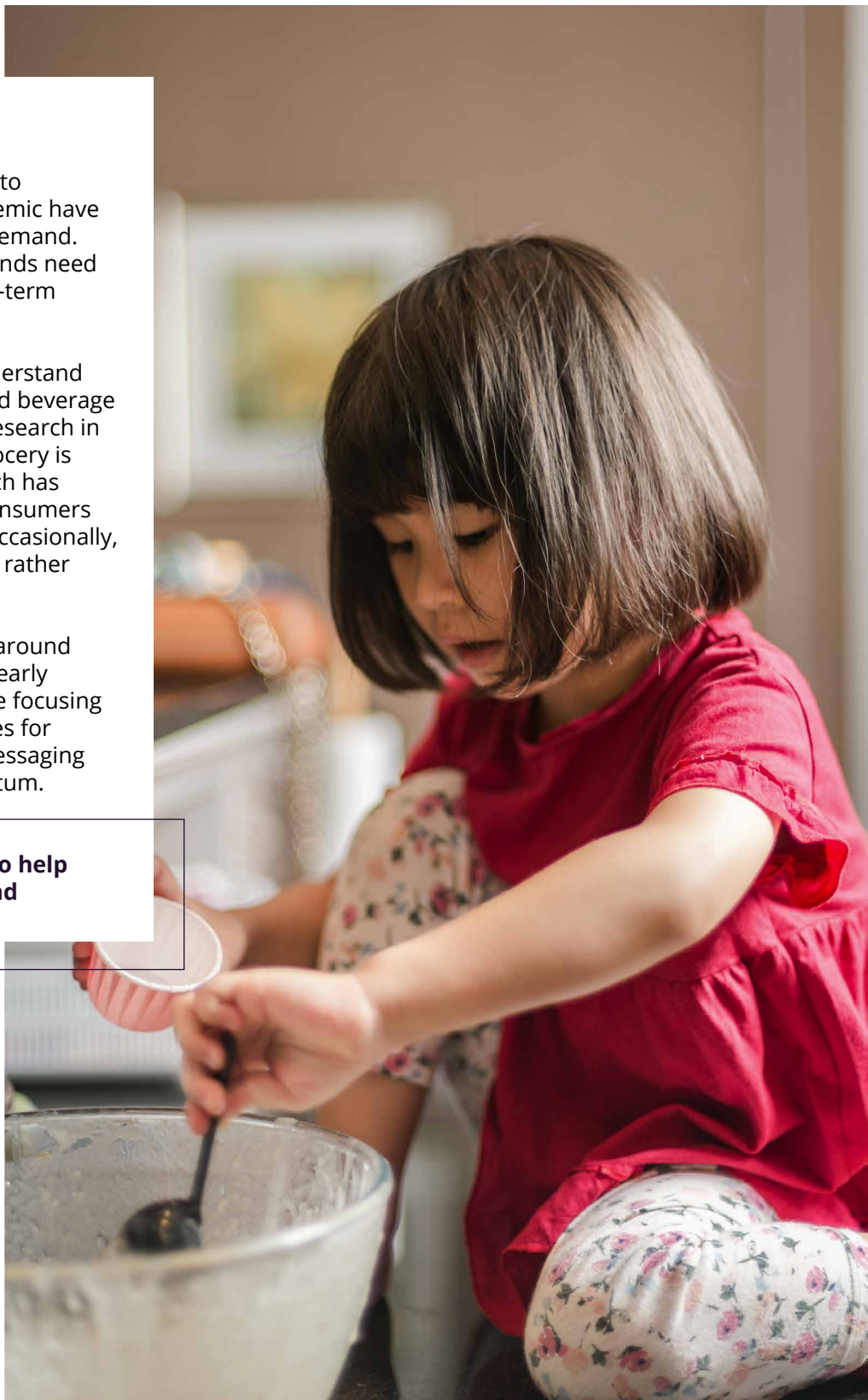
In 2020, we partnered with Google to understand and predict which changes in the food and beverage space had the most staying power. Our research in June of that year predicted that online grocery is here to stay, and our more recent research has supported this finding. The majority of consumers are sticking with online grocery, at least occasionally, due to the time savings and convenience, rather than pandemic-specific safety concerns.

As we settle into the new normal, trends around cooking and healthy eating are replacing early trends toward indulgence. Consumers are focusing on the long-term, presenting opportunities for early-pandemic winners to adapt their messaging and strategy to continue to build momentum.

Find out more about the work we did to help Google adapt to changes in the food and beverage category.

How can you focus your research?

1. Identify areas of promise by measuring what reinforcers—or benefits—are linked to the strongest habit formation.
2. It may be tempting to capitalize on short-term habits that became wide-spread during a time of disruption, but you can't expect those conditions to persist long-term. Because these habits were formed as a reaction, they are very open to being disrupted again.





Disrupt

Many brands had to shift their strategy to overcome stay-at-home mandates and forced closures, which have disrupted traditional shopping habits. This disruption provided fresh opportunities to consider consumers' underlying needs.

Our retail and beauty partners were heavily affected by COVID mandates that disrupted the traditional purchase journey around touch and try-on of products.

To overcome these limitations, our retail partners conducted research to help understand the stickiness of new purchase channels and emerging needs along the shopping journey. Consistent with our research, digital and online has been a huge boon for retailers utilizing augmented reality and expedited delivery to provide exploration from the comfort of home.

Brands will need to be able to pivot and meet the evolving consumer mindset.

How can you focus your research?

1. Consider: if new category habits have formed due to COVID-specific needs, can you shift habit associations to more permanent needs?
2. Behaviors that look strong now may be vulnerable to disruption if consumers' needs aren't being fully met. Combining an understanding of their behaviors and their attitudes will help identify where new opportunities lie.

Recover

Industries that faltered during the pandemic must reconnect with their old consumers while bringing in new ones.

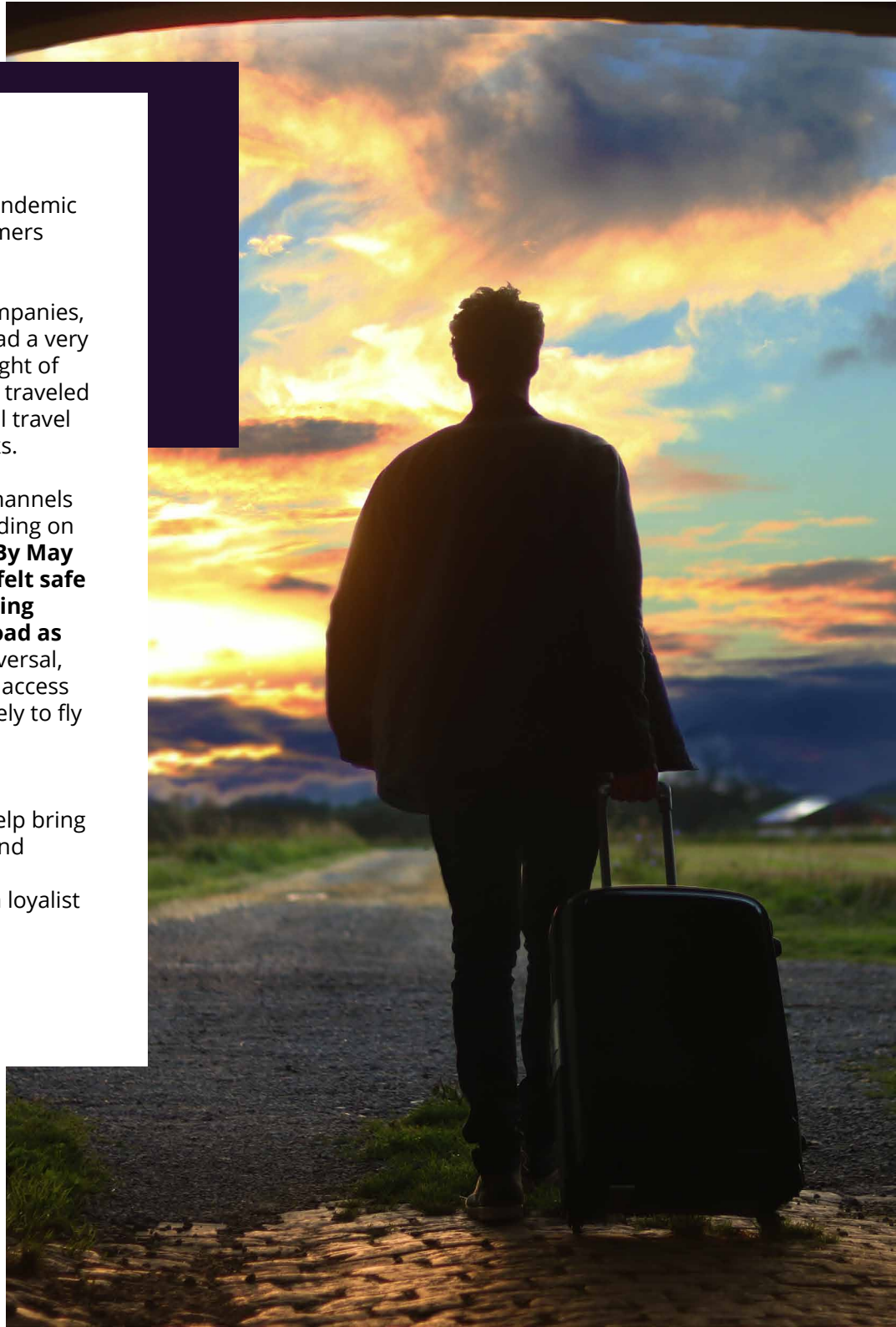
Travel brands, like airlines, cruise companies, booking sites, and vacation rentals had a very different type of consumer at the height of the pandemic. Many consumers only traveled as a necessity or adapted their typical travel to save money or mitigate health risks.

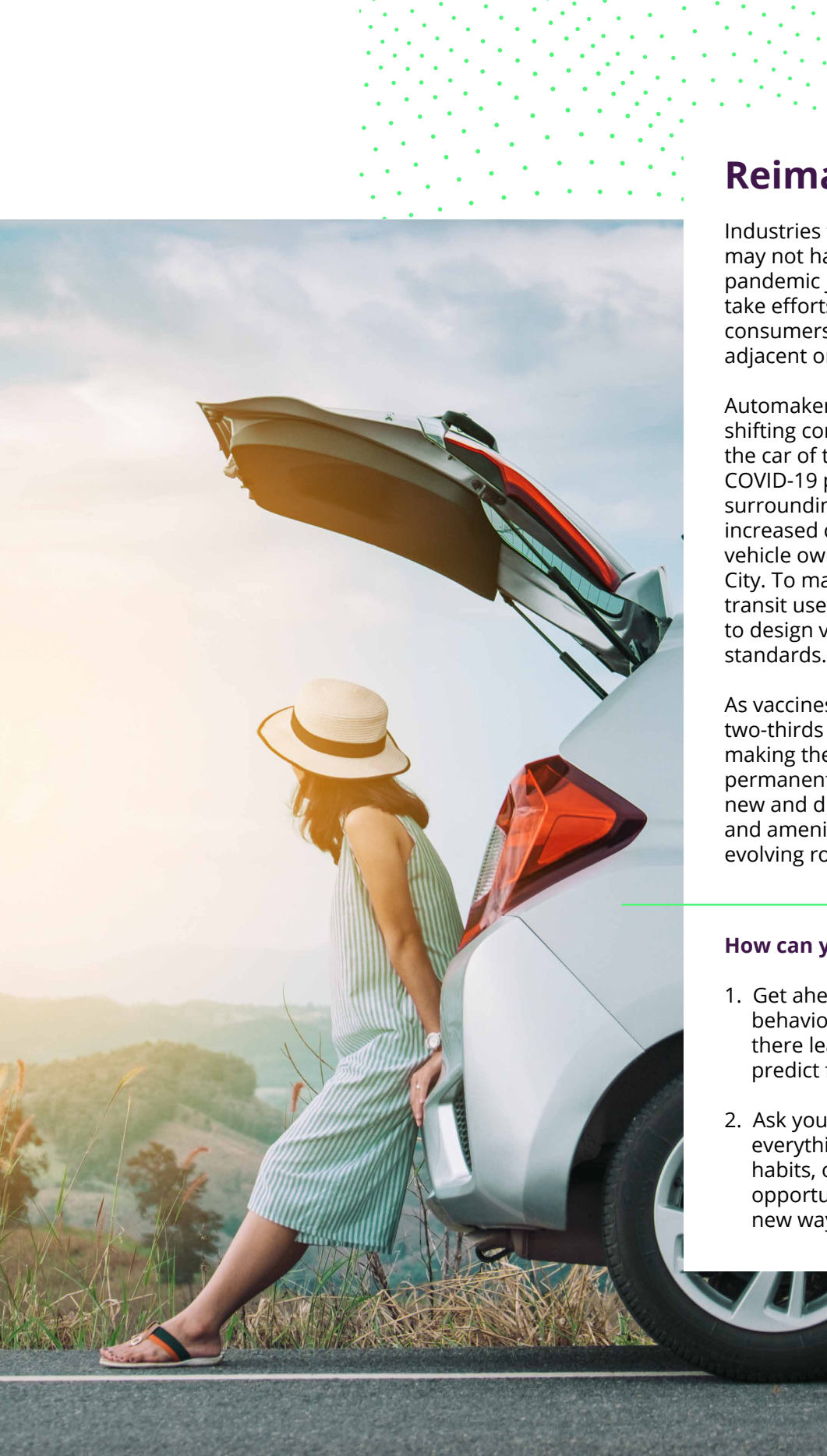
As circumstances shifted, different channels saw different levels of change depending on how consumers felt in the moment. **By May of 2021, almost half of consumers felt safe staying in a hotel, and those planning travel opted equally to travel by road as by air.** But attitudes are far from universal, as Boomers, who had earlier vaccine access in most of the US, are much more likely to fly than drive to their next destination.

For brands in similar circumstances, delivering on emerging needs may help bring hesitant consumers back to your brand before they feel comfortable with a competitor. You may win a long-term loyalist as a result.

How can you focus your research?

1. Investigate: when consumers have the opportunity to return, are they returning for the same reasons? Will price be as important when consumers return with new health and safety concerns?
2. As the consumer environment changes, be sure to ask: what motivates and reinforces the early adopters, and how can you communicate these benefits to the more hesitant consumers?





Reimagine

Industries that produce more durable goods may not have been impacted directly by the pandemic just yet. However, they should take efforts to understand where consumers' behaviors have shifted in adjacent or linked categories.

Automakers, for example, should look to shifting commuting behaviors to help inform the car of the future. As a result of the COVID-19 pandemic, safety concerns surrounding public and shared spaces increased car buying in traditionally low vehicle ownership regions, like New York City. To maintain loyalty among these former transit users, it made sense for auto makers to design vehicles to city-specific needs and standards.

As vaccines become more prevalent, nearly two-thirds of companies are considering making their new remote work policies permanent. As consumers use their cars in new and different ways, new vehicle features and amenities will need to shift to meet the evolving role of the personal vehicle.

How can you focus your research?

1. Get ahead of the curve: if purchase behaviors haven't started to change, are there leading indicators that will help predict future disruption?
2. Ask yourself: are your consumers getting everything they need with their new habits, or are there pain points and opportunities to continue to change in new ways?

Want to get to know consumers? Get to know their habits.

If you want to understand what your consumers will do tomorrow, you need to understand the habits they are forming today. Habit Illumination can help you embrace rather than endure changes in consumer habit and leverage them into strategic opportunities.

Reach out to our team of behavioral scientists and market researchers at info@materialplus.io

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