
METHODOLOGY

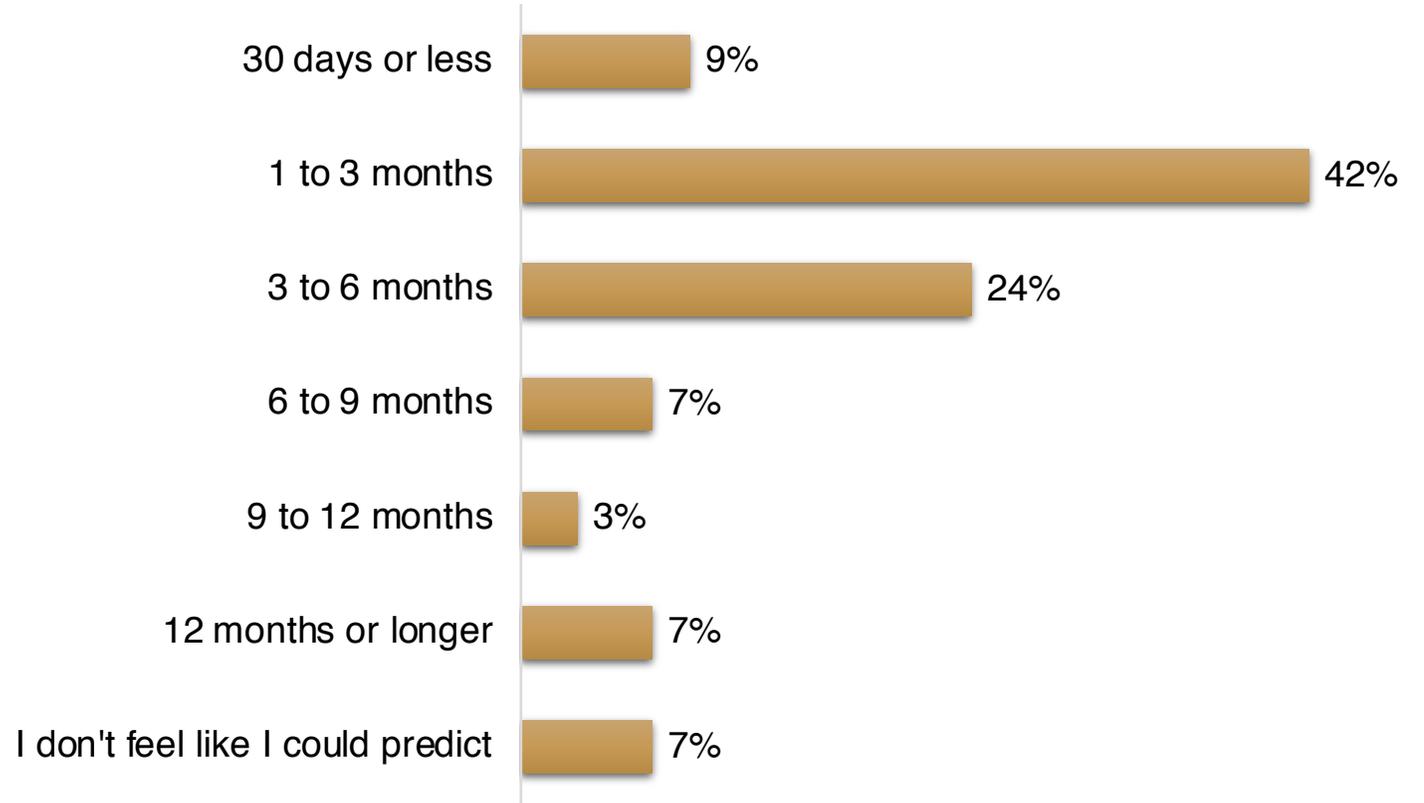
At Luth Research, we believe in connecting the minds and voices of people in finding the way forward during this challenging time. Beginning the week of March 16 and continuing for the next several weeks, we are sharing insights from our community of panelists. This week's insights were collected Wednesday, April 15, 2020 and are based on a sample of N=323 weighted to the demographics of the U.S. online population.



How long will it take for the U.S. coronavirus outbreak to start declining?

Among our respondents, 51% expect to see a decline in the pandemic within 3 months, with 76% expecting it within 6 months.

Those expecting the outbreak to decline within 3 months skew male, under 35 years of age, and with household incomes between \$50 to \$100k.



Males are more likely to expect a decline in under 3 months.



Households with incomes of \$50-\$100k are more likely to expect a decline in under 3 months.



People under 35 are more likely to expect a decline in under 3 months.



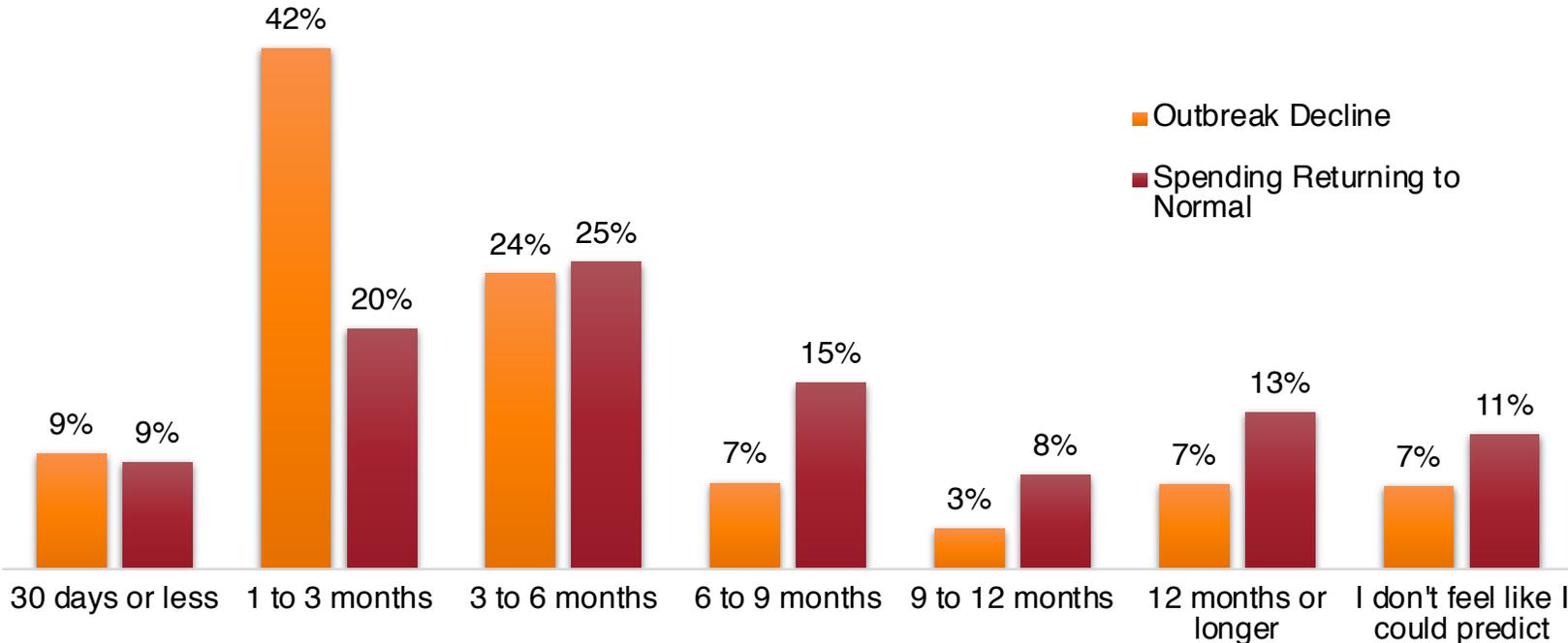
Westerners are less likely to expect the decline will take longer than 6 months.

How long will it take you to get back to your normal spending before the coronavirus outbreak?

People continue to have less optimism about when they'll return to normal spending habits than they do about the decline of the coronavirus outbreak.

Females and Midwesterners are the least optimistic about spending returning to normal in under 12 months.

Timelines for Virus Starting to Decline & Spending Returning to Normal



Females are more likely to feel it will take 12 months or longer to return to normal spending.



People with HHI of more than \$50K are more likely to anticipate normal spending within 6 months. Under \$50K households are less likely to feel certain.



People over 35 are more likely to anticipate very short term (under 30 days) or much longer term (more than a year) before spending returns to normal.



Midwesterners are more likely to feel it will take 12 months or longer to return to normal spending.

TRENDING:

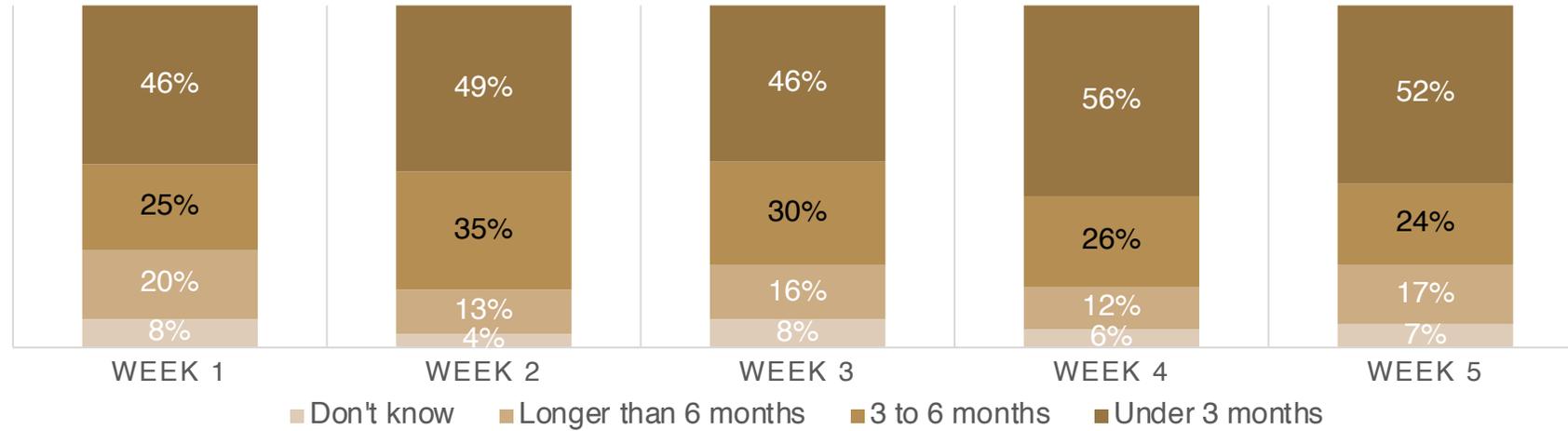
How long will it take for the U.S. coronavirus outbreak to start declining? How long will it take you to get back to your normal spending before the coronavirus outbreak?

This week saw a significant increase from last week in the number of people who believe the outbreak will take 6 or more months to decline.

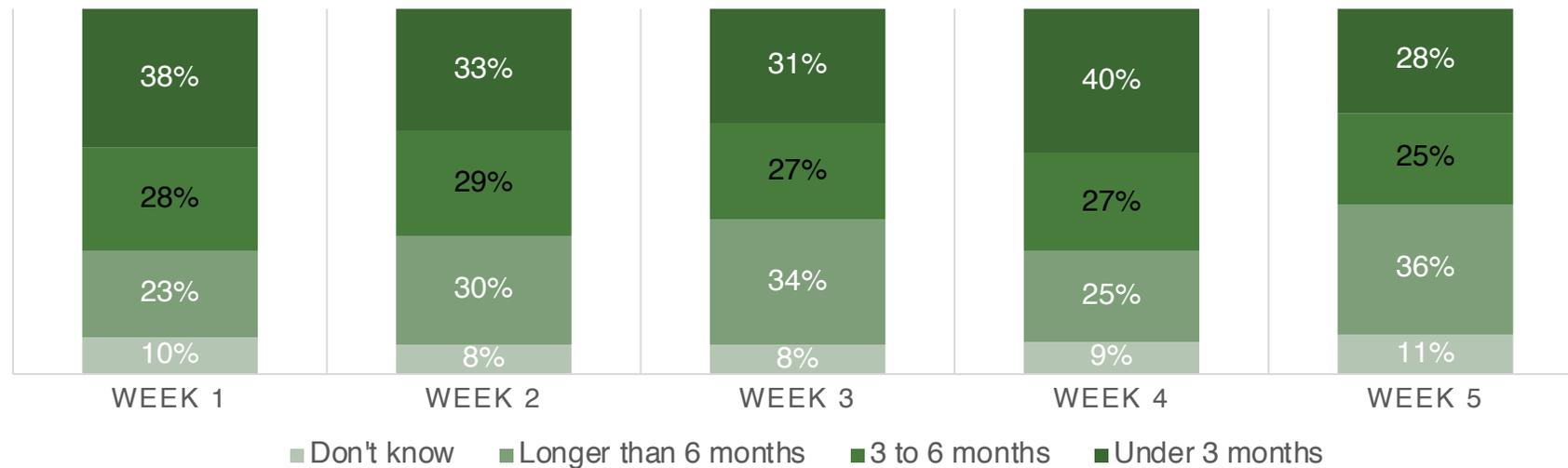
Additionally, spending forecasts this week mirror March 23 results, lessening after last week's optimism.

Timelines for Virus Starting to Decline & Spending Returning to Normal (Weeks 1 to 5)

Virus Starting to Decline



Spending Returning to Normal



In which categories are you currently spending more, less or the same?

Over half of people continue to spend more on Groceries, followed by about 30% spending more on Digital Entertainment Purchases and Streaming Service Subscriptions.

Automotive, Clothing & Accessories, and Beauty continue to show less spending.

	MORE	LESS	SAME
Automotive/car	3%	1 60%	37%
Baby	6%	10%	1 84%
Beauty	4%	3 46%	50%
Books	16%	23%	61%
Camera and Photo	4%	27%	69%
Clothing and Accessories	7%	2 52%	41%
Consumer Electronics	12%	38%	50%
Games (video games, online games, mobile games, etc.)	24%	21%	55%
Grocery and Gourmet Foods	1 53%	21%	26%
Health and Personal Care	24%	25%	51%
Home and Garden	18%	34%	48%
Luggage and Travel Accessories	1%	40%	59%
Movies and TV Shows downloads (digital purchases)	2 32%	20%	48%
Music	13%	18%	69%
Office Products	9%	30%	61%
Outdoors	11%	38%	52%
Personal Computers	7%	24%	70%
Pet Supplies	17%	12%	71%
Shoes, Handbags, and Sunglasses	3%	42%	55%
Software	4%	24%	2 72%
Sports	4%	41%	55%
Streaming Entertainment Services (Netflix, Hulu, Spotify, etc.)	3 28%	13%	59%
Tools and Home Improvement	21%	28%	52%
Toys	9%	20%	2 72%



Changes in Increased Spending

Significantly more people report increased spending on Books, Games, Movies/TV Downloads, and Streaming Entertainment compared to 5 weeks ago. Significantly fewer report increased spending on Health & Personal Care than 5 weeks ago.

Changes in Decreased Spending

More people report decreased spending on Auto, Clothing/Accessories, Home & Garden, Luggage/Travel Accessories, Outdoors, Sports and Shoes/Handbags compared to 5 weeks ago.

Thinking about the following services or activities, which ones are you delaying or deciding to do considering current events?

Major purchases and travel are being delayed—along with real estate and financial activities.

People are turning to digital services for banking, entertainment and grocery.

Other impacts include taking up new hobbies.

	DELAYING	DOING
Making a major purchase (\$1000+)	2 41%	13%
Travel for leisure	1 70%	7%
Travel for business	3 29%	4%
Applying for a credit card	12%	11%
Opening a new bank account	14%	7%
Using mobile banking app(s)	4%	1 46%
Buying a house/property	14%	5%
Selling a house/property	7%	4%
Subscribing to video streaming services (Netflix, Hulu, etc.)	5%	3 32%
Subscribing to a grocery delivery service (Instacart, Shipt, etc.)	5%	25%
Donating blood	10%	12%
Applying for a new job	13%	11%
Voting for a different presidential candidate	6%	21%
Learning a new hobby	5%	2 39%
Divorce/breaking up in a relationship	2%	3%
Wedding/getting married	4%	2%



Changes in Doing

Taking up new hobbies has risen 9% over the past 4 weeks. In the same time frame, the number of respondents planning to buy a house has halved from 10% to 5%.

Changes in Delaying

There have been no consistent trends over the past 4 weeks for activities people are delaying.

Amid this unprecedented event, brands you use in daily life want to know how to best communicate with customers like you. What tone and messages would resonate with you?

Brand messaging should focus on promoting people over profits.

People do not want to feel like they are being sold to during this time and resent brands that appear to capitalize or profit from COVID-19. Instead, brands offering messages of compassion and communicate what they are doing to assist social health, wellbeing and economy.

“That they understand **consumers want normal**, but may be **limited in needs or money.**”

“Do the same as always in communication. Always be **truthful**, have an **upbeat and positive attitude** with customers. **Put customers and employees needs above profits.**”

“I **don't want to hear messages** that sound like a company is **trying to profiteer off of the crisis.**”

“**Humor** to make this a little easier to get through, but they **also need to be serious** so we know they are **truly trying to assist.**”

“That they **care about what is going on** - ensuring employee **safety** and **not rushing to get back to normal for profit sake.**”

“I'd appreciate **some form of “giving back”** from brands I do patronize, either in kind or otherwise. This **goes a long way in having their names further etched in the minds of consumers.**”

“I think any **messages of solidarity** and something that shows **how they are helping the situation**. If that means how they will **help their customers** or how they are helping **certain industries that may need it more now.**”

“I like getting messages from restaurants or area businesses that **sound reassuring** and **have special deals going on** right now.”

“Brands need to be **open & honest & not expect people to spend** how they used to soon after SIP orders lift. They also need to **avoid gaslighting people** & making them think this pandemic wasn't a big deal. **Their tone needs to be real.**”

“I want something **positive** to come from brands I interact with. **Everything in the news is negative and depressing.** I want **positivity; hope; something to look forward to.**”

“**Levity. Schmaltzy ads that want to assure me that the brand is there for me during this difficult time** and that thank their essential worker employees or 'heroes' are **tone deaf, transparent, and nobody buys it.**”

“The **companies paying their employees while they can't work.** All the stores who have done that or are working to **keep their employees as safe as possible** really meant a lot to me. Letting me know that those **people weren't going to lose their jobs.**”

“That they are **donating supplies to the relief effort.** That they have **changed production of certain products to things of necessity.**”

“I'm **supporting more companies** that are **expressing that they're keeping their employees paid and with benefits.**”

“They can let customers know **when we can expect to start seeing essential items back on shelves.** They can let their customers know **how they are helping** during this uncertain time. **Thanks to frontline workers and hope that they may have help.**”

“**Opportunity ahead** we are all in it together. **Do not sales pitch with a tone deaf message** about savings, people flat out don't have the money.”

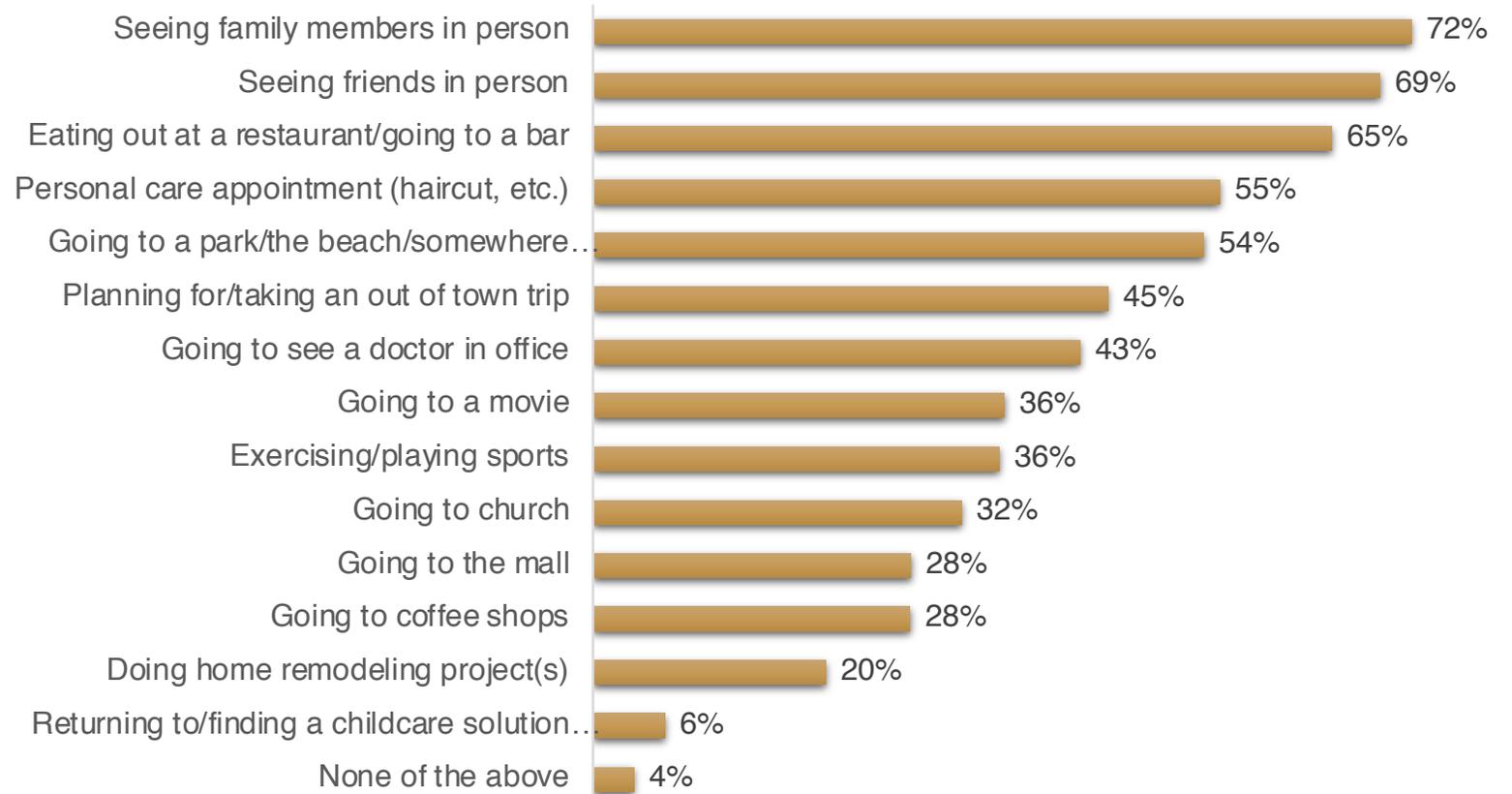
“I think brands that show a more **concerning and caring tone for others not about making a profit but giving back and doing something good for society** donating money or goods to healthcare workers or even food and just **making a difference.**”

Once the pandemic ends and life returns to (the new) “normal”, what activities or things are you most likely doing immediately?

Most are looking forward to socializing, eager to see their family and friends in person again, as well as eating out or spending time at restaurants and bars.

A small minority of 6% are most looking forward to returning to or finding childcare solutions.

Most Looking Forward To



Males are more likely to look forward to exercising, while females are more likely to look forward to personal care appointments and finding childcare solutions.



Households with incomes of \$50k or higher are more likely to look forward to seeing family members in person and exercising.



People 35 to 44 are more likely to look forward to seeing family members in person again.



Westerners are more likely to look forward to taking out of town trips, as well as going to the movies, mall and coffee shops.

Once the pandemic ends and life returns to (the new) “normal” what shopping or other behaviors caused by COVID-19 will you continue to do or stop doing?

People expect to continue using mobile banking and to stream entertainment at the same rate after the pandemic—as do the majority of people who now shop for groceries online.

Online ordering for restaurants shows the highest anticipated decline or stop.

	SAME	LESS	STOP	N/A
Online grocery shopping	3 31%	18%	7%	43%
Online ordering of food/meals from restaurants	29%	1 38%	6%	27%
Online shopping for a major purchase (\$1000+)	23%	18%	9%	50%
Mobile banking	1 76%	8%	1%	15%
Subscribing to streaming entertainment services (e.g. Netflix, Disney+, etc.)	2 61%	12%	3%	23%
Renting/purchasing movies, TV shows or other entertainment content online	29%	2 23%	5%	43%
Buying downloadable games	21%	14%	3%	61%
Using Telehealth/remote healthcare solution	22%	20%	5%	53%
Working from home (if given the option)	25%	18%	1 16%	42%
Using online conference software/solutions to have business meetings	22%	20%	8%	50%
Using online conference software/solutions to have personal meetings	24%	3 22%	2 10%	44%
Taking virtual lessons for fitness	15%	11%	9%	65%
Attending online church services (if given the option)	15%	18%	2 10%	57%

As the COVID-19 situation evolves and likely improves, when would you or what would help you decide to stop staying quarantined or maintaining social distancing?

People trust state government, medical experts, and the CDC to give direction on when to cut back on social distancing. Even then, many plan to add several weeks of additional quarantine beyond an all clear message. Others do not expect significant changes until the development of a vaccine.

“When I see a drastic decrease in the amount of cases. **I think I will probably wait a bit after people start going out again.** I don't want to risk getting sick and accruing those hospital bills.”

“**When the CDC and the experts like Dr. Fauci are confident,** I will feel confident. And when state and local bans are lifted.”

“**Not sure I will stop social distancing until everyone has been tested** in all states if sick. I do not want a repeat of virus spreading again.”

“When **no new cases** are reported after 6 weeks time.”

“When **all bans are lifted** I'll consider it.”

“It will most likely **take a vaccine** for me to feel completely comfortable for me to stop social distancing. Or, if someone like **Dr. Fauci** tells me that it is safe for me to start living a normal life again.”

“I will **maintain social distancing until a vaccine** is ready.”

“**When there are no more positive tests!** I quarantined myself before we were told to, and I will stay quarantined until I feel safe to go out.”

“I don't think I could feel totally comfortable seeing my parents who are in their 80s or fully stopping social distancing **until there is a vaccine,** or at least effective treatments for those at higher risk.”

“Assurances from top healthcare officials, **vaccine availability,** local hospitals and nursing homes **able to comfortably handle workload.**”

“I would wait until the daily cases added to my state was lower than 20 on average and **give it a few more weeks than that.**”

“**My state government finally gives the go.** He has been amazing with staying ahead of this and trying to keep us all safe.”

“I am open to loosening the social distancing at any point. **I honestly find it ridiculous.**”

“**It will take a long time for me to feel comfortable outside.** I will cautiously approach all activities. The knowledge of NO new cases in the United States is the only way that I will try to resume a normal life.”

“When I can **find a job.**”

“When **the scientists (not politicians)** tell us it's OK. Then I'll wait a few more weeks to make sure they are correct.”

“**Proof** that companies are using the **highest standards of cleanliness** - which, by the way, I expected before all this happened.”

“ASAP. **I think this whole thing has been blown WAY out of proportion** but everyone is afraid to say so.”