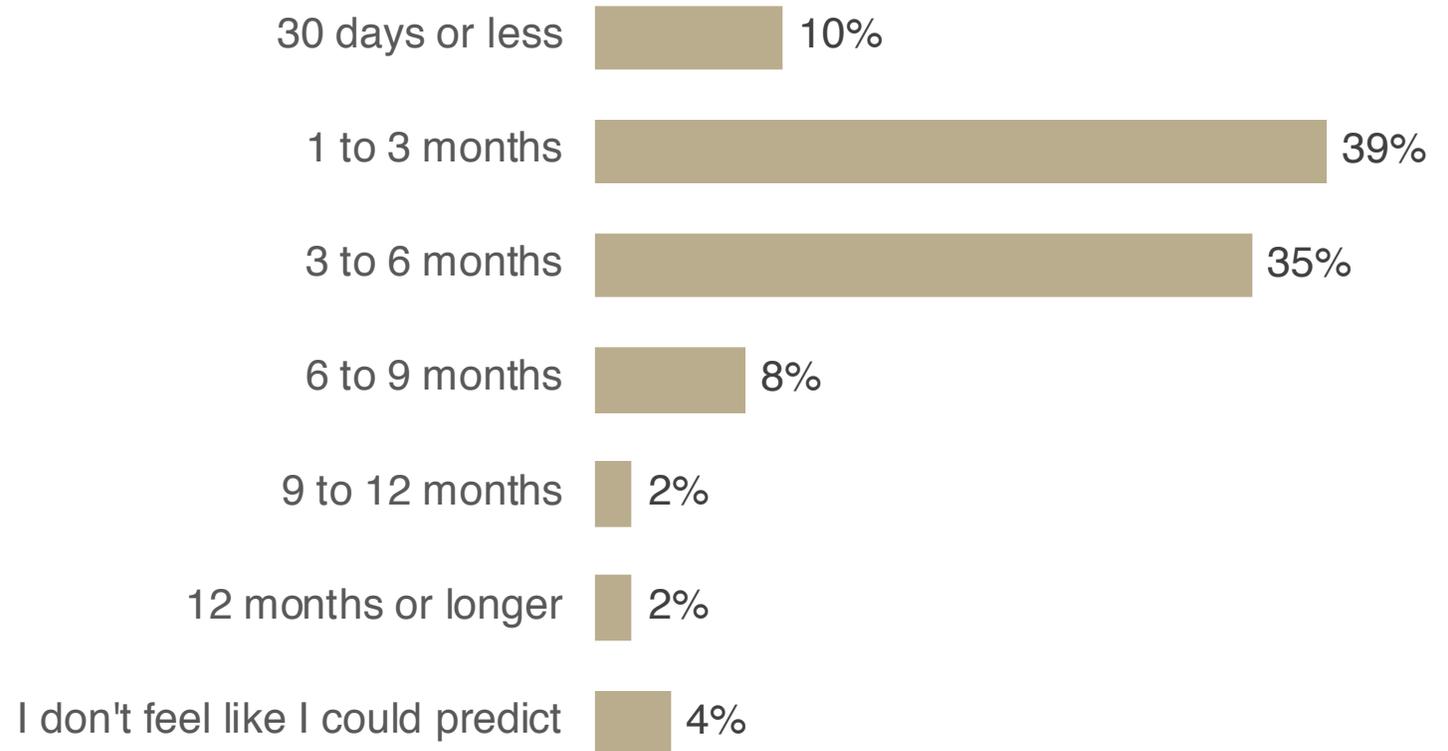

METHODOLOGY

“No man is an island.” At Luth Research, we believe in connecting the minds and voices of people in finding the way forward during this challenging time. Beginning last week and continuing for the next several weeks, we are sharing a few insights from our community of panelists. This week’s insights were collected Wednesday, March 25, 2020 and are based on a sample of N=307 weighted to the demographics of the U.S. online population.



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

Close to 50% of people expect to see the start of decline within 3 months, with nearly 85% expecting to see a decline within 6 months.



Males and females do not differ on their outlook



Households with income \$100K+ are more likely to feel uncertain or unable to predict when it will end



People 35 to 44 are more likely to believe the coronavirus outbreak will decline within 3 months

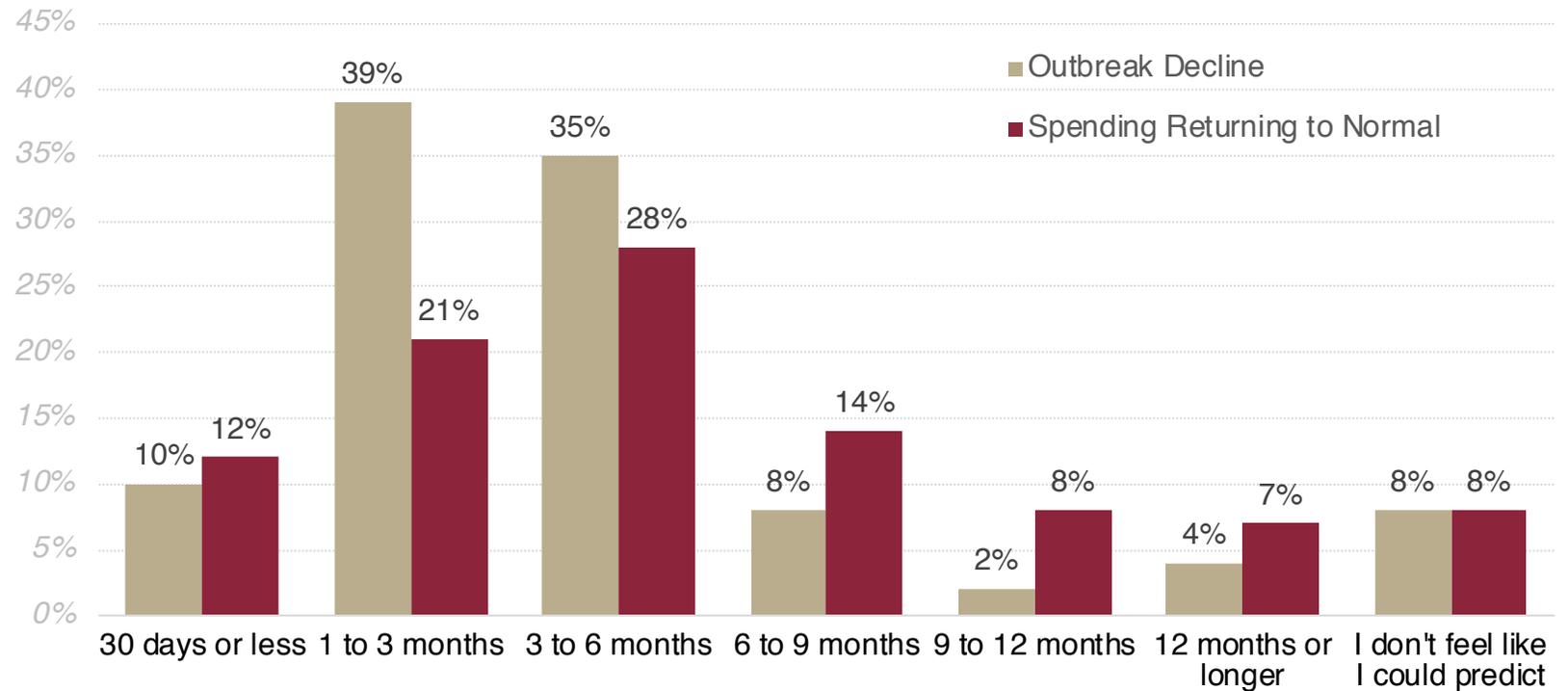


Midwesterners are more likely to believe the coronavirus outbreak will decline within 3 months

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

People have a less optimistic timeframe for returning to their normal spending habits than they do for the decline of the coronavirus outbreak.

Timelines for Virus Starting to Decline vs. Spending Returning to Normal



Males and females do not differ on their outlook



People 35 to 44 are more likely to believe their spending will return to normal within 6 months



Households with incomes of \$100K+ are more likely to believe their spending will return to normal within 6 months



Northeasterners are least optimistic about returning to normal spending in the next 6 months

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

Grocery, health & personal care, and entertainment (including streaming services, movies, and games) are the strongest growth categories this week.

On the other hand, clothing & accessories, automotive, and beauty continue to decline.

	MORE	LESS	SAME
Automotive/car	3%	2 53%	44%
Baby	6%	12%	1 82%
Beauty	3%	3 44%	53%
Books	13%	25%	63%
Camera and Photo	4%	29%	67%
Clothing and Accessories	5%	1 54%	41%
Consumer Electronics	9%	41%	50%
Games (video games, online games, mobile games)	16%	29%	55%
Grocery and Gourmet Foods	1 51%	25%	25%
Health and Personal Care	2 33%	25%	42%
Home and Garden	9%	39%	52%
Luggage and Travel Accessories	1%	43%	56%
Movies and TV Shows downloads (digital purchases)	20%	26%	54%
Music	9%	23%	68%
Office Products	6%	29%	65%
Outdoors	8%	33%	59%
Personal Computers	7%	26%	67%
Pet Supplies	14%	16%	2 70%
Shoes, Handbags, and Sunglasses	2%	42%	56%
Software	6%	25%	3 69%
Sports	1%	36%	63%
Streaming Entertainment Services (e.g. Netflix, Disney+, Hulu, Spotify)	3 22%	17%	61%
Tools and Home Improvement	9%	30%	61%
Toys	8%	25%	66%

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 hobbies and political preferences.

	DELAYING	DOING
Making a major purchase (\$1000+)	2 42%	9%
Travel for leisure	1 59%	8%
Travel for business	3 26%	3%
Applying for a credit card	16%	9%
Opening a new bank account	14%	9%
Using mobile banking app(s)	5%	1 43%
Buying a house/property	16%	8%
Selling a house/property	10%	4%
Subscribing to video streaming services (e.g., Netflix, Disney+, etc.)	7%	2 26%
Subscribing to a grocery delivery service (e.g. Instacart, Shipt, etc.)	6%	22%
Donating blood	10%	12%
Applying for a new job	14%	11%
Voting for a different presidential candidate	8%	18%
Learning a new hobby	7%	3 25%
Divorce/breaking up in a relationship	6%	2%
Wedding/getting married	5%	3%

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?

Communications from brands should both show empathy (concern for employees and customers) and relay specific information about safety and logistics.

“**Tell me why I need your product**, rather than why I should want your product. I'm finding there were a lot of purchases that I made for things I'm now doing without, and **I'm not sure I'll start buying some of them again when this is over.**”

“I want to know how these brands are continuing to **support their employees** with health benefits, workplace safety, and **keeping staff on their payrolls rather than laying them off.**”

“Convey that the brand cares about me as a customer but **also cares about their employees**, because it's become very evident during this crisis how connected we all are.”

“Let us know they are **sanitizing their facilities** daily to protect everyone and offer **contact-less options.**”

“They have to tell me what they are doing to **clean, sanitize, and protect their workers** and me.”

“Update consumers on how they can **feel safe continuing to do business** with them.”

“We want to forget we're trapped inside because of COVID-19, **so stop** putting up banners and announcements and **changing your entire app or site to constantly remind us that we're in this crisis.**”

“That the company **understands the situations people are dealing with and offering ways to help out** (for example, free shipping on essentials or discounts in a time of financial hardship).”

“I love that brands have been communicating understanding. **Many people are out of work and might have financial problems.** It's good to know that companies are understanding and will work with people over bills, debts, etc.”

“A reasonable, **non-panicky approach.** And discounts.”

“Let us know by email **when things will be available.**”

“**Honest communication** about delayed shipments on orders.”

“**Tell me practical information** like hours of operation, whether open or closed, supply of items, time periods of availability, any restrictions or rules.”

What's the single most significant change you will make in your life after the coronavirus crisis?

Improving overall wellness practices as well as developing financial plans and stability are the top two life changes expected after the coronavirus crisis.

About one in six do not feel like they will make any significant life changes.

"Become more outgoing, embrace life and be grateful for what we have."

"I think I will do things to stay healthier. I will take vitamins and work out in order to keep fit so I can possibly fight off diseases."

"Really, not much. We're retired and don't go out that much anyway. Won't have to keep wiping everything we touch down with Clorox."

"Nothing is changing for us."

"Volunteering more in the community and finding time to do the things I love."

"I will allocate more money to the stock market and decrease my discretionary spending."

"Have an emergency plan in place for a few weeks to months if something happened again."

"Working from home instead of going into an office every day."

"Saving more money for future emergencies."

"I will seriously consider how my money is invested and consult my financial advisors as to what would be the best plan given the economic environment.."

"I feel I will be more health conscious."

"I will continue to be more aware of personal hygiene such as hand washing, and will be more likely to go get checked out by health care professionals when I become ill."

"Keeping an eye on the government more because I think they have abused this to sneak in legislation that should not be sneaked in."

"I will plan to have more household items on hand, and I want to learn to can food from a garden."

"Looking to work from home from now on regardless."

"I won't make a significant change. I'm already vegan (meat eating has historically caused diseases and viruses- even coronavirus)."

"Manage money better, and learn how to be self sufficient."

"Keeping my hands constantly sanitized and to start using a detergent additive with germ killing capabilities when washing clothes."

"Taking better care of my health."

"There is NO CHANGE to my life now so doubt anything will change after this fiasco."

"I will be able to live my life more normally by being able to go shopping at retail store like Target and Walmart. Not being cooped up."

"Fund grand-children education with savings. Plan travel to Spain and Italy I had postponed."