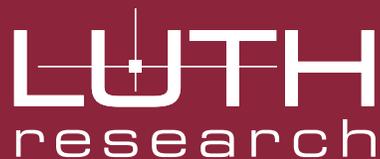
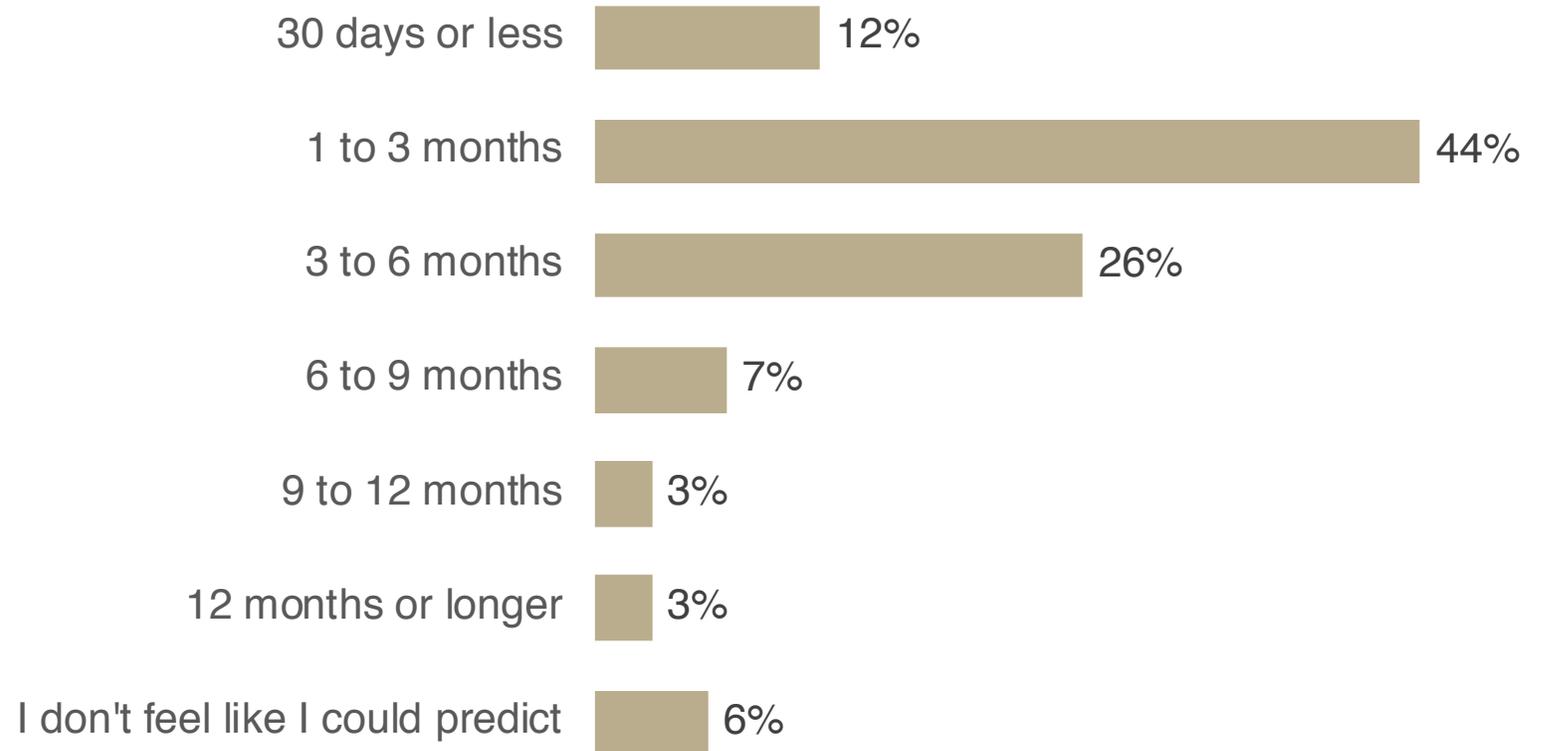

METHODOLOGY

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 8, 2020 and are based on a sample of N=325 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, 56% expect to see a decline in the pandemic within 3 months, with over 80% expecting it within 6 months.



Females are more likely to expect a decline in 6 to 9 months.



People 45-54 are more likely to expect a decline in 30 days or less, whereas people <35 and 55- 64 are more likely to believe it will be 1 to 3 months. 65+ are more uncertain.



Respondents of different household incomes do not differ on their outlook.

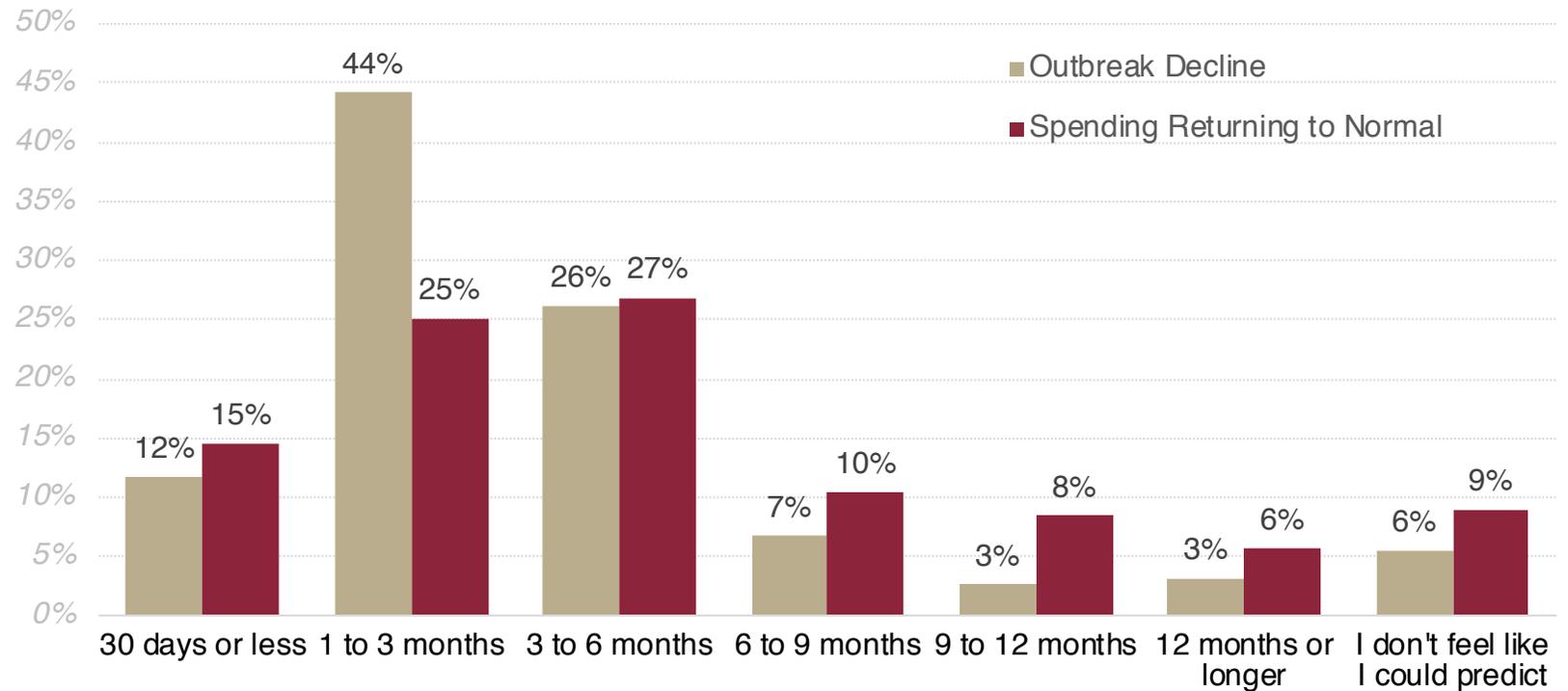


Northeasterners are more likely to feel uncertain as to when they will expect a decline.

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

People have less optimism about when they'll return to normal spending habits than they do about 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 35-44 and 55-64 are more likely to believe their spending will return to normal within 3 months. People 45-54 are more likely to feel it will be 12 months or longer.



People with \$50-100K HHI are more likely to anticipate normal spending within 30 days. Those with HHI <\$50K are more likely to feel less certain.



Midwesterners are most optimistic about returning to normal spending in the next 30 days.

TRENDING:

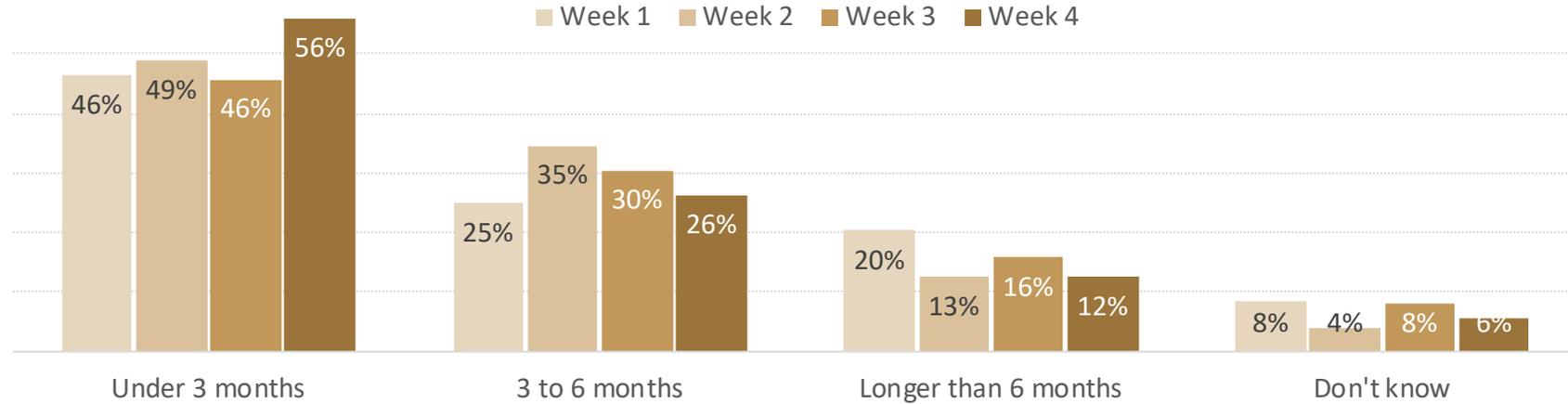
How long will it take for the U.S. coronavirus outbreak to start declining? How long will it take you to get back to your normal spending before the coronavirus outbreak?

Few significant differences are observed across the past four weeks.

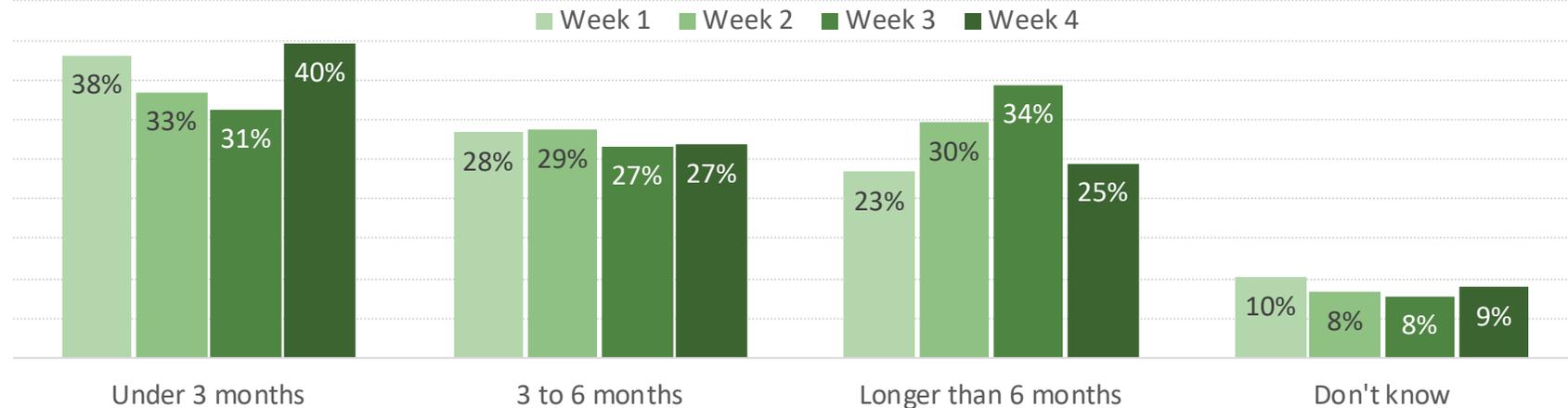
The most interesting significant difference is that as time goes on consumers are showing stronger optimism for outbreak decline.

Timelines for Virus Starting to Decline & Spending Returning to Normal (Weeks 1 – 4)

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 distantly by a quarter of people spending more on Health & Personal Care, and Entertainment (including streaming services, movies, and games).

Automotive, Clothing & Accessories and Luggage/Travel Accessories continue to decline.

	MORE	LESS	SAME
Automotive/car	2%	1 56%	42%
Baby	3%	13%	1 84%
Beauty	5%	39%	56%
Books	13%	23%	64%
Camera and Photo	5%	24%	71%
Clothing and Accessories	8%	2 50%	41%
Consumer Electronics	9%	35%	56%
Games (video games, online games, mobile games, etc.)	20%	26%	54%
Grocery and Gourmet Foods	1 54%	21%	26%
Health and Personal Care	3 25%	29%	46%
Home and Garden	14%	37%	49%
Luggage and Travel Accessories	1%	3 40%	59%
Movies and TV Shows downloads (digital purchases)	2 28%	20%	52%
Music	11%	20%	69%
Office Products	7%	29%	64%
Outdoors	9%	34%	57%
Personal Computers	7%	23%	70%
Pet Supplies	13%	14%	3 73%
Shoes, Handbags, and Sunglasses	2%	38%	60%
Software	5%	24%	71%
Sports	3%	35%	62%
Streaming Entertainment Services (Netflix, Disney+, Hulu, Spotify, etc.)	24%	12%	64%
Tools and Home Improvement	13%	27%	59%
Toys	4%	22%	2 74%



Changes in Increased Spending

Significantly more people report increased spending on Books, Games, Movies/TV Downloads, and Streaming Entertainment compared to 4 weeks ago. Significantly fewer report increased spending on Baby and Office than 4 weeks ago.

Changes in Decreased Spending

Significantly more people report decreased spending on Auto/Car, Clothing/Accessories, Home & Garden, Luggage/Travel Accessories, and Shoes/Handbags compared to 4 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 43%	12%
Travel for leisure	1 65%	7%
Travel for business	3 24%	3%
Applying for a credit card	15%	7%
Opening a new bank account	16%	7%
Using mobile banking app(s)	5%	1 37%
Buying a house/property	18%	7%
Selling a house/property	12%	3%
Subscribing to video streaming services (Netflix, Disney+, etc.)	6%	2 30%
Subscribing to a grocery delivery service (Instacart, Shipt, etc.)	6%	26%
Donating blood	11%	12%
Applying for a new job	13%	18%
Voting for a different presidential candidate	8%	16%
Learning a new hobby	5%	3 28%
Divorce/breaking up in a relationship	4%	3%
Wedding/getting married	4%	2%



Changes in Delaying

There have been no significant changes over the past four weeks for activities people are delaying.

Changes in Doing

While most metrics are similar, **applying for a new job has significantly increased this week** compared to last week. Conversely, significantly fewer people say they are newly using mobile banking apps this week than in the prior two weeks.

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?

Now is the time for action.

People want more than just compassionate messaging; they are looking for brands to be part of the solution and to take meaningful action to help those greatly impacted by the coronavirus medically and financially.

“I like hearing about what brands are **doing to help**. I am getting a bit of **pandemic/COVID messaging fatigue**.”

“Those that are **giving back to help the medical and service communities** as well as those helping to **feed underserved populations**.”

“I am **sick of hearing about the virus**, just tell me what you got and price.”

“I **only care about the product and receiving said product**. It matters not about a company's social activities. I **care about organic, safe and healthy products, and being able to purchase such**.”

“Humor does not fly these days as I continue to have friends in New York City getting sick with this. **The best thing any corporation can do is help the front line with donations**.”

“I would prefer they **stop using this crisis in ads**. I'm **trying to forget what is going on outside**. I am **sick of the ads that say we are all in this together** or in these unprecedented times.”

“Addressing the severity of the current events but having hope for the future and **showing how they are helping people in their time of need** (continuing to pay employees, providing PPE for employees, etc.)”

“**Sincerity**. I'm **not seeing brands stepping up to help people fight this pandemic** as much as I would like. It seems **most brands are just trying to be business as usual rather than giving back to the consumers** who have built their brand with our monies.”

“They are **doing something to help with the corona, not laying off employees, giving to nurses or changing their product production to support supplies needed**.”

“I want my brands to show **me how they are helping out in their communities** through their advertising and sponsorships. I am so tired of hearing how “we're all in this together” from brands and advertising. Instead of saying it, **take real action**.”

“**Understanding of financial climate**, not pushy, express empathy, **encourage creative ways to support** (especially **small business**).”

“I like the **brands that are creating masks for first responders and medical staffs** despite their industry not having anything to do with such issues.”

“**Show me how they are a part of the solution**.”

“The **ones that are doing things to help. Taking specific action**. Also, the ones that **take steps to show their appreciation for customers**.”

“I feel that **messages of support that are positive** and resonate on a personal level would be the tone I'd want. I'd also want to **hear about some changes to support people** such as **monetary or changing production processes to help with the fight**.”

“What they are **doing to help in the fight against Covid-19** and what they are doing to **help their employees**.”

“I am happy to interact with brands as long as they are telling me **how they are supporting healthcare in this time**. I want the messages to be **upbeat, positive and not about selling me a product**.”

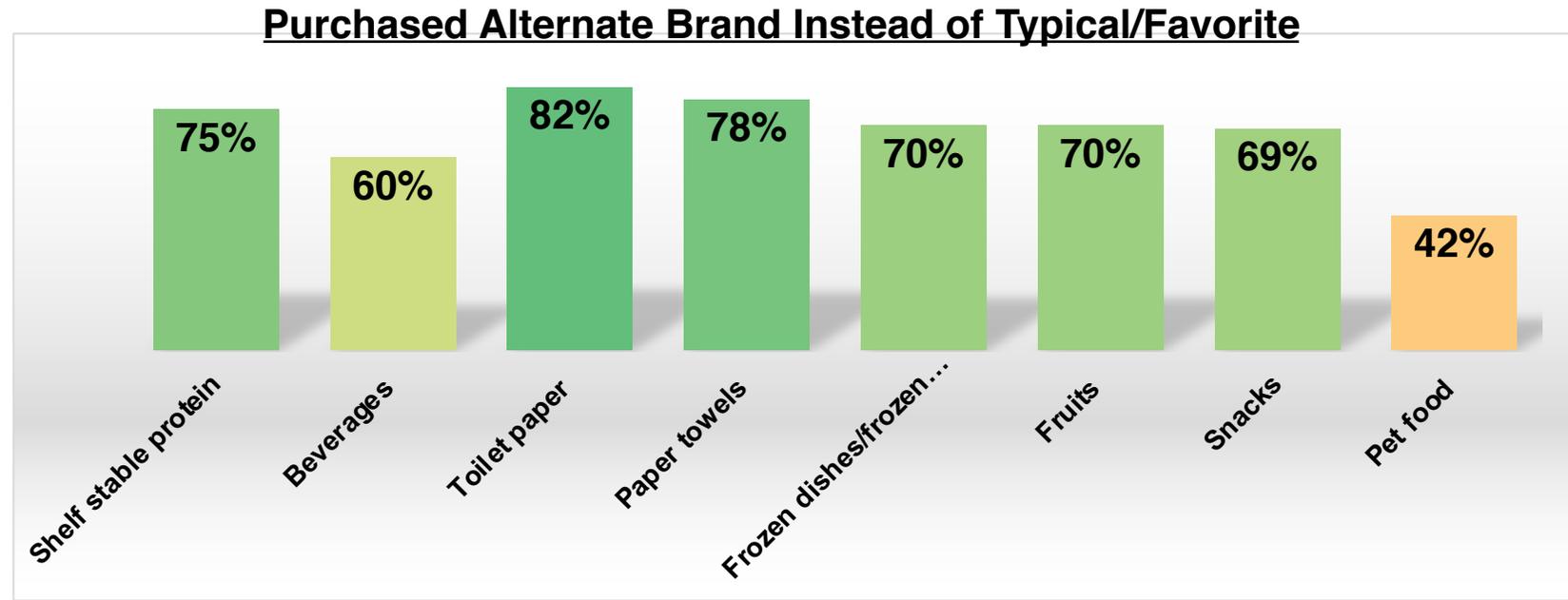
When purchasing each of the following types of products, how important was it to buy your 'typical/favorite' brand during this time?

Shoppers feel brand is still important across products and categories they purchase, especially pet food shoppers.

More shoppers consider toilet paper and paper towel brand unimportant at this time.

	Important	Unimportant	Do Not Buy
Shelf stable protein (Chicken/Fish/Meat)	58%	29%	13%
Beverages	65%	30%	5%
Toilet paper	52%	47%	1%
Paper towels	46%	50%	3%
Frozen dishes/frozen food	59%	33%	8%
Fruits	60%	38%	2%
Snacks	59%	40%	2%
Pet food	54%	14%	32%

If your 'typical/favorite' brand was not available, did you purchase an alternate brand? How much did price influence your purchase?



Most are willing to compromise brand except on pet food during this time. Toilet paper and paper towels currently have the lowest brand loyalty.

Price continues to have some level of influence across most categories. However, only about a quarter of shoppers now feel price greatly influences their purchase decision.

Pet food continues to be the exception to all rules, with price influencing purchases much less than in all other categories.

Influence of Price on Purchase Decision

	Greatly Influence	Somewhat Influence	No Influence
Shelf stable protein (Chicken/Fish/Meat)	27%	42%	31%
Beverages	26%	38%	36%
Toilet paper	25%	32%	44%
Paper towels	22%	36%	43%
Frozen dishes/frozen food	22%	46%	32%
Fruits	26%	32%	41%
Snacks	26%	40%	35%
Pet food	17%	31%	51%