
METHODOLOGY

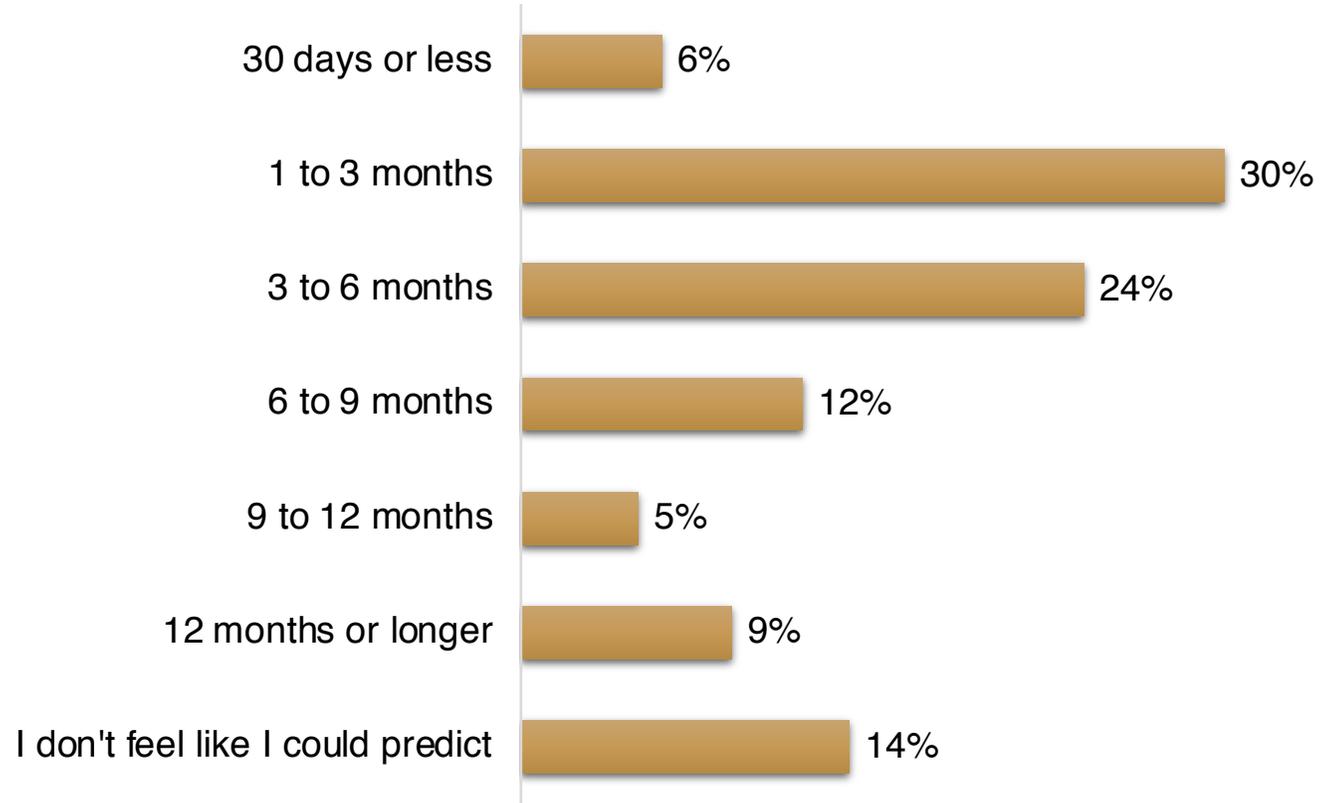
At Luth Research, we believe in connecting the minds and voices of people in finding the way forward during this challenging time. Beginning the week of March 16 and continuing for the next several weeks, we are sharing insights from our community of panelists. This week's insights were collected Wednesday, April 22, 2020 and are based on a sample of N=332 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, 36% expect to see a decline in the pandemic within 3 months, with 60% expecting it within 6 months.

Those expecting the outbreak to decline within 30 days skew over 65 years of age, and with incomes over \$100K. Uncertainty is felt more by women and those with incomes less than \$100k.



Females are more likely than males to feel uncertain as to when the outbreak will start to decline.



Households with \$100k+ incomes are more likely to expect a decline within 30 days. Those with incomes under \$100k are more likely to feel uncertain.



People 65 and over are more likely to expect a decline in 30 days or less.



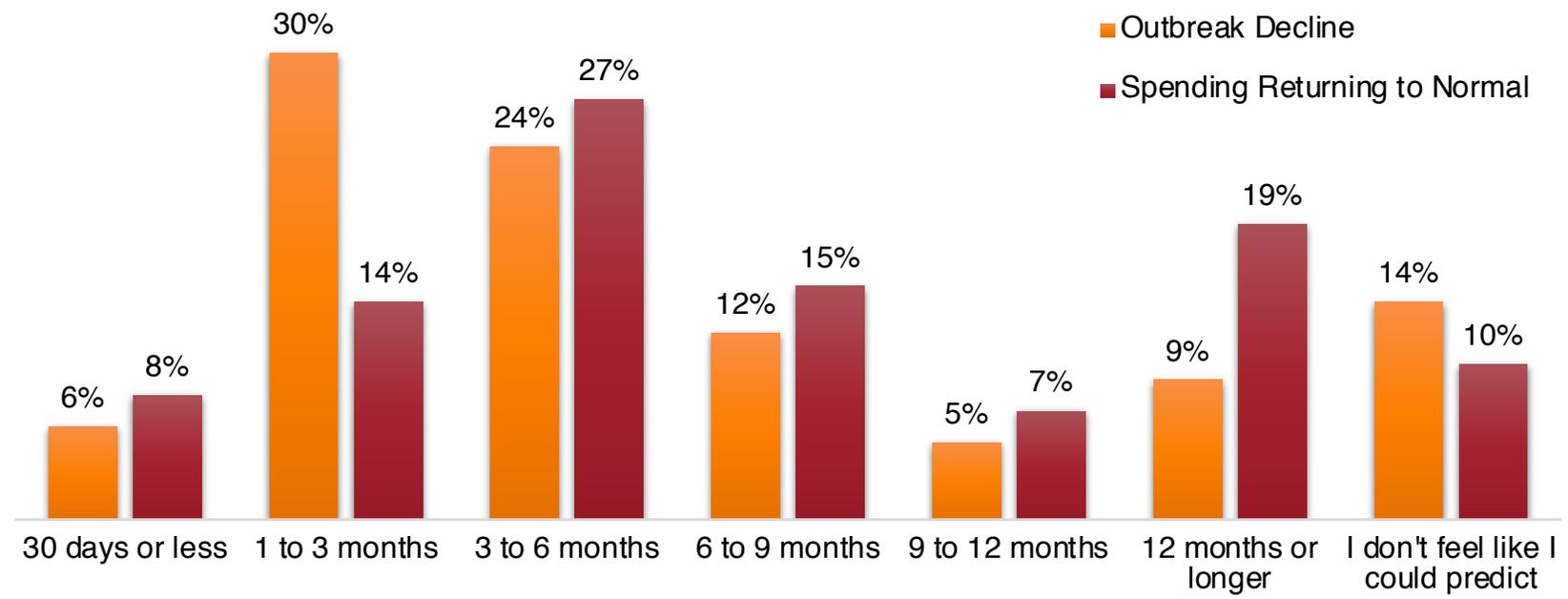
Southerners are more likely to expect a decline within the next 9 months.

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

People are generally less optimistic about spending returning to normal within the next 3 months than they are about the decline of the coronavirus outbreak.

As with the pandemic itself, women and those with incomes under \$100k are more uncertain about recovery. Southerners are the most optimistic about outbreak recovery and returning to normal spending.

Timelines for Virus Starting to Decline & Spending Returning to Normal



Males are more likely to anticipate it taking more than 6 months to return to normal spending. Females are more likely to feel uncertain.



People with \$100k+ HHI are more likely to anticipate normal spending within 6 months. Under \$100K households are more likely to feel uncertain.



People 35-44 are more likely to anticipate between 9 to 12 months before spending returns to normal.



Southerners are more likely to feel spending will return to normal within 3 months.

TRENDING:

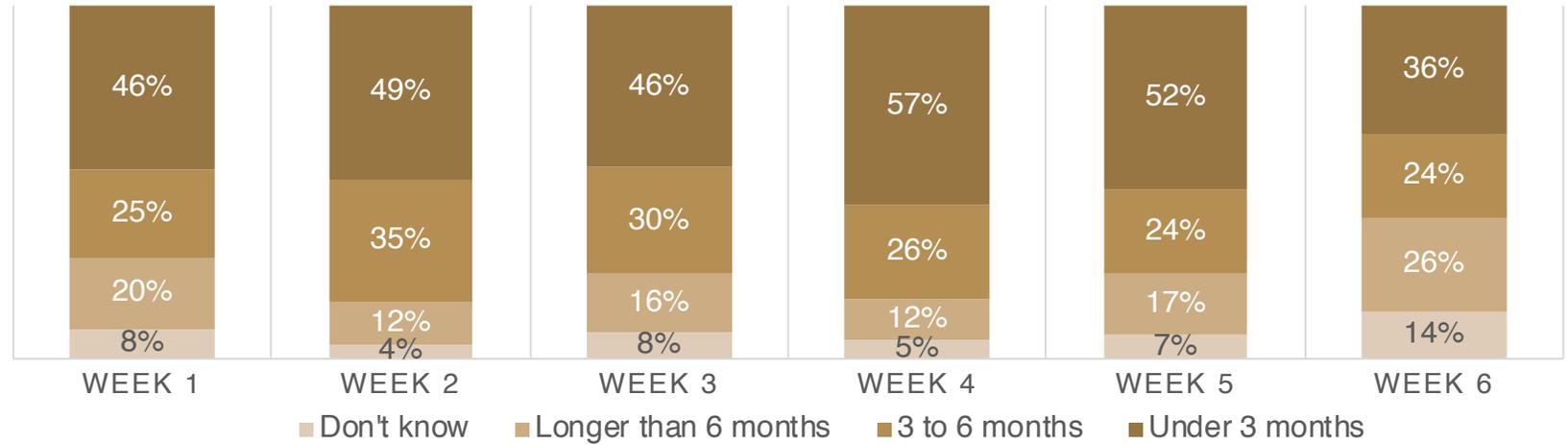
How long will it take for the U.S. coronavirus outbreak to start declining? How long will it take you to get back to your normal spending before the coronavirus outbreak?

This week saw a significant jump in the number of people who feel the outbreak will take longer than 6 months to decline or who feel uncertain.

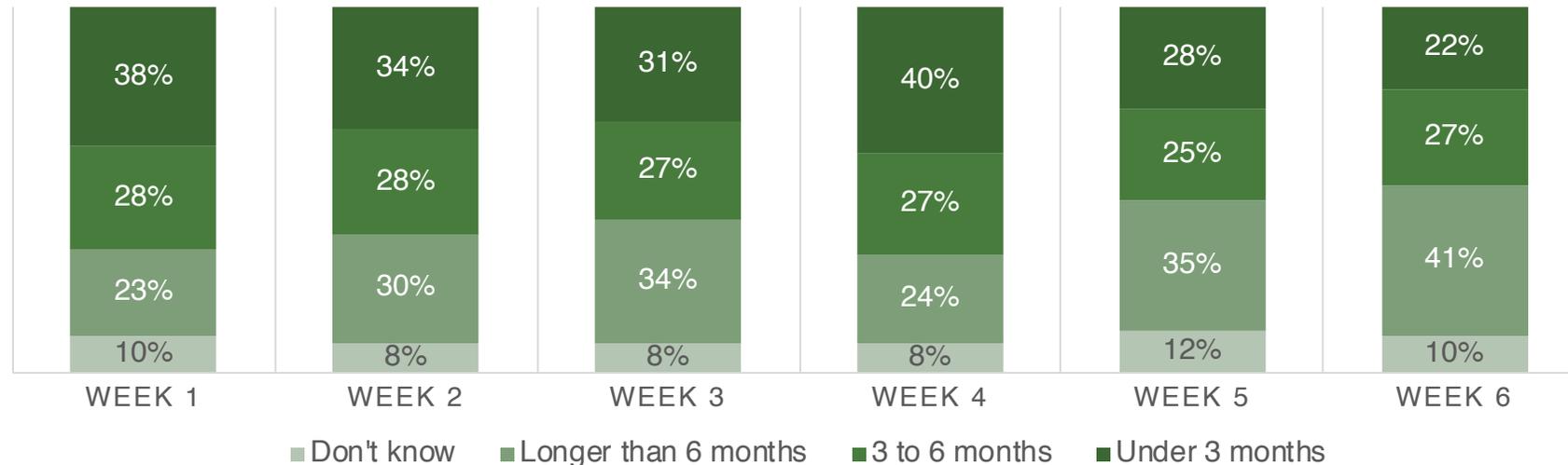
Despite the decline in outbreak optimism, spending forecasts this week mirror last weeks with about half feeling spending will return to normal within 6 months.

Timelines for Virus Starting to Decline & Spending Returning to Normal (Weeks 1–6)

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	6%	1 59%	35%
Baby	2%	10%	1 88%
Beauty	5%	3 41%	54%
Books	15%	18%	67%
Camera and Photo	4%	21%	2 75%
Clothing and Accessories	9%	2 51%	40%
Consumer Electronics	13%	34%	53%
Games (video games, online games, mobile games, etc.)	24%	19%	56%
Grocery and Gourmet Foods	1 53%	19%	28%
Health and Personal Care	24%	26%	50%
Home and Garden	16%	31%	54%
Luggage and Travel Accessories	2%	38%	60%
Movies and TV Shows downloads (digital purchases)	2 27%	17%	56%
Music	14%	15%	71%
Office Products	9%	27%	65%
Outdoors	9%	34%	57%
Personal Computers	9%	20%	71%
Pet Supplies	19%	10%	71%
Shoes, Handbags, and Sunglasses	5%	38%	57%
Software	5%	22%	73%
Sports	2%	35%	63%
Streaming Entertainment Services (e.g. Netflix, Disney+, Spotify)	3 27%	9%	64%
Tools and Home Improvement	15%	24%	61%
Toys	10%	17%	3 73%



Changes in Increased Spending

Significantly more people report increased spending on Books, Games, Movies/TV Downloads, and Streaming Entertainment compared to 6 weeks ago. Significantly fewer report increased spending on Baby and Health & Personal Care than 6 weeks ago.

Changes in Decreased Spending

More people report decreased spending on Auto and Clothing/Accessories compared to 6 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 44%	13%
Travel for leisure	1 70%	4%
Travel for business	3 27%	1%
Applying for a credit card	13%	8%
Opening a new bank account	13%	8%
Using mobile banking app(s)	5%	1 40%
Buying a house/property	17%	5%
Selling a house/property	13%	3%
Subscribing to video streaming services (Netflix, Disney+, etc.)	4%	3 36%
Subscribing to a grocery delivery service (Instacart, Shipt, etc.)	5%	32%
Donating blood	12%	15%
Applying for a new job	18%	9%
Voting for a different presidential candidate	6%	26%
Learning a new hobby	5%	2 35%
Divorce/breaking up in a relationship	6%	4%
Wedding/getting married	6%	2%



Changes in Doing

Over the past 5 weeks, Subscribing to Video and Grocery Delivery services have increased 8% and 7% respectively.

Changes in Delaying

Over the past 5 weeks, an increasing percentage of respondents are delaying Applying for a New Job (4%) or Selling a House/Property (4%).

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 move beyond “We’re all in this together” while still focusing on promoting people over profits.

People do want to see messages of compassion and hear brands communicate what they are doing to support the health and wellbeing of employees and consumers. However, people are tiring of the “We’re all in this together” message.

“I think the brands need to acknowledge what is going on in the world both economically and medically, **but stop pandering to it. We got it, You want me to think you care.** But seriously, you want to sell me a product, not save the world.”

“Staying the course, not reopening too soon despite pressures from idiots.”

“I think a somber, yet, uplifting and supportive tone is best but **I am also quite tired of seeing those types of messages because almost every single one has that tone.**”

“I don't know, but we are no longer in the ‘this is a new crisis’ phase”, and **we should be moving towards the ‘how are we changing our systems and world to adapt?’ phase.**”

“**I'm responding more to advertising on Facebook. I ignore ads with Covid-19 and Trump.** If my son wasn't cooking for us, I'd be tempted to use the prepared meal subscriptions (seen on FB). I'm now subscribing for recurrently mailed dog food.”

“A bit sympathetic. **Times are tough right now and this has brought out the ugly in people.** I've seen and heard of a lot of mean encounters with people. People are frustrated and not knowing what's to come is scary. **So solidarity is nice to see.**”

“I like to hear it that brands are **continuing to support their own employees during this crisis** - e.g. maintaining employees' paychecks even if they can't work.”

“We're all in this together, we support frontline workers, we know times are stressful....**these messages mean a lot right now.** I prefer messages that are soft, quieter, no nonsense, no frills right now.”

“Honestly, I just want one brand to not change. **I want to know that in a world full of chaos, there is one constant that I can rely upon.** So like a slogan saying just, ‘We haven't changed’, would resonate with me the most.”

“One recommendation myself and a lot of people on social media agree **we do not want to see or hear one more ad from a multi billion dollar company saying, ‘We're in this together’.** At best we are more alone, afraid and wondering about our financial future.”

“Stick to the brand and it's usage. Not interested in emails from every CEO about how they have reacted to COVID-19.”

“The messages I have received since this all came about are great and sympathetic, but in the scheme of things after almost 2 months of this stay safe, stay home, **we are in this together bit, it's a bit tiring.**”

“**I don't want to hear ‘all in this together’ anymore.**”

“**That they understand and care about me and my needs during this time and they are willing to help in any way they can.**”

“Messages that applaud caution and staying at home. Ads that **show how the company has changed to keep relevant.**”

“The best tone and message is one of **optimism and hope.** They need to make it clear that they have the customer's back and are doing all they can to help.”

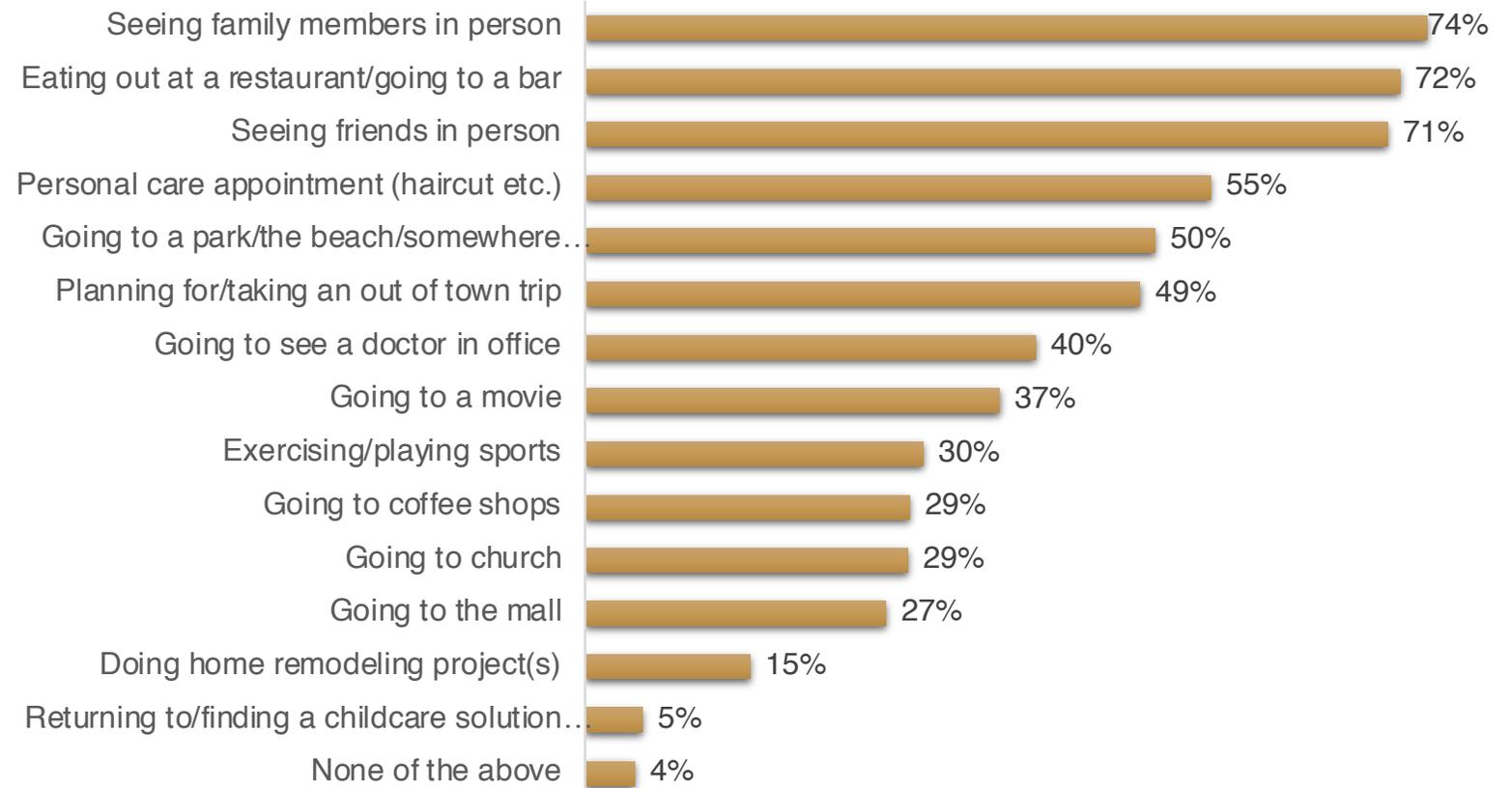
“I like the TV and internet ads from stores like Walmart and Target, where the CEO talks about **how much the employees are appreciated,** and that the company is doing everything they can to make conditions safer for them, and for the customers.”

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.

Around half of people are looking forward to personal care appointments, enjoying time outdoors, or taking an out-of-town trip.

Most Looking Forward To



Females are more likely to look forward to seeing friends in person and going to see a doctor in office, while males this week are more likely to look forward to finding childcare solutions.



Households with incomes of \$100k+ are more likely to look forward to going to a coffee shop while those with incomes of under \$50k are more likely to look forward to going to the mall.



People under 35 are more likely to look forward to seeing friends in person again.

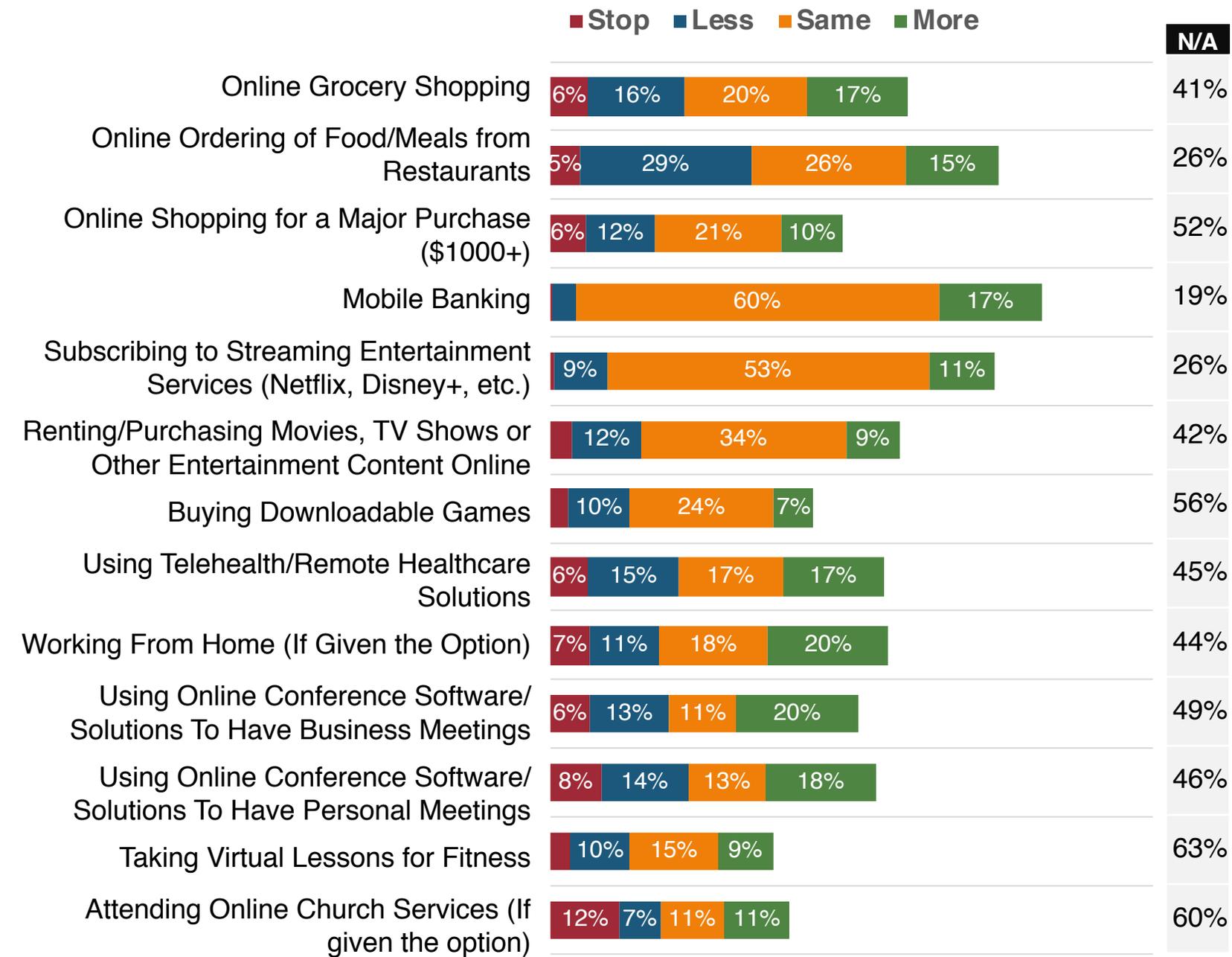


Southerners and Midwesterners are more likely to look forward to seeing family members in person.

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. Nearly 40% hope to be able to work from home at their current or greater level.

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



Percentages under 5% are not labeled

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?

A majority of people are cautious and require reassurance before they are ready to get back to normal. They are waiting for reports of a steep decline in new cases, improved access to testing, a green-light from a trusted authoritative source or for the best case scenario: a vaccine.

Few respondents express low concern or plan on returning to normal immediately.

“Cases of people being infected or dying from it stop altogether, vaccine and tests becoming available and the government says.”

“When I am able to go back to work and when my favorite shops are opened with customer health in mind.”

“The hospitals stopped seeing patients come in for COVID-19 treatment and no new cases of COVID-19.”

“Only when public Health officials give clear directives. I probably won't really do much until vaccine available.”

“When I feel the curve is truly flattening and no new wave pattern emerging. I have multiple autoimmune diseases and I can't afford to take chances. It really is life or death for me.”

“It'll be difficult in deciding as COVID-19 has taken some people from me and I'm immunocompromised. I'm scared of the new normal to be honest.”

“1. Vaccine widely available to give adequate herd immunity 2. Antibody tests available so I can know if I'm already protected.”

“When the number of corona cases come down and they find a treatment.”

“When my state says it is ok to go outside without protections.”

“I would have to see a big change in the number of people getting and dying from the virus. I do not care what the governor says. I will make my own decision. I am at high risk and would like to live.”

“When the government says that the number of cases are declining and/or it is safe to stop practicing.”

“When health officials deem it safe to return to normal, and only then - not when politicians decide.”

“I would be quite cautious. A vaccine would be a game changer.”

“I think some assurance is needed that its over.. but I'm sure I'll still be paranoid.”

“It will be a long time before I will feel comfortable being among people - seeing a play in a theater having someone next to me in the audience is just impossible to do - I am high risk with my age, weight and high blood pressure.”

“State guidelines are removed - rules in place for going anywhere - everyone wears masks. If store employees aren't taking precautions, I won't be there. Stay away from areas that haven't restricted movement.”

“I am not certain. It would absolutely be necessary for the new cases to be nearly zero before I would even consider returning to some of the pre-Covid activities.”

“When the medical world lets me know it is safe, not a Politician!”

“I will practice social distancing around any at risk individuals. It will not be a flip of the switch.”

“I need to see a huge decline in new cases before I will take my 1 year old daughter out. Even then I will still be very cautious.”