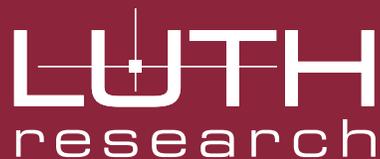

METHODOLOGY

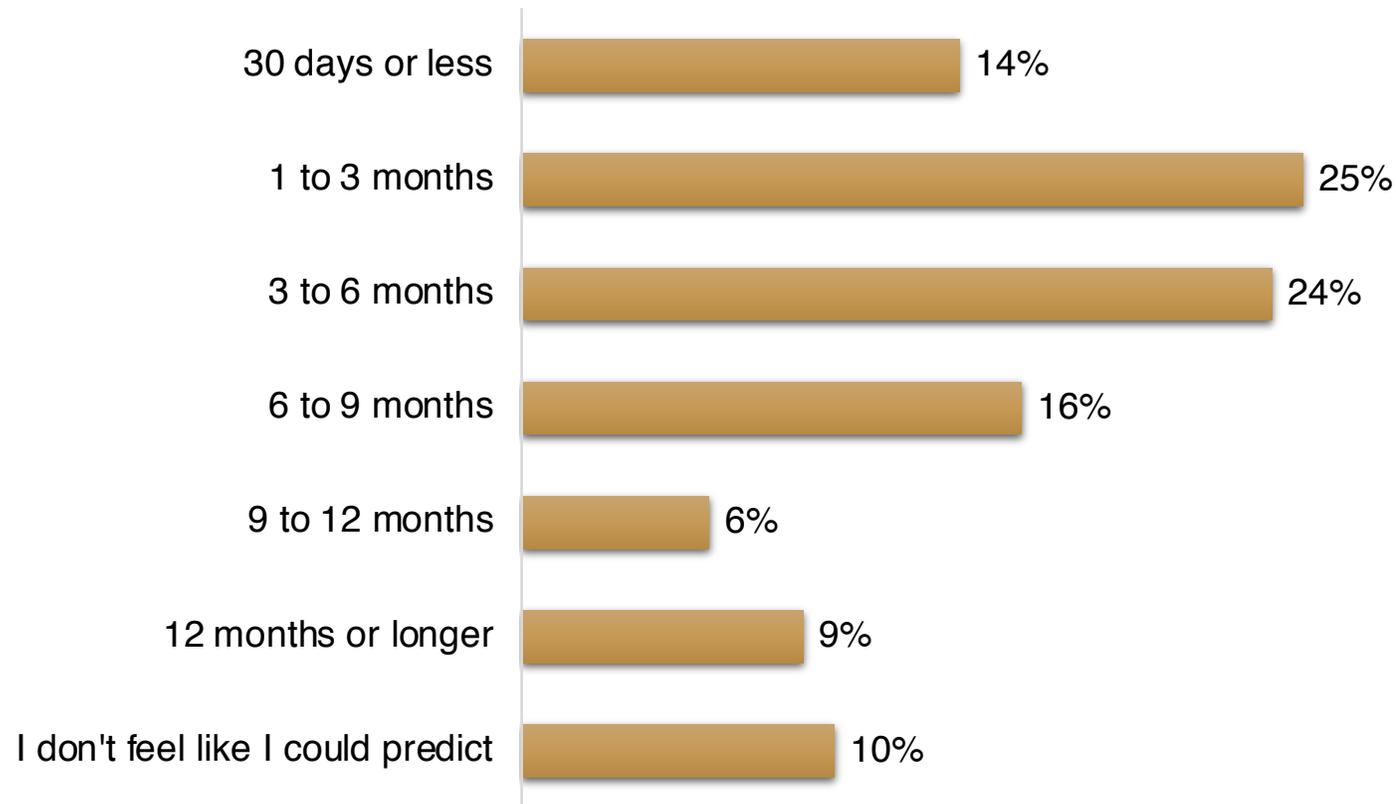
At Luth Research, we believe in connecting the minds and voices of people in finding the way forward during this challenging time. Beginning the week of March 16 and each week following we have shared insights from our community of panelists. This week's insights were collected Wednesday, April 29, 2020 and are based on a sample of N=381 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, 39% expect to see a decline in the pandemic within 3 months, with 63% expecting it within 6 months.

Males are much more likely than females to expect a decline within the next 6 months (72% males vs 53% females). People across all geographical regions are equally likely to believe the outbreak will decline in 6 months or under, but Midwesterners and Westerners are more likely to feel it will decline within the next 3 months.



Males are more likely than females to expect a decline within the next 6 months.



No differences by household observed.



No differences by age observed.



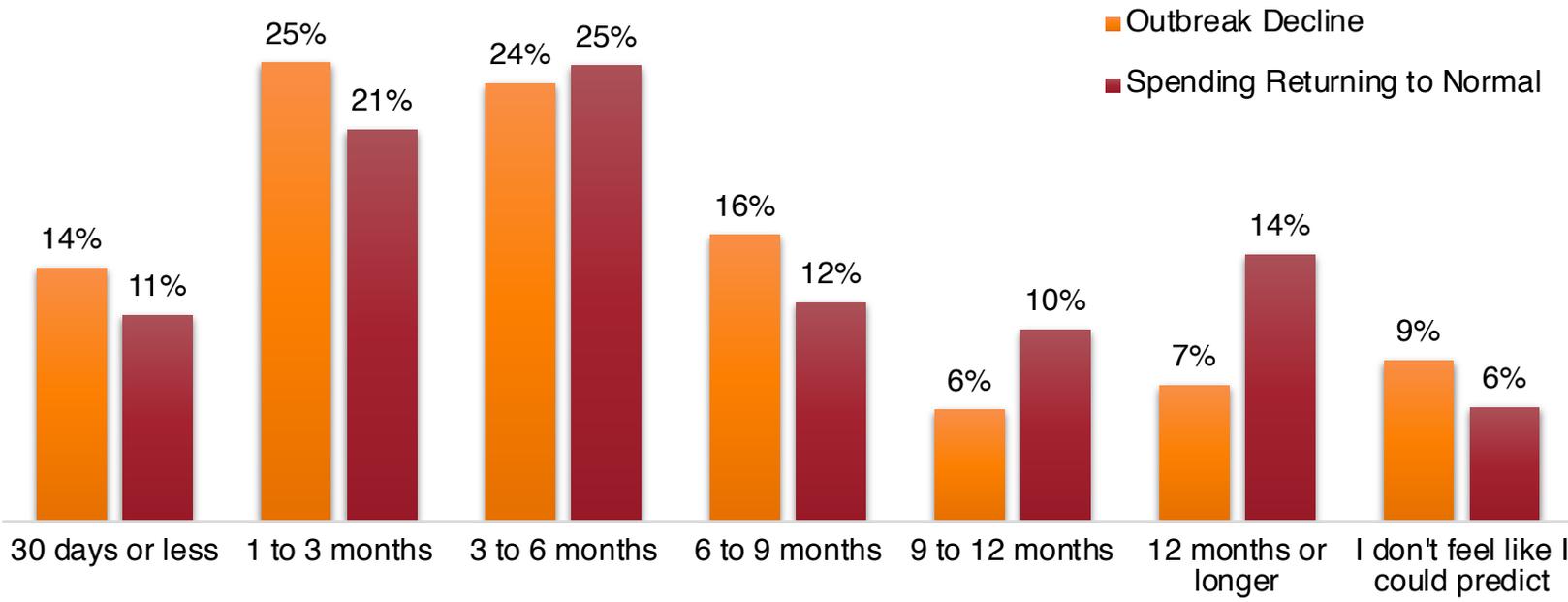
Midwesterners and Westerners are more likely to expect a decline within 3 months.

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

We are seeing much stronger similarity than before between when people expect the pandemic to recede and when they expect spending to return to normal.

Southerners are the most optimistic about returning to normal spending, but not as optimistic about outbreak decline. Females are more likely than males to feel uncertain about outbreak decline and returning to normal spending.

Timelines for Virus Starting to Decline & Spending Returning to Normal



Females are more likely to feel uncertain as to when spending will return to normal.



People with \$50-100K HHI are more likely to anticipate normal spending within 3 months. Under \$50K households are more likely to feel uncertain.



People under 35 are more likely to anticipate returns to normal spending within the next 6 months.



Southerners are more likely to feel spending will return to normal within 3 months, despite feeling the outbreak will take longer to decline.

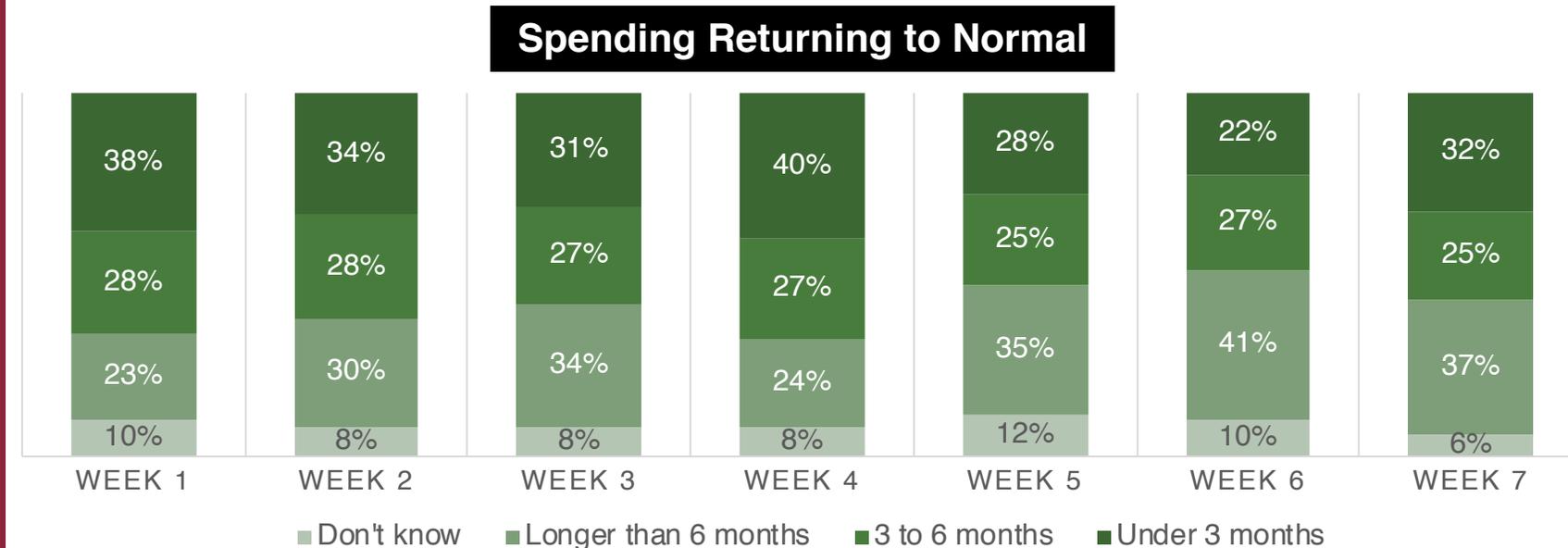
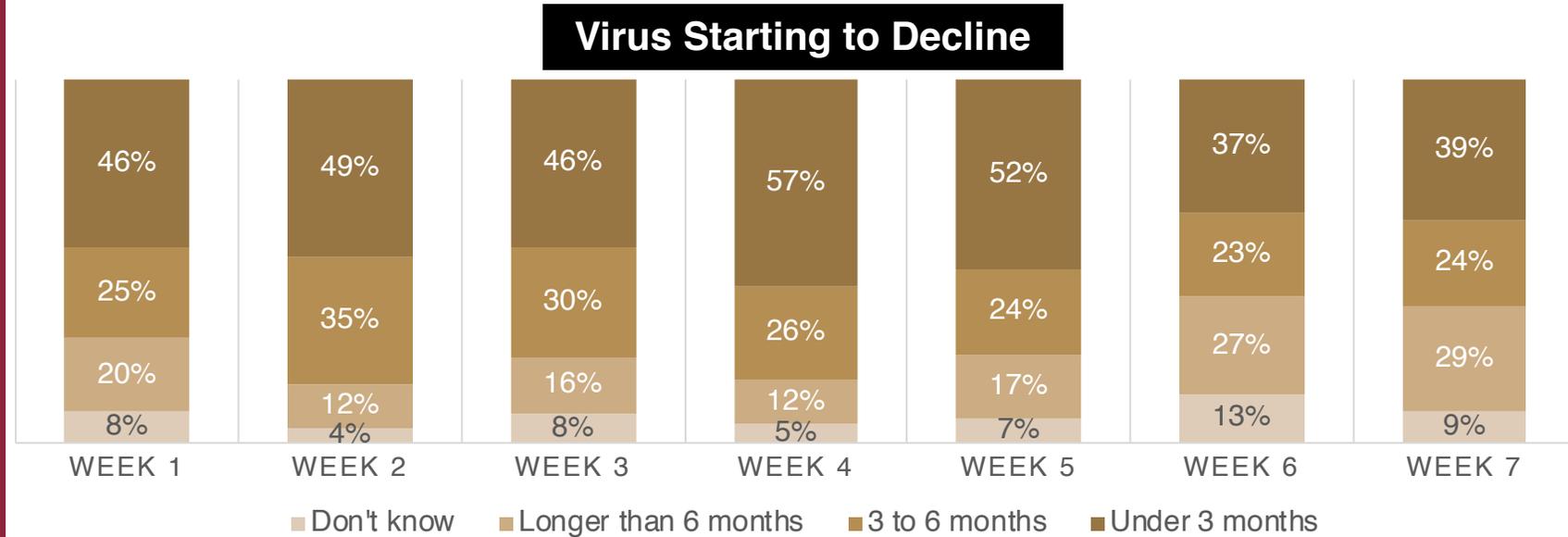
TRENDING:

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?

Last week and this week shows a significant decrease in the number of people who feel the outbreak will decline in fewer than 6 months.

However, this week saw a small growth in the number of people who feeling spending will return to normal in under 3 months.

Timelines for Virus Starting to Decline & Spending Returning to Normal (Weeks 1–7)



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 56%	38%
Baby	10%	11%	1 79%
Beauty	6%	3 48%	46%
Books	21%	19%	60%
Camera and Photo	5%	23%	3 72%
Clothing and Accessories	10%	2 51%	39%
Consumer Electronics	16%	35%	50%
Games (video games, online games, mobile games, etc.)	24%	20%	56%
Grocery and Gourmet Foods	1 57%	19%	24%
Health and Personal Care	29%	31%	40%
Home and Garden	22%	30%	48%
Luggage and Travel Accessories	2%	44%	55%
Movies and TV Shows downloads (digital purchases)	2 31%	19%	50%
Music	14%	16%	70%
Office Products	10%	25%	65%
Outdoors	10%	36%	55%
Personal Computers	10%	23%	67%
Pet Supplies	14%	13%	2 73%
Shoes, Handbags, and Sunglasses	2%	39%	58%
Software	7%	23%	70%
Sports	1%	40%	59%
Streaming Entertainment Services (e.g. Netflix, Hulu, Spotify, etc.)	3 29%	12%	59%
Tools and Home Improvement	18%	24%	57%
Toys	11%	23%	67%



Changes in Increased Spending

Increased spending has trended upward over the past 7 weeks on Books, Games, Toys, Consumer Electronics, Movies/TV Downloads and Streaming Entertainment.

Changes in Decreased Spending

Over the past 7 weeks, an increasing percentage of people are cutting back on Automotive and Beauty spending.

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 taking up new hobbies as well as turning to digital platforms for banking and entertainment.

	DELAYING		DOING	
Making a major purchase (\$1000+)	2	40%		14%
Travel for leisure	1	69%		5%
Travel for business	3	26%		4%
Applying for a credit card		13%		10%
Opening a new bank account		13%		8%
Using mobile banking app(s)		4%	1	49%
Buying a house/property		18%		6%
Selling a house/property		9%		5%
Subscribing to video streaming services (e.g., Netflix, Disney+)		6%	3	39%
Subscribing to a grocery delivery service (e.g., Instacart, Shipt)		9%		30%
Donating blood		16%		14%
Applying for a new job		13%		14%
Voting for a different presidential candidate		6%		24%
Learning a new hobby		3%	2	40%
Divorce/breaking up in a relationship		2%		5%
Wedding/getting married		10%		4%



Changes in Doing

Over the past 6 weeks, Subscribing to Video Streaming and Learning a New Hobby have increased 11% and 10% respectively.

Changes in Delaying

Over the past 6 weeks, an increasing percentage of respondents are delaying Travel for Leisure (by 8%) and Buying a House (by 5%).

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?

Actions speak louder than words, and brands should consider how they are helping as well as what messages are important.

“We’re all in this together” is starting to feel stale and played out. Instead, people want to hear original and authentic messages from brands that offers a balance of understanding the impact of COVID- 19 while demonstrating care for their employees, customers and the community.

“A **caring tone**. One of **concern** and wanting to really **help**.”

“Fewer, I feel like that is all I hear and see. Also, **'We can get through this together' is getting old**. A **new way of saying it would be nice**. Something like, 'With everyone co-operating we will get through this'.”

“I am **sick and tired of these companies stating we are in this together**. Please **be original** and **speak from your heart**.”

“**Honesty**. **Following through on what they say**.”

“A **streamlined explanation of exactly what they are doing to protect customers** - handing out masks as customers enter store, cleaning registers, countertops, using devices to filter the air in the store, ensuring customers follow social distancing.”

“Just **keep it real**. **Don't sugar coat things**. Don't try to sympathize or empathize. I expect all companies are trying their best to make everything safe for their workers and customers.”

“**Brands that are performing humanitarian acts** (like donating money, food, community support, paid furlough etc.) **speak to me more than the run of the mill product advertising**.”

“**Actually opening up**. **Nothing they can actually say will have any resonance**. If they email, they're annoying; if they call, they're a nuisance; if they disrupt our videos with advertisements, I will stop shopping at their businesses.”

“Actually, I **dislike the condescending tone** most advertisers are using. It is bad and I think we all know that. **Do something lighter that makes you smile, like that family that clogs**.”

“**A regular tone; make you feel like you're still human**.”

“I don't want to see regular ads, They need to acknowledge what is happening. I also don't like the touchy feely ads that sound so sickly sweet. **Be plain and upfront**. **Give pertinent information about what you are doing**.”

“**Supportive and encouraging**. **Informative and helpful**.”

“The message I want to hear from companies and the everyday brands people use everyday is that they are **supporting their workers throughout this pandemic**. I want the tone to be both **honest, caring and uplifting**.”

“**I hate the phrase we are all in this together**. If a brand is spending money on an ad then **they should be donating to relief efforts**, not just trying to make everyone think they're doing good by making themselves look good.”

“**Authentic & relevant**. My gym sends daily inspirational emails with video workouts, meditations, recipes. Metlife discounted 2 months of auto bills by 15%. Deciccio's supermarket sent an email outlining new policies during a pandemic to keep us safe.”

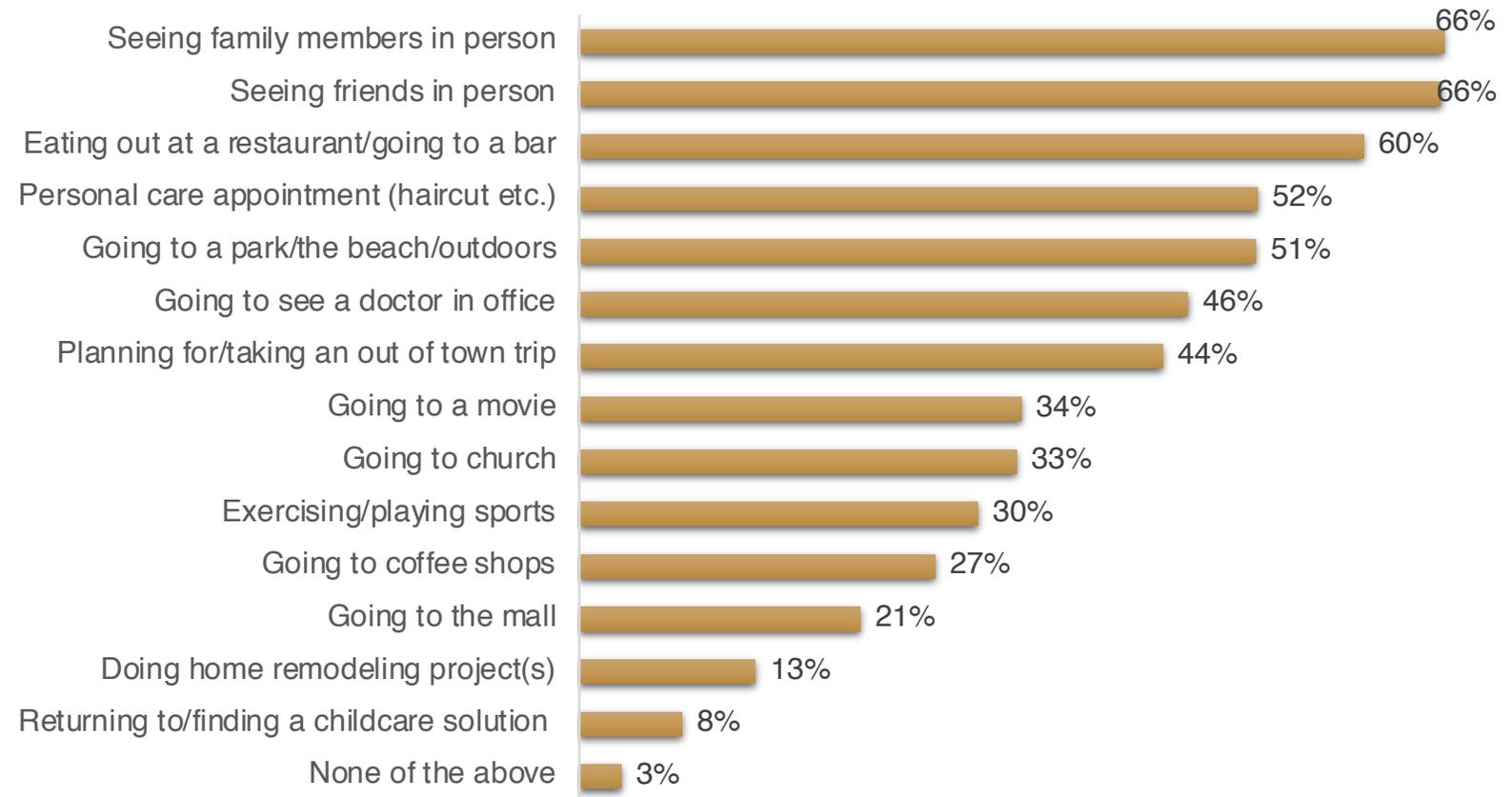
“**Caring about the situation and donating profits to front line workers and unemployed**.”

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.

More than half of people are looking forward to personal care appointments and/or enjoying time outdoors.

Most Looking Forward To



Females are more likely to look forward to going to personal care appointments, while males this week are more likely to look forward to eating out and going to a movie.



Households with incomes of \$50k+ are more likely to look forward to going out of town. Those with HHI of \$50-100k are most likely to look forward to going to see a doctor.



Unsurprisingly, people under 45 are more likely to look forward to returning to or finding childcare solutions.

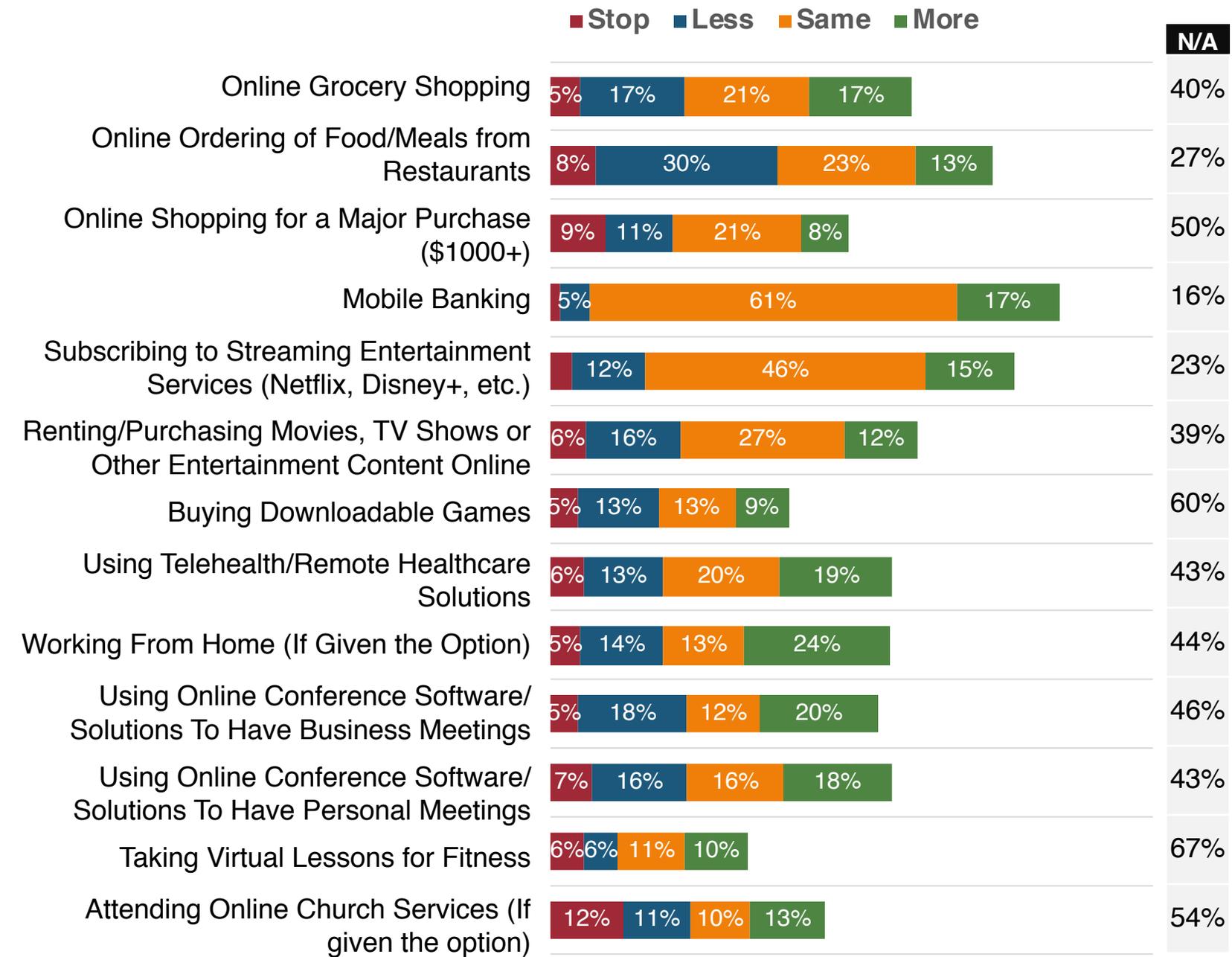


Southerners are least likely to look forward to eating out while Northeasterners are less likely to look forward to an out of town trip.

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?

People are ready to relax quarantine practices and venture out into public. However, even when states and cities begin opening back up, most are not ready to end social distancing.

Some still plan an overabundance of caution when going out in public spaces until the number of cases decline, a vaccine or successful treatment plan is developed and medical professionals signal that it's safe.

“Whenever I know it’s **safe to go to places** where you can be normal again **without the use of mask or gloves.**”

“When there is a **consecutive decline in the number of new cases** on a daily basis and the **country is open to business again**, but **even then I will be selective on where I go.**”

“**Social distancing is the new normal** but we do not have to remain in quarantine. **I am ready to go out and interact and shop now.**”

“**After the Federal and State Governments lift restrictions**, I would then begin to go out more but **would probably still maintain social distancing** till enough time passes to see if the rates of infection keep decreasing or begin to increase again.”

“I don't stay home as I am an essential worker. A **vaccine would be optimal**, but **heightened sanitizing** and **providing protective gear** would be enough for me.”

“**I want everyone who can to wear face masks and use the 6 foot rule.** I would like **special hours to shop** to continue for the **most vulnerable people.**”

“Once the **data has shown less infections and deaths** based on more testing then I would be more inclined to stop quarantine. **I believe we will see a second round in the winter just based on the normal flu cycle.**”

“**I will follow CDC guidelines.**”

“**Even if it improves**, I will **still wear a mask** and **keep social distancing when out in public.**”

“**A steep decline in the number of cases** in my area over a significant amount of time 20-30 days. Also a **commitment from businesses to continue extreme sanitizing practices** and encouragement to continue **distancing protocols.**”

“**Since my wife has medical issues** that can be severely impacted by a respiratory illness, I would **need to wait until there was an 'all clear'** not just an 'it's ok to go out but **always wear a mask'.**”

“I'm **young and fit so I'm not concerned** about my own health. I would **continue to follow state mandates to keep others healthy.**”

“**Steady decrease in COVID-19 cases** & related deaths. Knowing there was **immunization/treatment for COVID-19.**”

“**My own decision.** Once the **governor opens the state back up** I plan to go about business as before covid!”

“**About a month after they say it is safe.**”

“**Assurance from people who are qualified to make that call.** More **cooperation and honesty.** More working with other countries. Having access to information that is verifiable. **Being able to have confidence in leadership. Competence.**”

“I need to see a **steady decline in cases before I go gangbusters on being in restaurants, etc.**”

“I am **honestly good with stopping now.** I feel like we are **probably past the worst of it right now.** I haven't paid too much attention to the numbers because I don't think they have been completely accurate. ”