
METHODOLOGY

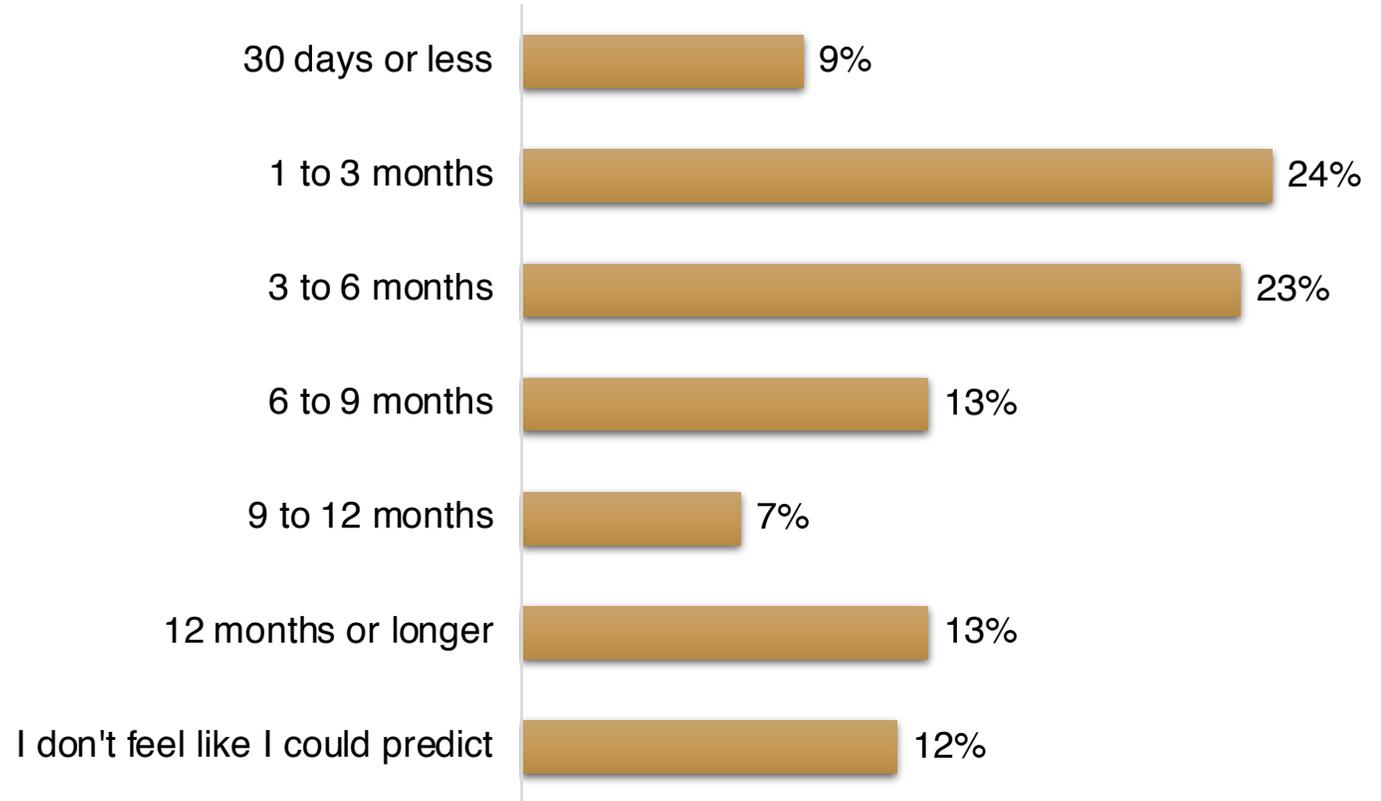
At Luth Research, we believe in connecting the minds and voices of people in finding the way forward during this challenging time. Beginning the week of March 16 and continuing for the next several weeks, we are sharing insights from our community of panelists. This week's insights were collected Wednesday, May 6, 2020 and are based on a sample of N=321 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, 33% expect to see a decline in the pandemic within 3 months, with 56% expecting it within 6 months.

Males are much more likely than females to expect a decline within the next 6 months (70% males vs 44% females). People across all geographical regions are equally likely to believe the outbreak will decline in 6 months or under, but Northeasterners and Southerners 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 income observed.



No differences by age observed.



Northeasterners and Southerners are more likely to expect a decline within 3 months.

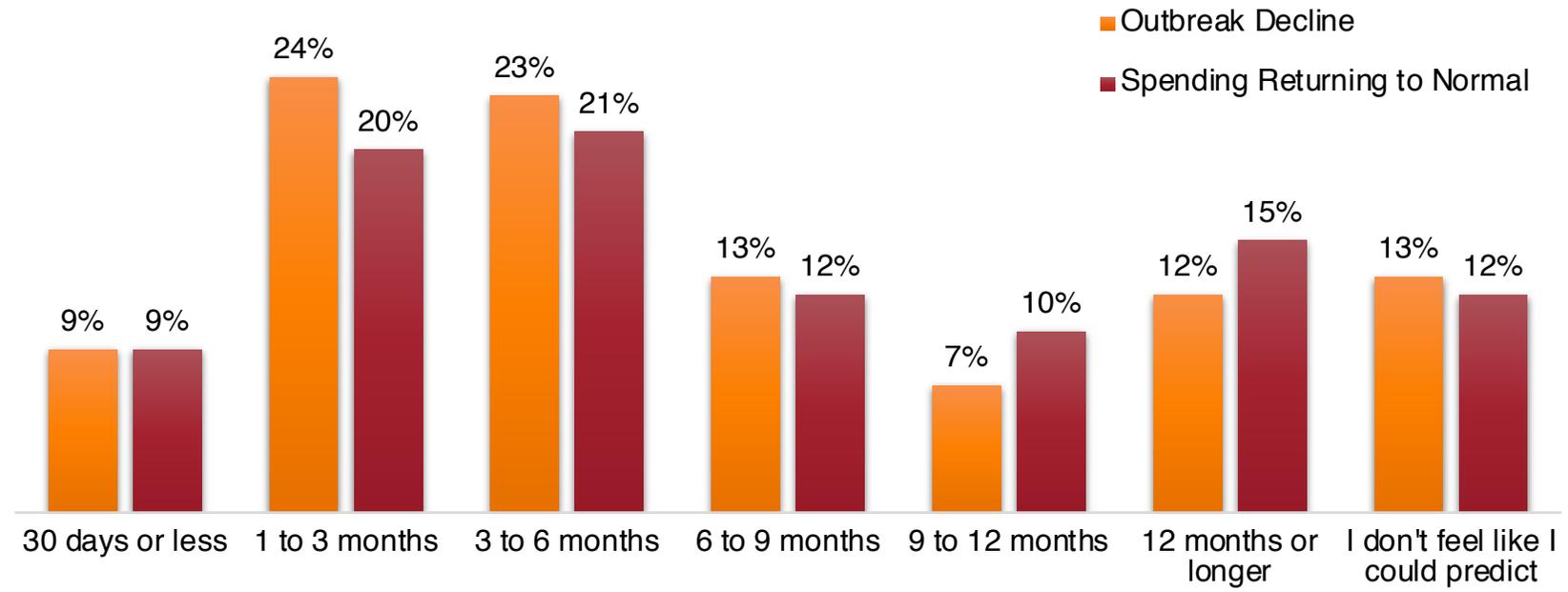
How long will it take you to get back to your normal spending before the coronavirus outbreak?

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

Those with household incomes over \$100K expect to wait longer to return to normal spending.

Women are more likely than men to feel uncertain about when the pandemic will decline and when they will return to normal spending.

Timelines for Virus Starting to Decline & Spending Returning to Normal



Men expect an earlier return to normal spending than women.



People with household incomes over \$100K are most likely to expect taking at least 6 months to return to normal spending.



People under 35 are more likely to anticipate returning to normal spending within the next 3 months; those over 45 are most uncertain.



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

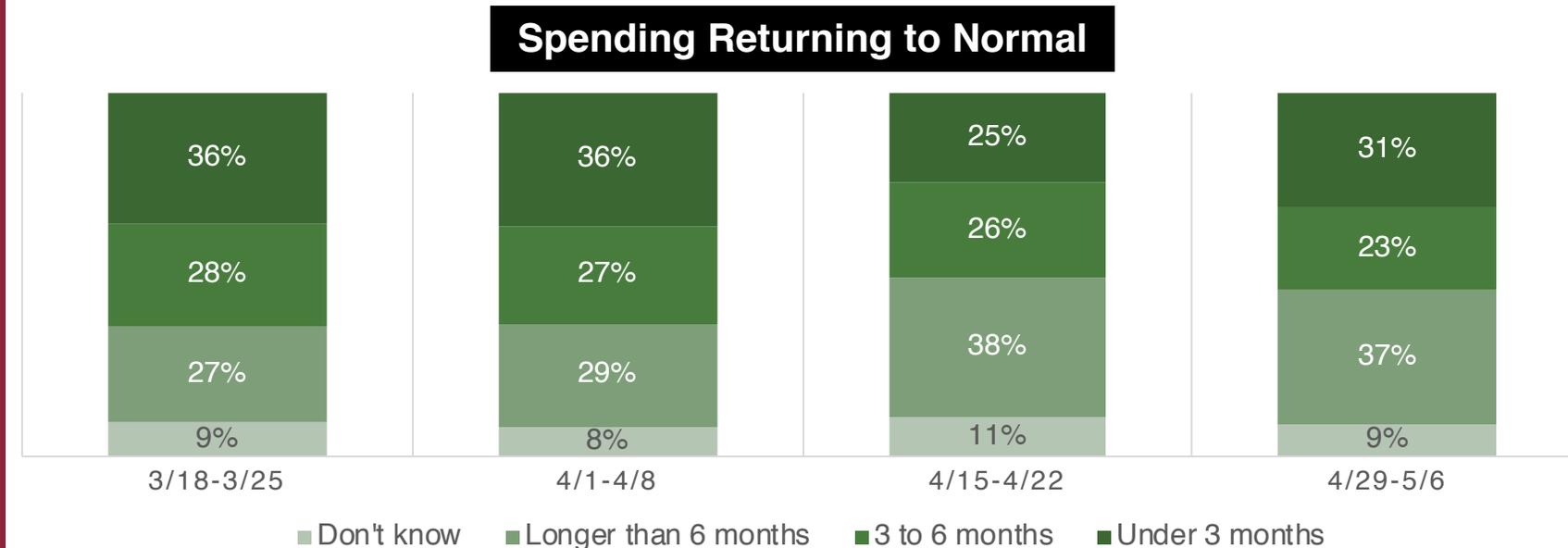
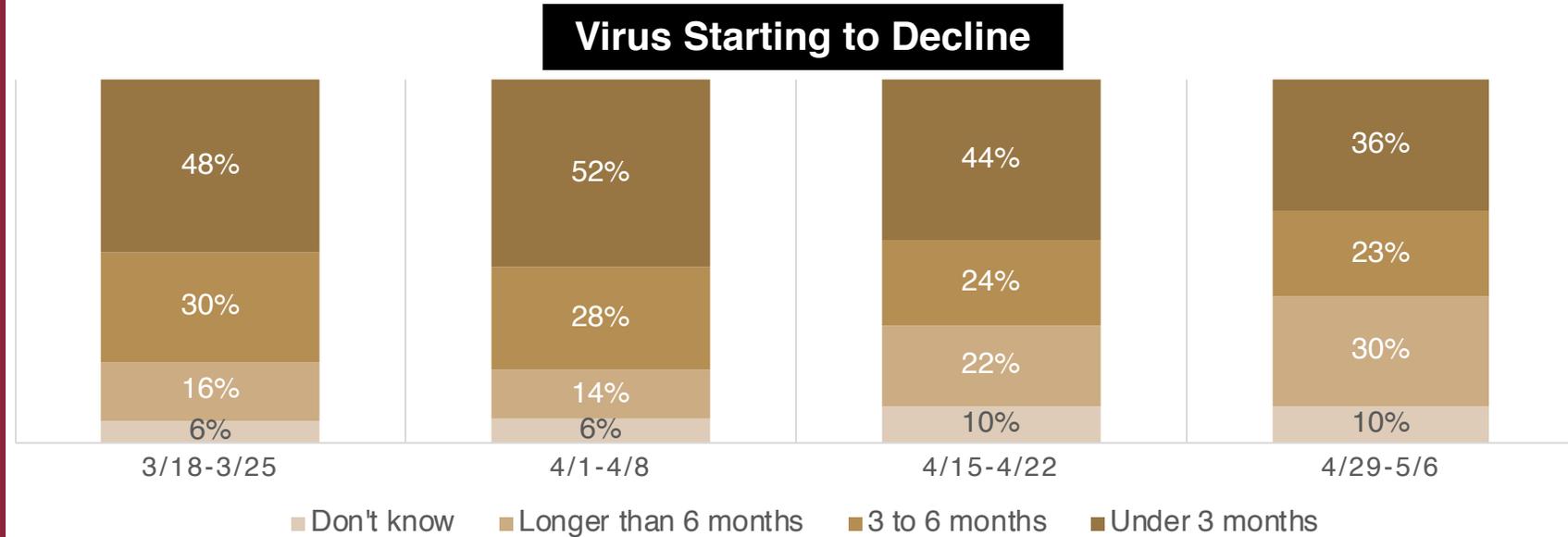
TRENDING:

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?

Since the beginning of April, people have become less optimistic about how quickly the pandemic will recede.

However, the past two weeks have seen an increase in the number of people who think spending will return to normal in under 3 months.

Timelines for Virus Starting to Decline & Spending Returning to Normal (Weeks 1–8)



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

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

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

	MORE	LESS	SAME
Automotive/car	3%	2 55%	42%
Baby	5%	12%	1 83%
Beauty	7%	3 44%	49%
Books	20%	22%	58%
Camera and Photo	4%	25%	3 70%
Clothing and Accessories	6%	1 55%	39%
Consumer Electronics	10%	36%	54%
Games (video games, online games, mobile games, etc.)	22%	23%	55%
Grocery and Gourmet Foods	1 50%	21%	29%
Health and Personal Care	24%	27%	50%
Home and Garden	21%	26%	53%
Luggage and Travel Accessories	3%	38%	59%
Movies and TV Shows downloads (digital purchases)	2 28%	17%	55%
Music	16%	18%	67%
Office Products	13%	25%	62%
Outdoors	12%	30%	59%
Personal Computers	8%	21%	71%
Pet Supplies	18%	14%	68%
Shoes, Handbags, and Sunglasses	4%	36%	59%
Software	8%	21%	71%
Sports	1%	37%	62%
Streaming Entertainment Services (e.g. Netflix, Hulu, Spotify)	3 25%	14%	61%
Tools and Home Improvement	18%	22%	60%
Toys	10%	17%	2 73%



Changes in Increased Spending

Over the past 8 weeks, we have seen sustained, trending increases in people spending more on Books, Games, Movies & TV shows, Music, and Home & Garden.

Changes in Decreased Spending

Over the past 8 weeks, an increasing percentage of people are cutting back on Beauty and Automotive spending.

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

Travel, as well as major financial and economic activities are being delayed.

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 45%	11%
Travel for leisure	1 64%	11%
Travel for business	3 28%	6%
Applying for a credit card	21%	7%
Opening a new bank account	18%	8%
Using mobile banking app(s)	8%	1 42%
Buying a house/property	18%	9%
Selling a house/property	16%	5%
Subscribing to video streaming services (e.g., Netflix, Disney+)	9%	3 35%
Subscribing to a grocery delivery service (e.g., Instacart, Shipt)	9%	25%
Donating blood	18%	18%
Applying for a new job	17%	17%
Voting for a different presidential candidate	9%	24%
Learning a new hobby	9%	2 42%
Divorce/breaking up in a relationship	5%	2%
Wedding/getting married	7%	2%



Changes in Doing

While few people are traveling, the past 2 weeks have seen a significant spike in leisure travel (4% to 11%) and business travel (1% to 6%).

Changes in Delaying

Over the past couple of weeks, we are seeing larger numbers of people delaying applying for a new credit card and selling property. People are also increasingly delaying donating blood.

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, authentic, and even humorous messages from brands that offer a balance of understanding the impact of COVID-19 while demonstrating care for their employees, customers, and the community.

“I’d rather not hear any more brands talking about it...I've heard enough and am done with it.”

How they are taking care of all their employees during this time. **By all I mean everyone from contractors through the CEO.** “

Messages geared toward inclusiveness, truth, and facts. **Assurances that the brands we trust most will endure this pandemic with us**, and that we should not expect them to waver or falter in deliverables we have come to expect.

“Honestly, I have gotten SO many emails and seen so many TV ads regarding this, **they are starting to blur together.**”

“Being honest! **There is so much BS going on now.** We care. We are here for you etc. They are so FOS! It’s ridiculous. The banks are the worst.”

“Use warm tones of comfort & encouraging messages that provide **comfort to those who have suffered** or have lost loved ones to the virus, **encouragement to essential workers** to keep going strong, hope to everyone that things will get better.”

“**Brands can get my attention by putting money back in my pocket.** Offer discounts for what I'm already paying for, like cable/satellite service. Prove that customers are more important than profit and wealthy shareholders.”

“I pay attention to companies that talk about **taking care of their employees** and local businesses, first and foremost.”

“Brands need to be **open and honest about supply and when items will be in stock** that we all need right now. They need to let us know they are working to get supplies quickly to the consumer.”

“Care, compassion, discounts”

“Brief to the point messages. Support for communities in need and frontline workers.”

“I like brands that make me feel like they really care about me, not just money. I love that car insurance companies are giving partial refunds. **A lot of brands are paying it forward and that makes me feel as though the brand is genuine.**”

“Considering the way the world is now I enjoy comedic things.”

“The messages that resonate the most with me is that even though they are having a hard time keeping products on the shelves **they let us know they are working hard to stock items we need** and will strive to stock food and supplies we need most.”

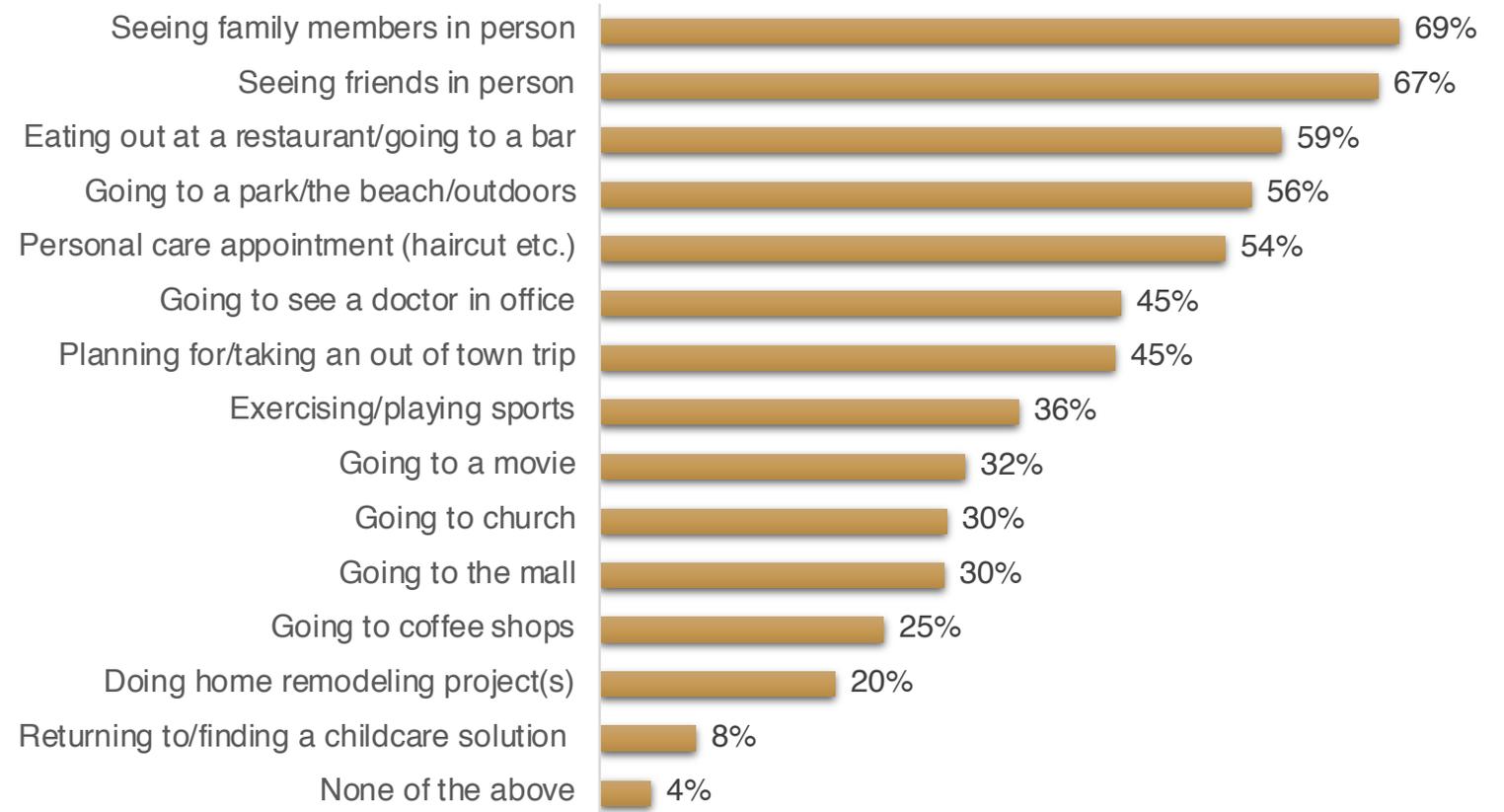
“The most important thing is to make us feel that **we are not alone** and that money really does not help much these days. **I really like the work of GMC and Tesla in producing mass ventilators for hospitals to help patients with COVID-19.**”

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 or enjoying time outdoors.

Most Looking Forward To



Women are more likely to look forward to going to personal care appointments, while men are more likely to look forward to eating out.



Households with incomes of \$50k+ are more likely to look forward to personal care appointments. Those with HHI over \$100K are most likely to look forward to the resumption of childcare solutions.



Younger people (especially under 35) are most likely to look forward to consumption activities (mall, coffee shops) as well as exercise and childcare.



Southerners are most likely to look forward to going to the mall, and less likely than Northeasterners and Midwesterners to want to see 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. Over 40% hope to be able to continue to work from home.

Online ordering for restaurants shows the highest anticipated decline or stop, even though 45% plan to continue online ordering at the same or greater levels.



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.

“A drop in the total number of new cases - **unfortunately probably not until a vaccine.**”

“**I think we will be doing this for the next year or so.**”

“About 6 months. I will start attending concerts and or sporting events again **as long as the numbers are down.**”

“I would need to see the numbers of deaths go down significantly, the numbers of testing go up significantly, and hear the numbers of positive tests go down. **When it is not the first item mentioned on the news I will know things are better.**”

“I feel the current executive order in Michigan requiring absolutely NO contact with non-household members is illegal. **So, as soon as illness rates drop.**”

“I would stop staying quarantined once I know it's safe to do so. **If there's a viable treatment or vaccine and I know stores and restaurants are taking precautions to stay safe.**”

“I'm not certain if I would stop being distant. **This thing has gotten so far out of hand that I would be willing to continue staying away from people who frighten me.** I have been far more cautious of my surroundings and only go outside if necessary.”

“**Multiple confirmed responses from the CDC, our federal government, etc.** that it is safe to end quarantine and return to small group gatherings.”

“I would say I would stop the necessary precautions **when the government tells me to and then add 4 months to it just to make sure** they are not trying to kill us off.”

“**Businesses supplying information on how they are keeping things safe for consumers.** Once I am happy with the way they are going to proceed will help me make a decision.”

“**I prefer to stay until there is a vaccine,** however, that is not feasible. ”

“When the virus is under control. **I hope that people will still social distance and continue washing their hands though.**”

“**If there was a definite cure** and proof meds were working.”

“I already think it is time...it is being blown out of proportion & **it is time to return to normal now!**”

“As more and more businesses open for business, **I will stop staying quarantined but will continue social distancing for a time.**”