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# 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 13, 2020 and are based on a sample of N=312 weighted to the demographics of the U.S. online population.

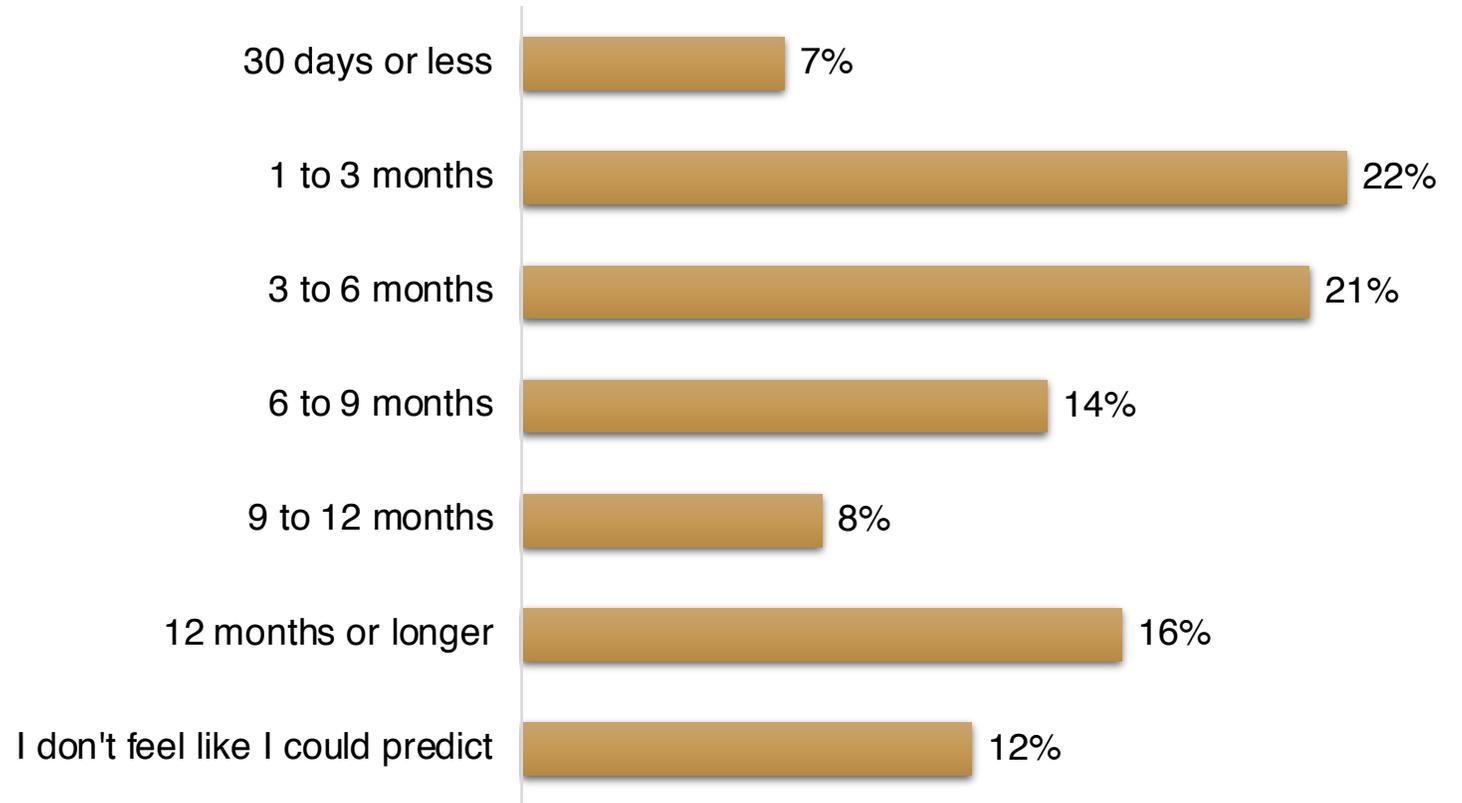


# How long will it take for the U.S. coronavirus outbreak to start declining?

Among our respondents, 29% expect to see a decline in the pandemic within 3 months, with half of respondents expecting it within 6 months.

There were no major gender differences among those that expect to see an outbreak decline in the next 6 months.

Northeasterners are more likely to believe the outbreak will decline in 6 months or under.



No major differences between males and females in expecting a decline in the next 6 months.



Those making over 100k were most likely to expect a decline in the next 3 months.



Age groups under 35 and over 55 were the most likely to predict a decline in the next 6 months.



Northeasterners are more likely to expect a decline within 6 months.

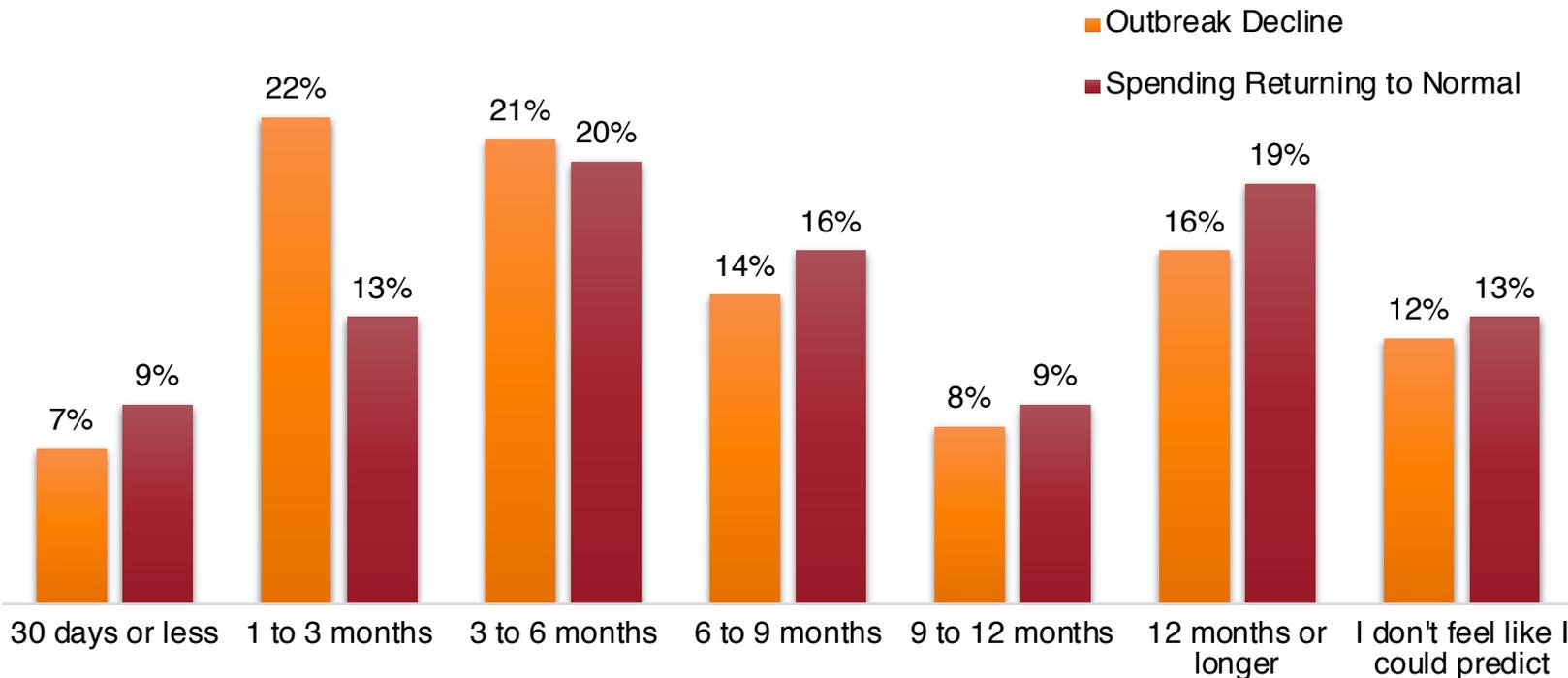
# How long will it take you to get back to your normal spending before the coronavirus outbreak?

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.

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

Men are more likely to expect an earlier return to normal spending than women.

## 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 6 months; those over 55 anticipate under 3 months.



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

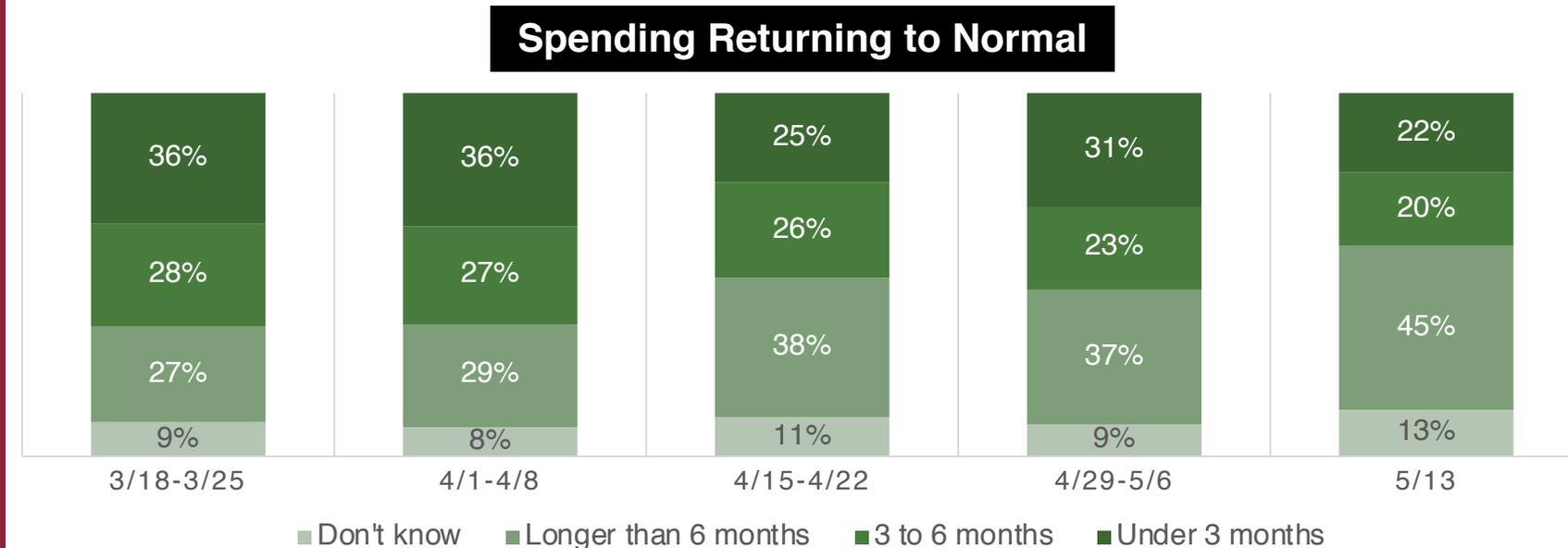
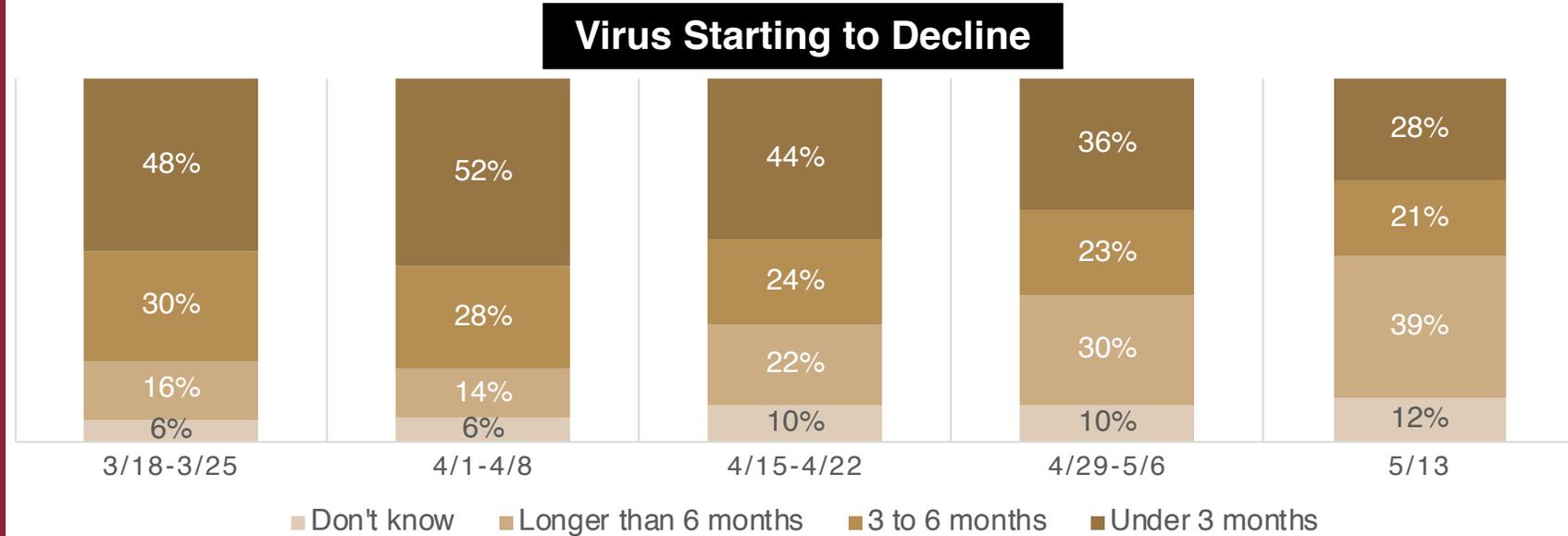
# TRENDING:

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 and less optimistic about a return to normal spending.

As time wears on, we have seen a lack of confidence that this will resolve in under 3 months, instead people are projecting longer than six months to see a return to normal.

## Timelines for Virus Starting to Decline & Spending Returning to Normal (Weeks 1-9)



# 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	6%	1 51%	42%
Baby	3%	7%	1 89%
Beauty	6%	3 41%	53%
Books	18%	17%	65%
Camera and Photo	6%	20%	2 75%
Clothing and Accessories	9%	2 47%	44%
Consumer Electronics	15%	34%	51%
Games (video games, online games, mobile games, etc.)	22%	21%	57%
Grocery and Gourmet Foods	1 52%	20%	28%
Health and Personal Care	25%	26%	50%
Home and Garden	27%	20%	54%
Luggage and Travel Accessories	1%	37%	62%
Movies and TV Shows downloads (digital purchases)	3 27%	18%	55%
Music	17%	17%	67%
Office Products	10%	24%	65%
Outdoor Recreation	18%	25%	57%
Personal Computers	14%	19%	67%
Pet Supplies	14%	13%	73%
Shoes, Handbags, and Sunglasses	6%	37%	57%
Software	8%	18%	3 74%
Sports	5%	28%	67%
Streaming Entertainment Services (e.g. Netflix, Hulu, Spotify)	2 29%	12%	59%
Tools and Home Improvement	25%	20%	56%
Toys	11%	19%	70%



### 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 Outdoor Supplies/Home & Garden.

### Changes in Decreased Spending

Over the past 8 weeks, an increasing percentage of people are cutting back on Beauty, Clothing, 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 44%	14%
Travel for leisure	1 61%	10%
Travel for business	3 28%	4%
Applying for a credit card	12%	8%
Opening a new bank account	11%	7%
Using mobile banking app(s)	4%	1 41%
Buying a house/property	13%	7%
Selling a house/property	9%	3%
Subscribing to video streaming services (e.g., Netflix, Disney+)	7%	2 36%
Subscribing to a grocery delivery service (e.g., Instacart, Shipt)	6%	24%
Donating blood	14%	13%
Applying for a new job	14%	16%
Voting for a different presidential candidate	9%	23%
Learning a new hobby	9%	3 33%
Divorce/breaking up in a relationship	8%	4%
Wedding/getting married	7%	2%



### Changes in Doing

While few people are traveling, the past 3 weeks have seen a significant spike in leisure travel (4% to 10%) and business travel (1% to 4%). Since week one, there has been a 5% increase in voting for a different presidential candidate.

### 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.**

Consumers are tired of hearing “We’re all in this together”. 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 frontline workers, employees, customers, and the community.

“One that is **caring and recognizes that everyone is impacted by COVID.**”

“I like to see an **upbeat tone** communicated and the best approach now would be to **lower prices** on items since so many people are out of work.”

“Low key commercials, no blaring music or people. Keep a pleasant tone, the message should say that **in these uncertain times the brand is here to help you and reassure you** that they will be there if you need them.”

“**Empathetic, sympathetic to the situation going on around us.** I am still working as an essential worker but not in health.”

“Sincere messages. How are you helping your employees and the community around you? **Don't sell me anything.**”

“Brands should communicate whatever **additional steps over and above their normal protocols** that they are taking in order to function in a safe yet effective manner **consistent with the recommendations** of health care professionals. Be specific.”

“I want them to let me know how they are going to help people out - **lowering costs, providing better and/or different services, refunding money!** Not all of us got a stimulus check...”

“I like to hear **comforting tones with reassurances** that we are **all in this together** and will get through this.”

“What resonates most with me is brands that **keep supplies to match demand. I don't like going all over town** trying to find things where I typically find them.”

“**It's irritating when brands use the we're all in this together tone, because we're not.** Corporations are not in this with the people who are struggling. **It feels disconnected.**”

“**Everyday functionality or utilization** of a product, not the approach that I need to be 'changed'. It's hard enough right now to **make things work without worrying about driving the new normal** any further afield!”

“Helping our **frontline workers.**”

“**Empathy.** Most companies don't show any.”

“The companies showing all **kinds of essential workers of all fields** and also those sheltering in place and **offering free deliveries, easier ways to collect goods and make home deliveries easy and without contact,** etc.”

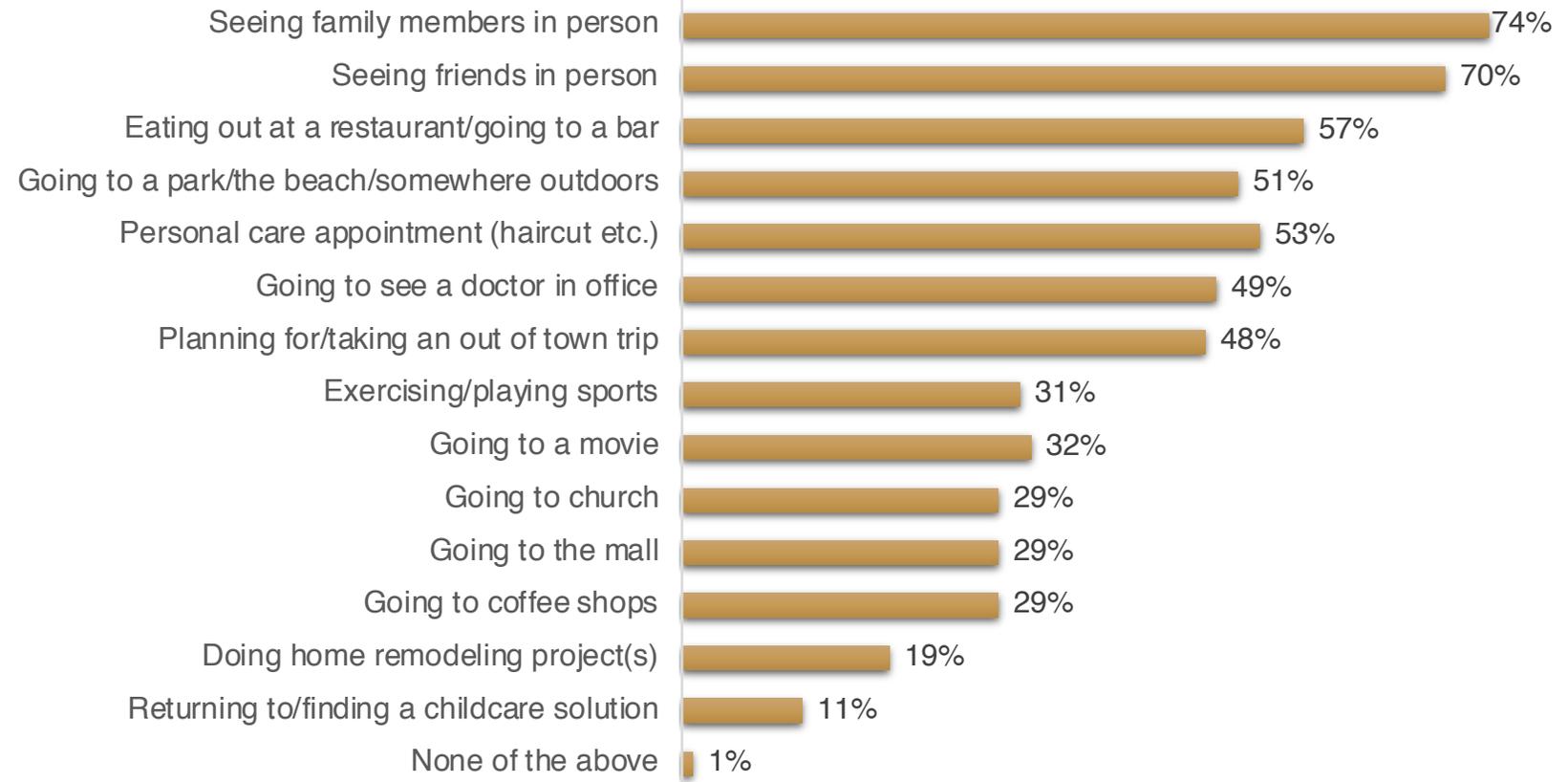
“I am finding the **commercials that adjusted to the virus are getting annoying. Tired of seeing everyone onscreen.**”

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 seeing friends in person.



Households with incomes of \$50k+ are more likely to look forward to planning an out-of-town trip. 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 social activities (e.g., seeing friends in person) as well as childcare being offered again.

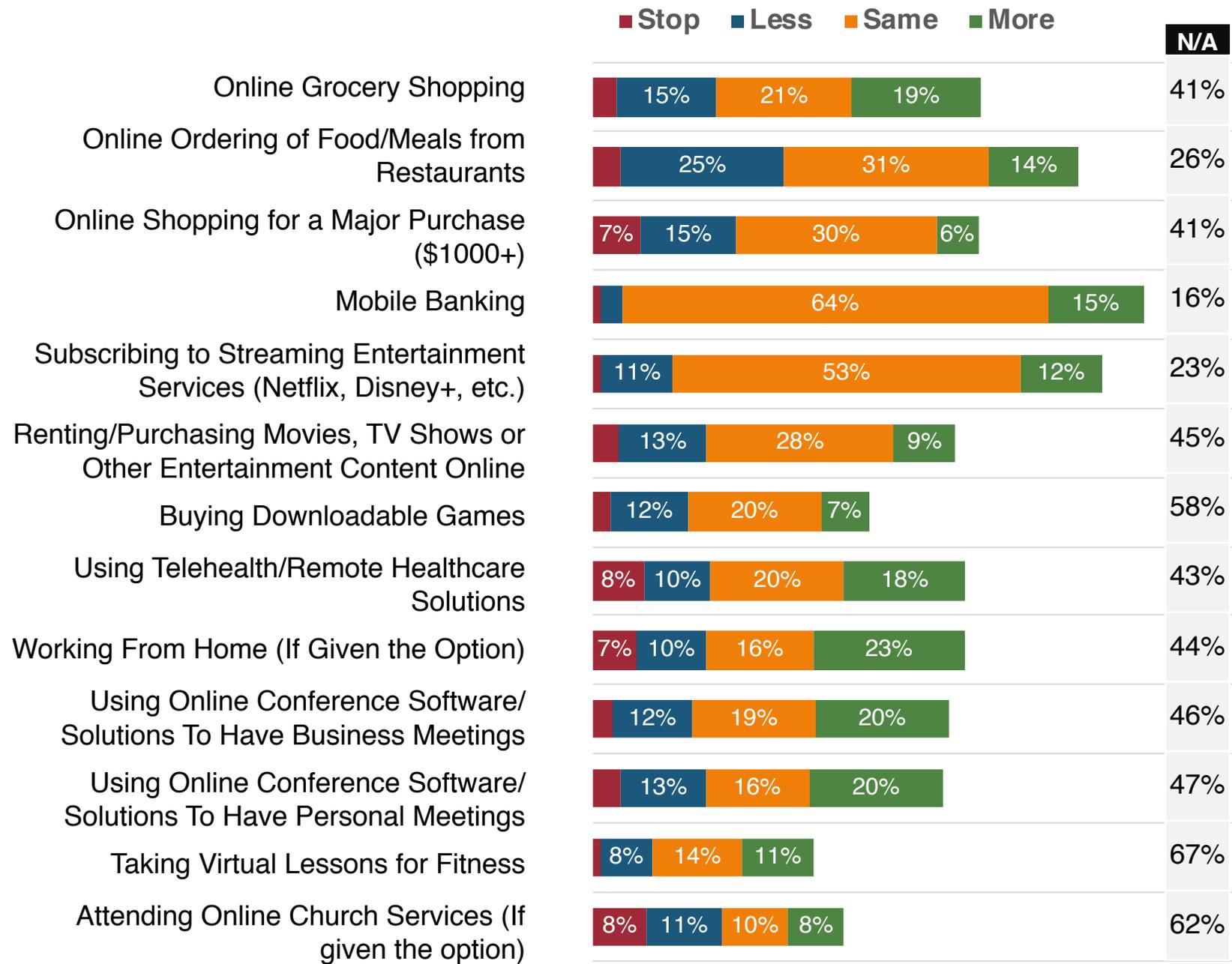


Westerners are most likely to look forward to a personal care appointment, while Northeasterners and Midwesterners are most likely to want to see family members.

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. About 40% hope to be able to continue to work from home.

Using online food ordering shows the highest anticipated decline or stop, while 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.

"I would feel better when the number of those hospitalized and **dying have greatly declined.**"

"The **data drives the decisions.**"

"**Just lift the "stay at home" and I'm out and about,** I'm tired of being home and told what I can and can't do."

"**I would need more than just a chosen date when things appear to be back to normal,** I would need to see that **people are no longer wearing masks, that hospitals are more or less back to normal,** and that businesses have signs indicating that their facilities are safe."

"**If the number of the new cases drops significantly** in my area, if we are able to track where cases are being contracted, if testing is widely available to all who want it..."

"**Once people stop freaking out and wearing masks.** I work at home and am home most of the time anyway, so **my life hasn't changed much, other than going out to eat.**"

"**I would not immediately go out, I would give it some time and see how it goes.** I do not personally know anyone affected with COVID-19 and my family has remained quarantined and has remained healthy. That being said, I would feel safe seeing family..."

"**Once the COVID-19 situation improves,** I would wait until it is safer to stop quarantining. **I will try to continue social distancing, but many people do not stick to this.**"

"When the number of cases at least in my **local area continues to decrease and heads toward zero.** And when there is a reliable treatment. Or when there is a reliable vaccine..."

"An awareness from the public that even though quarantine has lifted, **our measures should not change as quickly.** We should continue to protect ourselves. Maintain good hand washing procedures, sanitizing, mindfulness around our senior and child population."

"**I listen to our Governor for his direction** on restarting business as usual behavior."

"This is a tough question. I think **having a vaccine would be the only thing that would really make me feel confident...**"

"When there are **no more reports of people having the virus.**"

"**I am no longer under a stay home order, but will practice social distancing** for mine, and others health and safety."

"**It would be important to examine the scientific data of cases** of the viruses steadily declining throughout the world..."