



COVID-19 Pandemic Impact on US Consumers

W3 | April 2-3, 2020

| STUDY OVERVIEW

Objectives

To understand the changing US consumer landscape during the COVID-19 global pandemic, aytm is conducting a weekly tracker focused on Americans' attitudes and perceptions of the virus, its impact on their daily life, changes in purchase and consumption behavior, and consumers' outlook on the future.

Methodology

A 7-minute online survey was conducted among N=1000 US adults aware of COVID-19 sampled and weighted to be reflective of the US population.*

This third wave of aytm's COVID-19 Consumer Tracker fielded Thursday, April 2, 2020 – Friday, April 3, 2020 using aytm's survey platform and proprietary panel PaidViewpoint.

**Data was weighted on four key demographics – Age by Gender; Annual Household Income; and, four main US Regions.*

Reported sample sizes are unweighted sample sizes unless otherwise noted.

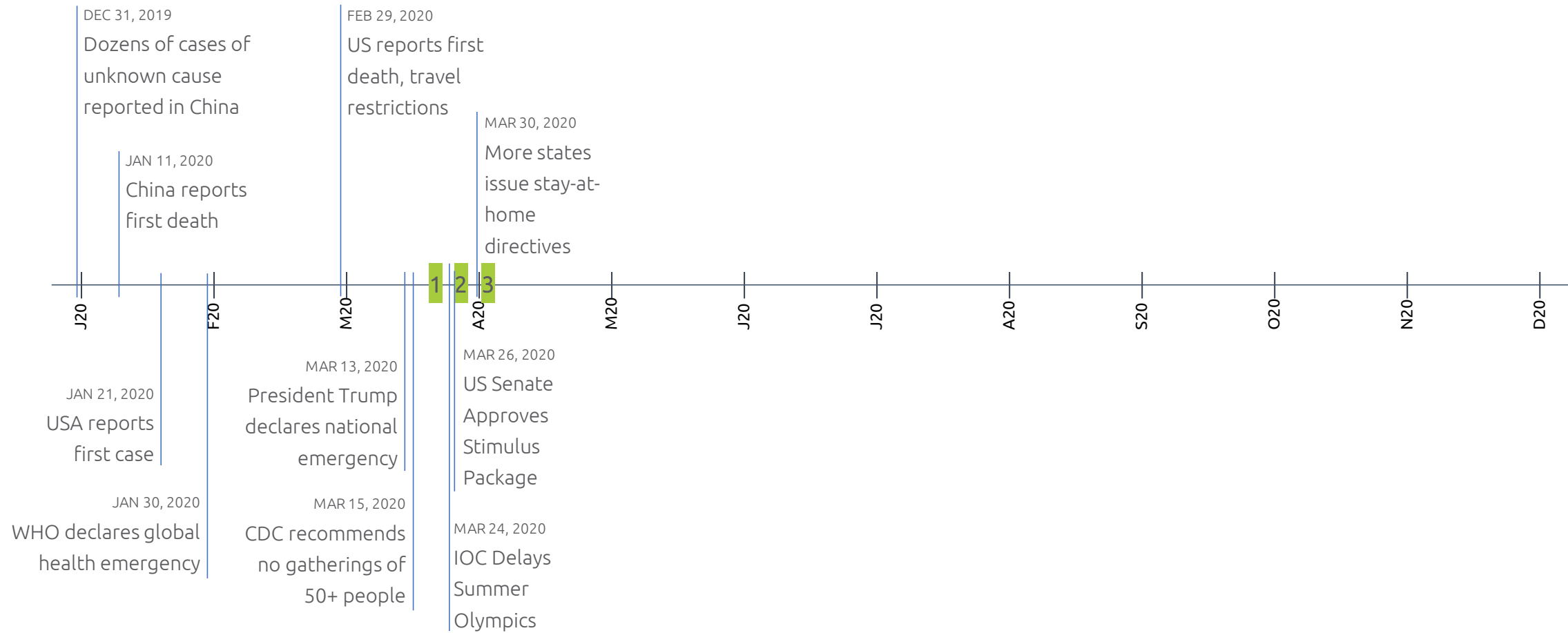
All significance testing is conducted at 95% confidence level with the effective base used as the sample base for statistical calculations (Effective Base = 977 for Total sample).

Green and red text highlighting indicates statistically significant difference over at least one other subgroup.

▲▼ Arrows indicates statistically significant change from data point in prior wave, unless noted otherwise.

Chart labels for 3% or less may be omitted for readability.

COVID-19 KEY DATES



Select non-research dates sourced from <https://www.nytimes.com/article/coronavirus-timeline.html>

COVID-19 KEY FINDINGS

Concern is growing

- Concern about the pandemic continues to push higher in the US. Over three-quarters of Americans are now at least very concerned, and 40 percent are extremely concerned.
- More than half of Americans believe that the COVID-19 pandemic is actually more serious than we are being led to believe.
- Worries over the health of loved ones and financial hardships (either those already incurred or the prospect of future troubles) drive the majority of anxiety.

The pandemic brings obstacles and shifts the consumer landscape

- Four out of 10 of Americans now feel the pandemic has had a severe impact on their daily lives, a number that has been steadily increasing since the tracker began in mid-March.
- Nearly nine in 10 Americans have faced a product shortage as a result of the COVID-19 pandemic, a significant increase from the previous week.
- Discretionary spending continues to fall as consumer confidence slides. Consumers are cutting back in non-essential categories such as apparel, beauty products, and large purchases.
- As product shortages become more prevalent and consumers seek ways to reduce their spending, brand switching behavior is relatively high in several categories – most notably cleaning products.
- Job losses continue to mount, and are now significantly higher than when the tracker began.
- The number of employed Americans who have begun working from home as a result of the COVID-19 pandemic continues to grow. More than half of workers who previously officed away from home are now doing their jobs from home.

Unease about future impacts

Americans remain uncertain about how the pandemic will impact their lives. The number of those anticipating a severe impact on their daily lives over the next 30 days has steadily increased to about one-third, and the expected time until things are “back to normal” for most remains flat at around six months. Though longer-term (12 month) *personal* economic projections remain positive, expectations for the *US economy overall* are less optimistic.

Wave over Wave Trends

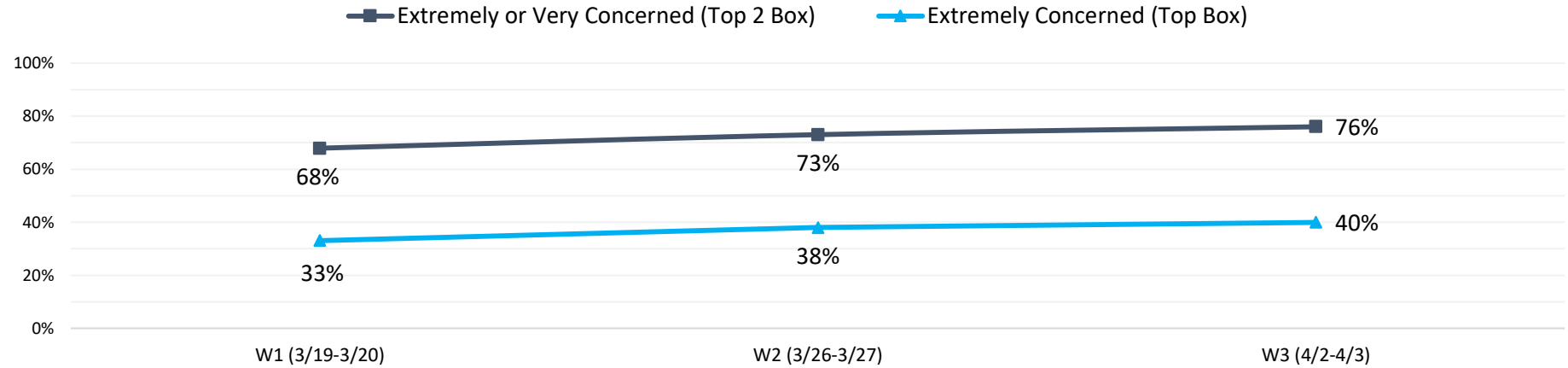
- COVID-19 Awareness, Concern
- Perceived Severity
- Anticipated Change in Next 30 Days
- Employment and Financial Impact
- Estimated “Back to Normal” Timeline



Coronavirus/COVID-19 Concern Level, Perceived Severity

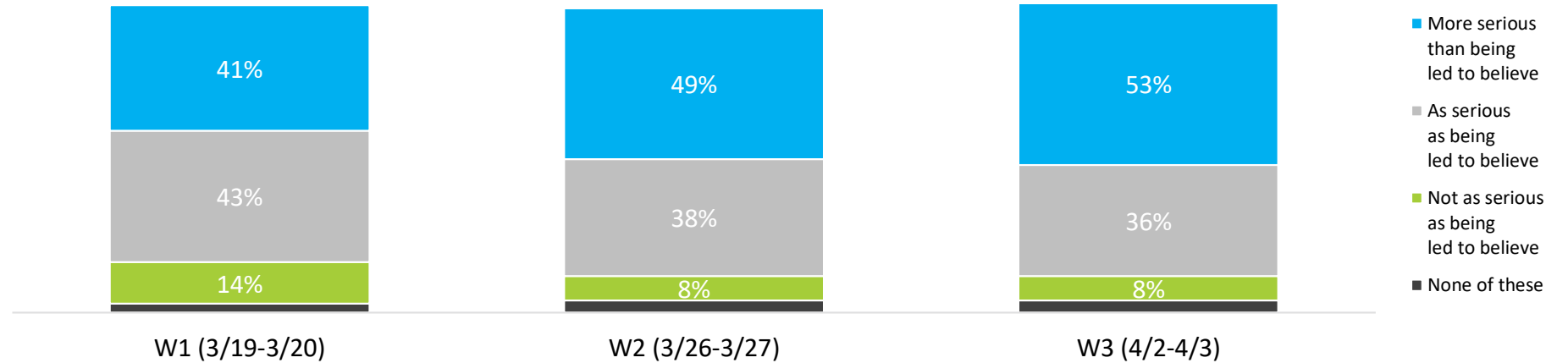
Both Top Box and Top 2 Box concern levels continue to rise this week.

Coronavirus/COVID-19 Concern Level



Perceived severity is holding steady, with just over half of Americans believing that the pandemic is more serious than we are being led to believe.

Coronavirus/COVID-19 Perceived Severity



Q6 - Within the past month, have you heard (either through word-of-mouth, media, or some other source) any news, updates, or other information regarding the spread of the novel Coronavirus or COVID-19 in the US?

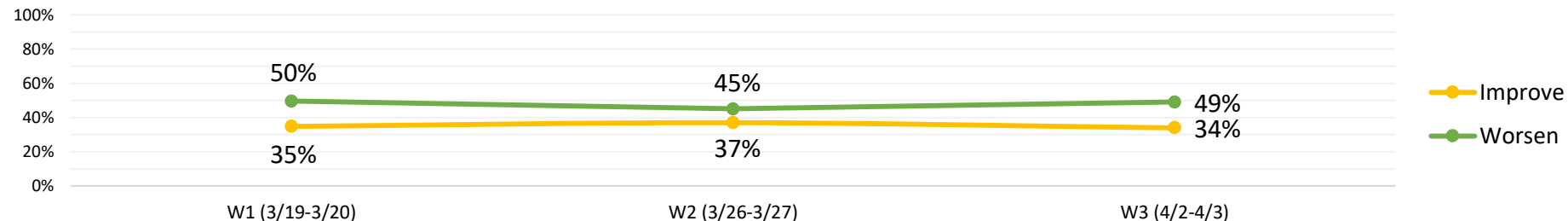
Q7 - Overall, how would you characterize your current level of concern about the Coronavirus/COVID-19 situation? Base: COVID-19 Aware

Q10 - Which statement below best describes your general perception of the Coronavirus/COVID-19 pandemic? Base: COVID-19 Aware

Anticipated Change in Coronavirus/COVID-19 Situation

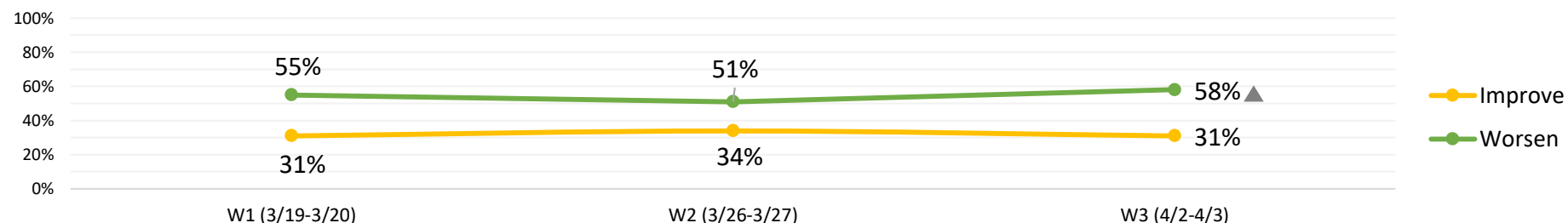
There has been little change in perception of how the pandemic will unfold in Americans' **local area** over the next 30 days. Half believe the virus has not peaked yet where they live.

Change Locally in Next 30 Days



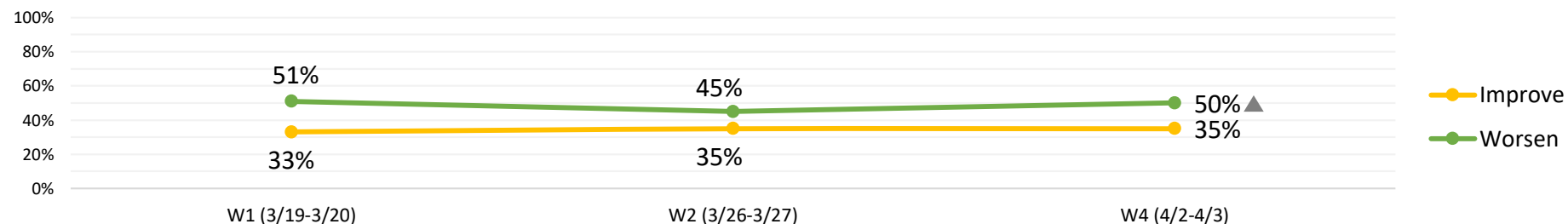
Compared to the previous wave, more Americans believe the pandemic will worsen in the **US overall** over the next 30 days.

Change in US Overall in Next 30 Days



Likewise, more Americans believe the COVID-19 outbreak will worsen **globally** over the next 30 days.

Change Globally in Next 30 Days

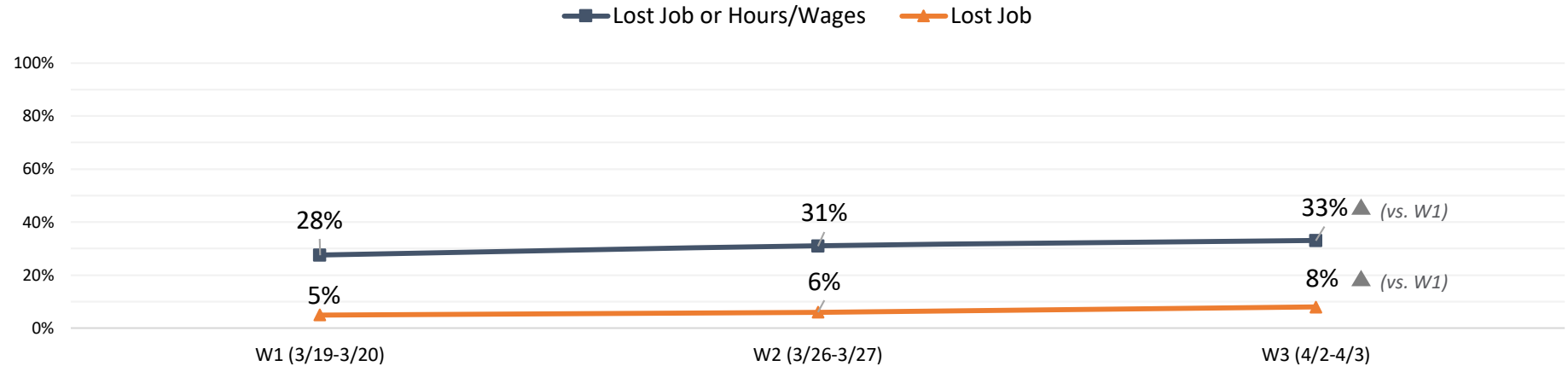


Q22 - Thinking locally, about the US overall, and globally, how do you expect the Coronavirus/COVID-19 situation to change in the next 30 days? Base: COVID-19 Aware

Employment, Financial Impact of Coronavirus/COVID-19

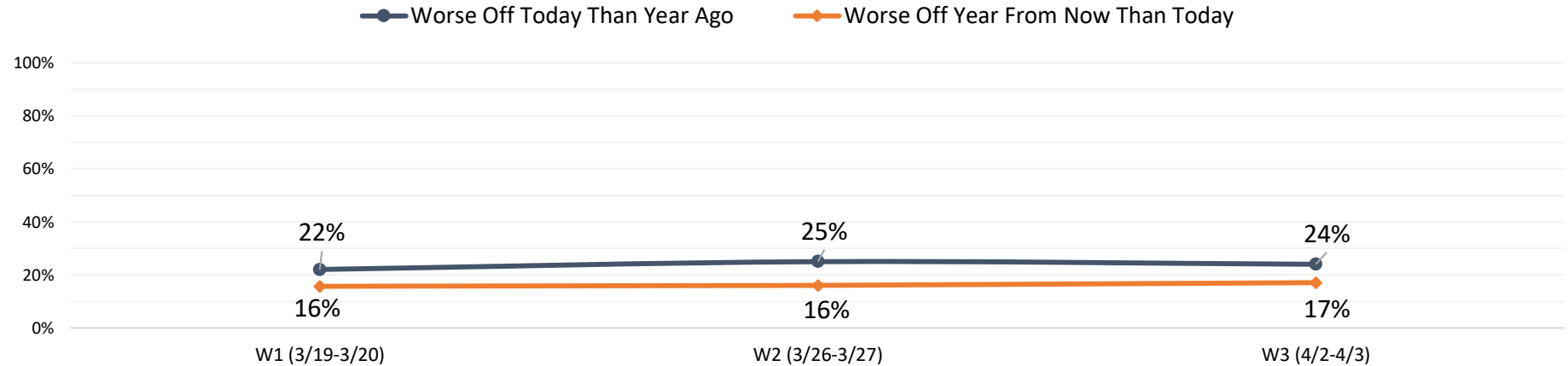
Job losses have been steadily rising since the beginning of the tracker, and as of this week, one-third of Americans are now reporting at least some loss to their wages, hours, or salary in this wave.

Coronavirus/COVID-19 Impact on Employment



The number of people who feel they will be worse off financially a year from now remains flat. The number of people who feel they are worse off today versus one year ago is also steady at around one in four.

Personal Financial State vs. One Year Ago, From Now

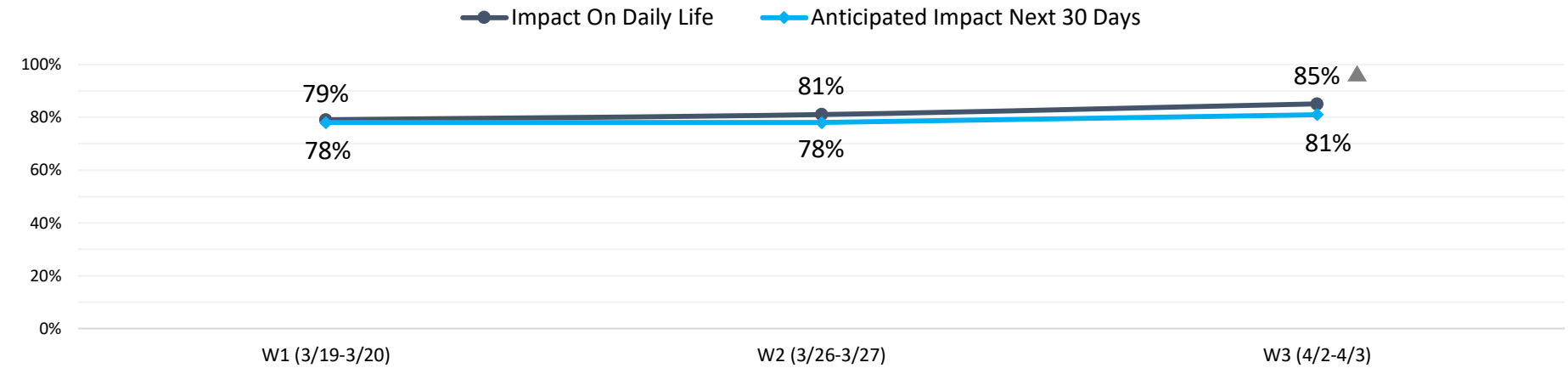


Q19 - Have you lost a job or have your job hours or salary been negatively affected by the Coronavirus/COVID-19 situation? Base: COVID-19 Aware | Q2 - Would you say that you/your family are better or worse off financially than you were a year ago? / Q3 - Now looking to the future: Do you think one year from now you/your family will be better or worse off than you are today? Base: COVID-19 Aware

Impact, Estimated Timeline of Coronavirus/COVID-19

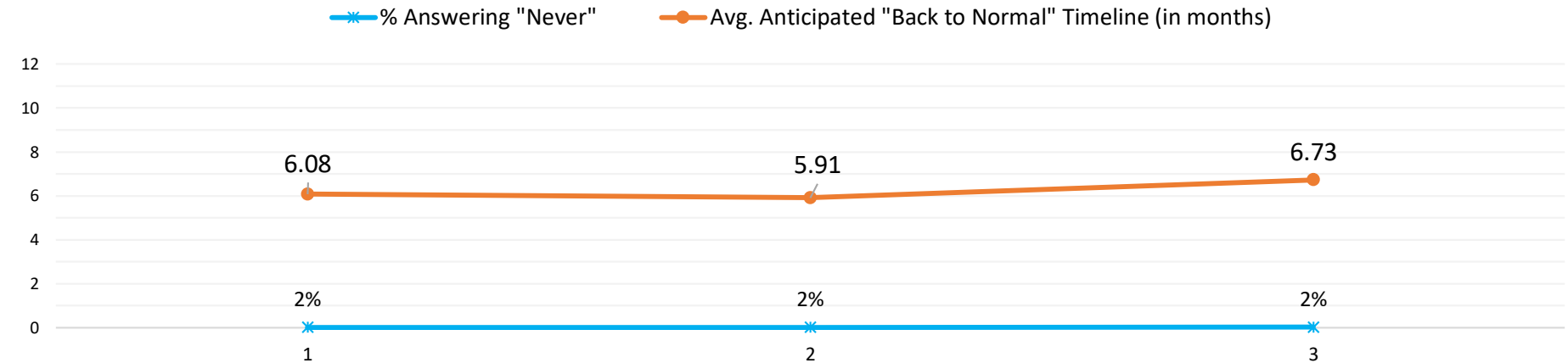
Compared to last week, significantly more Americans are reporting a severe or moderate impact on their daily lives. Anticipated impact over the next 30 days is relatively unchanged.

Severe or Moderate Impact on Daily Life due to Coronavirus/COVID-19



The average anticipated "back to normal" time increased marginally to 6.7 months.

Anticipated "Back to Normal" Timeline



Q23 - Now fast forwarding 30 days, how much of an impact do you think the Coronavirus/COVID-19 situation will be having on your daily life at that time? Base: COVID-19 Aware

Q24 - What is your best guess about how long, if at all, it will take before your life is "Back to Normal" after Coronavirus/COVID-19? Base: COVID-19 Aware

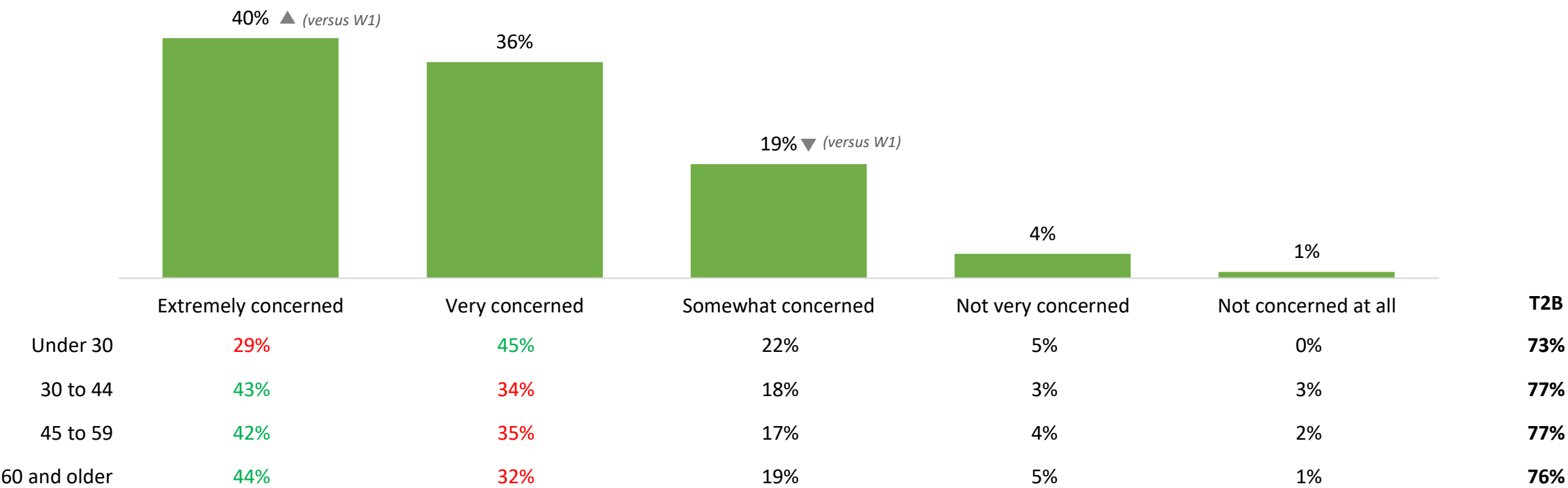
Awareness, Perceptions, Concerns

- COVID-19 Awareness, Concern
- Health Concerns
- Economic Concerns
- Perceived Severity



Over three-quarters of Americans are now very or extremely concerned about the COVID-19 pandemic. Although Under 30 citizens are somewhat less concerned than the average citizen, concern in all other age groups is similar and high.

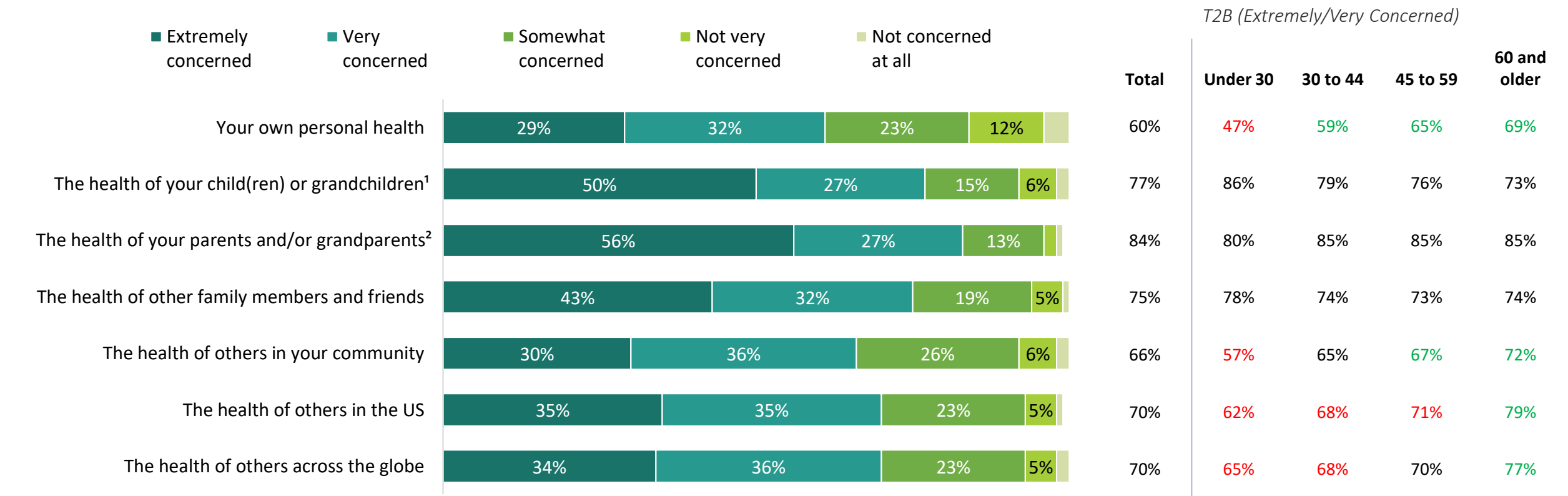
Coronavirus/COVID-19 Concern Level



Q6 - Within the past month, have you heard (either through word-of-mouth, media, or some other source) any news, updates, or other information regarding the spread of the novel Coronavirus or COVID-19 in the US?
Q7 - Overall, how would you characterize your current level of concern about the Coronavirus/COVID-19 situation? Base: COVID-19 Aware

Americans remain more concerned for the health of *others* than for *their own* health. The health of parents and grandparents is particularly concerning to many. Older generations are more likely than younger ones to be concerned about themselves as well as about others in their communities, in the US, and globally overall.

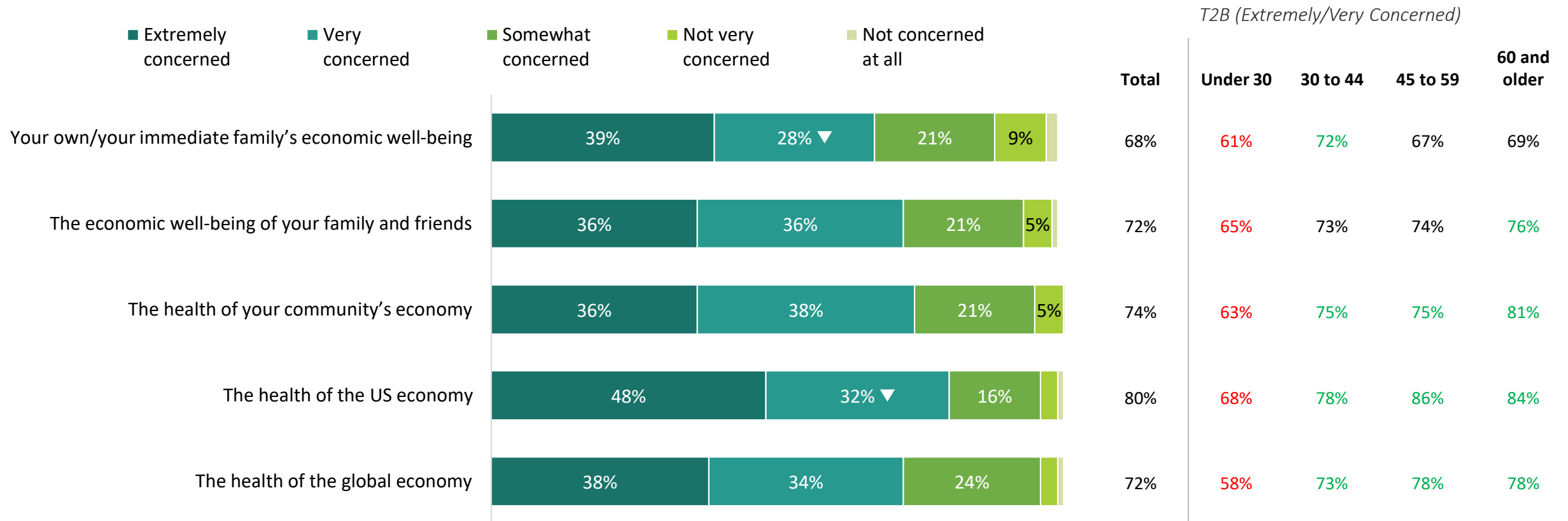
Coronavirus/COVID-19 Health Concerns



Q8 - To what extent are you concerned about the potential health impact of Coronavirus/COVID-19 at the following levels? Base: COVID-19 Aware + Not Very – Extremely Concerned
¹Only shown to those with children or grandchildren; ²Only shown to those with living parents or grandparents

Financial concerns continue to weigh on Americans' minds – concerns for their own economic well-being, as well as for that of family and friends and for the US economy in general. Younger Americans are somewhat less concerned about the economic future brought on by the pandemic.

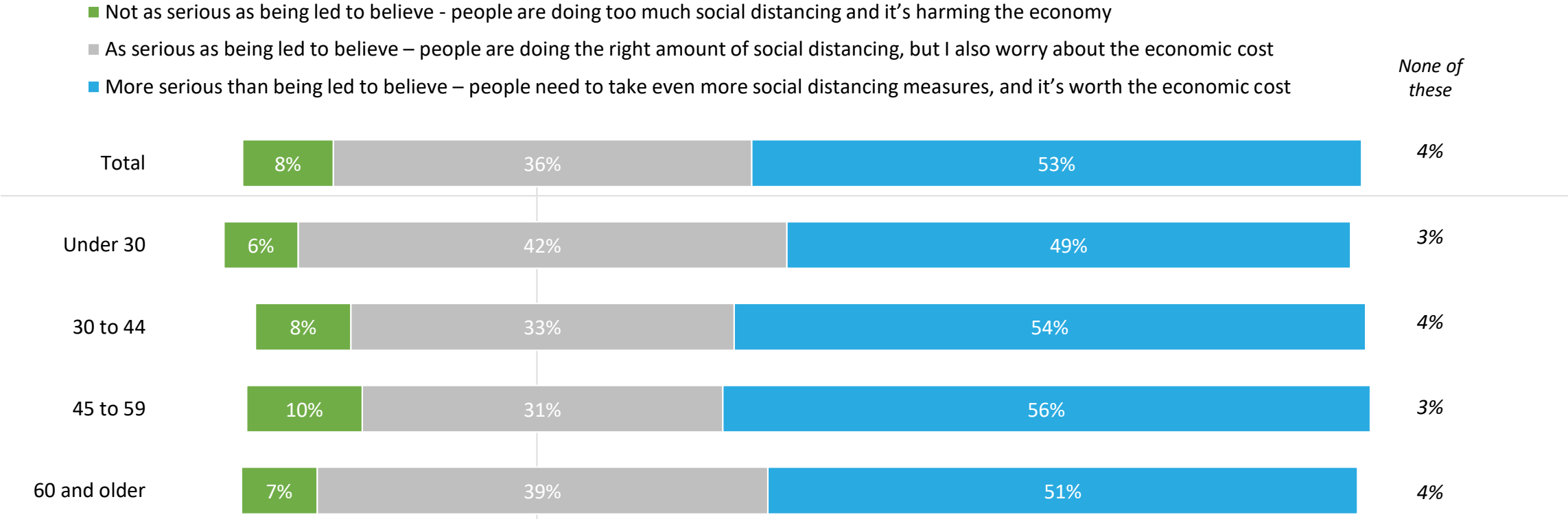
Coronavirus/COVID-19 Economics Concerns



Q9 - To what extent are you concerned about the potential economic impact of Coronavirus/COVID-19 at the following levels? Base: COVID-19 Aware + Not Very – Extremely Concerned

For the first time since the beginning of the tracker, more than half of Americans believe the COVID-19 pandemic is actually more serious than we are being led to believe. There remains a small contingent (just under one in 10) who believe it is *not* as serious as we are being led to believe.

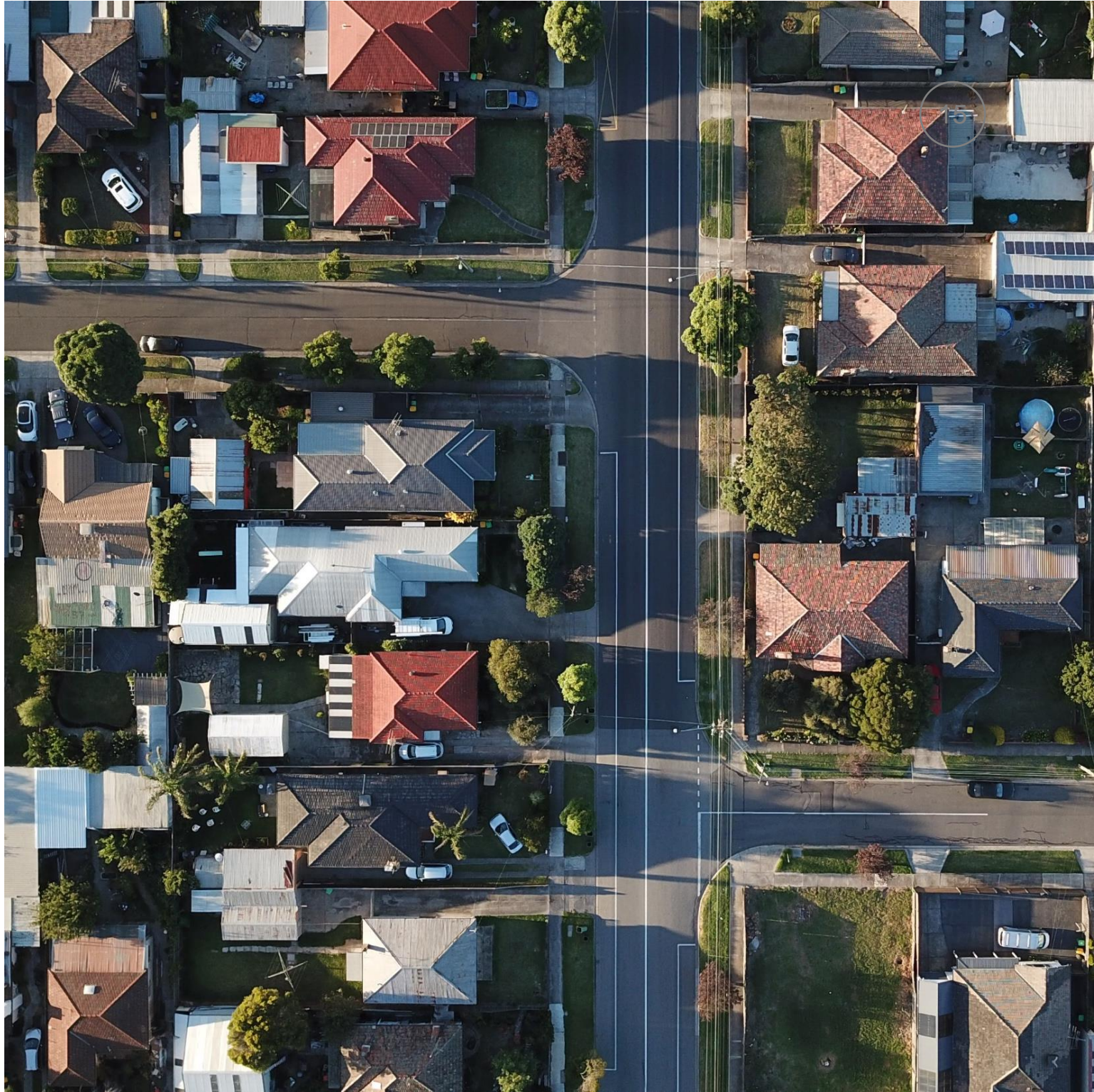
Coronavirus/COVID-19 Perceived Severity



Q10 - Which statement below best describes your own general perception of the Coronavirus/COVID-19 pandemic? Base: COVID-19 Aware

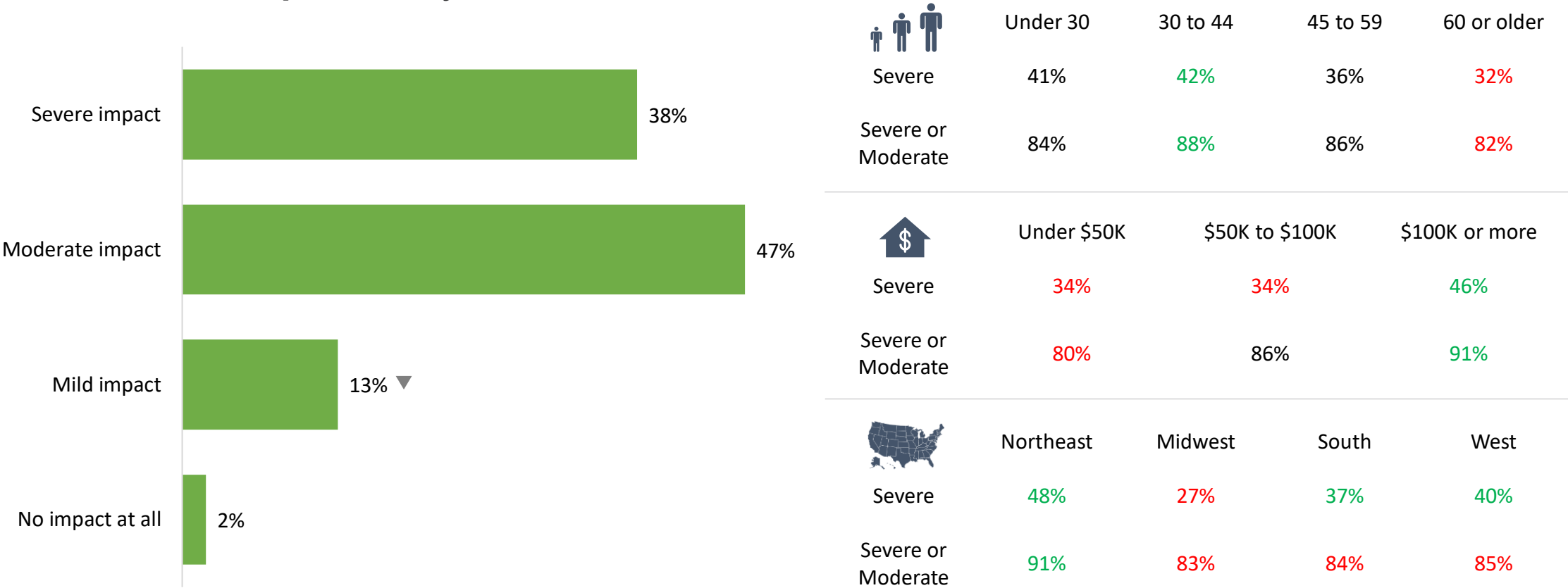
Impact on Daily Life

- Overall Impact
- Behavioral Reactions



Over one-third of American citizens perceive that the COVID-19 pandemic has had a severe impact on their daily life, and 85 percent have felt at least a moderate impact. Those in the Northeast continue to report the most severe impact, reflecting the fact that this region has been hardest hit by the virus.

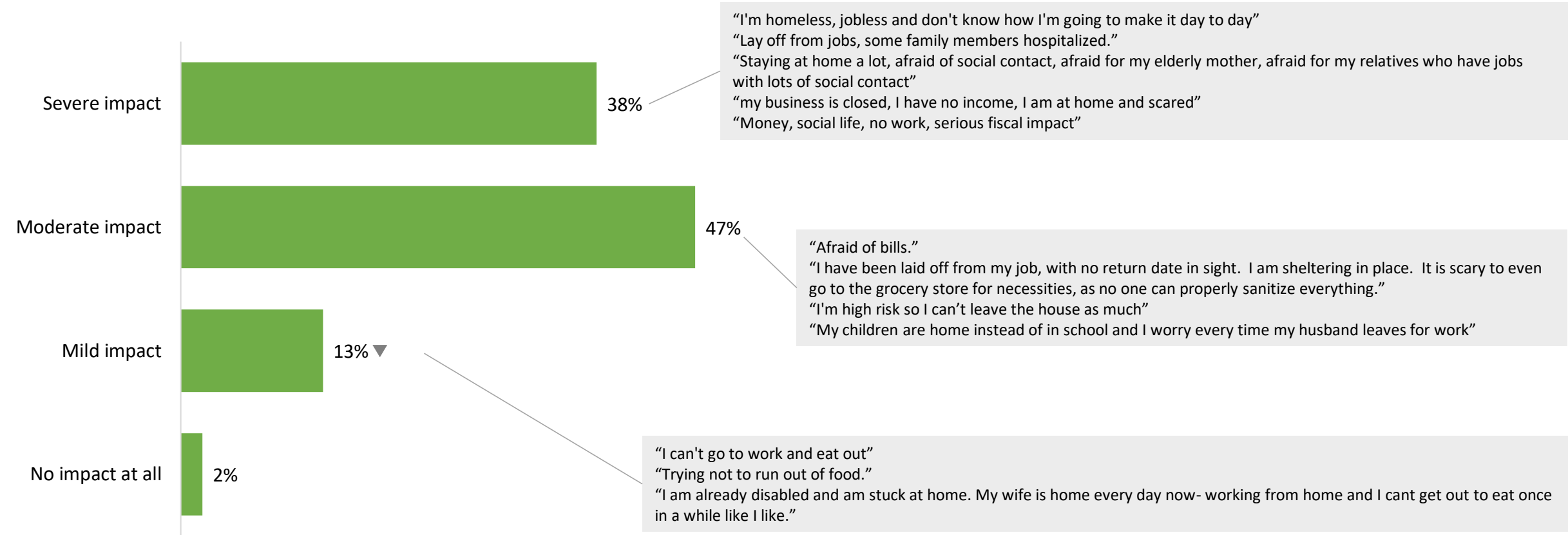
Coronavirus/COVID-19 Impact on Daily Life



Q11 - Overall, how much of an impact would you say the Coronavirus/COVID-19 situation has had on your daily life? Base: COVID-19 Aware

Terrible financial hardships continue drive the majority of reports of severe impacts to daily life. Financial worries dominate most concerns of Americans, and difficulties in obtaining daily necessities persist.

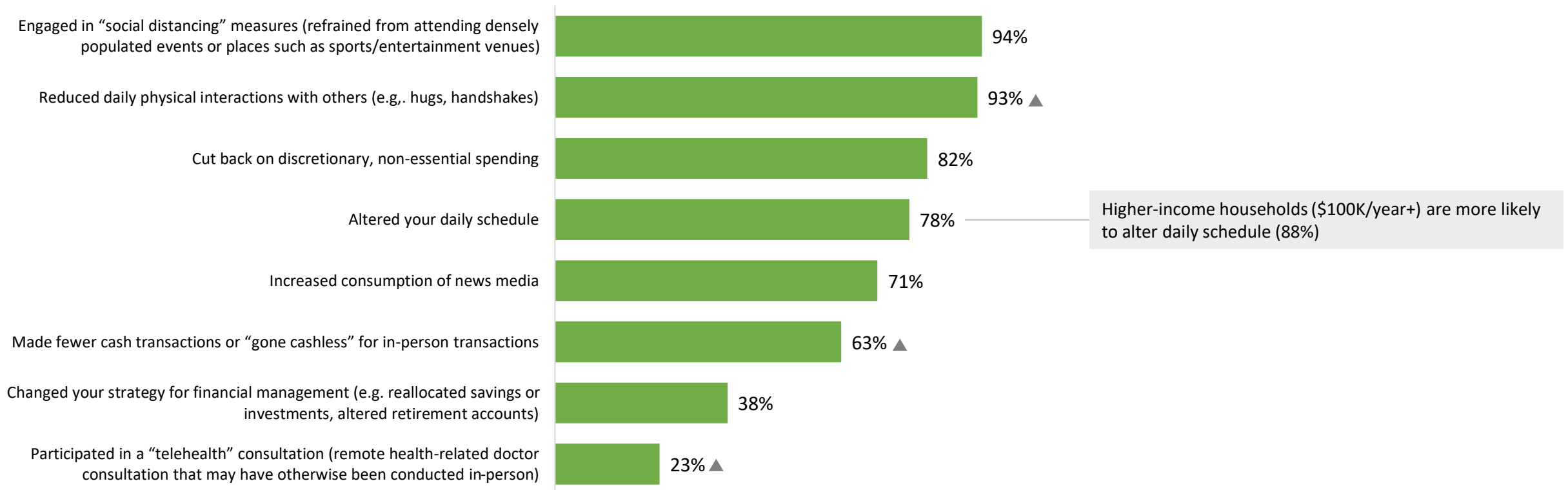
Coronavirus/COVID-19 Impact on Daily Life



Q11 - Overall, how much of an impact would you say the Coronavirus/COVID-19 situation has had on your daily life? Base: COVID-19 Aware

Daily physical interactions continue to fall as Americans are facing stricter stay-at-home or shelter-in-place measures. Cash-based transactions continue to decline accordingly. There is near-unanimous participation in social distancing measures to at least some degree.

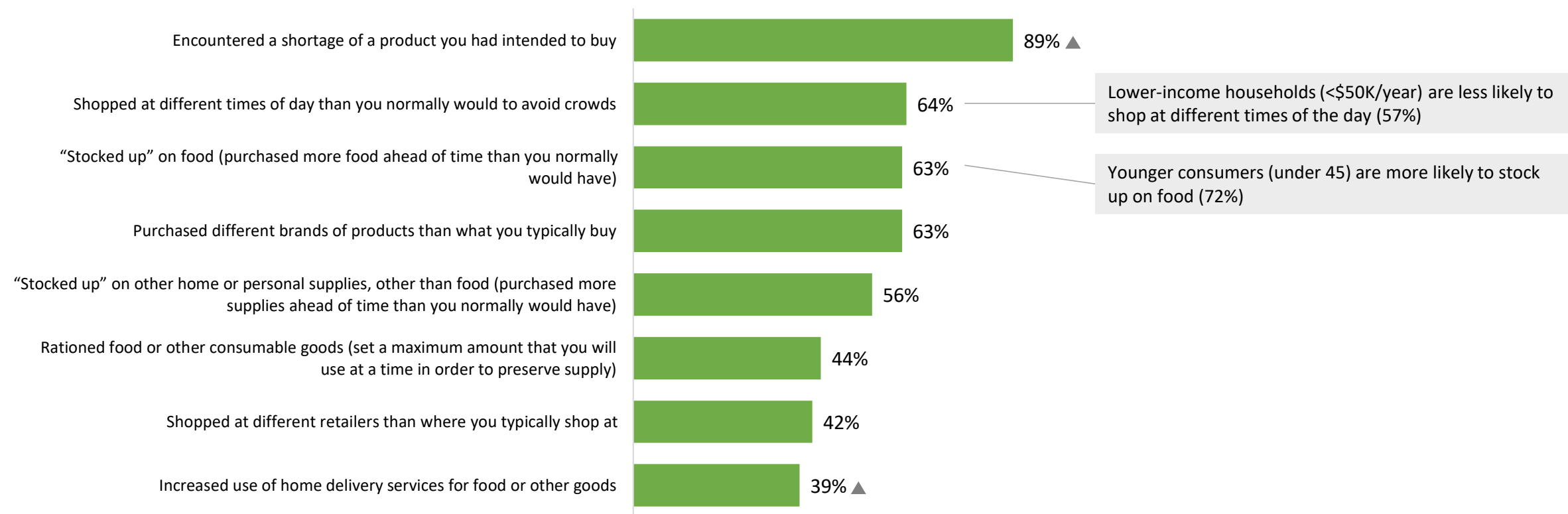
Behavioral Changes due to Coronavirus/COVID-19



Q13 - Please indicate whether or not you have engaged in each activity below specifically as a result of the Coronavirus/COVID-19 situation (Note: these may be for economic reasons or due to social distancing measures you may be taking).
% Answering "Yes". Base: COVID-19 Aware

Nearly nine in 10 Americans have now faced a product shortage as a result of the COVID-19 pandemic, a significant increase from previous weeks. Use of home delivery services continues to rise as people look for ways to avoid any unnecessary contact with others.

Shopping, Purchasing Experiences due to Coronavirus/COVID-19

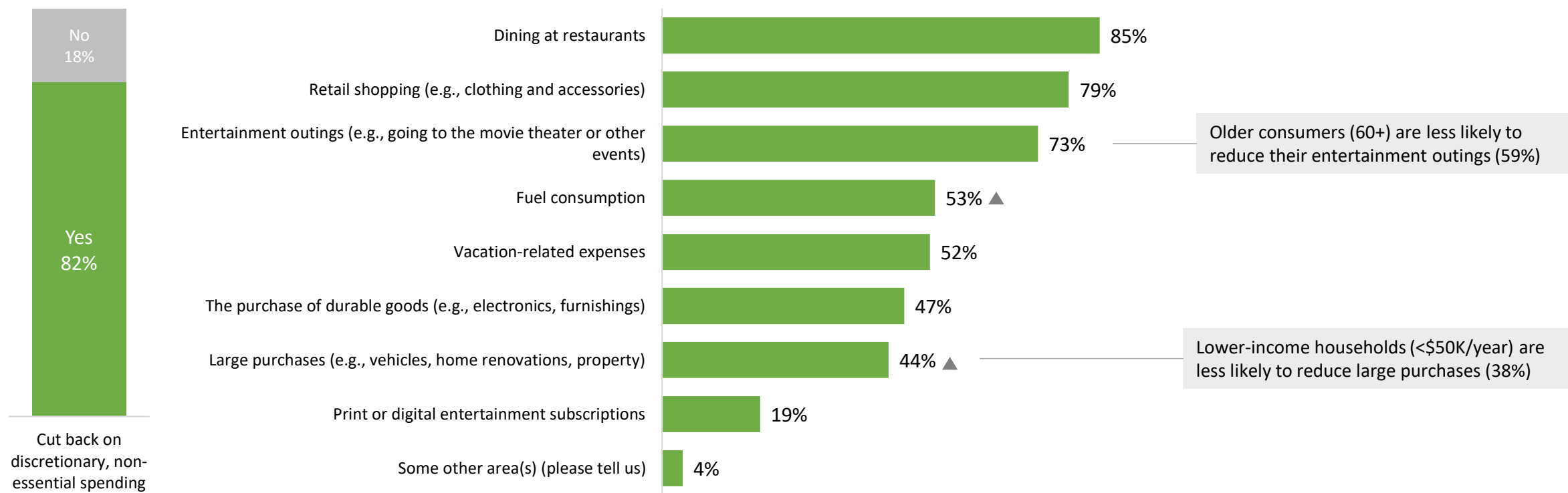


Q14 - And now for each of these shopping and purchasing activities, please indicate whether or not you have engaged in this activity specifically as a result of the Coronavirus/COVID-19 situation: % Answering "Yes". Base: COVID-19 Aware



A majority of Americans continue to cut back on discretionary spending, and large purchases have seen a particularly sharp decline. Spending occasions that involve leaving the house or interacting with others are still the most likely to be cut.

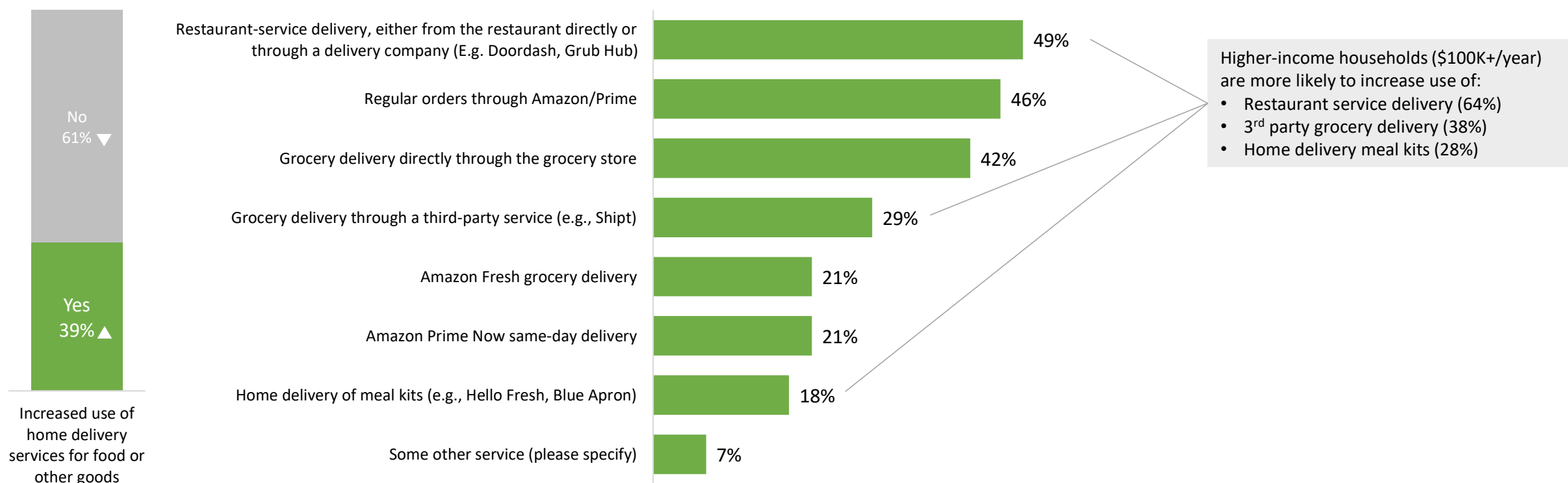
Areas of Reduced Discretionary Spending due to Coronavirus/COVID-19



Q15 - You indicated that you have reduced discretionary/non-essential spending as a result of the Coronavirus/COVID-19 situation. In which of these areas, if any, have you reduced spending?
Base: COVID-19 Aware who answered "Yes" to "Cut back on discretionary, non-essential spending" (Q13)

Home delivery services for food or other goods, in particular, are on the rise again this week. Restaurant delivery services such as GrubHub and DoorDash continue to see high utilization.

Increased Home Delivery for Food, Other Goods due to Coronavirus/COVID-19



Q16 - You indicated that you have increased your use of home delivery services for food or other goods as a result of the Coronavirus/COVID-19 situation. Which of the following service are you using, either for the first time or more than you did before? Base: COVID-19 Aware who answered "Yes" to "Increased use of home delivery services for food or other goods" (Q14)

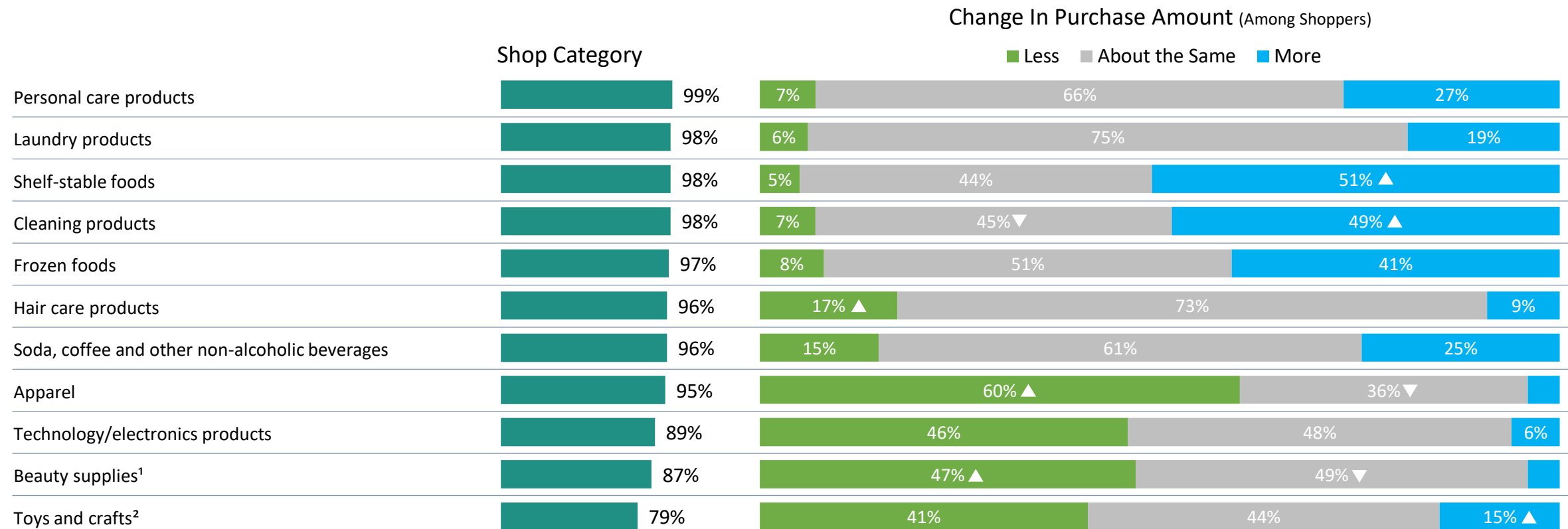
Changing Purchase Behaviors

- Category Purchase Volume
- Brand Loyalty



Americans continue to cut spending on apparel and beauty supplies. In contrast, increases in the purchase of shelf-stable foods and cleaning products remain high (and climbed this week). Though many consumers have cut spending on toys, there was an increase this week in the proportion who are spending *more* on toys and crafts.

Coronavirus/COVID-19 Impact on Categories Shopped

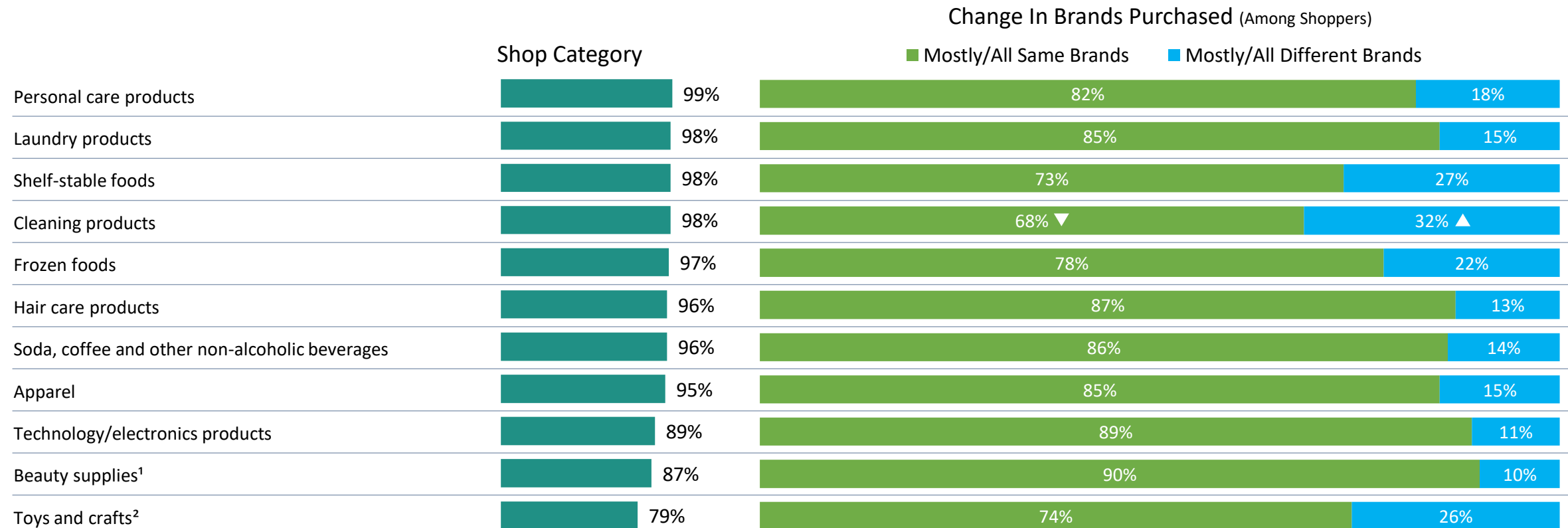


Q17 - Since the Coronavirus/COVID-19 situation began, have you purchased more, less, or about the same amount that you typically purchase in each category? Base: COVID-19 Aware

¹Only shown to females; ²Only shown to those with children or grandchildren ages 0-17

Although companies may see consumer spending holding steady or even increasing within cleaning products, consumers are shopping alternative brands more frequently within this category. Brand switching is also high for shelf-stable foods, toys and crafts, and frozen foods.

Coronavirus/COVID-19 Impact on Brands Purchased



Q18 - Since the Coronavirus/COVID-19 situation began, have you purchased all or mostly of the same brands or different brands that you typically purchase in each category? Base: COVID-19 Aware Who Shop Category (Q17)

¹Only shown to females; ²Only shown to those with children or grandchildren ages 0-17

Among shoppers purchasing different brands than usual, the most common reason for doing so is that their preferred brand is not available. More affordable alternatives are also driving brand switching, particularly in the apparel, beverage, and beauty supplies categories.

Coronavirus/COVID-19 Impact on Brands Purchased – Reasons for Buying All/Mostly Different Brands

	Shop Category & Buying Different Brands	Preferred brand(s) is not available	Buying more affordable brands	Just to have more variety	Switching to higher quality/better performing options	Some other reason(s)
Personal care products	17%	51%	32%	26%	17%	3%
Laundry products	14%	44%	39%	27%	15%	3%
Cleaning products	31%	62%	25%	17%	16%	3%
Shelf-stable foods	26%	57%	30%	28%	10%	4%
Frozen foods	21%	53%	30%	32%	10%	4%
Soda, coffee and other non-alcoholic beverages	14%	40%	45%	31%	13%	4%
Hair care products (e.g., shampoo, conditioner)	12%	40%	39%	27%	19%	3%
Apparel (clothing and shoes)	14%	26%	46%	34%	17%	8%
Technology/electronics products	10%	28%	41%	32%	23%	10%
Beauty supplies ¹	5%	26%	44%	29%	16%	4%
Toys and crafts ²	8%	35%	33%	43%	22%	9%

Q18a - For each of these categories in which you are buying all or mostly different brands, which of the reasons below describe why you're switching brands? Base: COVID-19 Aware Who Shop Category (Q17)

¹Only shown to females; ²Only shown to those with children or grandchildren ages 0-17

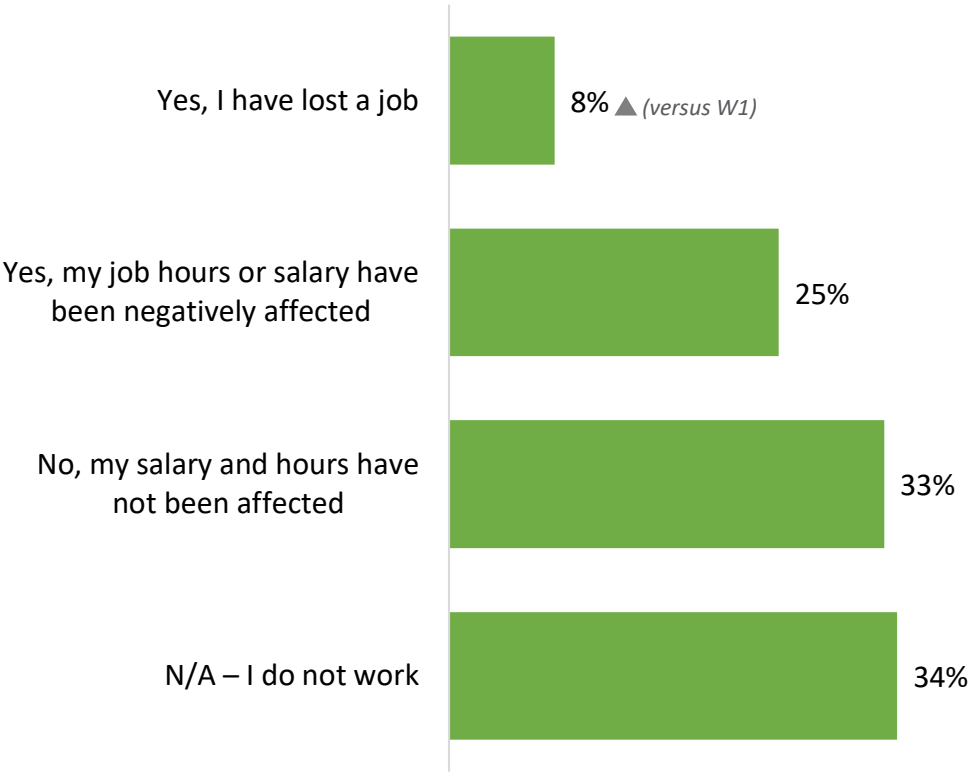
Employment Impact


- Effect on Job Status, Hours Worked
- Remote Working





Reported job losses have been on the rise since the beginning of the tracker, and as of last week are significantly higher than in mid-March. Younger Americans continue to see their jobs disproportionately affected compared to older generations. Regionally, the Northeast remains the hardest hit, with the West close behind.

Coronavirus/COVID-19 Impact on Employment



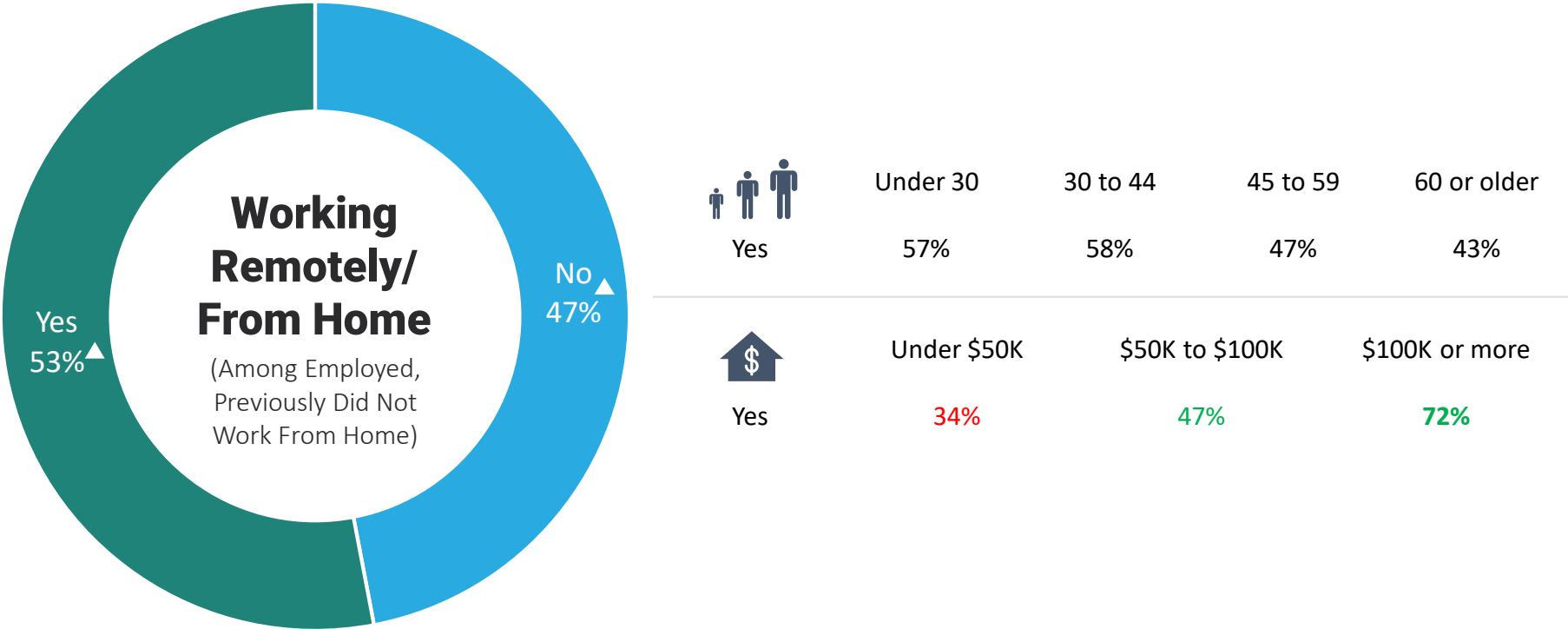
	Under 30	30 to 44	45 to 59	60 or older
Lost Job	14%	8%	6%	5%
Lost Job or Wages	35%	47%	33%	19%

	Male	Female
Lost Job	6%	9%
Lost Job or Wages	36%	30%

	Northeast	Midwest	South	West
Lost Job	9%	7%	8%	9%
Lost Job or Wages	39%	31%	29%	36%

Q19 - Have you lost a job or have your job hours or salary been negatively affected by the Coronavirus/COVID-19 situation? Base: COVID-19 Aware

The proportion of working Americans who have begun working from home continues to rise sharply - over half who previously worked away from home/in an office are now working remotely. Transitioning to a work-from-home set up is more common among those with a higher household income.



Q21 - Have you begun working remotely (e.g., from home) as a result of the Coronavirus/COVID-19 situation? Base: COVID-19 Aware and Didn't Typically Work From Home (Q20)

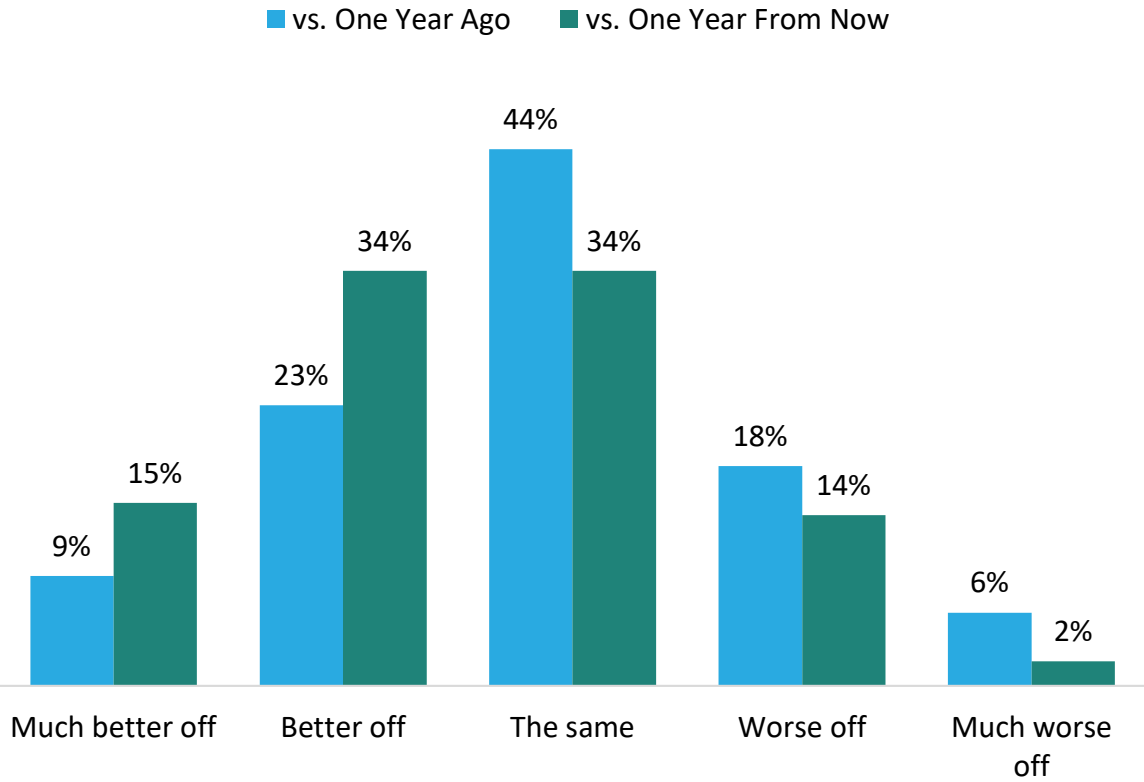
Outlook

- Consumer Confidence
- Projected Impact
- Anticipated Recovery Time
- Addendum Topics

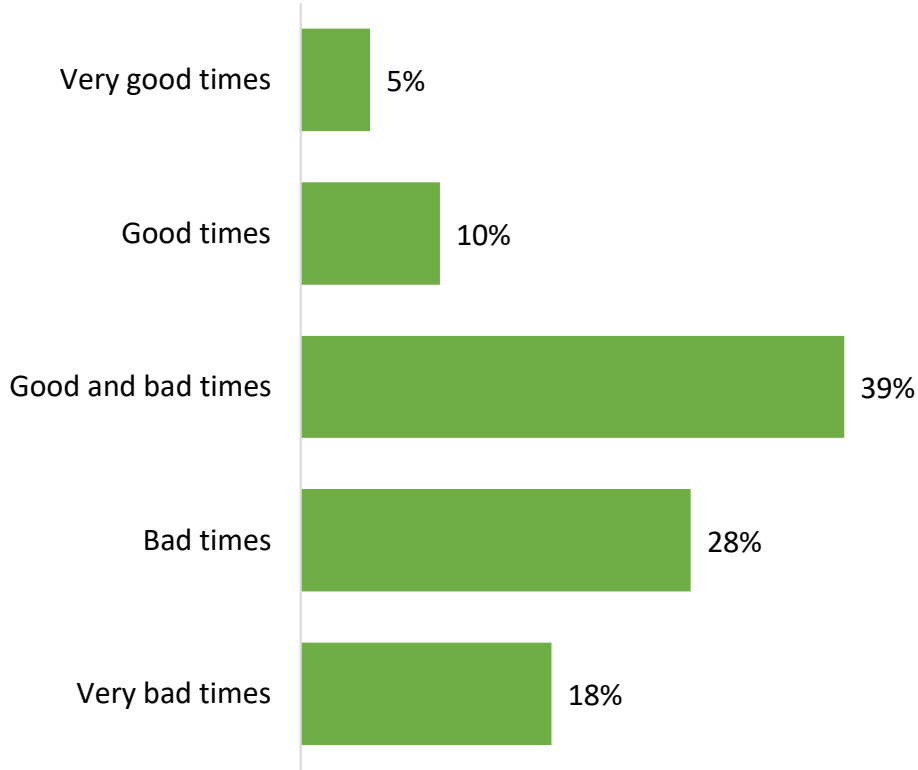


Most Americans hold a steady view of their financial future, and believe their own personal economic state will not be different one year from now versus where it is today. In contrast, Americans expect more bad times than good times over the next twelve months for US business in general.

Personal Financial State vs. One Year Ago, From Now



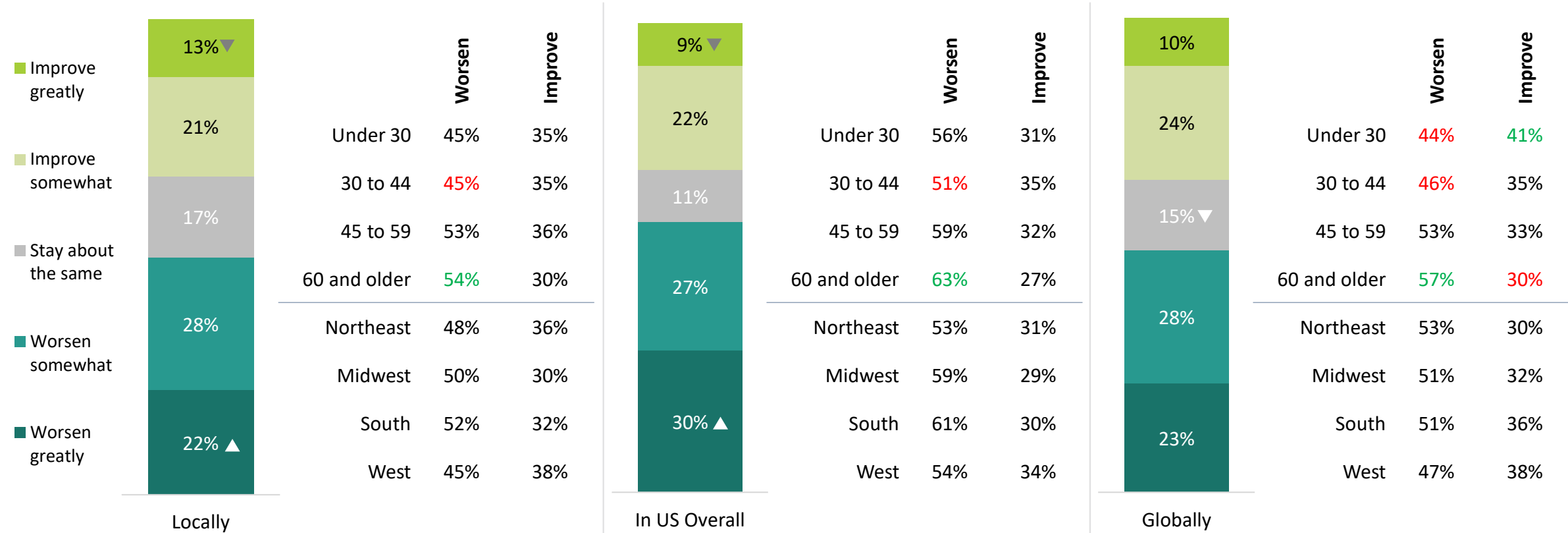
US Business Financial State Over Next 12 Months



Q2 - Would you say that you/your family are better or worse off financially than you were a year ago? / Q3 - Now looking to the future: Do you think one year from now you/your family will be better or worse off than you are today? / Q4 - Now thinking about business conditions in general in the US: Do you think that during the next 12 months we'll have good or bad times financially? Base: COVID-19 Aware

About half of Americans think the COVID-19 pandemic will still worsen locally over the next 30 days. Even more expect the national situation to deteriorate over that same time period.

Anticipated Change to Coronavirus/COVID-19 Situation in Next 30 Day

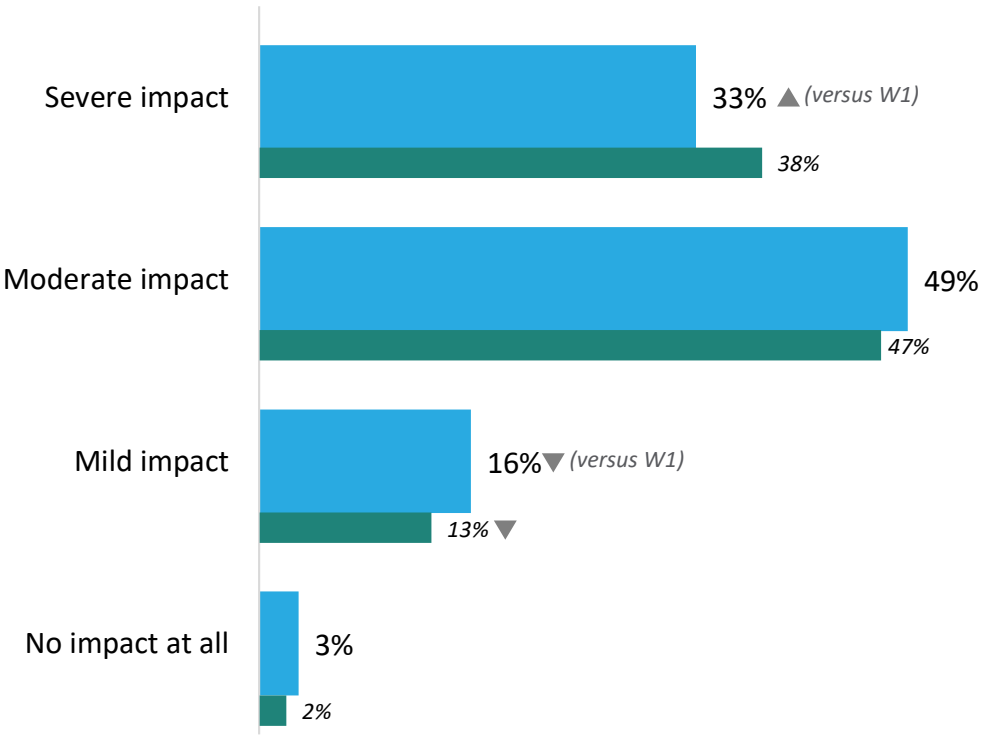


Q22 - Thinking locally, about the US overall, and globally, how do you expect the Coronavirus/COVID-19 situation to change in the next 30 days? Base: COVID-19 Aware

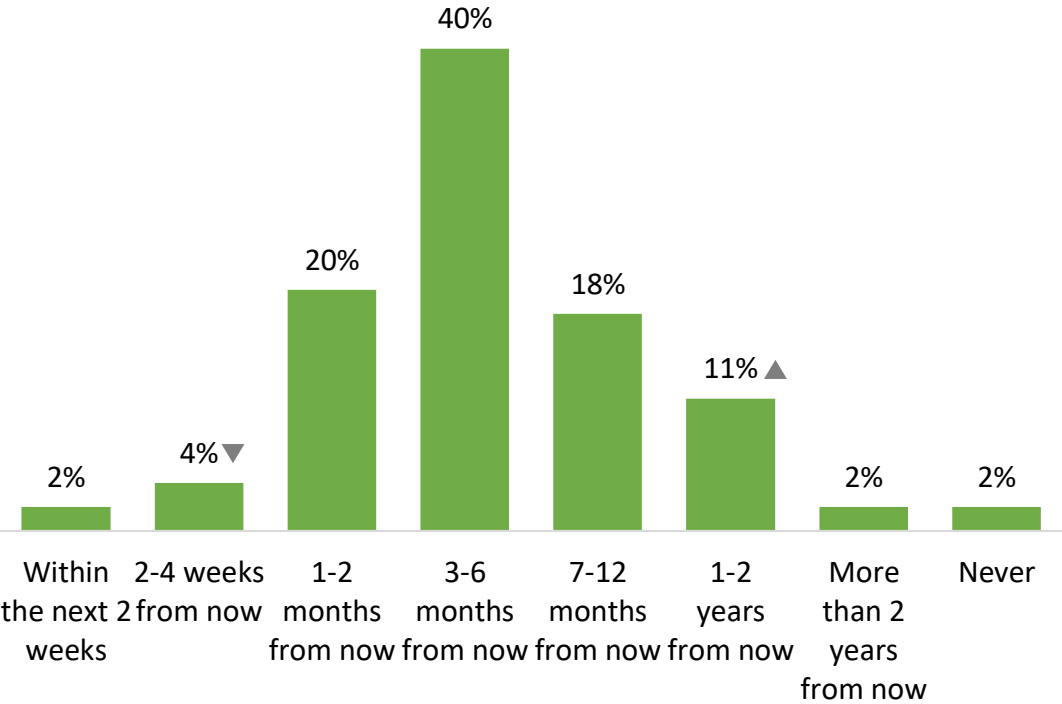
There has been a steady rise over the past three weeks in those anticipating a severe impact from the pandemic on their daily life in the next 30 days. The anticipated time until things are “back to normal” is flat at around six months.

Anticipated Impact on Daily Life in Next 30 Days

Compared to Reported Effect on Life to Date (Q11)



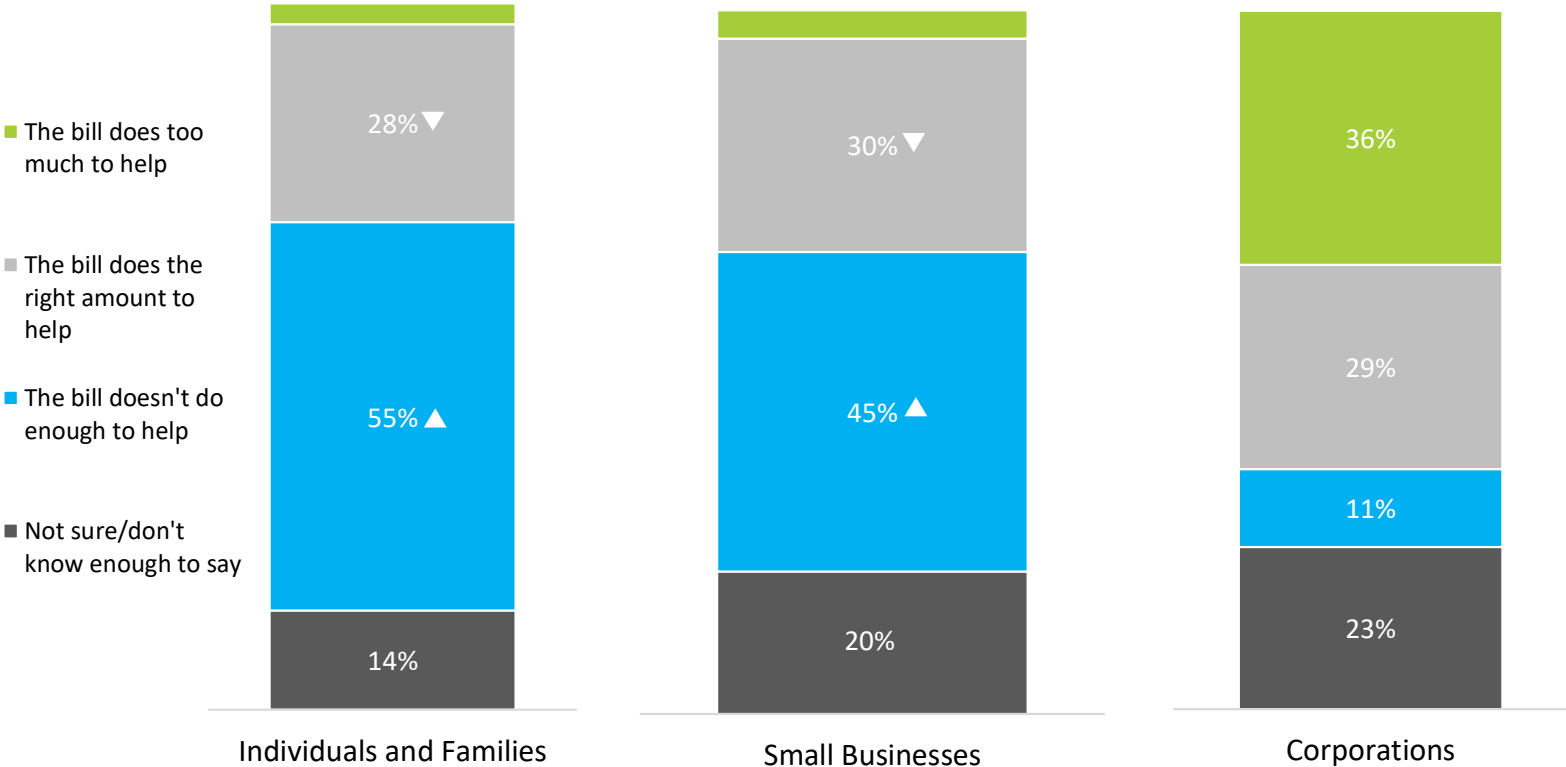
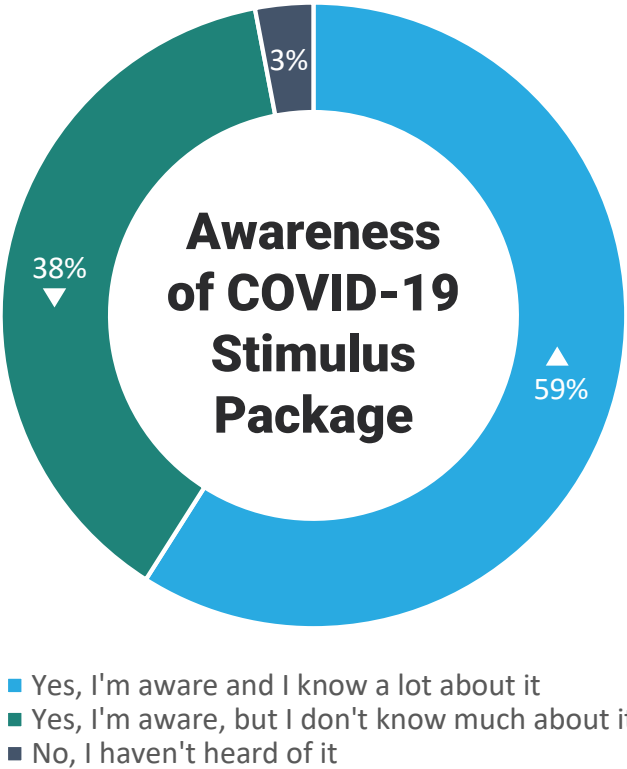
Anticipated “Back to Normal” Timeline



Q23 - Now fast forwarding 30 days, how much of an impact do you think the Coronavirus/COVID-19 situation will be having on your daily life at that time? Base: COVID-19 Aware

Q24 - What is your best guess about how long, if at all, it will take before your life is “Back to Normal” after Coronavirus/COVID-19? Base: COVID-19 Aware

The majority of Americans are familiar with the federal COVID-19 stimulus package recently signed into law. Most think the bill does not do enough to help individuals and families, and that number is on the rise. Over one-third believe the bill does too much to help corporations.



Q26 - Are you aware of the recent \$2 trillion Coronavirus/COVID-19 stimulus bill that has passed the US Senate and will soon be voted on in the US House of Representatives? Base: COVID-19 Aware
Q27 - Which of the following best describes how you think the stimulus bill will impact American individuals and families? Base: COVID-19 Aware and Aware of Stimulus Package at Q26
Q28 - Which of the following best describes how you think the stimulus bill will impact American small businesses? Base: COVID-19 Aware and Aware of Stimulus Package at Q26
Q29 - Which of the following best describes how you think the stimulus bill will impact American corporations? Base: COVID-19 Aware and Aware of Stimulus Package at Q26

Questions?



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