COVID-19 Pandemic Impact on US Consumers

W6 | April 23-24, 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 sixth wave of aytm's COVID-19 Consumer Tracker fielded Thursday, April 23, 2020 – Friday, April 24, 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.

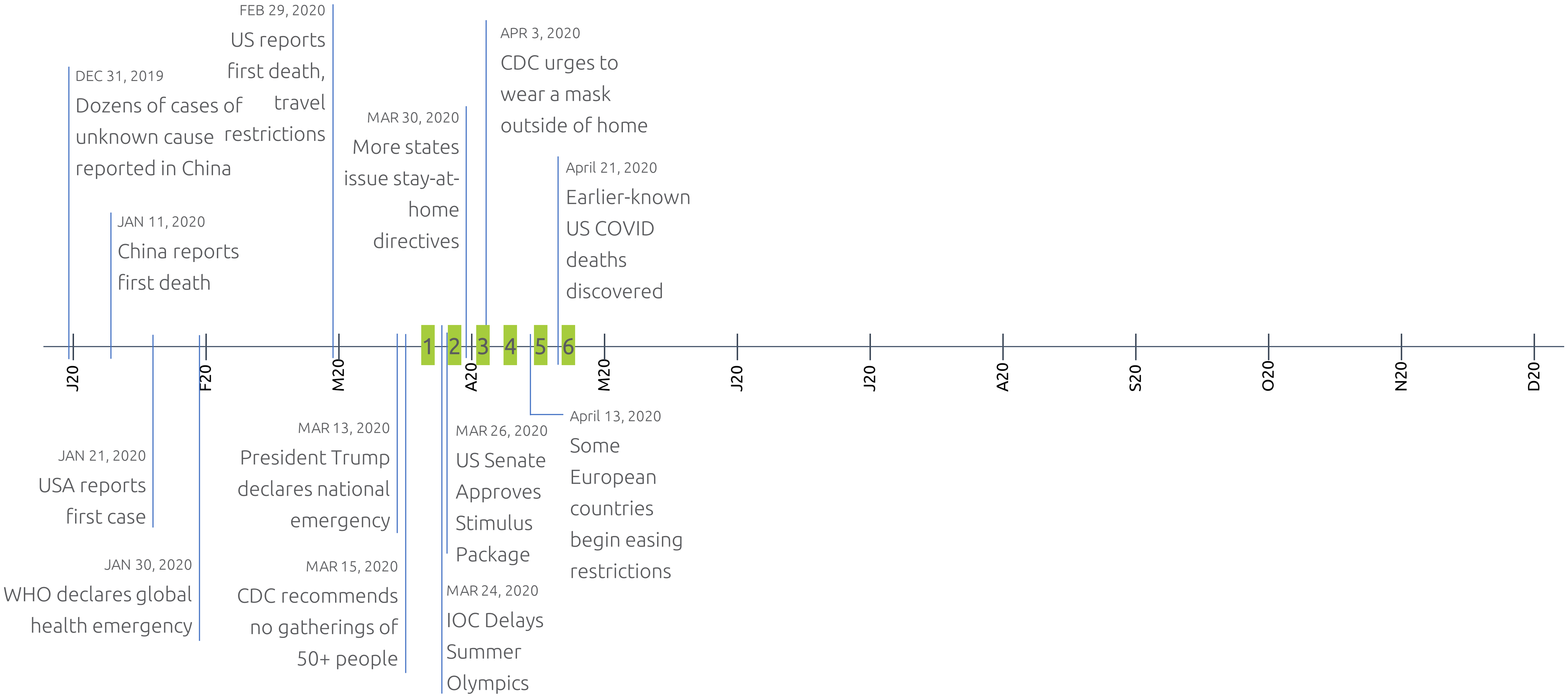
All significance testing is conducted at 95% confidence level with the effective base used as the sample base for statistical calculations (Effective Base = 921 for Total sample).

***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 4% 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 levels hold steady at elevated levels, and those 30-44 remain particularly worried.

- Nearly three-quarters of Americans remain either extremely concerned or very concerned about the COVID-19 pandemic. After increasing last week, the number of those saying they are extremely concerned is steady at around 40 percent.
    - Americans are evenly split between those who believe the pandemic is as serious as we are led to believe and those who believe it is more serious than we are being led to believe.
    - About half of Americans expect the situation to improve in their local communities within the next 30 days, but the number of those who believe the situation will improve in the US overall falls to 43% as national optimism wains.
    - Concern for the health of children/grandchildren as well as parents/grandparents remains at an elevated level, particularly among those who are between the ages of 30 and 44. Economic concerns are equally common.

Consumers continue to adapt to a more challenging marketplace.

- Reported severe impacts are down slightly this week (to 36%), but negative impacts from the pandemic remain ubiquitous and are particularly prevalent among those 30-44.
- Fewer Americans report cutting back on discretionary spending this week, but 80 percent continue to do so.
    - American consumers continue to ramp up purchases of cleaning products, shelf-stable foods, and frozen foods.
    - Brand switching remains commonplace, as consumers across most categories find stockouts of their preferred products or seek more affordable alternatives.
    - Among those consumers who have purchased alternative brands due to the effects of the pandemic, only around half indicate they will return to their previous brands once the pandemic calms.

Cautious optimism remains.

Over half of Americans feel it is too early to begin “reopening” workplaces and segments of the economy. Another 25 percent believe that it’s the right time to begin reopening, but public health should be the top priority as leaders look to do so. Still, Americans remain optimistic about the future – 70 percent still expect to be the same or even better off financially one year from now. Despite the optimism, the expected time until things are “back to normal” continues to inch further out.

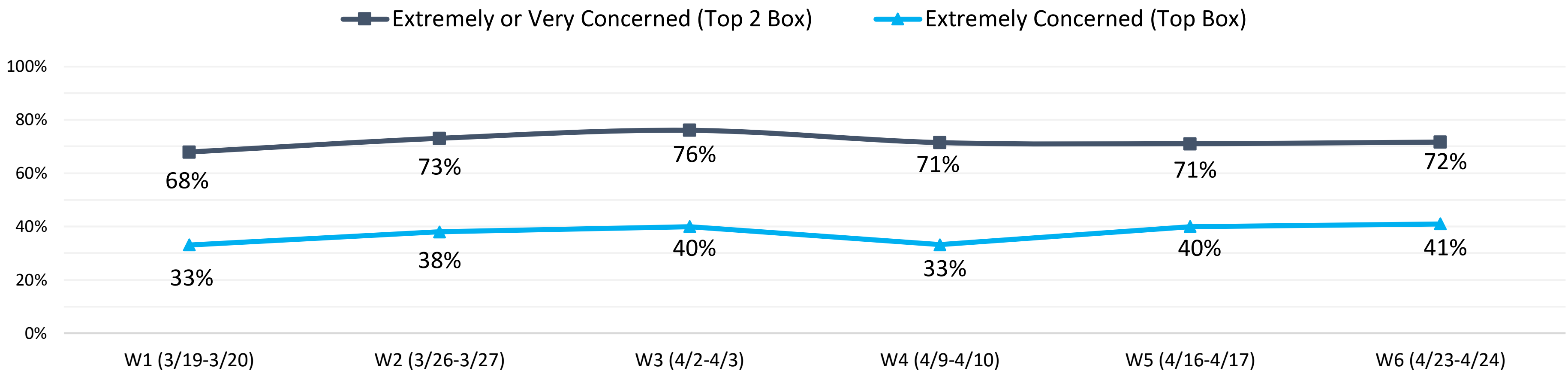
Wave over Wave Trends

- 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

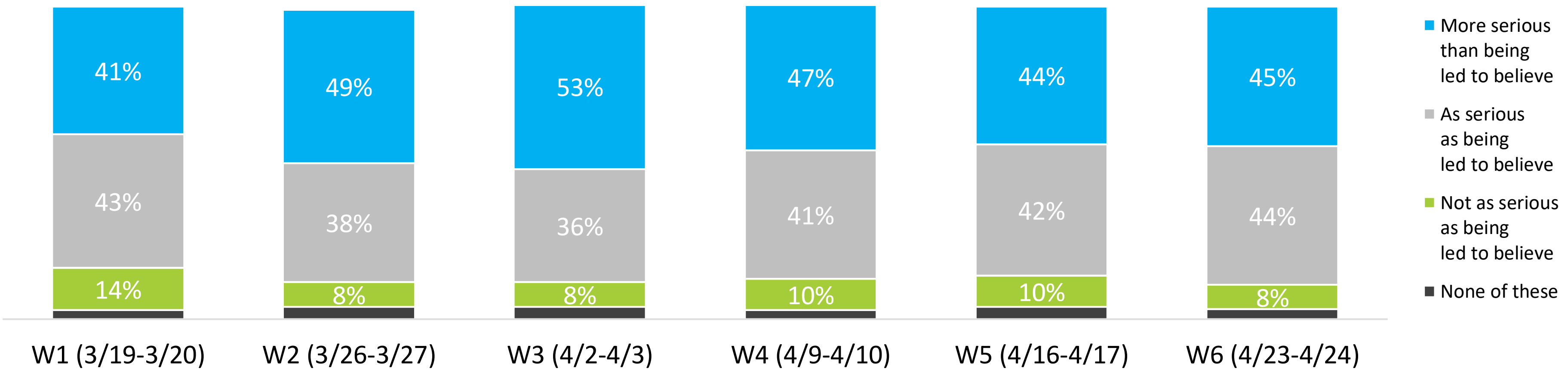
T2B concern levels remain high and have been consistent over the past several weeks. Top-box concern is flat at 41 percent after edging back up last week.

Coronavirus/COVID-19 Concern Level



Americans' perception of the pandemic's severity remains unchanged for the sixth straight week. Most Americans are split between feeling the pandemic is as serious or more serious than we are being led to believe.

Coronavirus/COVID-19 Perceived Severity

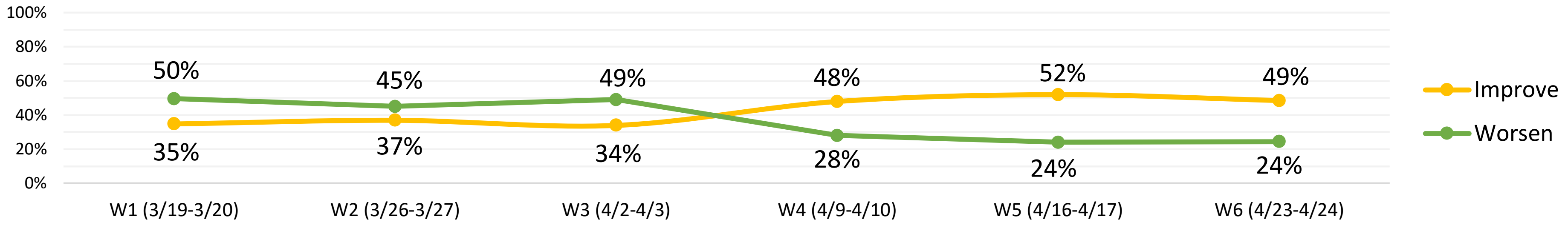


Q6 - Within the past month, have you heard (either through word-of-mouth, media, or some other source) any news, updates, or other information regarding the spread of the novel Coronavirus or COVID-19 in the US?
Q7 - Overall, how would you characterize your current level of concern about the Coronavirus/COVID-19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

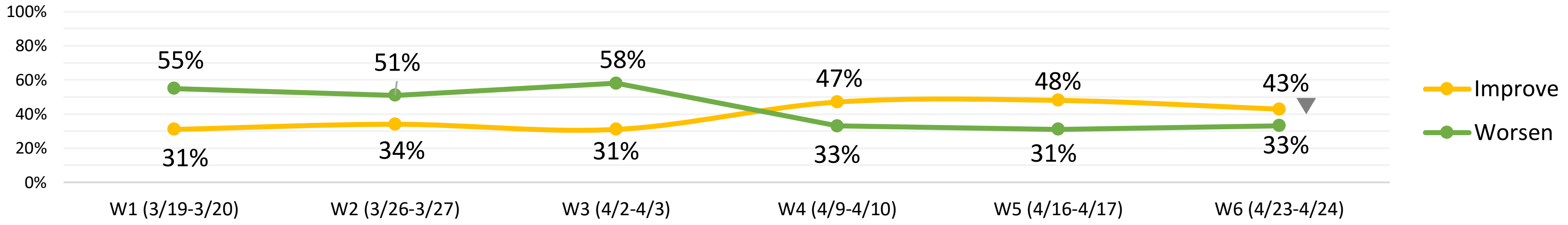
There is no meaningful change in the number of people who believe the pandemic will worsen or improve **locally** over the next 30 days. Around half still expect conditions to improve.

Change Locally in Next 30 Days



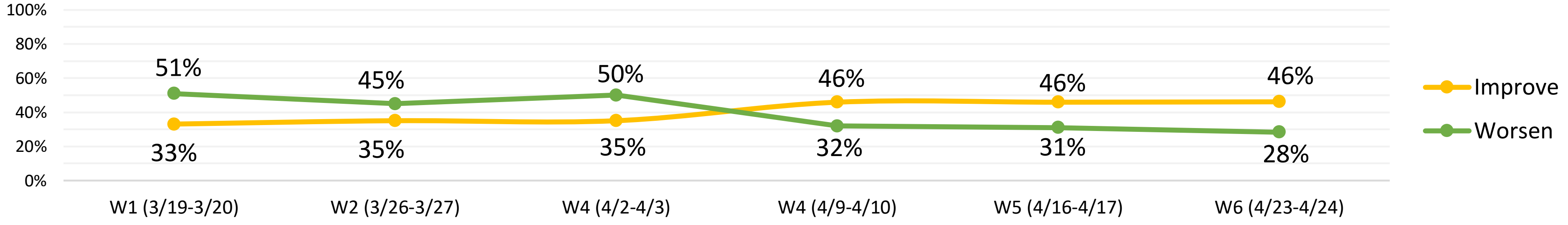
Americans are somewhat less optimistic, however, about the next 30 days for the **US overall:** the number of people who expect the situation to improve fell to 43 percent.

Change in US Overall in Next 30 Days



There's no change in Americans' expectations for how the pandemic will progress **globally** over the next 30 days: nearly half expect it to improve.

Change Globally in Next 30 Days

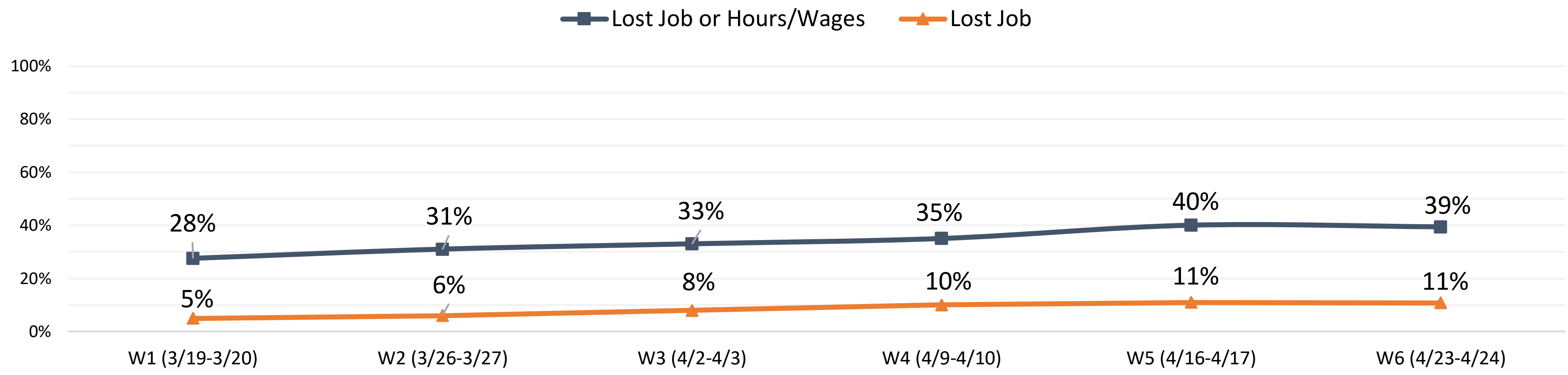


Q22 - Thinking locally, about the US overall, and globally, how do you expect the Coronavirus/COVID-19 situation to change in the next 30 days? Base: COVID-19 Aware

Employment, Financial Impact of Coronavirus/COVID-19

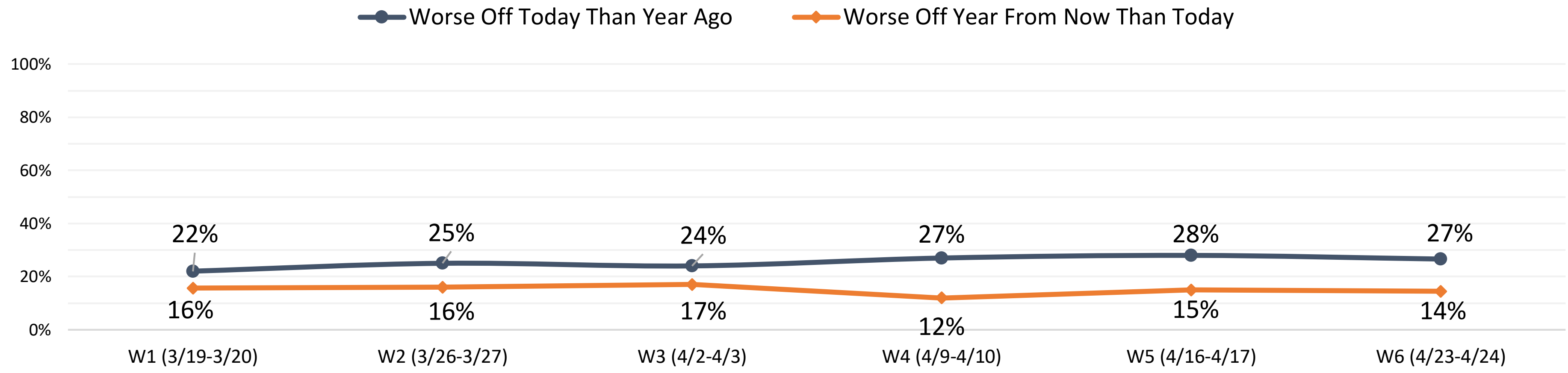
Net negative employment effects resulting from the pandemic are holding steady after rising last week. Eleven percent of Americans report a lost job because of the crisis.

Coronavirus/COVID-19 Impact on Employment



Just under 30 percent of Americans say they are financially worse off today than one year ago. Fourteen percent believe they will be worse off one year from now than they are today.

Personal Financial State vs. One Year Ago, From Now

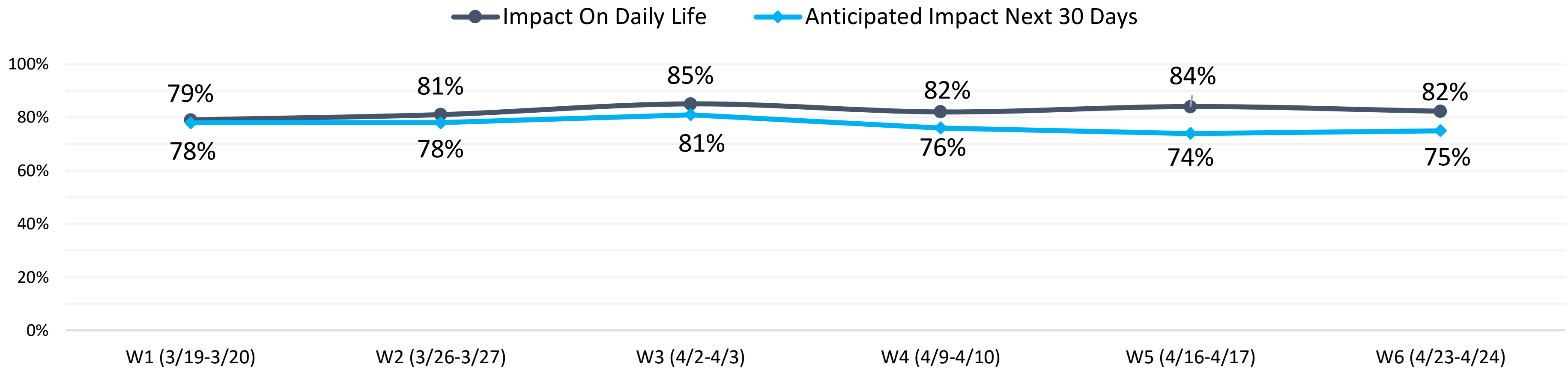


Q19 - Have you lost a job or have your job hours or salary been negatively affected by the Coronavirus/COVID-19 situation? Base: COVID-19 Aware | Q2 - Would you say that you/your family are better or worse off financially than you were a year ago? / Q3 - Now looking to the future: Do you think one year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

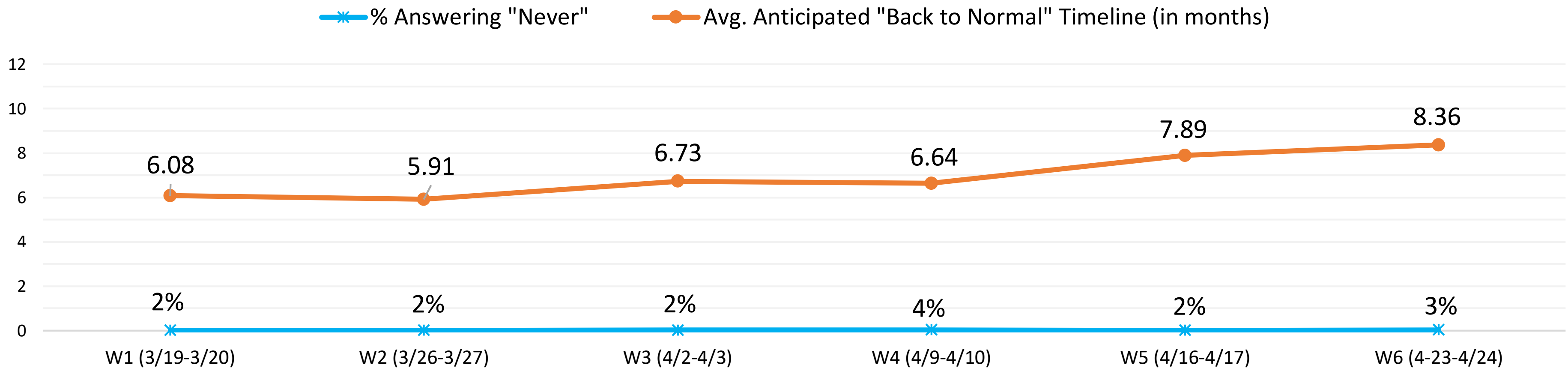
Four out of five Americans continue to report a severe or moderate impact on their daily lives from the pandemic, which has been consistent for several weeks. Three-quarters of Americans expect the same within the next 30 days.

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



The average anticipated time until things are “back to normal” climbs for the second week in a row to over eight months.

Anticipated “Back to Normal” Timeline



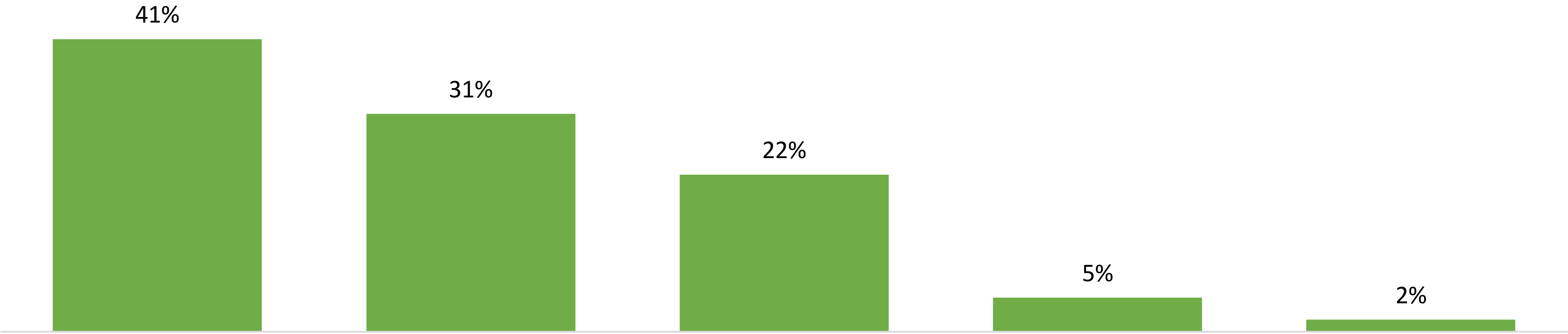
Q11 - Overall, how much of an impact would you say the Coronavirus/COVID-19 situation has had on your daily life? Base: COVID-19 Aware
Q23 - Now fast forwarding 30 days, how much of an impact do you think the Coronavirus/COVID-19 situation will be having on your daily life at that time? Base: COVID-19 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

Concern levels are unchanged this week, with two in five Americans extremely concerned about the COVID-19 pandemic overall. Also unchanged is the differentiation in concern among age groups, with those under 30 less concerned than average and those in the 30-44 age group showing the highest concern levels.

Coronavirus/COVID-19 Concern Level

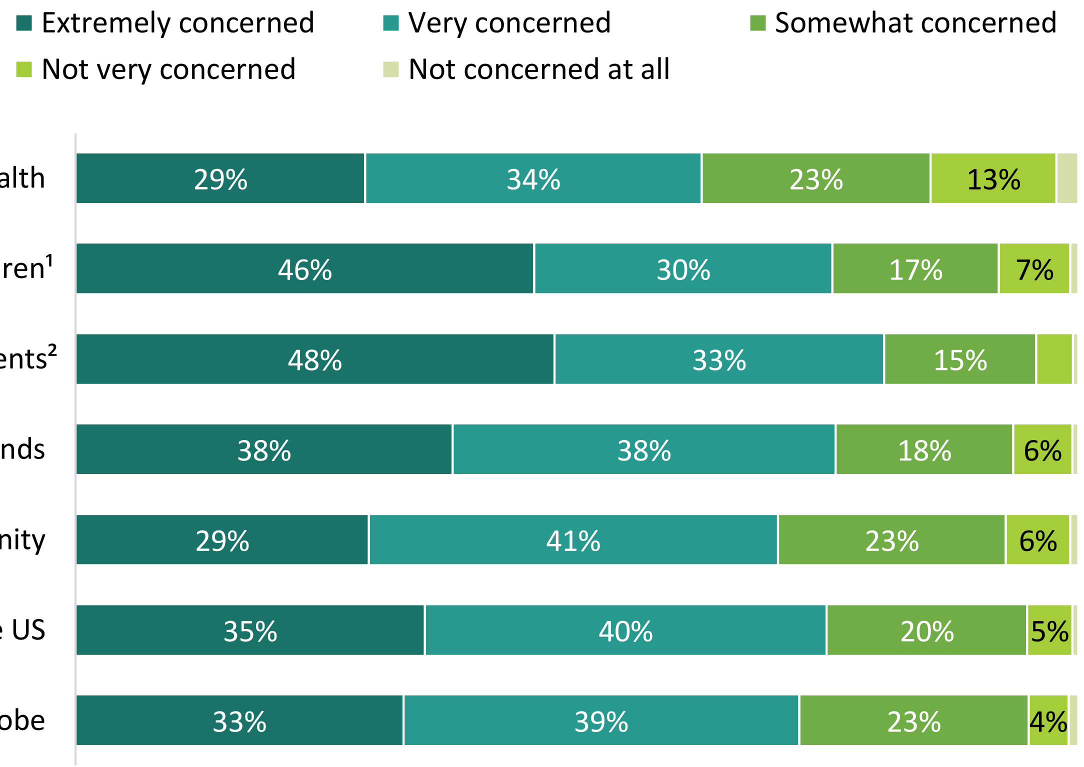


	Extremely concerned	Very concerned	Somewhat concerned	Not very concerned	Not concerned at all	**T2B**
Under 30	28	33	29	8	3	**61**
30 to 44	50	31	17	1	2	**81**
45 to 59	45	27	19	7	2	**72**
60 and older	39	32	24	4	1	**71**

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

This week, concern over the health of children/grandchildren as well as parents/grandparents are the most pronounced, although Americans are showing elevated concern for the health of all individuals. Concern among the 30-44 age group is particularly severe.

Coronavirus/COVID-19 Health Concerns



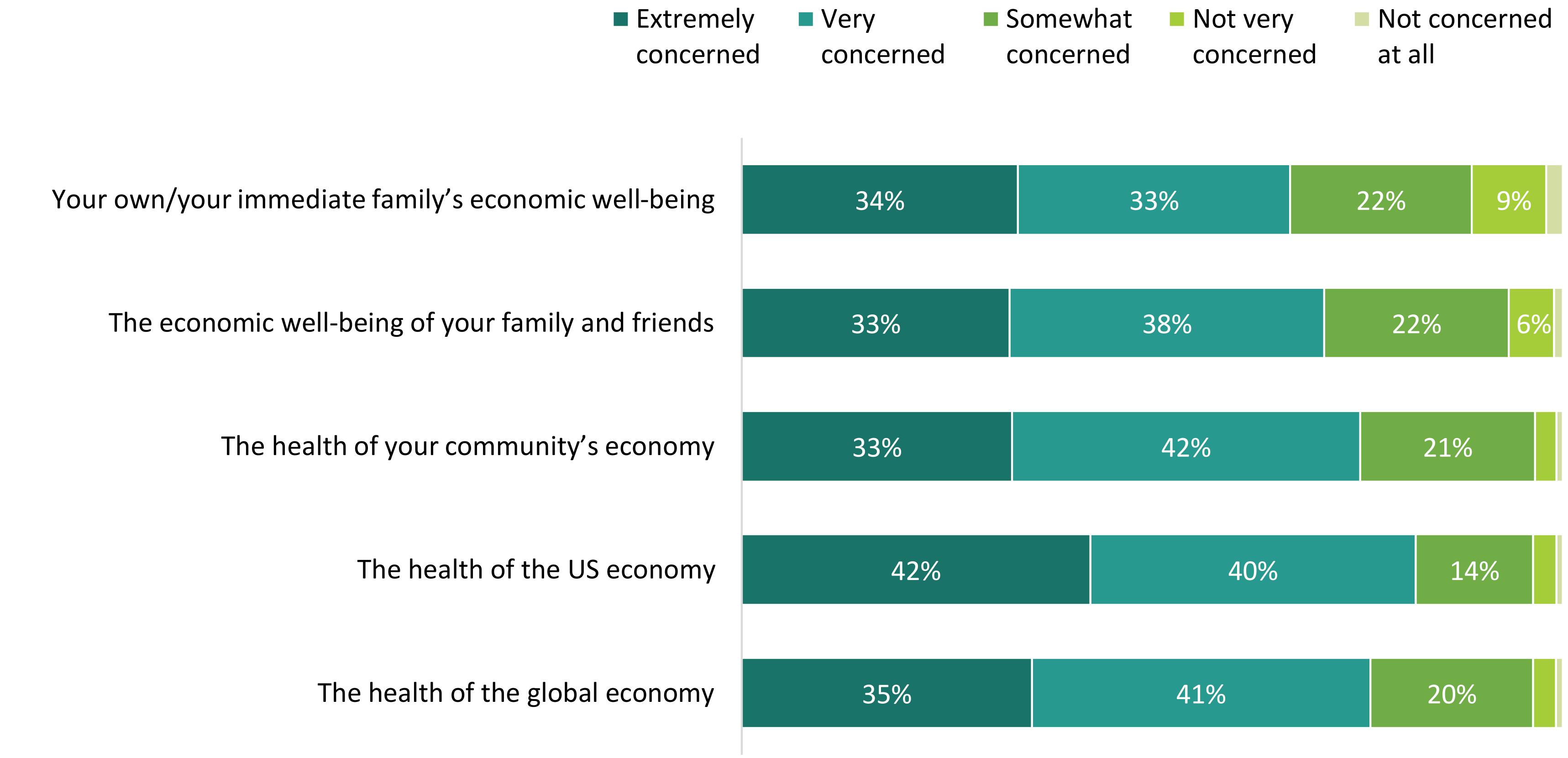
T2B (Extremely/Very Concerned)

	Total	Under 30	30 to 44	45 to 59	60 and older
Your own personal health	62%	52%	72%	61%	63%
The health of your child(ren) or grandchildren[1]	76%	76%	82%	75%	69%
The health of your parents and/or grandparents[2]	81%	79%	91%	79%	69%
The health of other family members and friends	76%	71%	81%	78%	72%
The health of others in your community	70%	61%	76%	71%	70%
The health of others in the US	75%	66%	77%	76%	78%
The health of others across the globe	72%	64%	77%	70%	76%

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
[1]Only shown to those with children or grandchildren; [2]Only shown to those with living parents or grandparents

Economic concerns continue to match health concerns, if not exceed them. Worries over the health of the US economy overall are the most common. As with health, those under 30 exhibit lower levels of economic concern than their older peers, but are still highly concerned in general.

Coronavirus/COVID-19 Economics Concerns



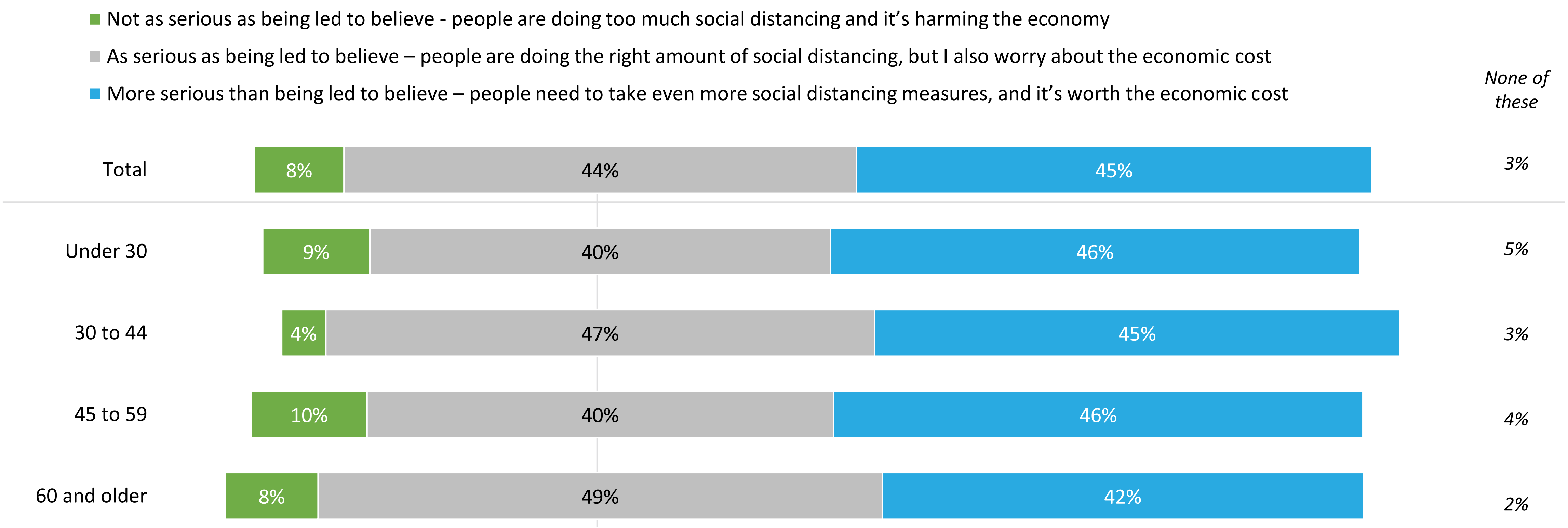
T2B (Extremely/Very Concerned)

	Total	Under 30	30 to 44	45 to 59	60 and older
Your own/your immediate family's economic well-being	67%	60%	78%	69%	59%
The economic well-being of your family and friends	71%	61%	79%	75%	68%
The health of your community's economy	75%	64%	79%	82%	75%
The health of the US economy	82%	70%	84%	86%	86%
The health of the global economy	77%	71%	79%	76%	79%

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

Holding steady over several weeks, perception of the actual severity of the pandemic relative to how it is portrayed is largely unchanged. Americans are primarily split between believing the pandemic is as serious or more serious than we are led to believe. Just eight percent believe it is less serious.

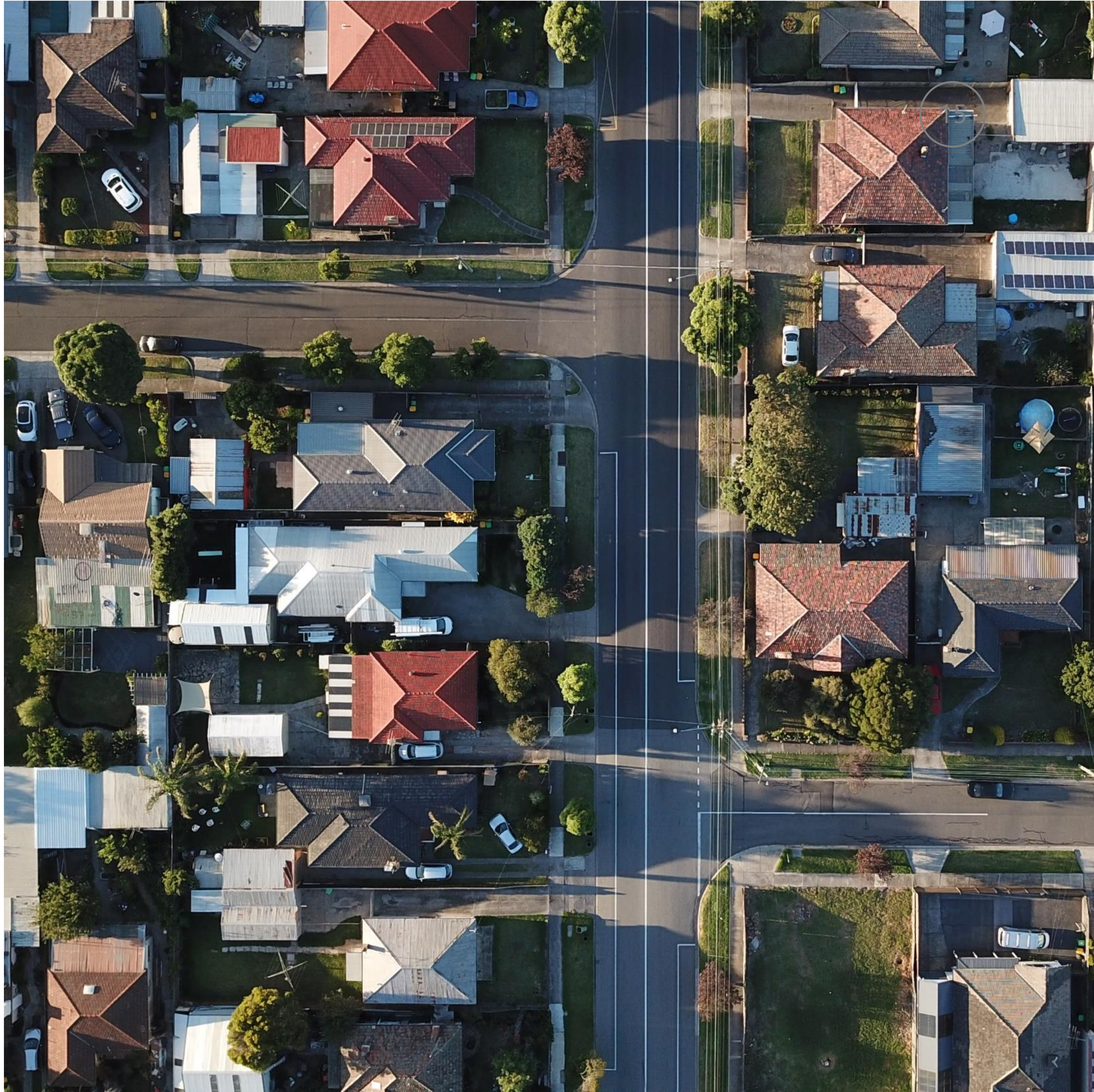
Coronavirus/COVID-19 Perceived Severity



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

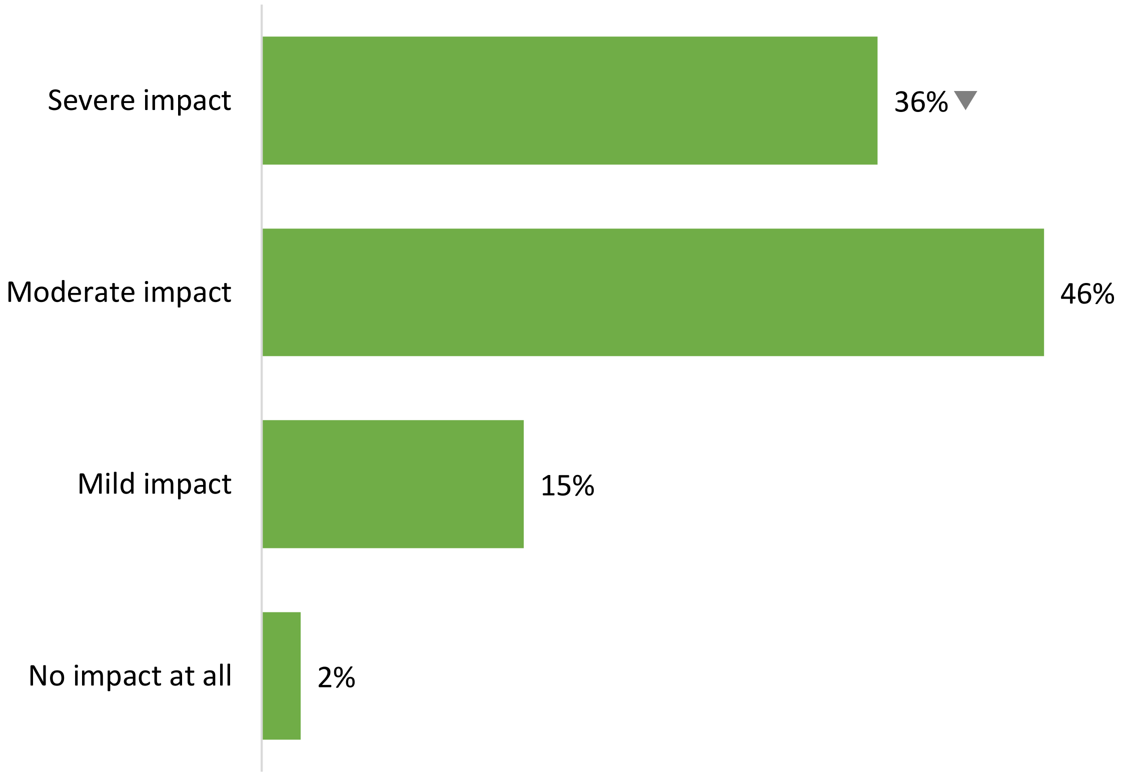
Impact on Daily Life

- Overall Impact
- Behavioral Reactions



Fewer Americans are reporting a severe impact on their daily lives this week. Negative impacts from the pandemic are highest among the 30-44 age group and lowest among those 60 and older. Higher income ($100K+/year) households and those in the Northeast are more likely to report impacts.

Coronavirus/COVID-19 Impact on Daily Life



	Under 30	30 to 44	45 to 59	60 or older
Severe	39%	49%	37%	21%
Severe or Moderate	81%	90%	83%	75%

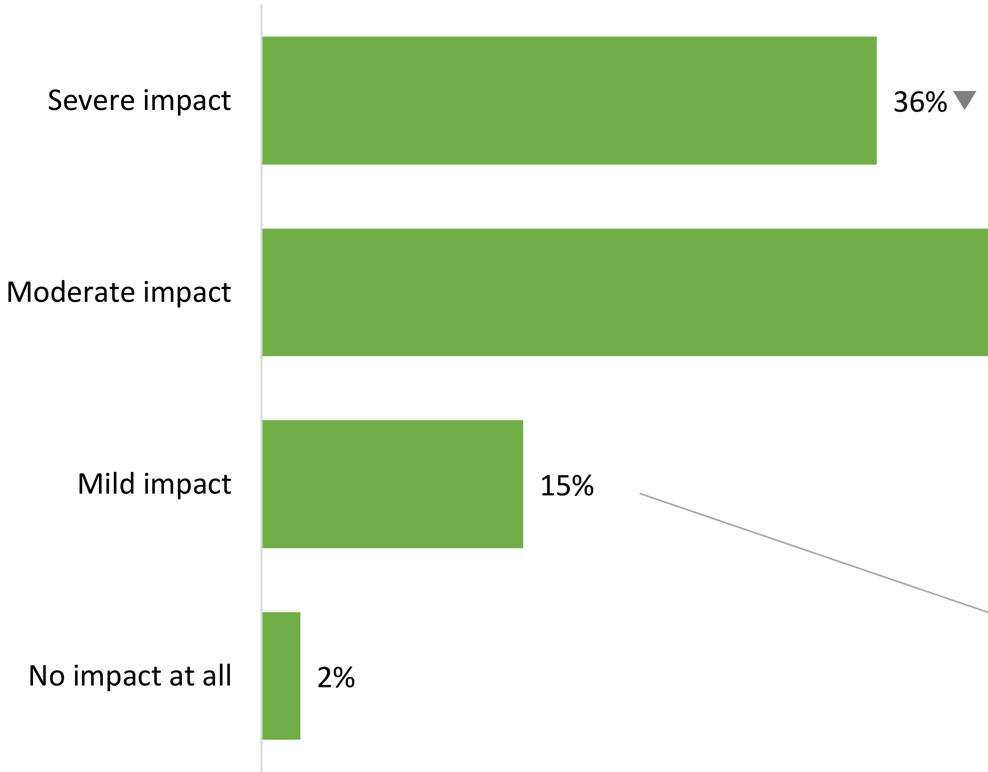
	Under $50K	$50K to $100K	$100K or more
Severe	32	28	51
Severe or Moderate	78	81	89

	Northeast	Midwest	South	West
Severe	45%	33%	35%	35%
Severe or Moderate	90%	80%	78%	84%

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

Financial stress and isolation remain top themes among those who report severe or moderate impacts as a result of the pandemic. Americans reporting a more mild impact are more likely to mention disruptions to schedules and missing the normal activities of everyday life.

Coronavirus/COVID-19 Impact on Daily Life



"Job loss, being separated from my family, my whole life has completely changed because of the COVID-19."

"Not being able to work. Not be able to go places and enjoy the company of others. Staying at home and being alone."

"My husband and I are not currently working because of this. We have had to apply for assistance. I have had a very small business of my own on the side - it's my only income at the moment and it has also taken a hit financially. Then adding the three kids and there now doing school at home that has had a whole other set of challenges. Then all the mixed information gives me a headache. Everything the medical professionals say contradicts each other."

"Had to leave school and I don't know when I will graduate or if I can get a job."

"I have lost access to about a third of my income and I am unsure when it will become available again. The stay home order has impacted my ability to socialize and engage in physically active activities. I have had to cancel vacation plans."

"Having to stay at home and not being able to get out to socialize"

"Reducing my work time, pay and other life activities"

"I wear a mask outside and shopping is limited. I would love to go to church and have dinner with my friends."

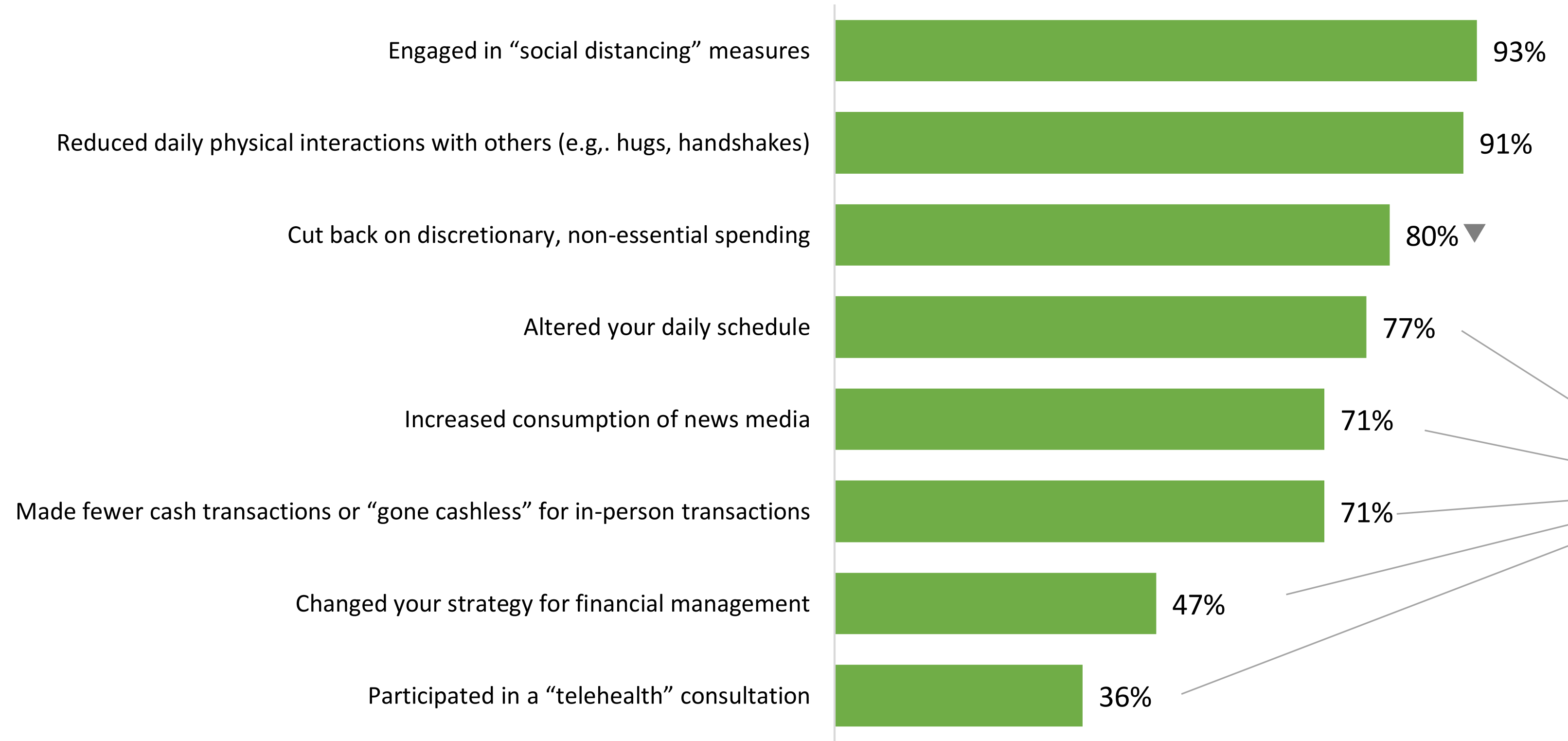
"I've had some problems finding some products"

"less shopping and eating out"

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

This week, fewer Americans are cutting back on discretionary spending as a result of the pandemic, but 80 percent continue to do so. Beyond social distancing measures and reducing physical interactions with others, other top behavioral changes include: altering daily schedules, increasing consumption of news, and making fewer cash transactions.

Behavioral Changes due to Coronavirus/COVID-19



Higher income households ($100k+/year) are more likely than lower-income households to experience many behavioral changes, especially:

- Alter daily schedule (88%)
- Increase consumption of news media (80%)
- Make fewer cash transactions (79%)
- Change strategy for financial management (65%)
- Participate in a telehealth consultation (51%)

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

There is no noticeable change in the degree to which people are changing their shopping behavior in order to adapt to the pandemic. Product shortages are still experienced by nearly nine in ten Americans. Shopping at alternative times is common, as is pantry loading and brand-switching.

Shopping, Purchasing Experiences due to Coronavirus/COVID-19

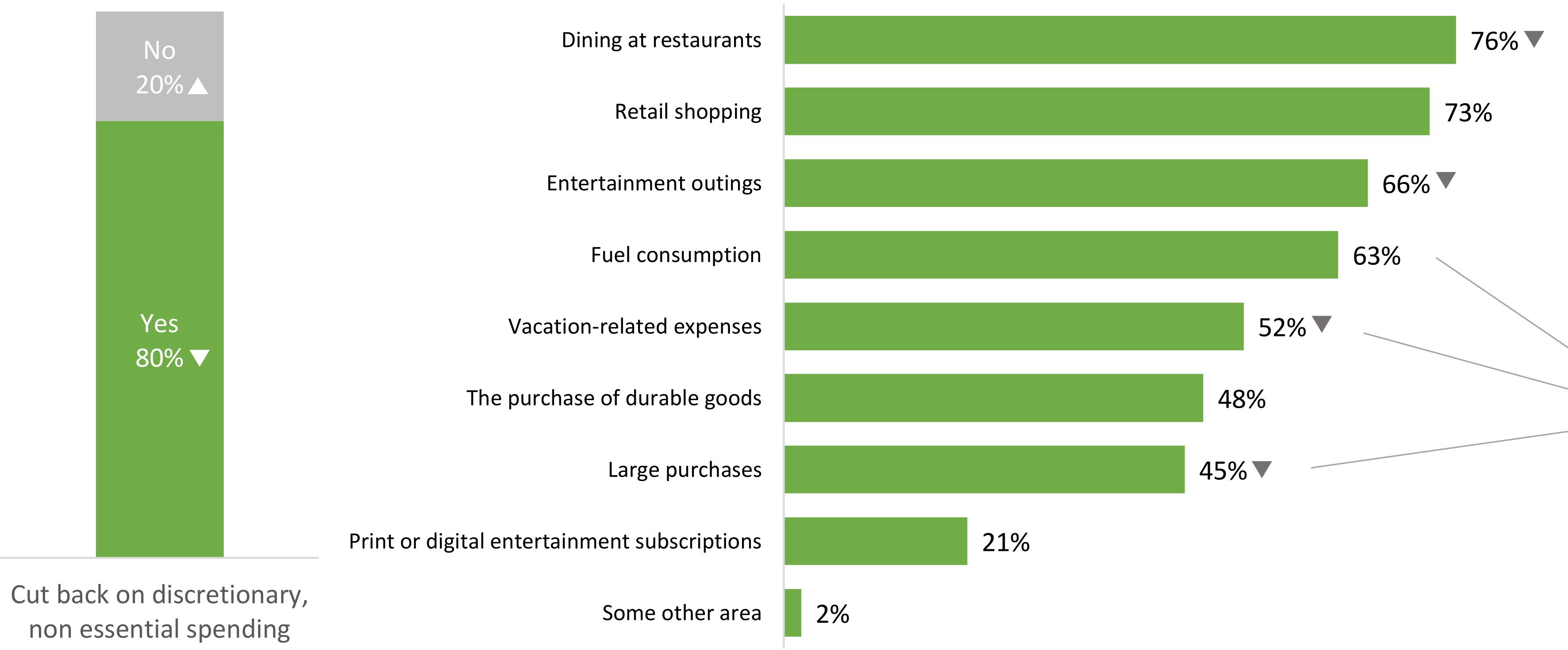
Higher income households ($100k+/year) are more likely than lower-income households to alter many shopping/purchasing behaviors, especially:

- Stock up on food (79%)
- Purchased different brands (77%)
- Stock up on personal supplies (73%)
- Increase use of home delivery services (67%)
- Shop at different retailers (64%)
- Ration food (59%)

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

Fewer people overall are reporting that they've cut discretionary spending this week, and in several categories in particular, including: dining, entertainment outings, vacation-related expenses, and large purchases. Despite these decreases, cuts to spending remain commonplace.

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



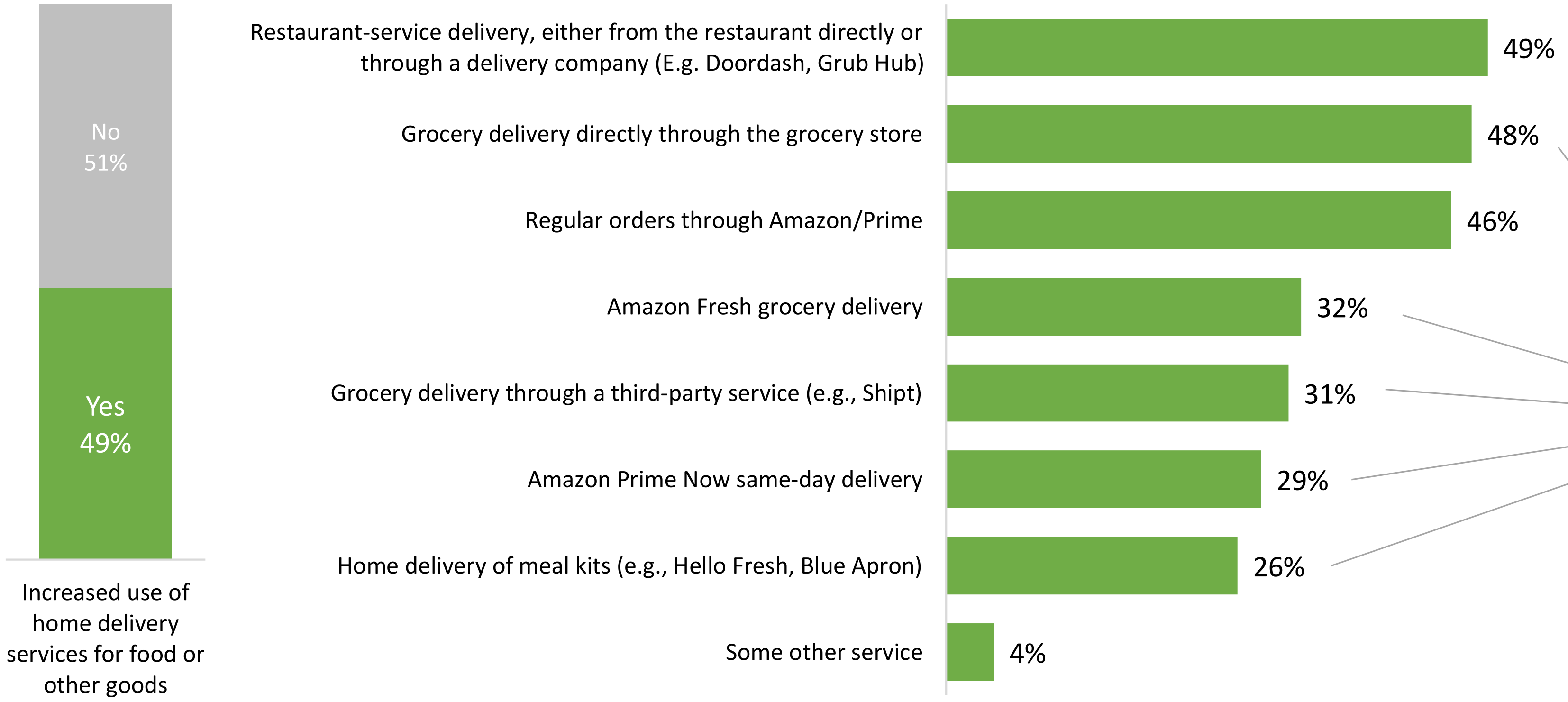
Higher income households ($100K+/year) are more likely to cut:

- Fuel consumption (69%)
- Vacation-related expenses (59%)
- Large purchases (52%)

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)

Half of Americans have increased their use of delivery services as a result of the pandemic, and among those the services most likely to see a gain in utilization are: restaurant service delivery, grocery delivery from the grocery store directly, and regular orders through Amazon or Amazon Prime.

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



Higher income households ($100k+/year) are more likely to increase use of:

- Grocery delivery through grocery store (58%)
- Amazon Fresh (50%)
- Home delivery meal kits (47%)
- Amazon Prime Now (41%)
- Grocery delivery through a 3rd party (40%)

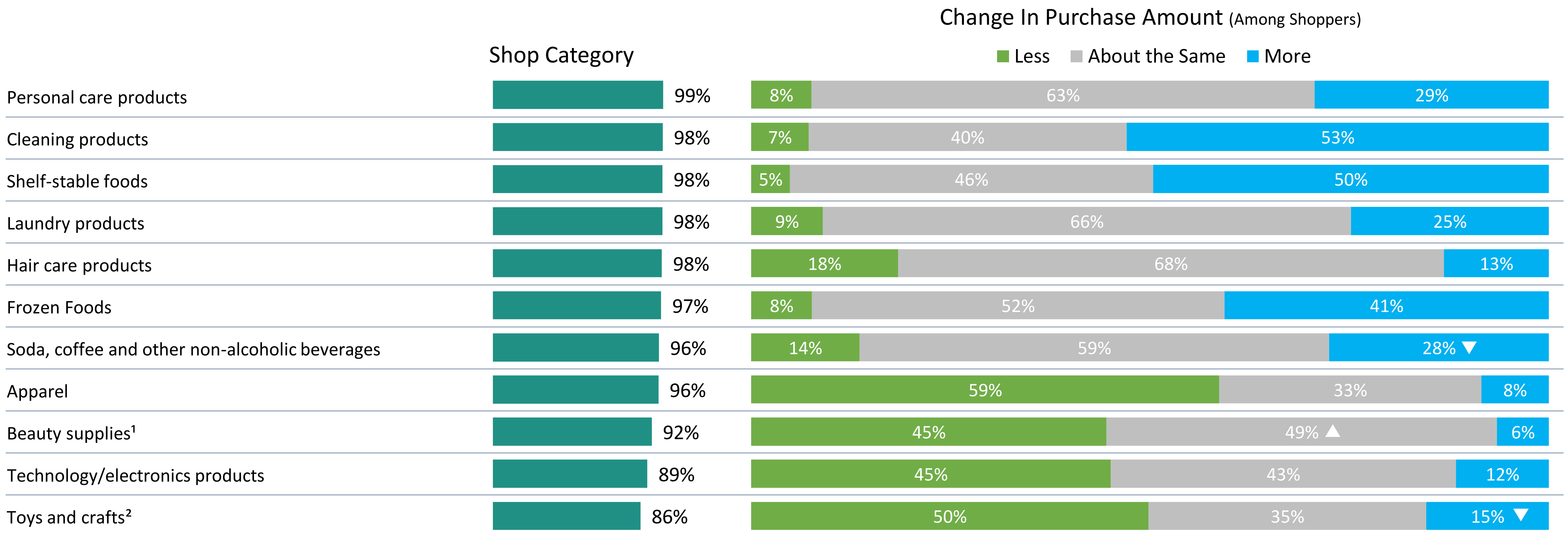
Q16 - You indicated that you have increased your use of home delivery services for food or other goods as a result of the Coronavirus/COVID-19 situation. Which of the following service are you using, either for the first time or more than you did before? Base: COVID-19 Aware who answered "Yes" to "Increased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

Changing Purchase Behaviors

- Category Purchase Volume
- Brand Loyalty

Continuing the trend for several weeks, many American consumers are purchasing more cleaning products this week. Consumers are also purchasing more shelf-stable and frozen foods. Higher-priced and luxury categories such as apparel, beauty supplies, tech products, and toys and crafts are less likely to see an increase.

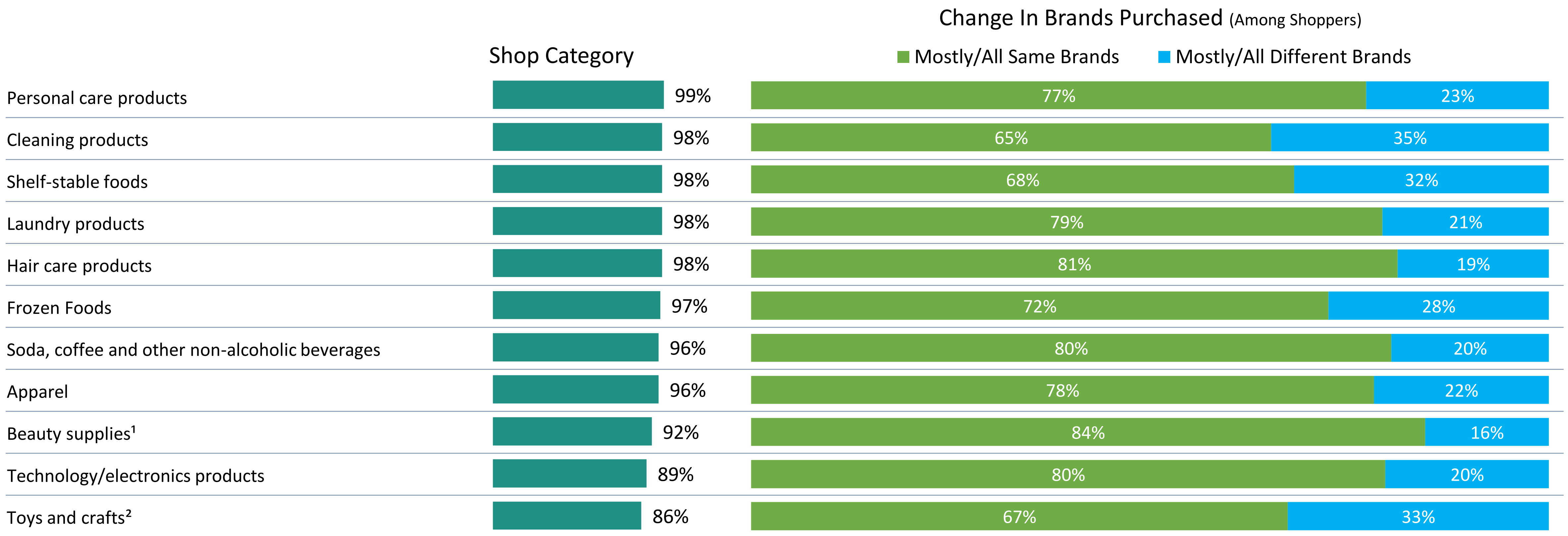
Coronavirus/COVID-19 Impact on Categories Shopped



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

Product stockouts continue to create a consumer environment conducive to brand switching, and this week the categories that are most at-risk continue to be cleaning products, shelf-stable foods, and frozen foods. The toys and crafts category is also likely to see more brand switching as consumers seek alternatives.

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

Among those purchasing different brands, the most common reasons for doing so across most categories is either that the consumer's preferred product was not available or they were seeking a more affordable alternative. More consumers are switching beauty brands this week to "higher quality/better performing" options.

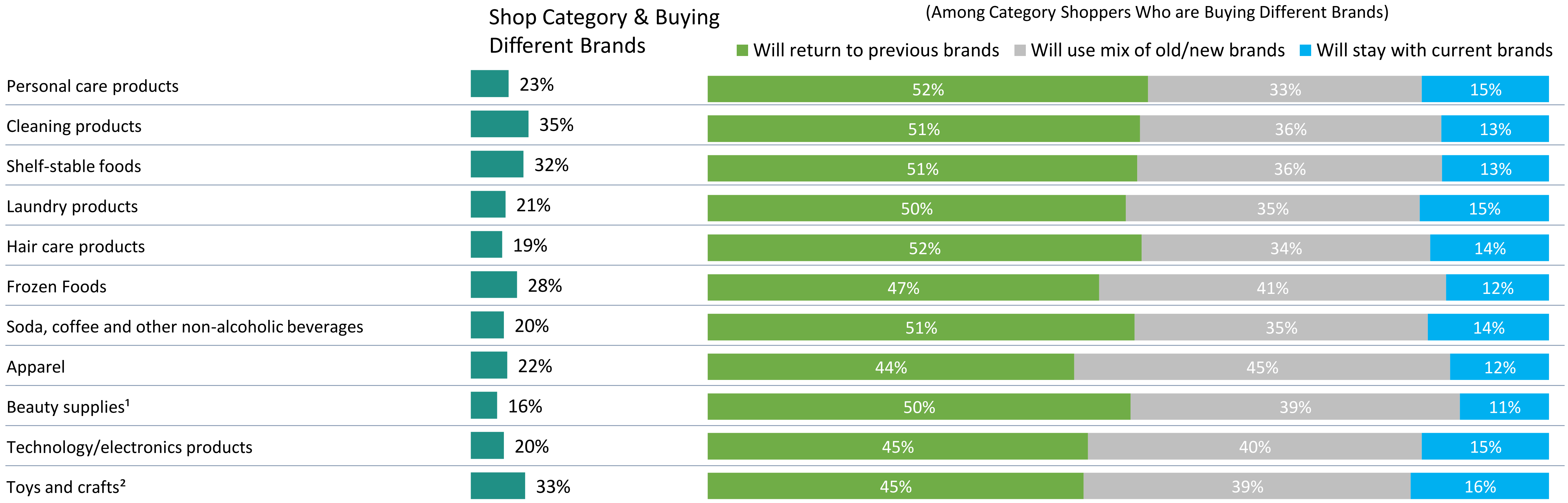
Coronavirus/COVID-19 Impact on Brands Purchased – Reasons for Buying All/Mostly Different Brands

	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	23%	44%	42%	22%	24%	1%
Cleaning products	35%	56%	33%	20%	22%	2%
Shelf-stable foods	32%	49%	42%	26%	12%	2%
Laundry products	21%	42%	45%	26%	20%	1%
Hair care products	19%	37%	39%	36%	24%	4%
Frozen Foods	28%	44%	44%	27%	16%	2%
Soda, coffee and other non-alcoholic beverages	20%	36%	47%	32%	23%	4%
Apparel	22%	32%	38%	32%	22%	5%
Beauty supplies[1]	16%	37%	45%	25%	28% ▲	4%
Technology/electronics products	20%	29%	42%	26%	24%	4%
Toys and crafts[2]	33%	27%	45%	38%	23%	7%

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

New this week, consumers who have switched brands were asked whether they intend to keep purchasing new brands or return to their previous preference once the pandemic eases. At most, only half of consumers indicate they will return to their previous brands – the remaining half will either use a mix of previous and new brands, or will continue purchasing the new brands completely.

Coronavirus/COVID-19 Impact on Categories Shopped



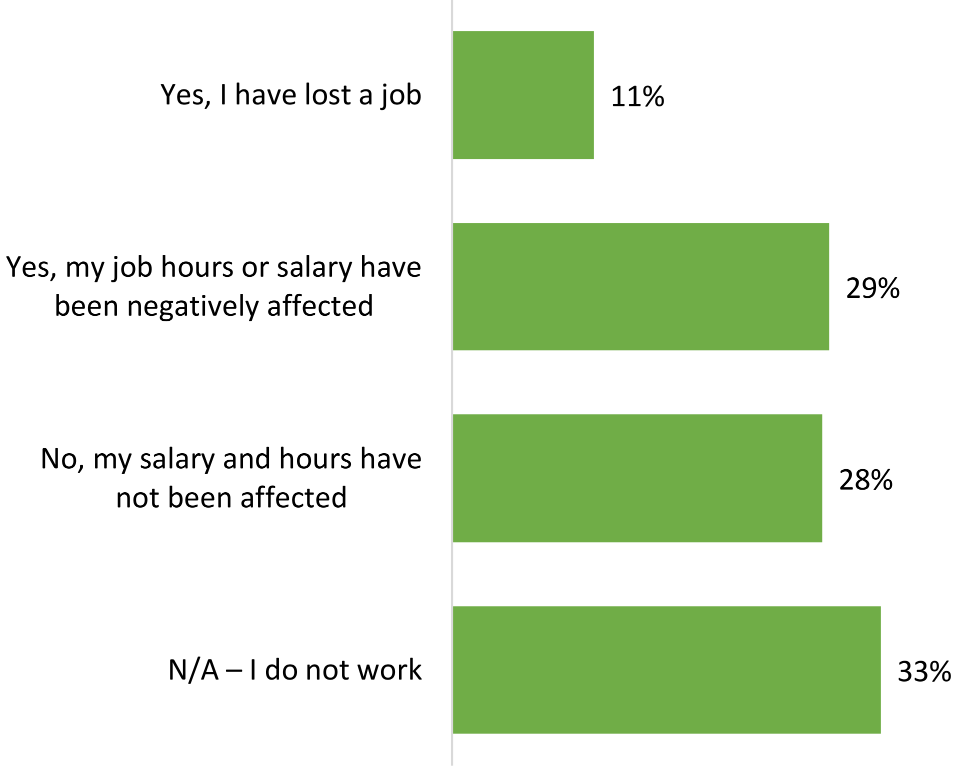
Q18b - And, for each of these categories in which you are buying different brands, once the pandemic's effects ease do you think that you will...[answer options]? Base: COVID-19 Aware Who Shop Category (Q17)
[1]Only shown to females; [2]Only shown to those with children or grandchildren ages 0-17

Employment Impact

- Effect on Job Status, Hours Worked
- Remote Working

After climbing sharply in previous weeks, the number of Americans reporting a lost job or negative impacts to their wages, hours, or salary has leveled off. Still, damaging impacts remain, particularly among the 30-44 age group, and among Americans in the Northeast.

Coronavirus/COVID-19 Impact on Employment



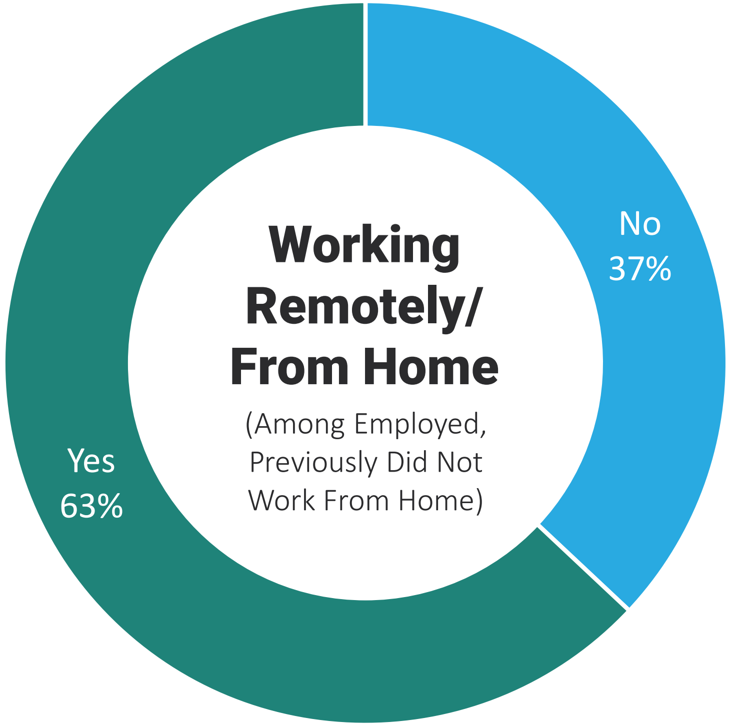
	Under 30	30 to 44	45 to 59	60 or older
Lost Job	20%	10%	10%	5%
Lost Job or Wages	46%	59%	39%	16%

	Male	Female
Lost Job	9%	12%
Lost Job or Wages	44%	35%

	Northeast	Midwest	South	West
Lost Job	11%	10%	10%	13%
Lost Job or Wages	49%	34%	37%	41%

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

Continuing an upward trend over several weeks, nearly two-thirds of those who did not previously work remotely have begun to do so as the COVID-19 outbreak continues to keep workplaces closed. Higher income households are more likely to work remotely.



	Under 30	30 to 44	45 to 59	60 or older
Yes	60%	75%	59%	40%

	Under $50K	$50K to $100K	$100K or more
Yes	35%	62%	82%

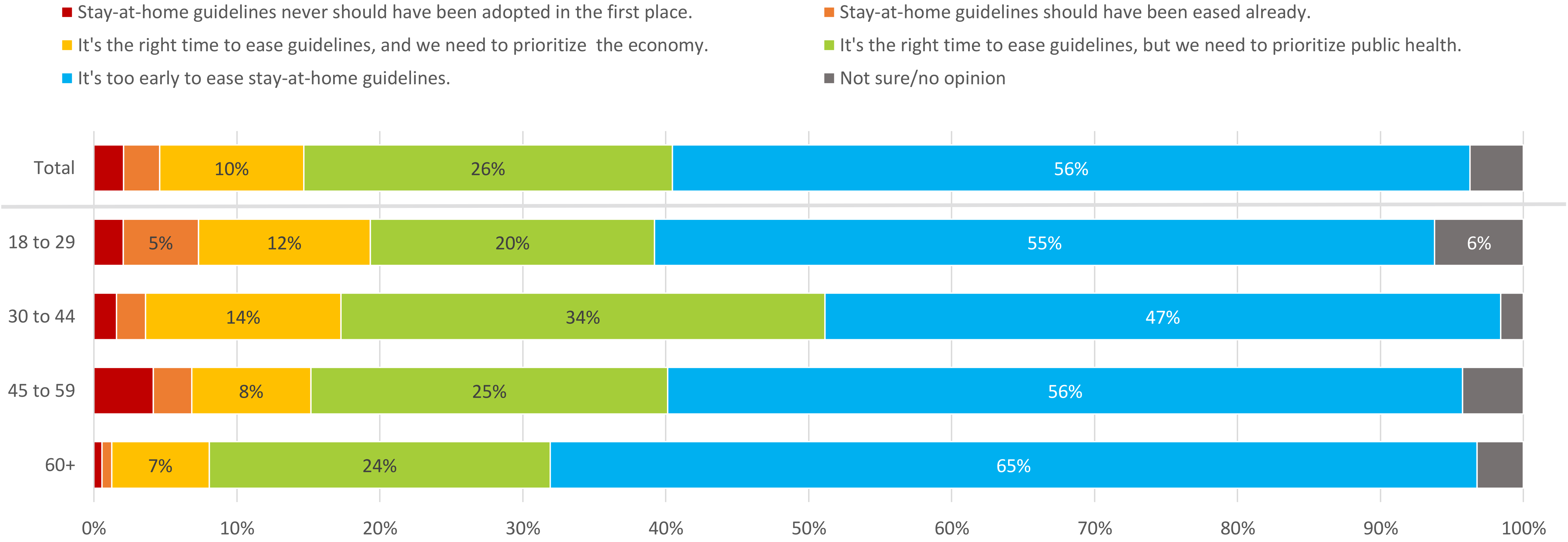
Q21 - Have you begun working remotely (e.g., from home) as a result of the Coronavirus/COVID-19 situation? Base: COVID-19 Aware and Didn't Typically Work From Home (Q20)

Outlook

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

When it comes to plans for “reopening” segments of the American economy, over half of Americans feel it is too early. Another quarter believe that it’s the right time to begin, but safety needs to be the top priority. Only one in ten believe that economic recovery should be the top priority driving plans to reopen.

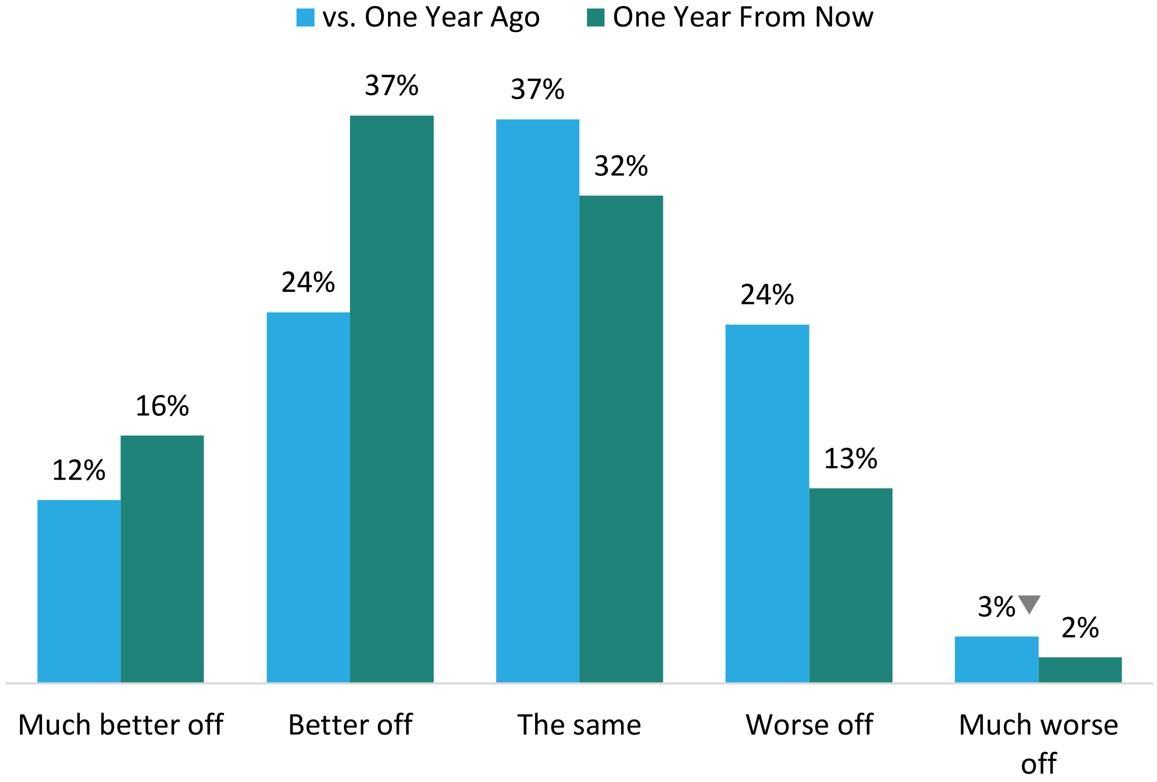
Perceptions of “Reopening”



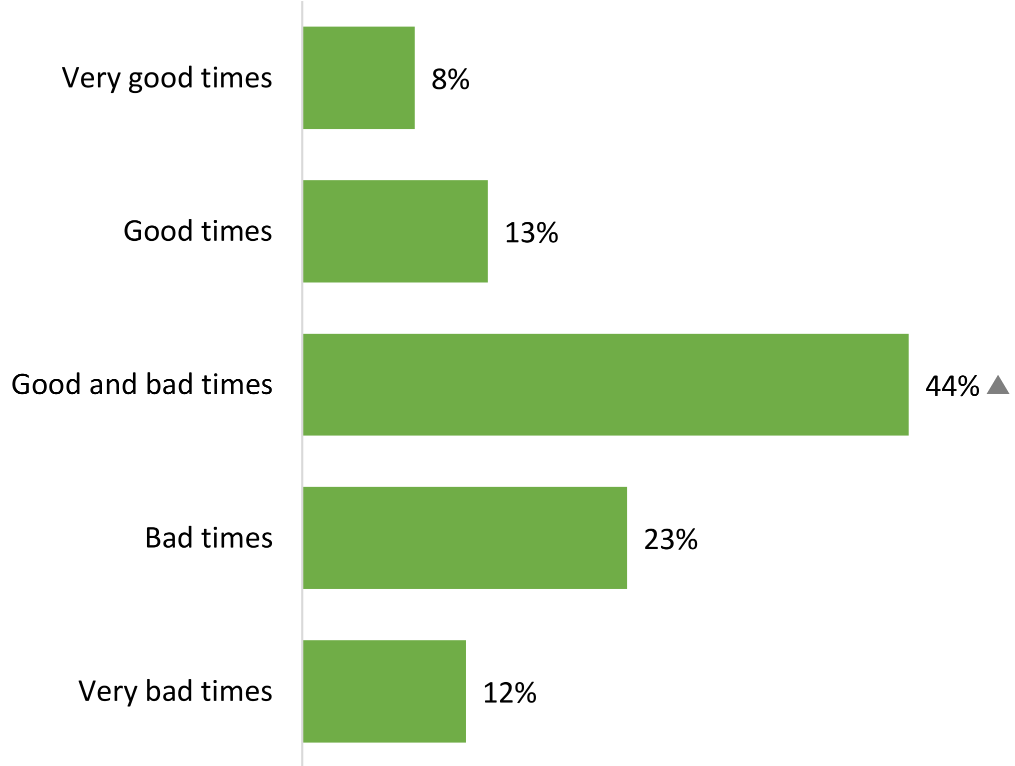
Q25 - Which of the following statements best describes how you feel when it comes to easing stay-at-home guidelines and allowing businesses to reopen? Base: COVID-19 Aware

As was the case in previous weeks, Americans continue to maintain a relatively optimistic view of their own personal financial state. Nearly 70 percent expect to be the same or even better off one year from now than they are today. The vast majority expect that US business will experience a mix of good and bad times in the next 12 months.

Personal Financial State vs. One Year Ago, From Now



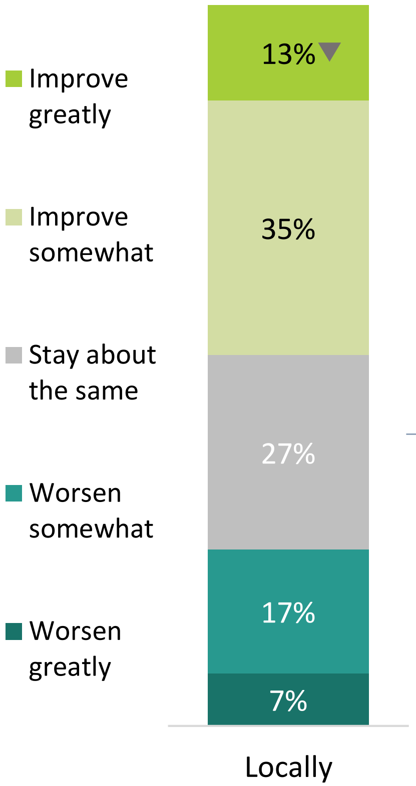
US Business Financial State Over Next 12 Months



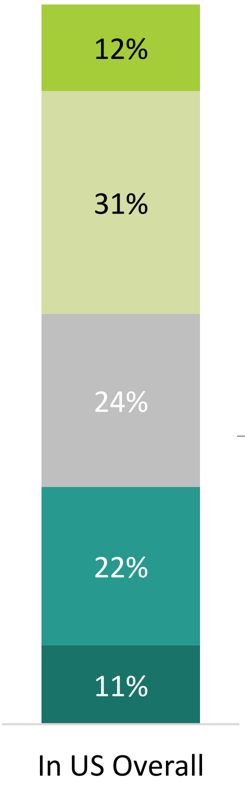
Q2 - Would you say that you/your family are better or worse off financially than you were a year ago? / Q3 - Now looking to the future: Do you think one year from now you/your family will be better or worse off than you are today? / Q4 - Now thinking about business conditions in general in the US: Do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

Just under half of Americans believe the COVID-19 situation will improve over the next 30 days – locally, nationally, and globally. Those 30-44, who are the most concerned overall with the pandemic, are also the most optimistic or hopeful that improvements are likely in the next month.

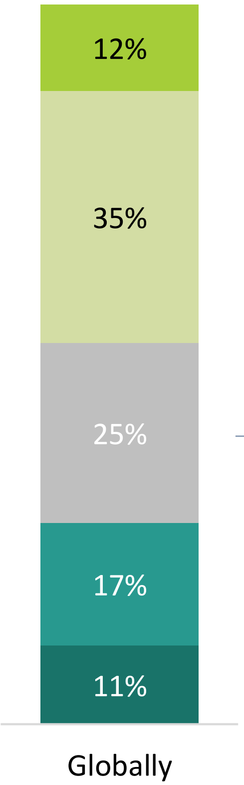
Anticipated Change to Coronavirus/COVID-19 Situation in Next 30 Day



	Worsen	Improve
Under 30	24%	40%
30 to 44	20%	60%
45 to 59	24%	47%
60 and older	29%	46%
Northeast	20%	50%
Midwest	24%	48%
South	25%	47%
West	26%	52%



	Worsen	Improve
Under 30	32%	38%
30 to 44	24%	53%
45 to 59	35%	41%
60 and older	41%	39%
Northeast	27%	51%
Midwest	33%	40%
South	33%	42%
West	38%	42%



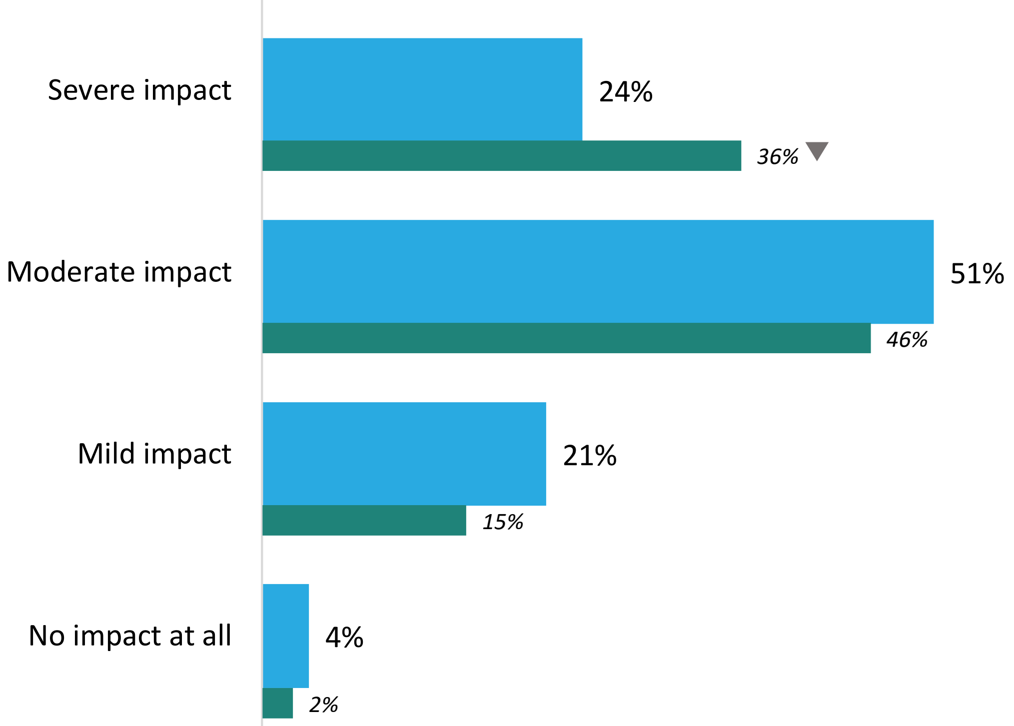
	Worsen	Improve
Under 30	23%	48%
30 to 44	22%	55%
45 to 59	30%	43%
60 and older	37%	40%
Northeast	24%	47%
Midwest	26%	45%
South	30%	46%
West	31%	47%

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

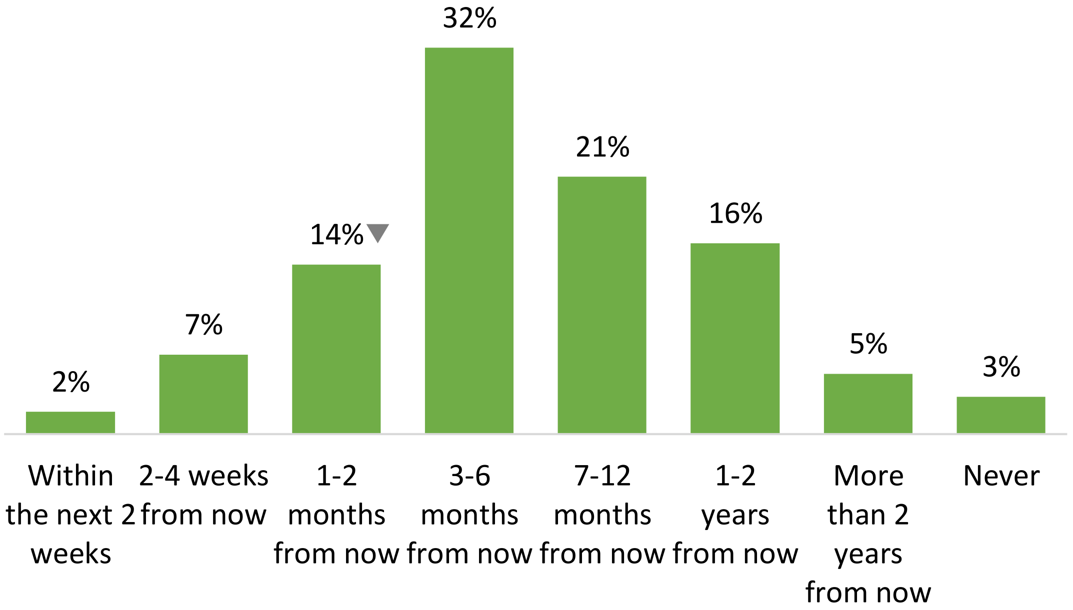
Expected impacts on daily life over the next 30 days are unchanged this week. Half of Americans anticipate a moderate impact, and another quarter expect the impact to be severe. Anticipated “back to normal” time continues to slowly shift further out, although one-third still expect things to return to normal within three to 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

Questions?

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