aytm®

COVID-19 Pandemic Impact on US Consumers

W7 | April 30-May 1, 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 seventh wave of aytm's COVID-19 Consumer Tracker fielded Thursday, April 30, 2020 – Friday, May 1st, 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.

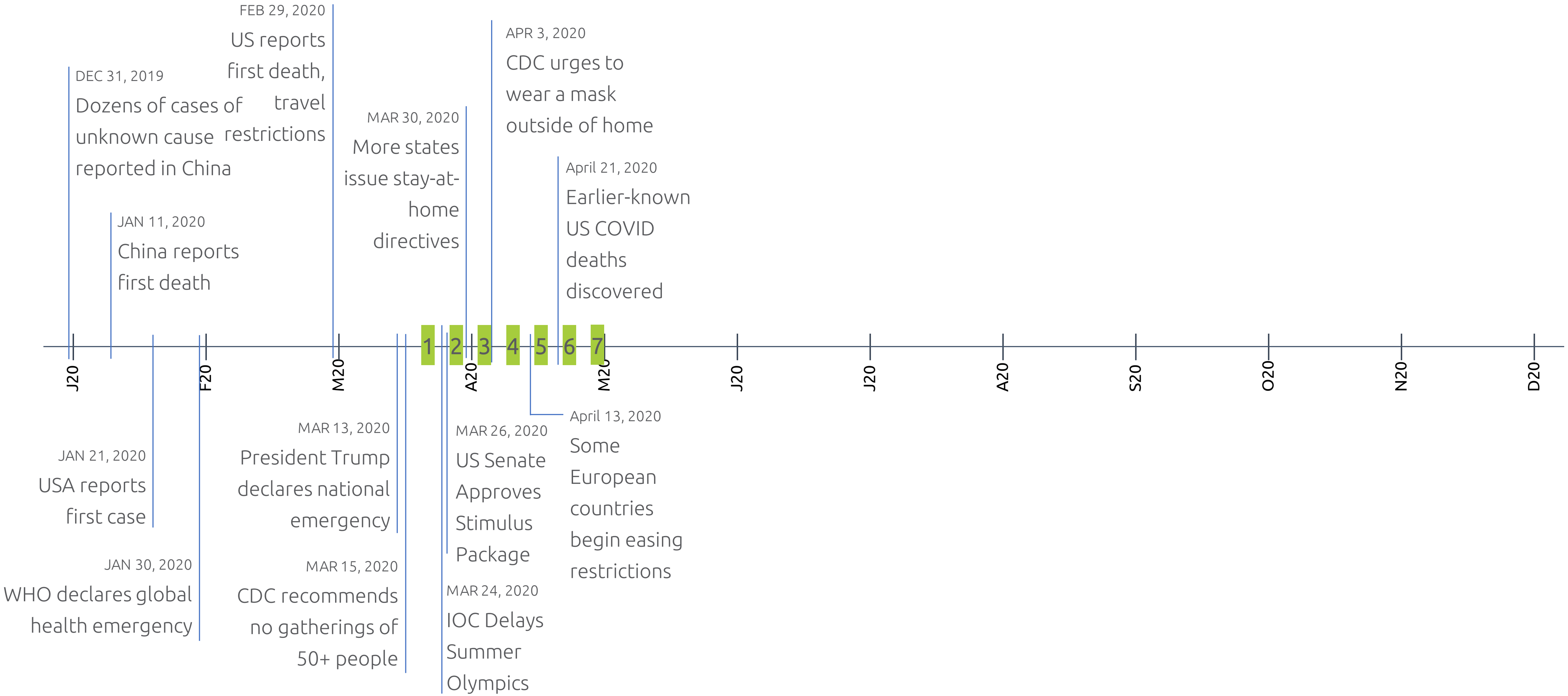
All significance testing is conducted at 95% confidence level with the effective base used as the sample base for statistical calculations (Effective Base = 970 for Total sample).

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 eases slightly, but economic fears mount.

- The portion of Americans who say they are extremely concerned about the COVID-19 pandemic drops to about one-third this week, and overall top-two box concern falls accordingly to about two-thirds of Americans. Though overall concern is trending down, it remains the most elevated among 30-44 year olds.
    - Health concerns are still highly prevalent, particularly as relates to older generations. Four out of five Americans are concerned about the health of parents or grandparents. Younger generations remain somewhat less concerned than others.
    - Worries over the future of the US economy in whole persist at elevated rates. Economic fears are highest among the working generations (ages 30-59).

Impacts continue to ripple through daily life and alter the consumer experience.

- Reported severe impacts from the COVID-19 pandemic are down marginally this week – about one-third of Americans say the pandemic has had a severe impact on their daily lives. Severe impacts continue to disproportionately affect those in the Northeastern region of the country.
- Although total reported negative employment effects are slightly lower this week, 11% of Americans report a job lost due to the economic strain of the pandemic.
- As in past weeks, at least 80 percent of American consumers are reducing their discretionary spending as economic uncertainty prevails.
    - While more expensive durable or luxury goods are likely to see a cut in consumer spending, consumers are purchasing more cleaning products, shelf-stable foods and frozen foods. These categories are also likely to see a high degree of brand switching.
    - Product shortages remain a consumer burden and a key driver of brand-switching across several product categories. Consumers also continue to explore alternative brands in order to find more affordable options. The majority of consumers who have switched brands expect to continue to use at least a mix of new brands once the pandemic subsides.

Opinions on the best path forward diverge.

A cautious optimism remains, with the majority of Americans expecting to be the same or even better off financially one year from now which is consistent from previous weeks. However, as economic anxieties develop, Americans' opinions on the best way to reopen the country to economic activity are beginning to separate. Nearly half feel that it is too early to ease stay-at-home guidelines, one-third want to see activities resume but with an emphasis on public health, and another 14 percent feel that economic recovery should be the top priority.

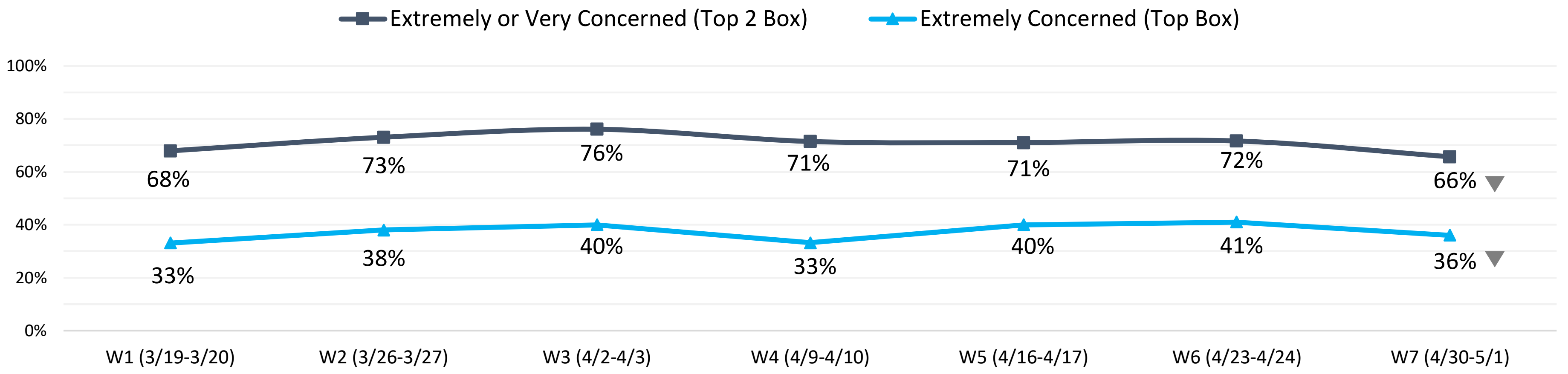
Wave over Wave Trends

- 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

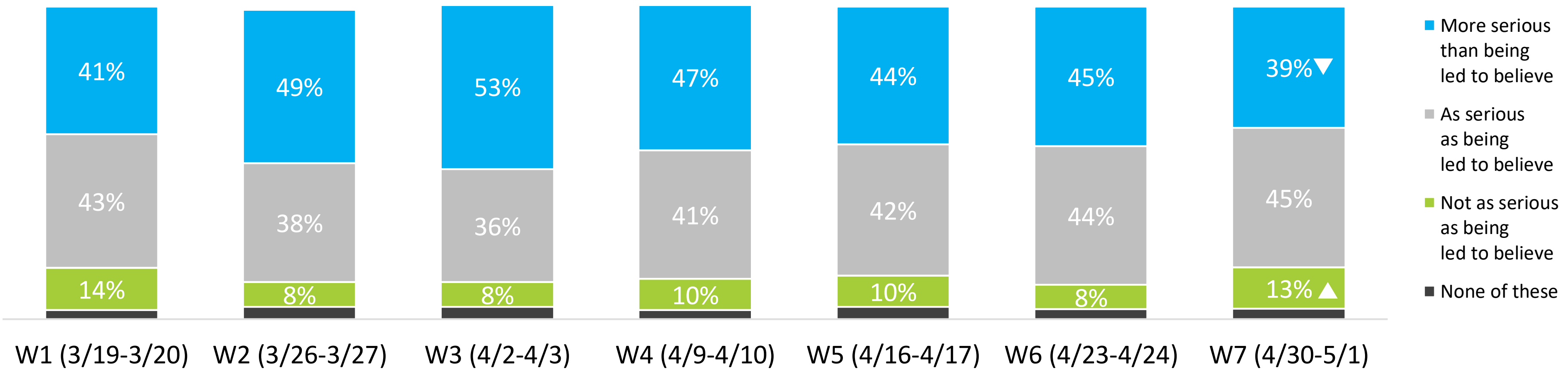
Concern over the COVID-19 pandemic remains high, although both top-box and top-two-box concern fall this week to mid-March levels.

Coronavirus/COVID-19 Concern Level



Similarly, Americans feel the pandemic is somewhat less severe this week, with the number of those who believe it is more serious than we are being led to believe dropping to about 40 percent.

Coronavirus/COVID-19 Perceived Severity

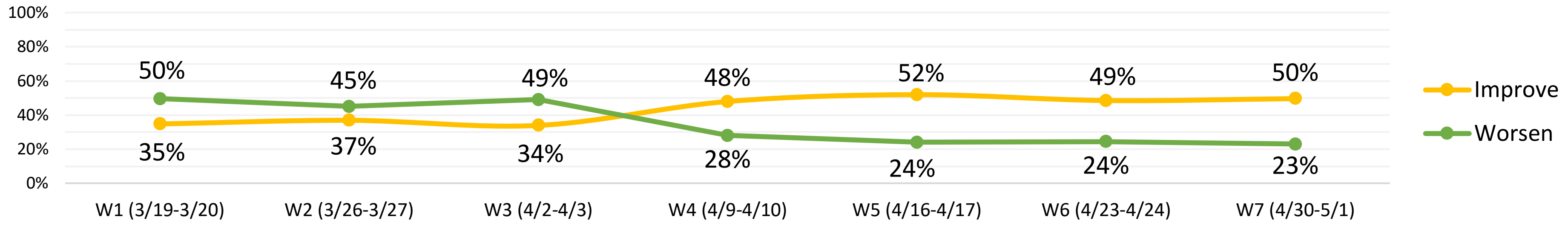


Q6 - Within the past month, have you heard (either through word-of-mouth, media, or some other source) any news, updates, or other information regarding the spread of the novel Coronavirus or COVID-19 in the US?
Q7 - Overall, how would you characterize your current level of concern about the Coronavirus/COVID-19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

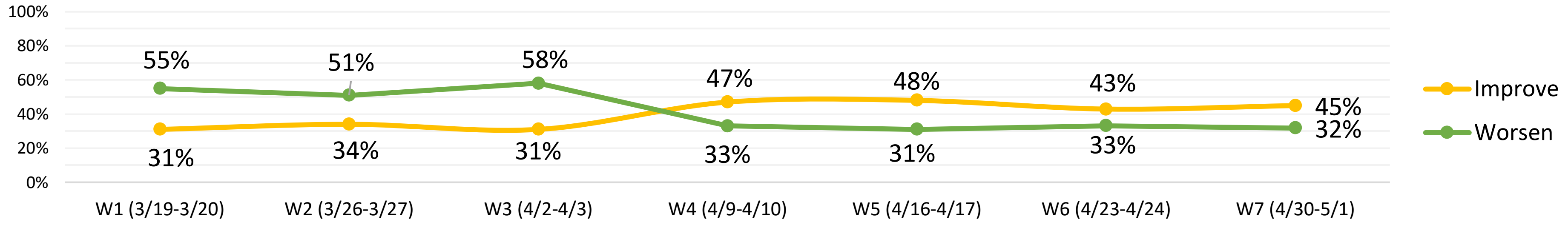
The number of people who believe the pandemic will improve **locally** over the next 30 days is steady this week at around 50 percent. Around one quarter expect conditions to worsen.

Change Locally in Next 30 Days



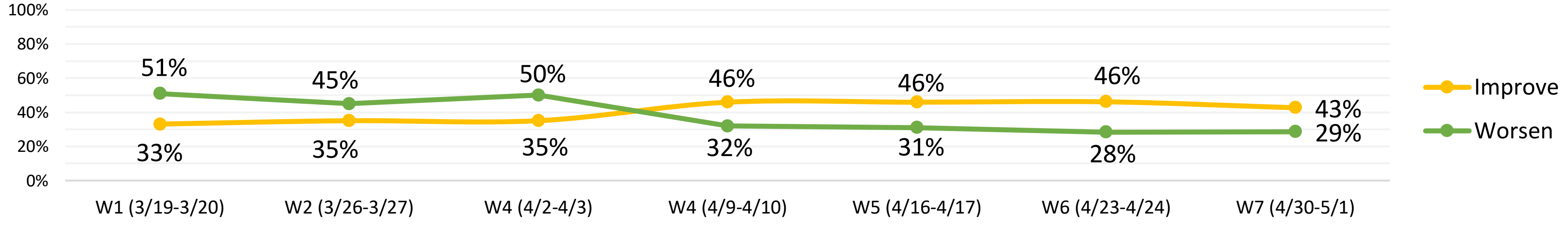
About one-third expect the COVID-19 situation to worsen in the **US overall.** Forty-five percent expect improvement at the national level.

Change in US Overall in Next 30 Days



There's little meaningful change in Americans' expectations for how the **global** pandemic over the next 30 days: about 30 percent still expect it to worsen.

Change Globally in Next 30 Days

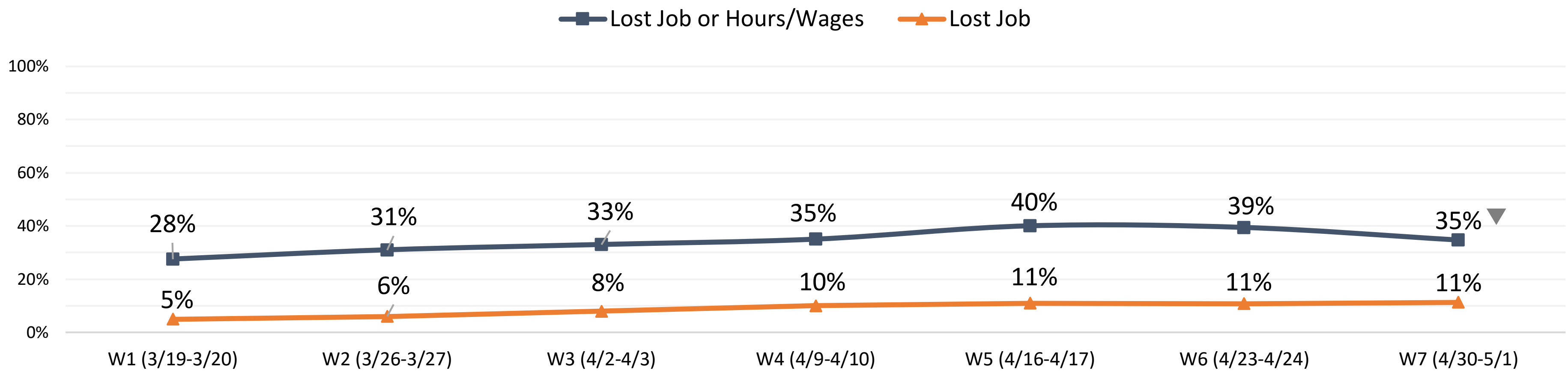


Q22 - Thinking locally, about the US overall, and globally, how do you expect the Coronavirus/COVID-19 situation to change in the next 30 days? Base: COVID-19 Aware

Employment, Financial Impact of Coronavirus/COVID-19

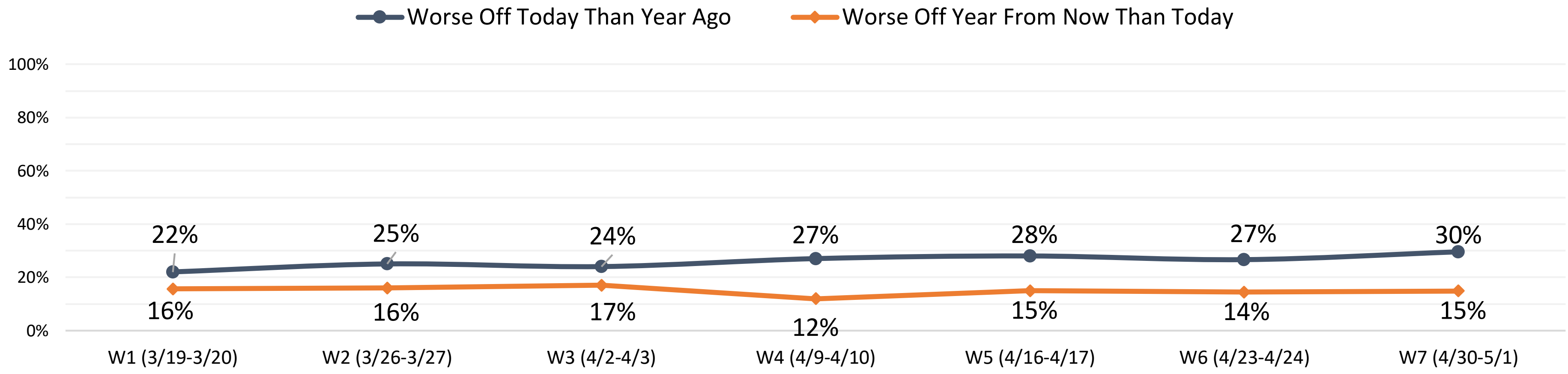
Fewer Americans are reporting lost hours/wages due to the pandemic this week, while the rate of job loss is steady at 11 percent.

Coronavirus/COVID-19 Impact on Employment



Thirty percent of Americans now say they are financially worse off today than one year ago, continuing a steady upward trend from mid-March. Around 15 percent expect to be worse off financially one year from now, which is consistent with previous weeks.

Personal Financial State vs. One Year Ago, From Now

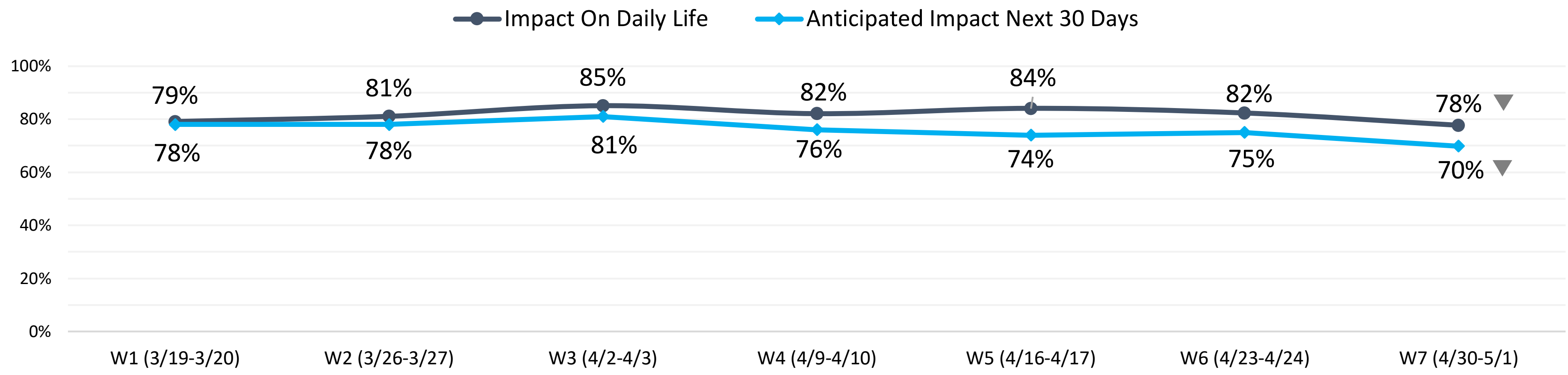


Q19 - Have you lost a job or have your job hours or salary been negatively affected by the Coronavirus/COVID-19 situation? Base: COVID-19 Aware | Q2 - Would you say that you/your family are better or worse off financially than you were a year ago? / Q3 - Now looking to the future: Do you think one year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

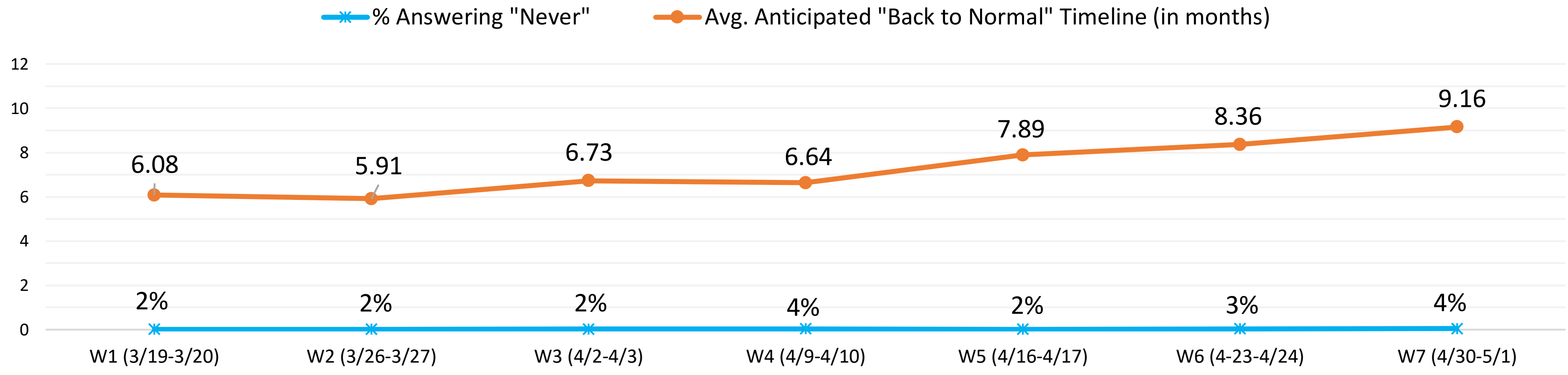
Impacts to-date and anticipated impacts over the next 30 days are somewhat lower this week. Four out of five Americans say the pandemic has had a severe or moderate impact on their lives so far.

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



The average anticipated time until things are "back to normal" continues to rise steadily, now passing nine months.

Anticipated "Back to Normal" Timeline



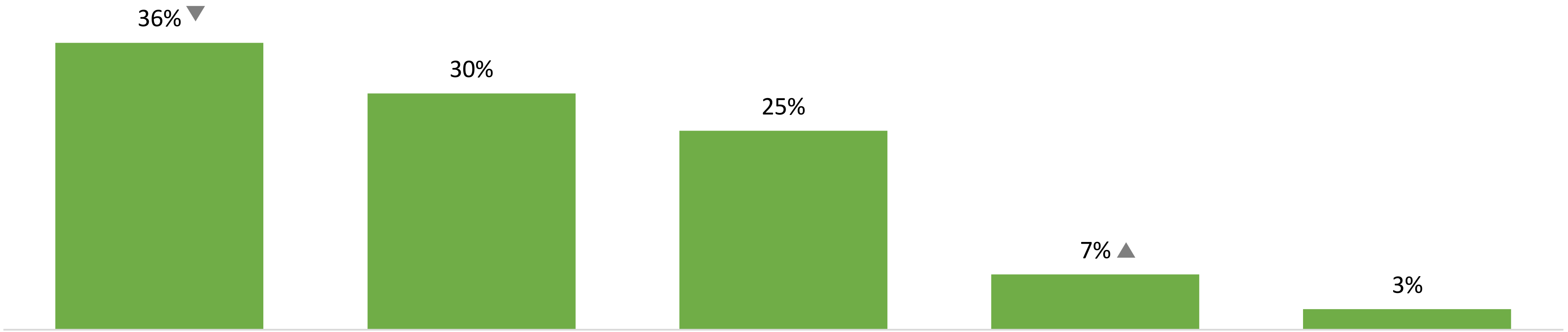
Q11 - Overall, how much of an impact would you say the Coronavirus/COVID-19 situation has had on your daily life? Base: COVID-19 Aware
Q23 - Now fast forwarding 30 days, how much of an impact do you think the Coronavirus/COVID-19 situation will be having on your daily life at that time? Base: COVID-19 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 ease slightly this week, but over one-third of Americans are still extremely concerned. Younger Americans are mildly less concerned, as has been the longstanding trend. Also in line with previous weeks, those in the 30-44 age range are more likely to be extremely concerned.

Coronavirus/COVID-19 Concern Level

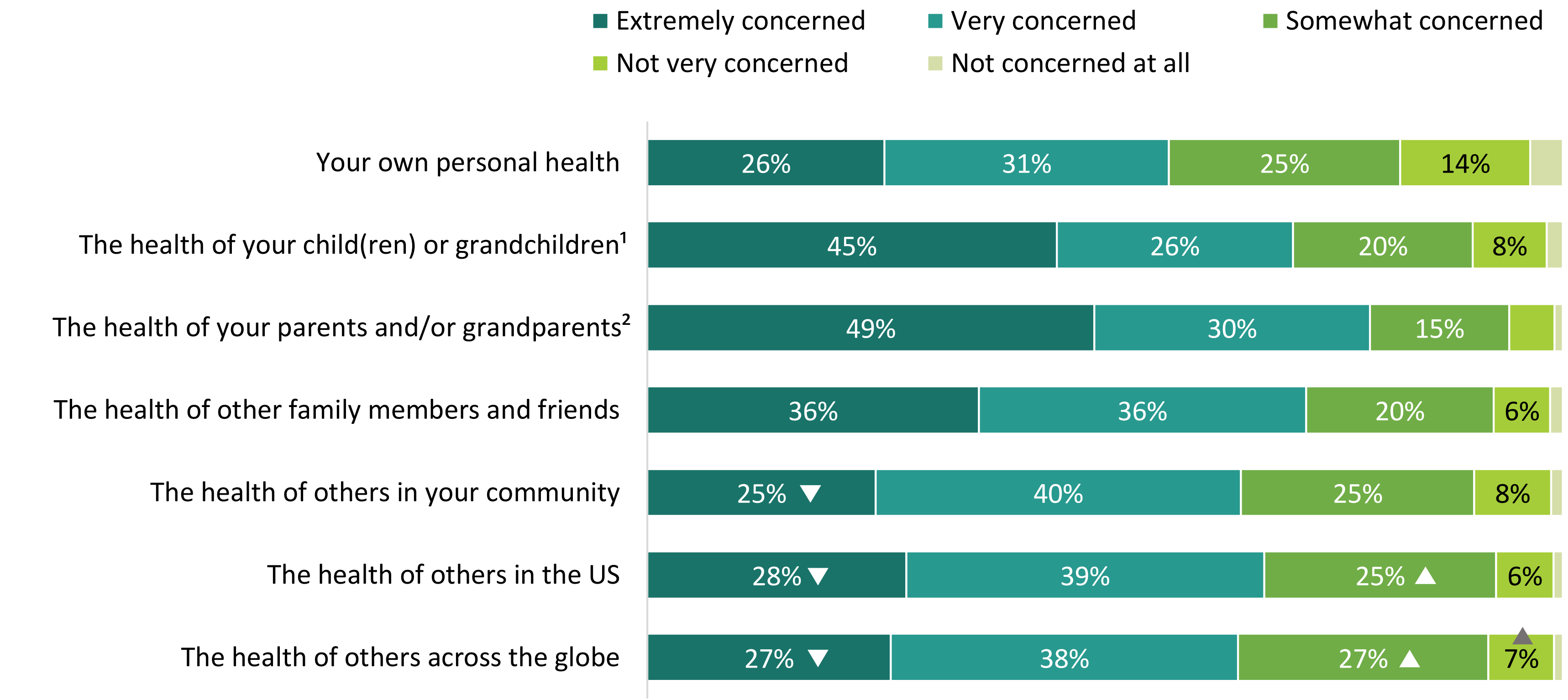


	Extremely concerned	Very concerned	Somewhat concerned	Not very concerned	Not concerned at all	**T2B**
Under 30	30%	27%	33%	8%	1%	**57%**
30 to 44	42%	27%	23%	6%	2%	**68%**
45 to 59	36%	31%	23%	7%	3%	**67%**
60 and older	35%	34%	22%	6%	4%	**68%**

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' health-related pandemic concerns remain high, but worries over the health of community members, others in the US, and others across the globe are slightly lower this week. Americans remain most concerned about the health of parents and grandparents.

Coronavirus/COVID-19 Health Concerns



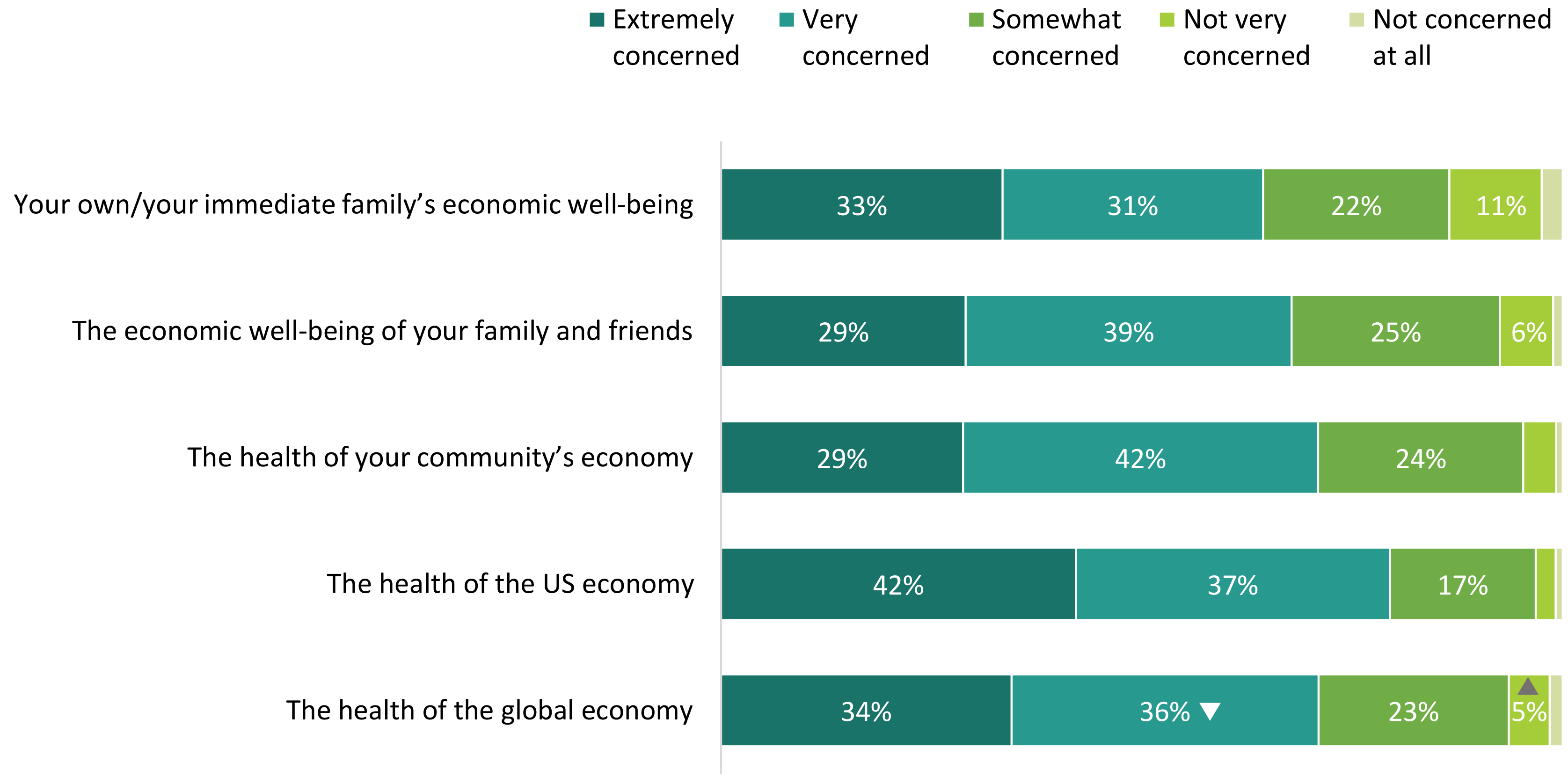
T2B (Extremely/Very Concerned)

	Total	Under 30	30 to 44	45 to 59	60 and older
Your own personal health	57%	46%	58%	63%	59%
The health of your child(ren) or grandchildren[1]	71%	65%	75%	73%	66%
The health of your parents and/or grandparents[2]	79%	70%	81%	87%	74%
The health of other family members and friends	72%	70%	75%	76%	67%
The health of others in your community	65%	60%	65%	68%	65%
The health of others in the US	67%	55%	70%	70%	73%
The health of others across the globe	65%	56%	66%	65%	69%

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

Some economic concerns are beginning to eclipse health concerns this week, as nearly 80 percent of Americans are now extremely or very concerned about the health of the US economy as a whole. Economic concerns are generally highest among those between 30 and 59.

Coronavirus/COVID-19 Economics Concerns



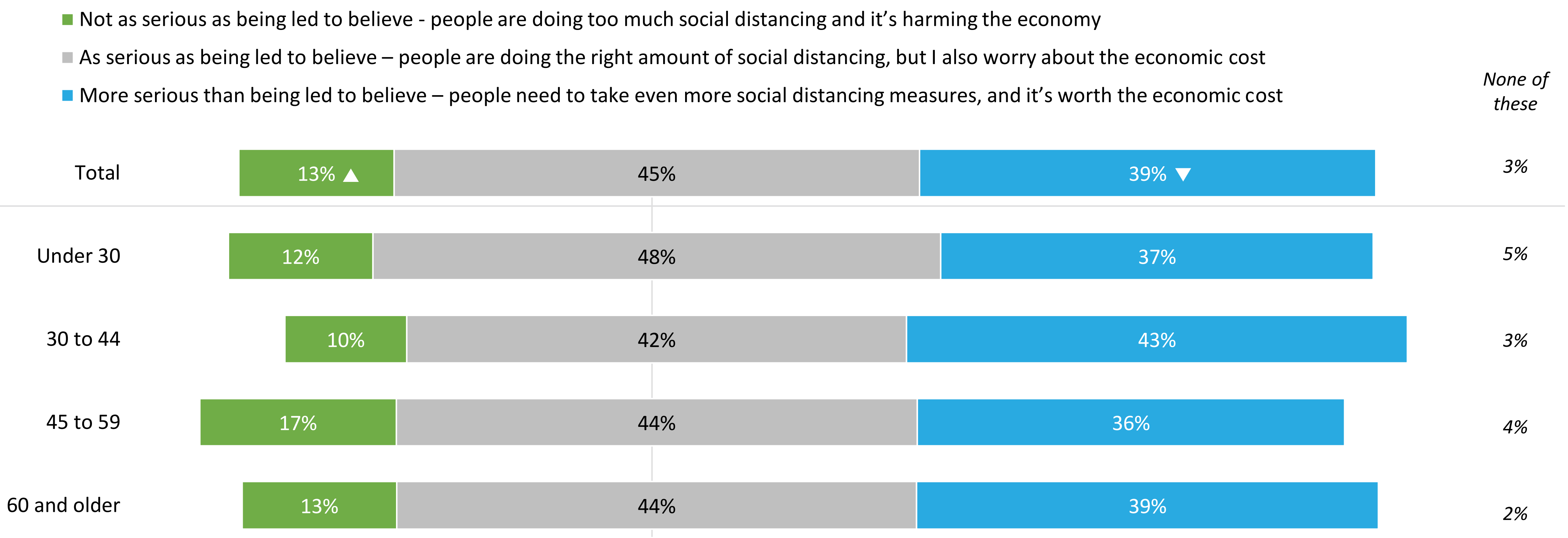
T2B (Extremely/Very Concerned)

	Total	Under 30	30 to 44	45 to 59	60 and older
Your own/your immediate family's economic well-being	64%	63%	73%	70%	53%
The economic well-being of your family and friends	68%	67%	70%	74%	60%
The health of your community's economy	71%	67%	72%	77%	67%
The health of the US economy	79%	71%	82%	82%	81%
The health of the global economy	71%	61%	73%	75%	73%

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

This week, fewer people feel the pandemic is actually more serious than we are being led to believe. Although still in the minority, more Americans feel that the pandemic is not as serious as we are being led to believe when compared to last week.

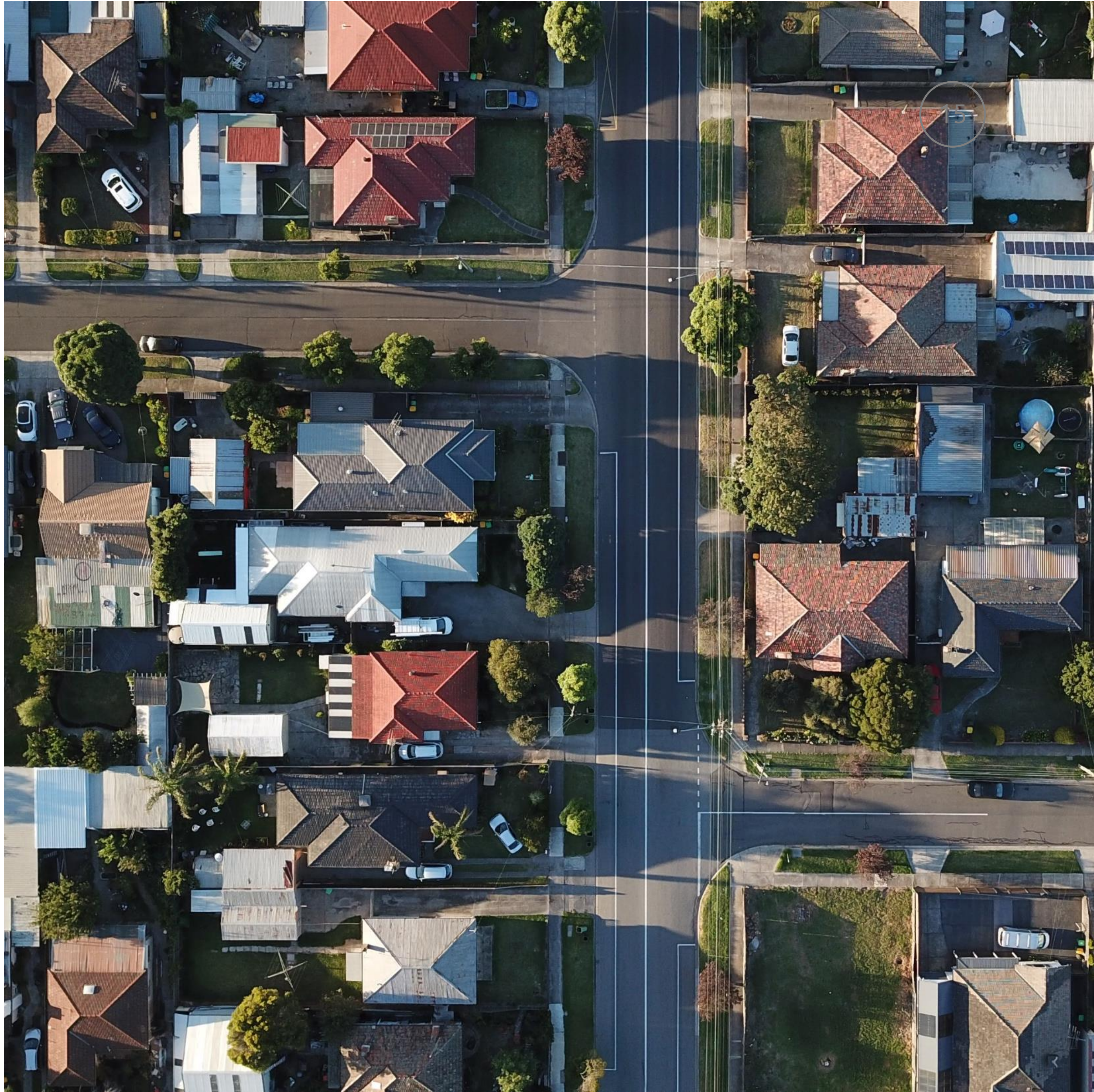
Coronavirus/COVID-19 Perceived Severity



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

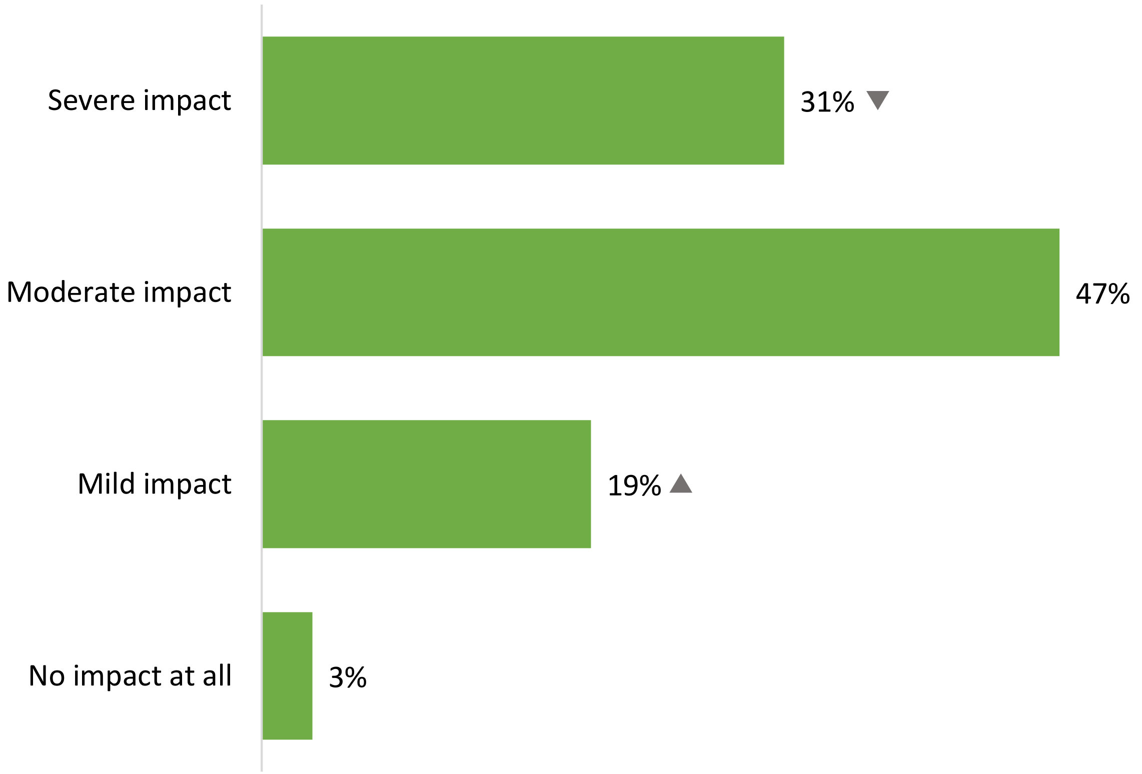
Impact on Daily Life

- Overall Impact
- Behavioral Reactions



Reported severe impacts have fallen somewhat this week, but remain disproportionately high among higher-income households and among those in the Northeast.

Coronavirus/COVID-19 Impact on Daily Life



	Under 30	30 to 44	45 to 59	60 or older
Severe	36%	38%	28%	22%
Severe or Moderate	79%	84%	79%	70%

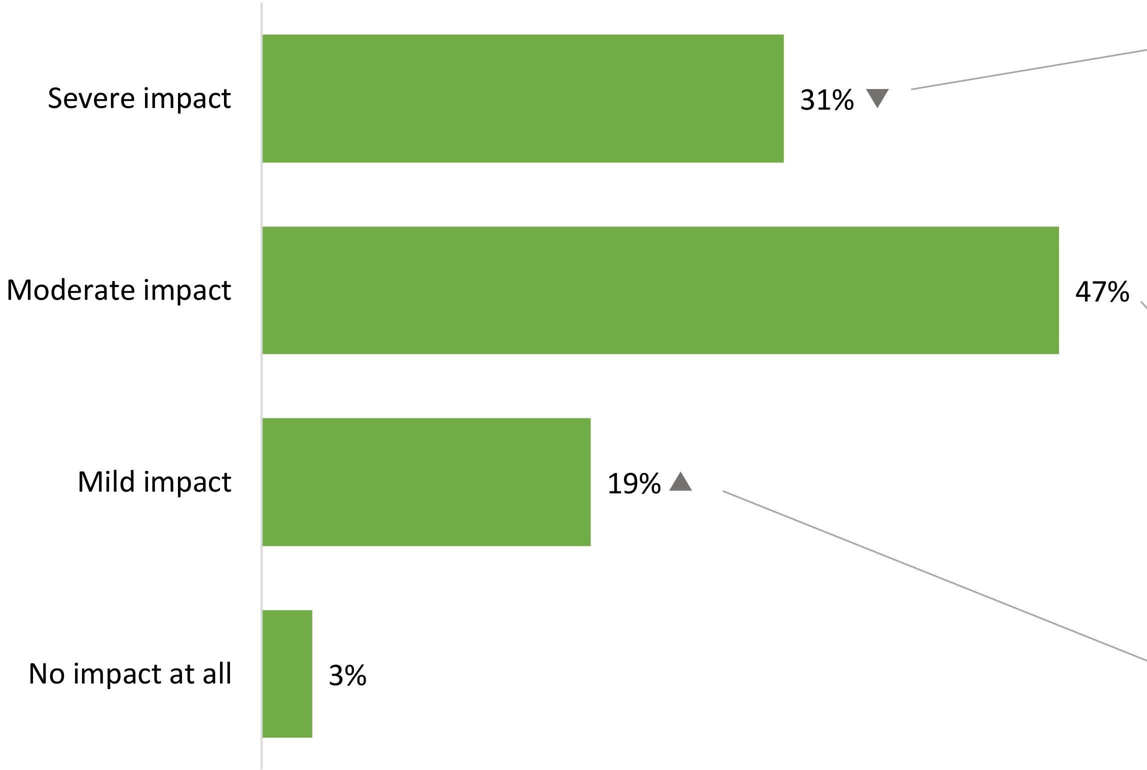
	Under $50K	$50K to $100K	$100K or more
Severe	28%	26%	40%
Severe or Moderate	75%	77%	71%

	Northeast	Midwest	South	West
Severe	42%	28%	26%	32%
Severe or Moderate	84%	74%	73%	82%

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

Job losses continue to drive the most severe impacts to daily life. Disruptions, lack of everyday necessities, and social isolation also remain.

Coronavirus/COVID-19 Impact on Daily Life



Investment losses, laid off of work, few prospects to find other more meaningful work

I have to stay at home and I'm currently unemployed. My moms shop had to close and it is hard for my family

Working from home. Renters may have trouble paying rent. Airbnb rental had to be taken off the market so no rent for that house.

All forms of recreation have now been banned, so the quality of life has suffered greatly

"My husband's pay has been cut and my job is not supporting me help my child with his education."

"Not being able to see my kids and grandkids in person because they are scared they might give it to me without knowing and I am in high risk group. Having to wear a mask . Not doing anything outside of home other than going to store once a week."

"Have to get up early to get groceries, have to wear mask, can not visit friends"

"Changed schedules for shopping and dining out."

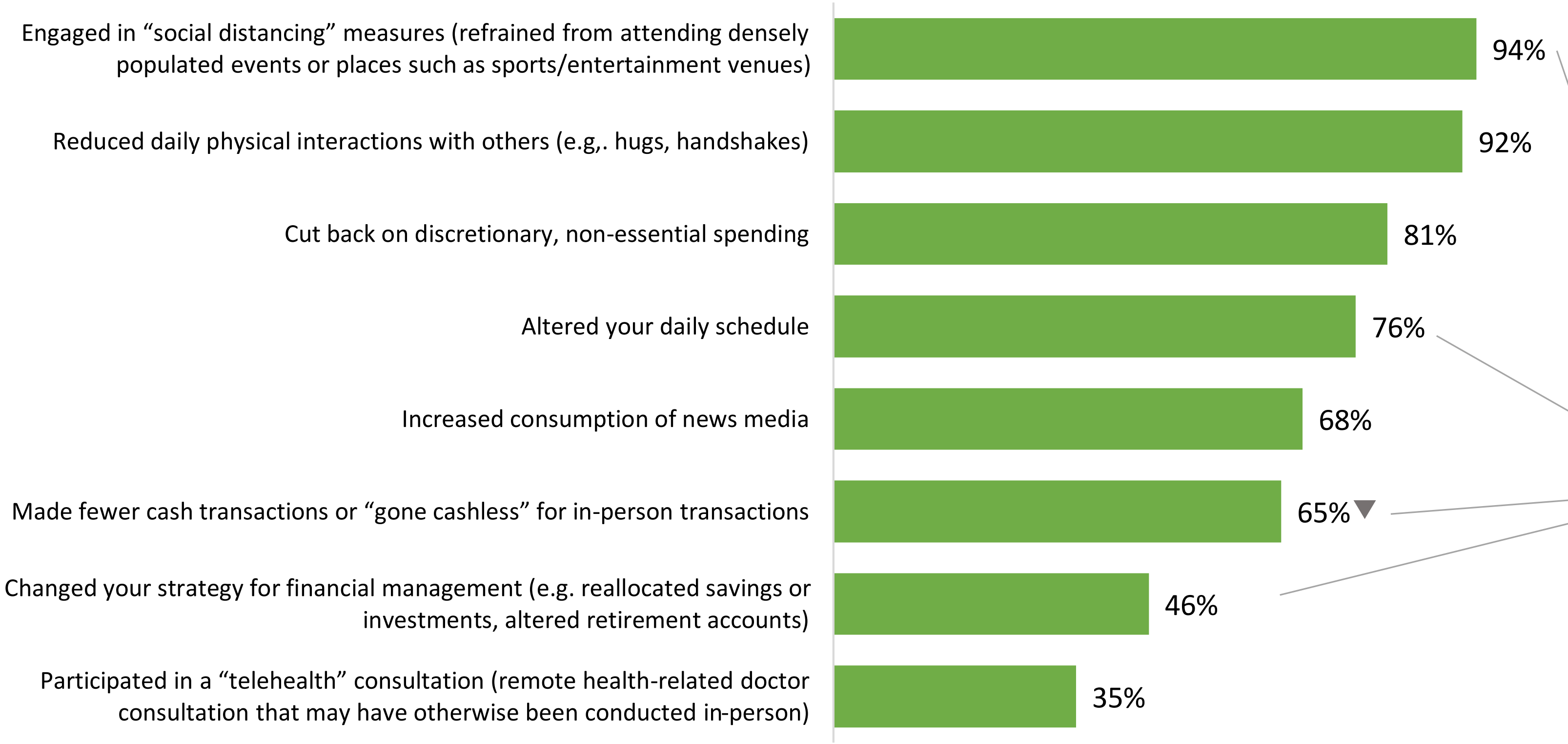
"Not being as able to run a few errands and not being able to take my children on outings and playing with neighborhood children."

"Not able to step out. Meet friends. And also you do get the things that you want from the grocery store."

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

There is little shift in behavioral changes from the pandemic this week. Americans are very likely to engage in social distancing, reduce physical interactions with others, cut back on discretionary spending, and alter their daily schedules as they adapt to the outbreak's continued effects.

Behavioral Changes due to Coronavirus/COVID-19



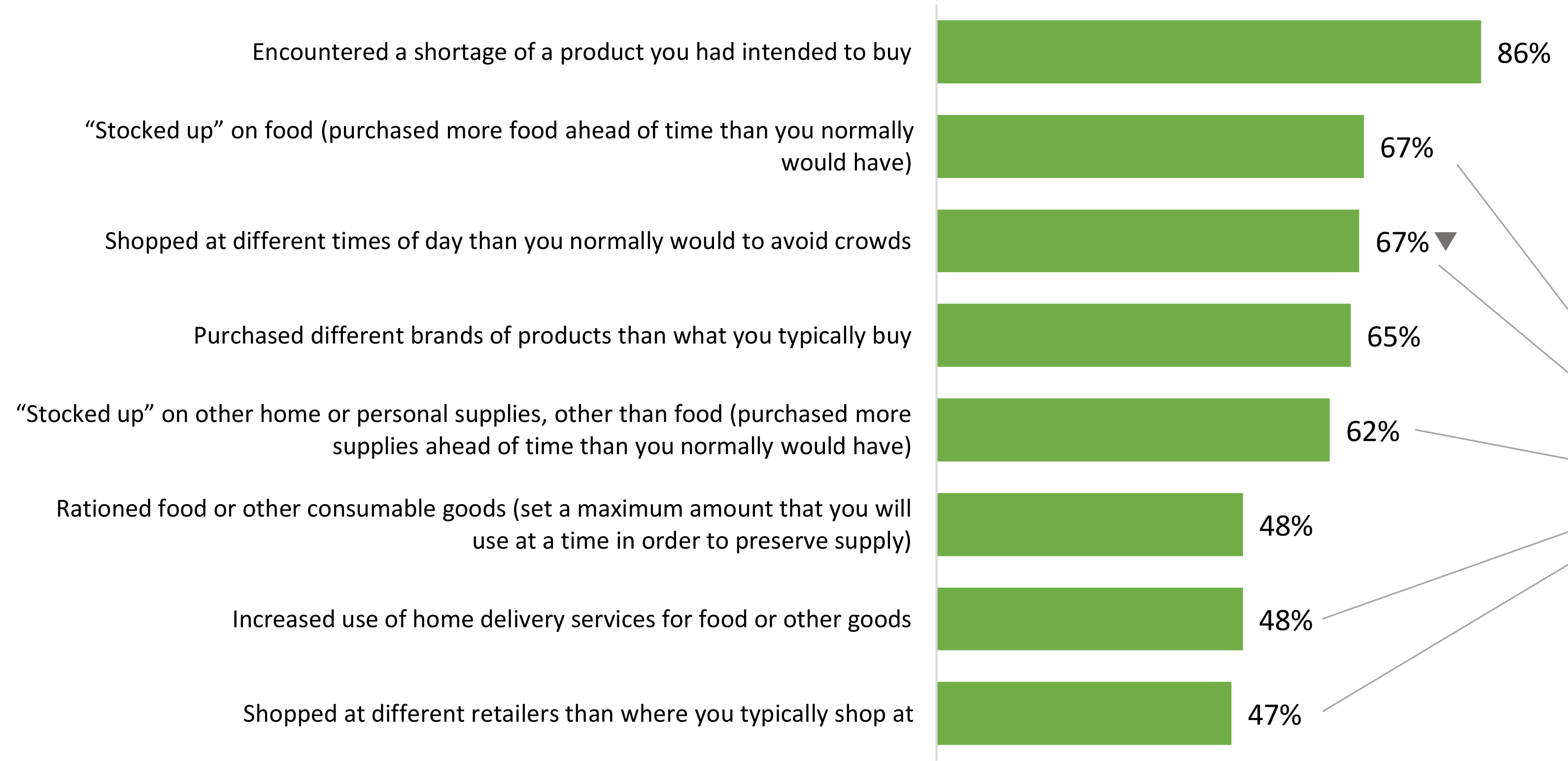
Higher income households ($100k+/year) are more likely than lower-income households to experience many behavioral changes, especially:

- Engaged in "social distancing" measures (97%)
- Alter daily schedule (84%)
- Make fewer cash transactions (71%)
- Change strategy for financial management (53%)

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

Fewer Americans are shopping at different times than normal this week, but overall the pandemic continues to influence many shopping behaviors and adjustments. Product shortages continue to be a burden for a vast majority of American shoppers.

Shopping, Purchasing Experiences due to Coronavirus/COVID-19



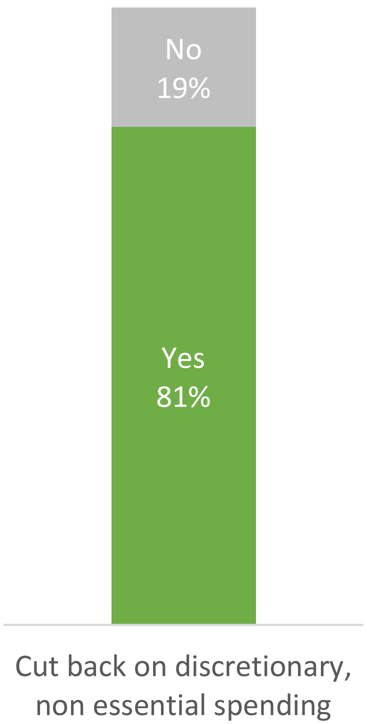
Higher income households ($100k+/year) are more likely than lower-income households to alter many shopping/purchasing behaviors, especially:

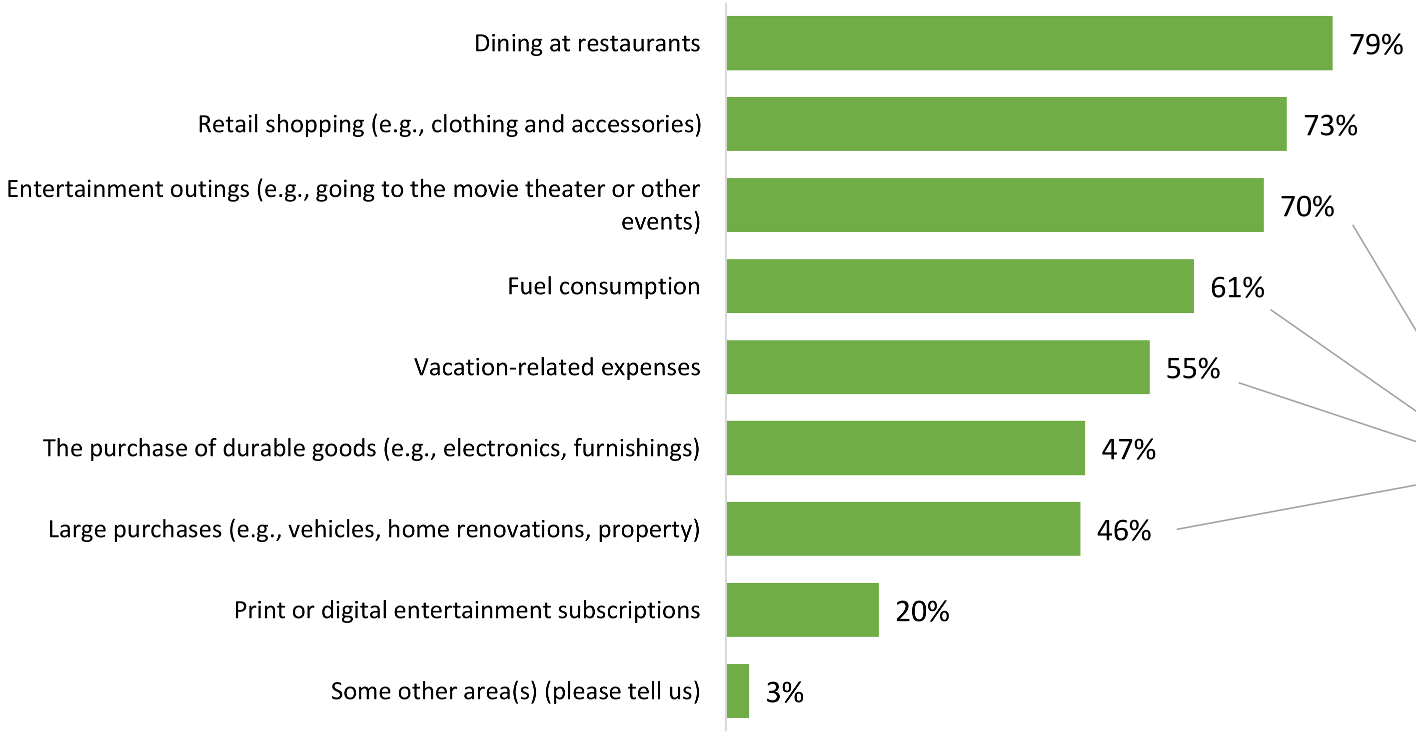
- Stock up on food (75%)
- Shopped at different times of day (70%)
- Stock up on personal supplies (68%)
- Increase use of home delivery services (59%)
- Shop at different retailers (51%)

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

As four out of five Americans continue to search for ways to conserve income, several categories and activities are likely targets for spending cuts, particularly those that involve ignoring social distancing guidelines.

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





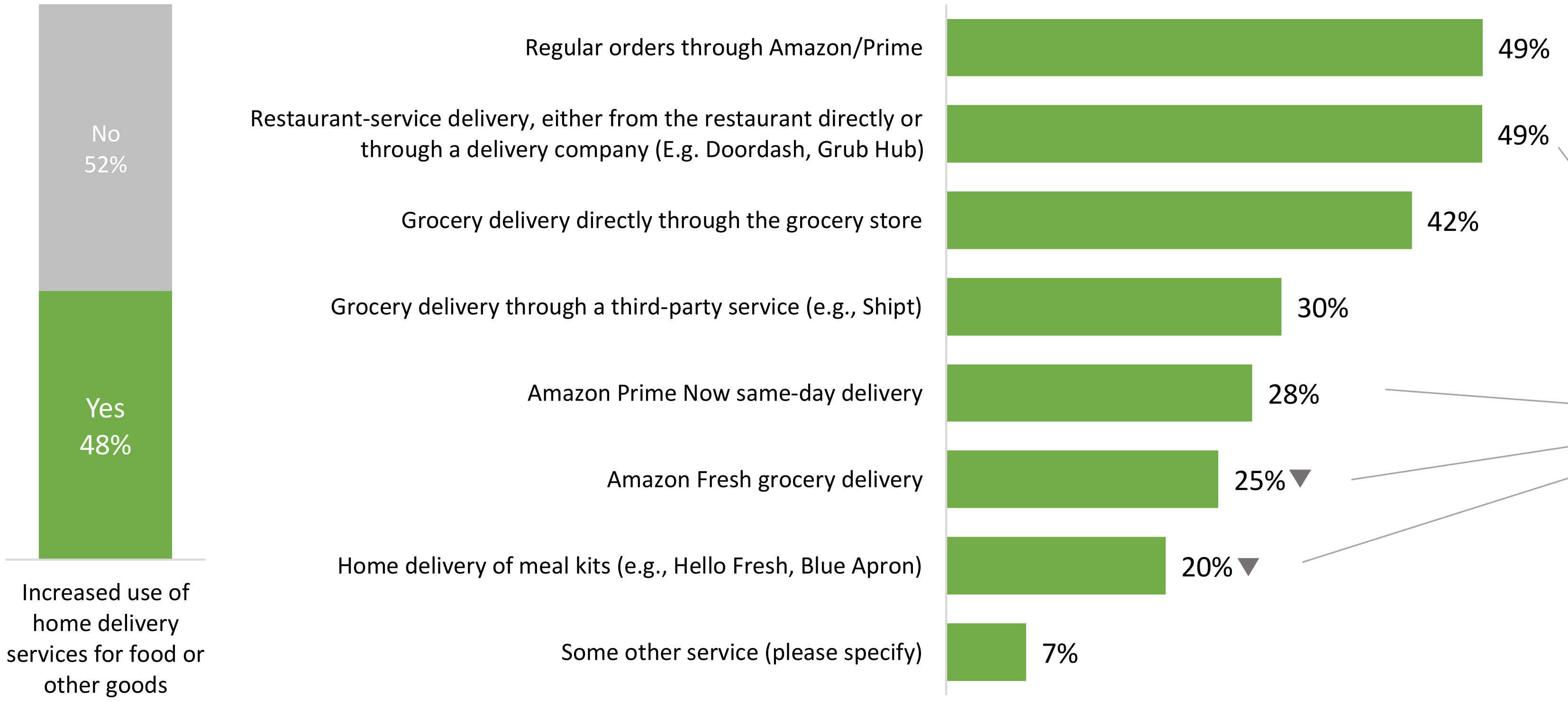
Higher income households ($100K+/year) are more likely to cut:

- Entertainment outings (78%)
- Vacation-related expenses (70%)
- Fuel consumption (68%)
- Large purchases (56%)

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)

Nearly half of Americans have increased their use of delivery services as a result of the pandemic, and the most likely services to see increased use are regular orders through Amazon/Prime and restaurant service delivery. Fewer people are increasing their use of Amazon Fresh or home meal kits this week.

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



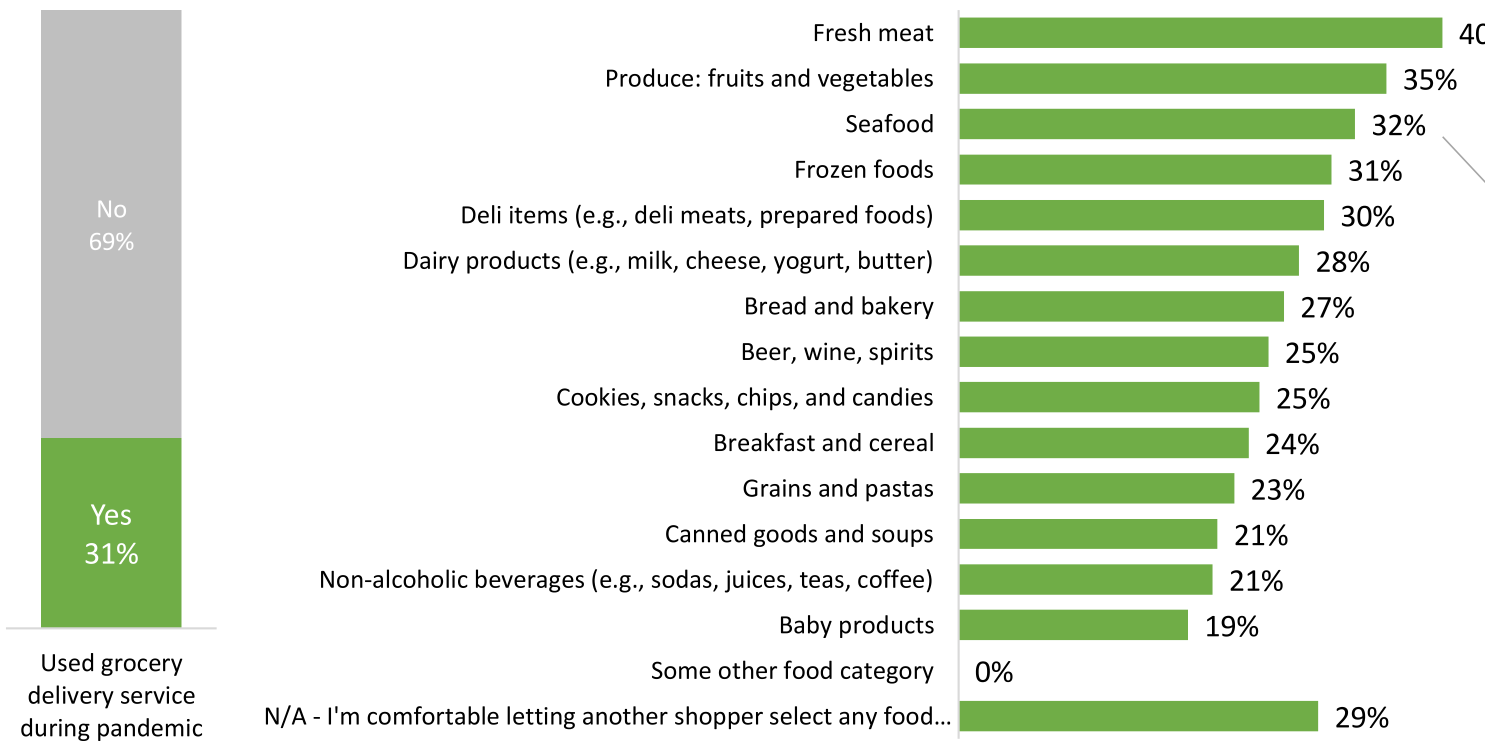
Higher income households ($100k+/year) are more likely to increase use of:

- Restaurant service delivery (57%)
- Amazon Prime Now (34%)
- Amazon Fresh (30%)
- Home delivery meal kits (27%)

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)

New this week, consumers who have used grocery delivery services during the pandemic were asked if there were any food categories they would not order for delivery due to discomfort with having another person select their items. Shoppers are most likely to avoid ordering fresh meat, produce, and seafood.

Grocery Delivery, Food Not Ordered due to Discomfort with Another Selecting Products



Higher income households ($100k+/year) are more likely to be uncomfortable with another shopping picking out:

- Seafood (40%)

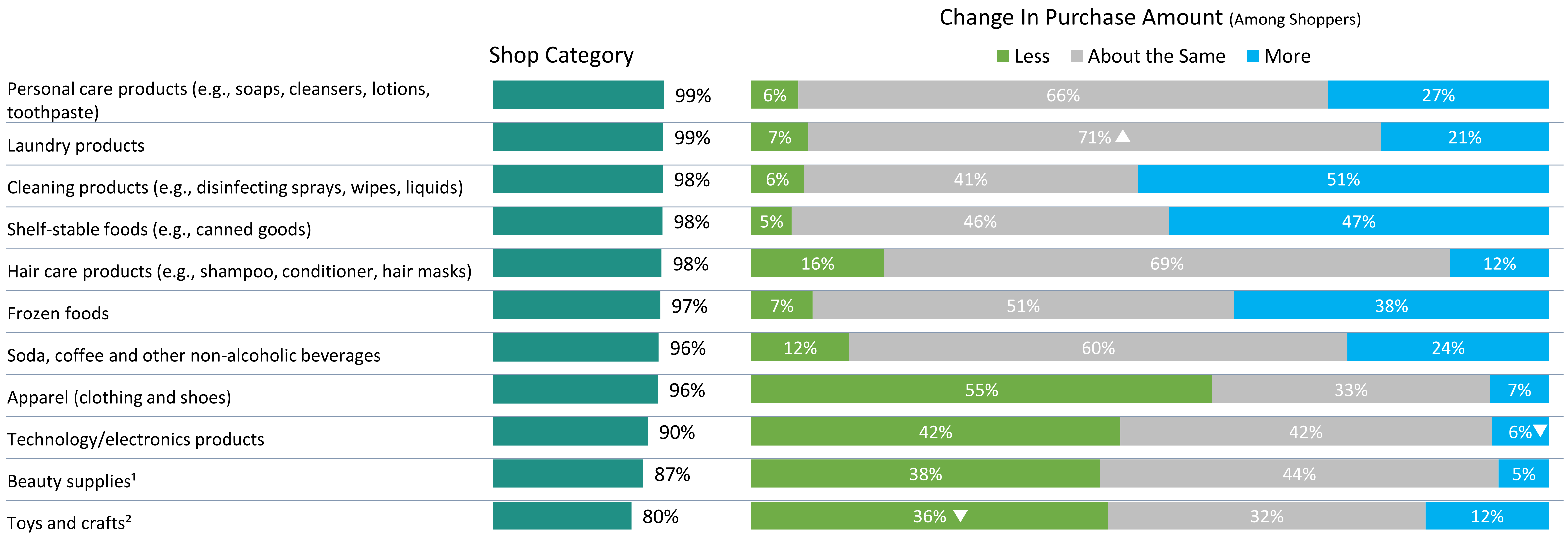
Q16a - You indicated that you have had groceries delivered to your home during the pandemic. Are there any food categories that you have NOT ordered for home delivery specifically because you are not comfortable with another shopper picking out your products? Base: COVID-19 Aware who use a grocery delivery service (Q16)

Changing Purchase Behaviors

- Category Purchase Volume
- Brand Loyalty

Cleaning products and shelf-stable and frozen foods continue to see increased purchasing due to the pandemic's effects. Apparel, tech products, beauty supplies, and toys and crafts remain targets for reduced spending.

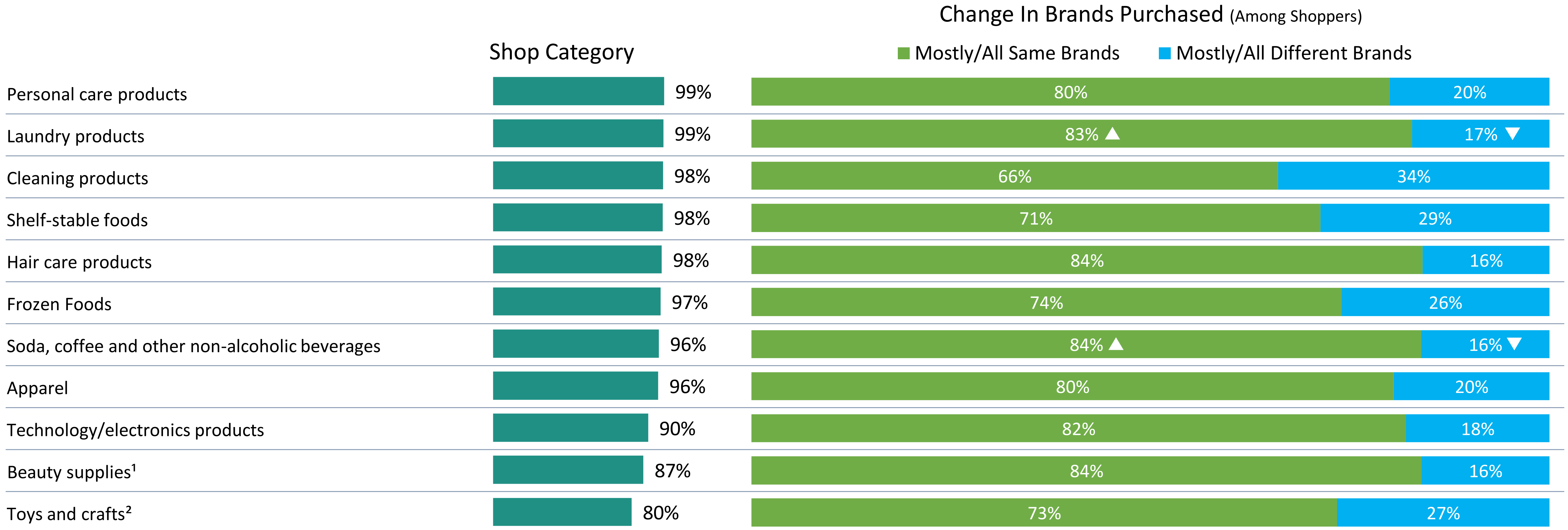
Coronavirus/COVID-19 Impact on Categories Shopped



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

The highest levels of brand switching are seen this week in the categories of cleaning products, shelf-stable foods, toys and crafts, and frozen foods. Fewer people are switching brands of laundry products and non-alcoholic beverages this week.

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

The most common reasons for brand switching across all major categories are that the shopper's preferred product is unavailable and that they're looking for a more affordable alternative. Stockouts are particularly prevalent in cleaning products. Over half of those switching brands in apparel are doing so in favor of more affordable brands.

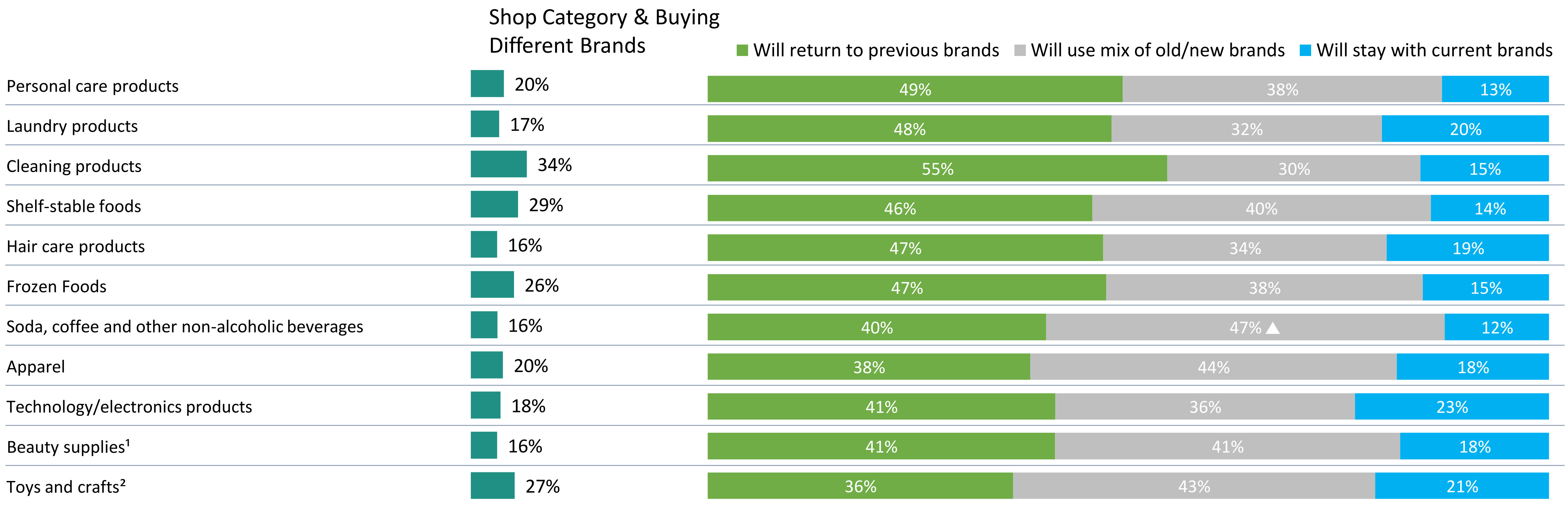
Coronavirus/COVID-19 Impact on Brands Purchased – Reasons for Buying All/Mostly Different Brands

	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	20%	44%	40%	23%	20%	2%
Laundry products	17%	43%	38%	26%	17%	1%
Cleaning products	34%	58%	28%	19%	16% ▼	4%
Shelf-stable foods	29%	51%	35%	27%	14%	2%
Hair care products	16%	41%	41%	28%	18%	1%
Frozen Foods	26%	47%	35%	29%	12%	2%
Soda, coffee and other non-alcoholic beverages	16%	46%	44%	28%	10% ▼	1%
Apparel	20%	28%	53% ▲	28%	16%	5%
Technology/electronics products	18%	31%	48%	24%	21%	3%
Beauty supplies[1]	16%	41%	44%	24%	14%	4%
Toys and crafts[2]	27%	33%	37%	36%	16%	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

Once the pandemic's effects on shopping subside, most shoppers who have switched brands expect to continue to use a mix of old and new brands or to stick with their new brands entirely, with one exception: cleaning products, where just over half expect to return to their previously-used brands.

Coronavirus/COVID-19 Impact on Brand Purchased – Anticipated Usage Once Pandemic Subsides



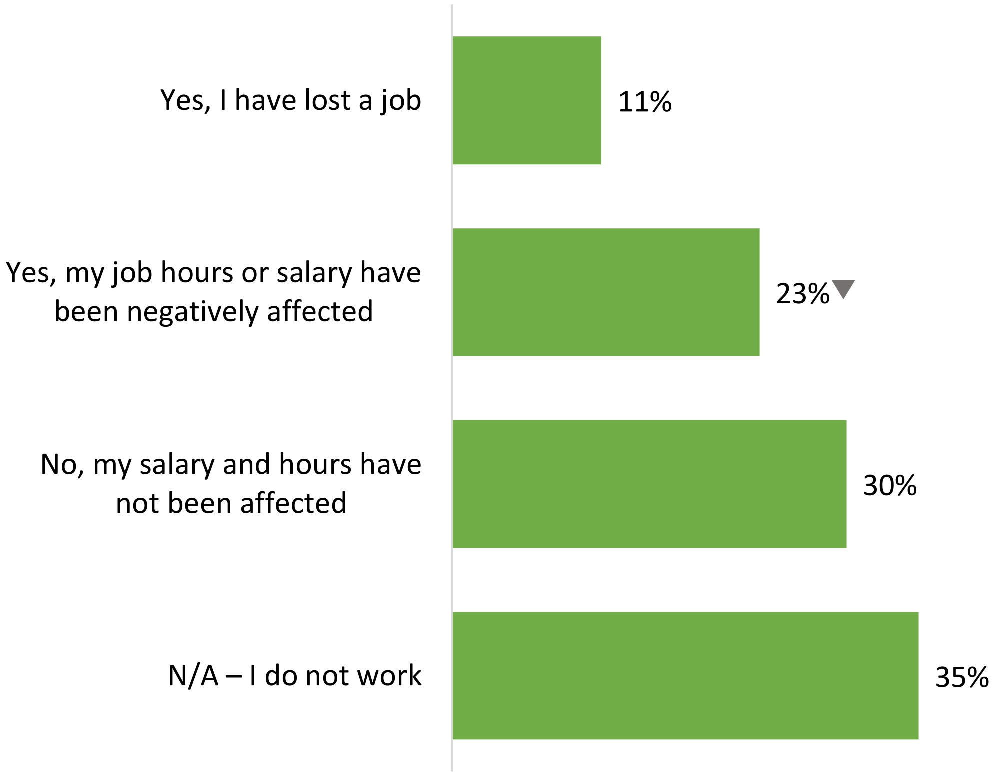
Q18b - And, for each of these categories in which you are buying different brands, once the pandemic's effects ease do you think that you will…[answer options]? Base: COVID-19 Aware Who Shop Category (Q17)
[1]Only shown to females; [2]Only shown to those with children or grandchildren ages 0-17

Employment Impact

- Effect on Job Status, Hours Worked
- Remote Working

Negative impacts to salary/hours are down this week, while the rate of job loss is steady at around 11 percent. Job impacts are most common among those under 30.

Coronavirus/COVID-19 Impact on Employment



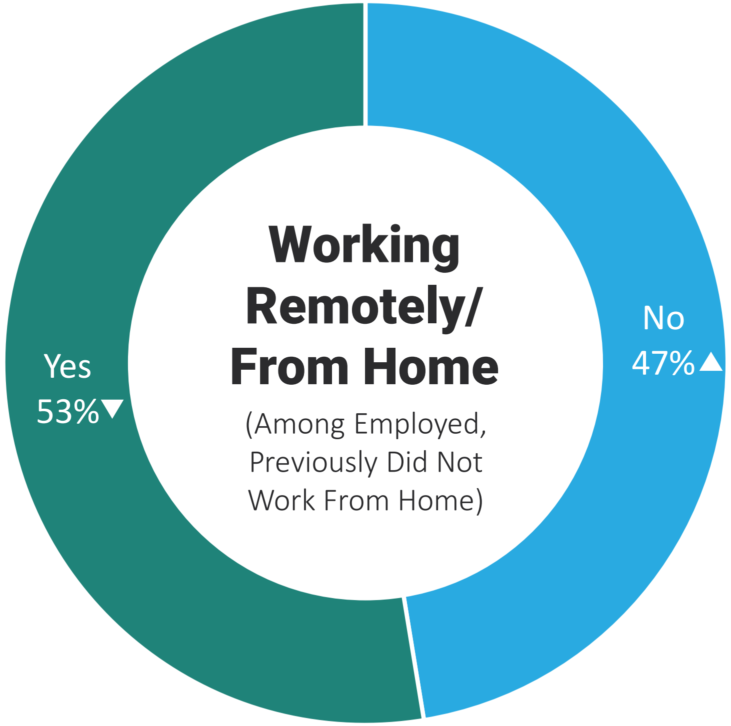
	Under 30	30 to 44	45 to 59	60 or older
Lost Job	20%	11%	11%	4%
Lost Job or Wages	49%	44%	35%	14%

	Male	Female
Lost Job	12%	11%
Lost Job or Wages	39%	30%

	Northeast	Midwest	South	West
Lost Job	14%	12%	11%	9%
Lost Job or Wages	40%	32%	32%	37%

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

After climbing for several weeks in a row, the number of people who say they've begun working from home as a result of the pandemic drops this week to just about half. As in previous weeks, WFH arrangements are most common among higher-income households.



	Under 30	30 to 44	45 to 59	60 or older
Yes	50%	61%	49%	42%

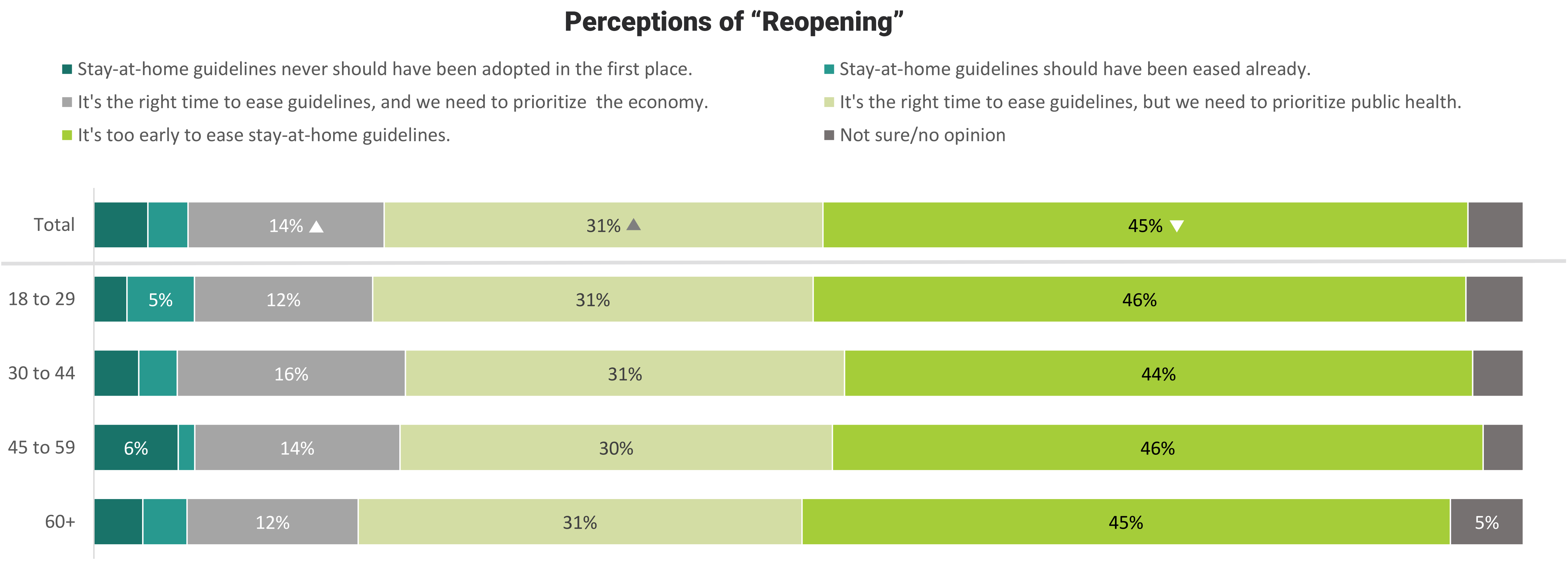
	Under $50K	$50K to $100K	$100K or more
Yes	28%	49%	71%

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

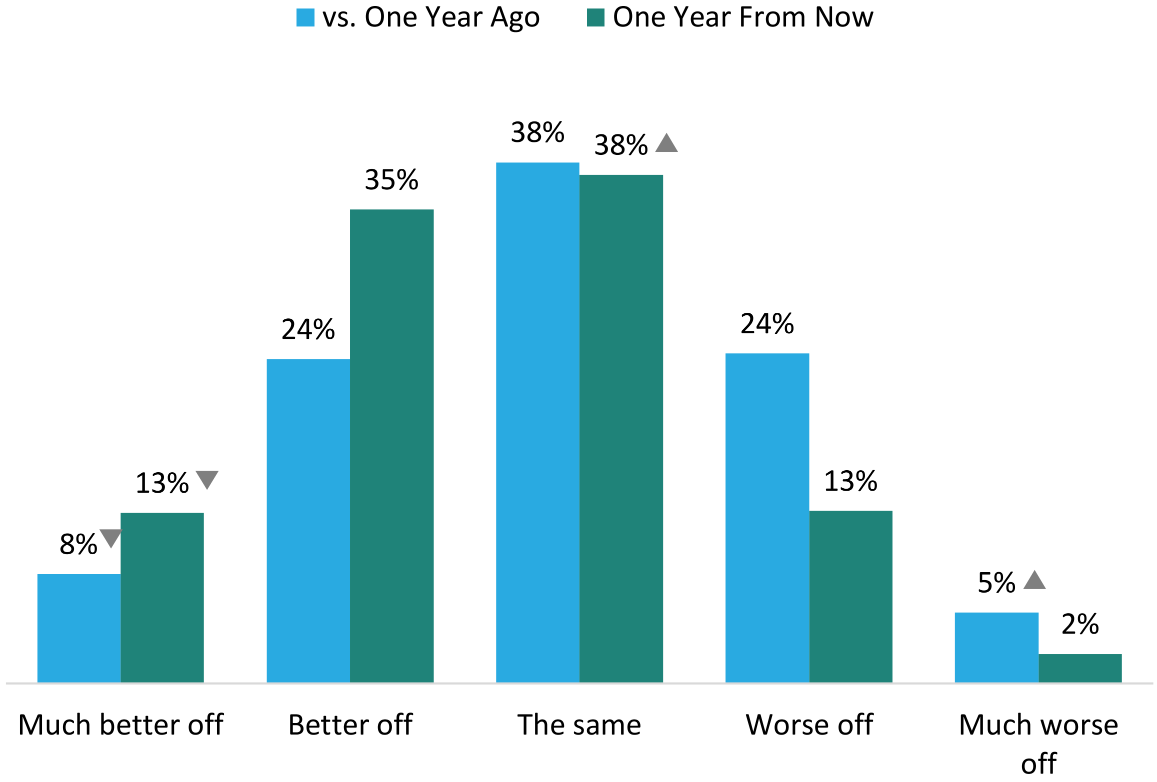
Americans are now split on the question of whether it is the right time to begin reopening or not, with about 45 percent saying it's too early. One-third believe it's the right time to begin, but that we need to prioritize public health.



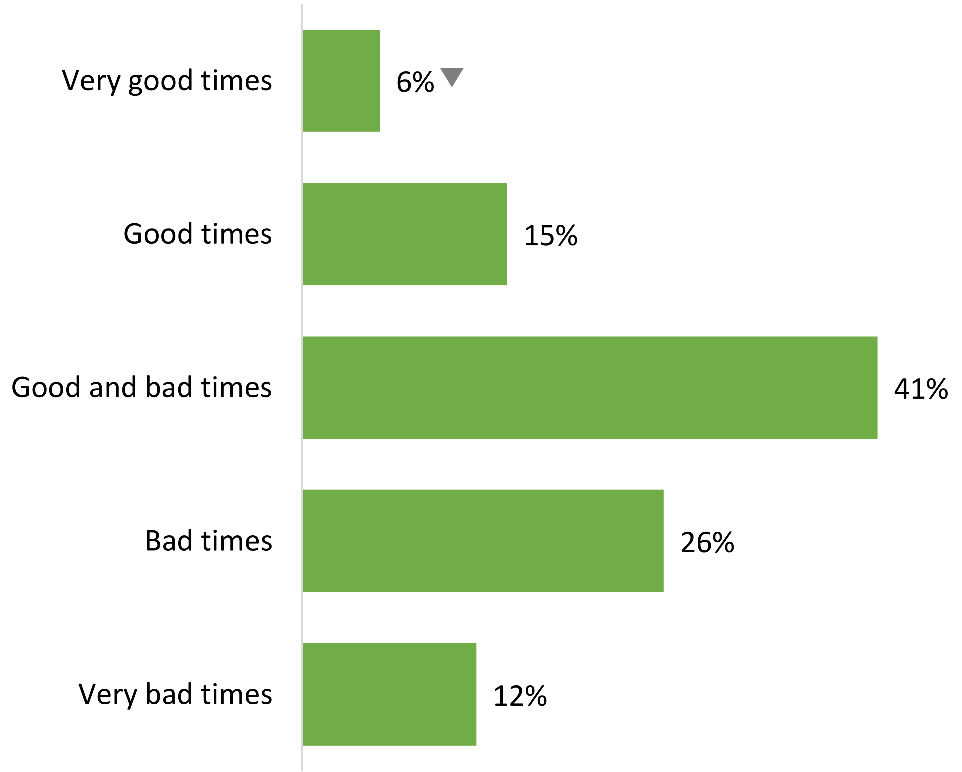
Q25 - Which of the following statements best describes how you feel when it comes to easing stay-at-home guidelines and allowing businesses to reopen? Base: COVID-19 Aware

This week, fewer Americans say they are much better off, financially, now when compared to one year ago. Likewise, fewer Americans feel they will be much better off financially one year from now versus today. Regardless, the majority of Americans think that their personal financial state will be better off or the same in one year.

Personal Financial State vs. One Year Ago, From Now



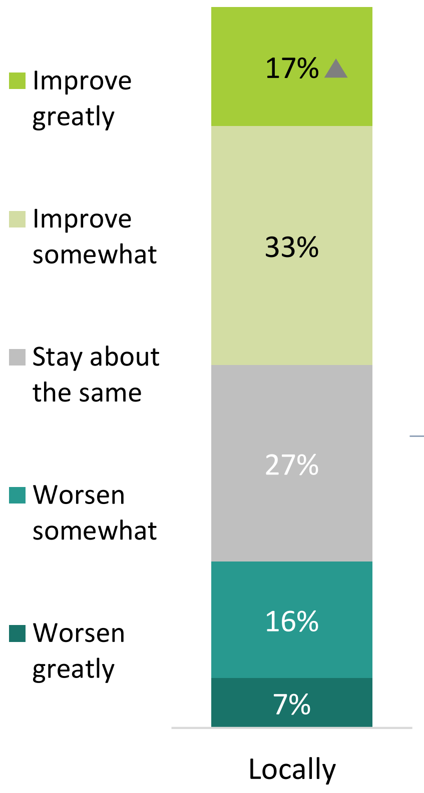
US Business Financial State Over Next 12 Months



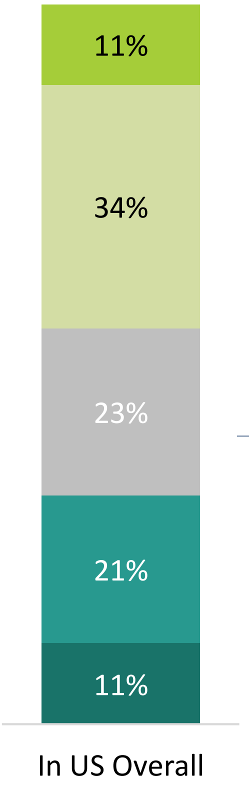
Q2 - Would you say that you/your family are better or worse off financially than you were a year ago? / Q3 - Now looking to the future: Do you think one year from now you/your family will be better or worse off than you are today? / Q4 - Now thinking about business conditions in general in the US: Do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

Just about half of Americans believe the COVID-19 situation will improve over the next 30 days on a **local** level, but optimism for the **US overall** and the **global** situation lags slightly. The Northeast and Western US are more optimistic about the next 30 days than other regions.

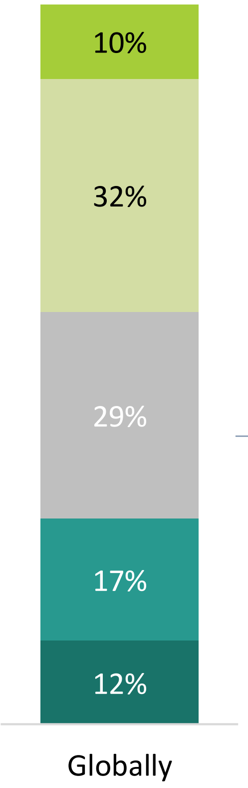
Anticipated Change to Coronavirus/COVID-19 Situation in Next 30 Day



	Worsen	Improve
Under 30	16%	56%
30 to 44	23%	40%
45 to 59	29%	46%
60 and older	23%	48%
Northeast	16%	51%
Midwest	31%	39%
South	25%	49%
West	18%	58%



	Worsen	Improve
Under 30	26%	49%
30 to 44	31%	44%
45 to 59	36%	46%
60 and older	34%	42%
Northeast	24%	49%
Midwest	37%	38%
South	35%	45%
West	28%	49%



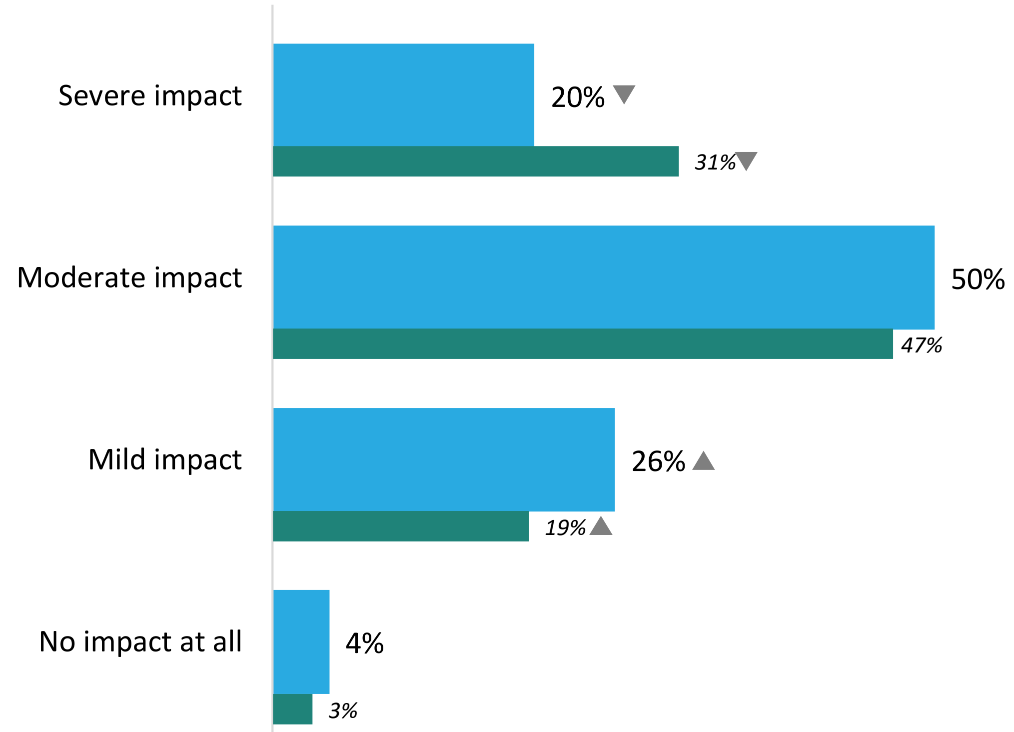
	Worsen	Improve
Under 30	25%	48%
30 to 44	29%	42%
45 to 59	31%	42%
60 and older	29%	40%
Northeast	24%	50%
Midwest	35%	33%
South	27%	45%
West	28%	42%

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

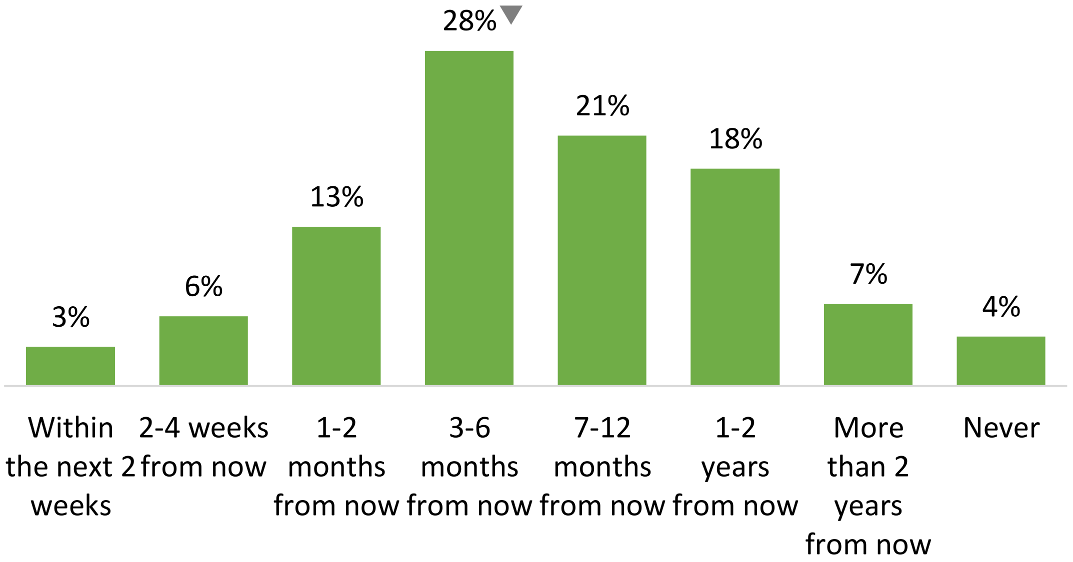
Although Americans are feeling somewhat more optimistic this week about the next 30 days in terms of anticipated pandemic effects, the estimated time until things are "back to normal" continues to edge up and now averages over nine months, as Americans begin to reckon with the long-term effects of the pandemic.

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

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Questions?

Stephanie Vance, PhD | VP, Research
stephanie@aytm.com