



COVID-19 Pandemic Impact on US Consumers

W8 | May 7-8, 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 eighth wave of aytm's COVID-19 Consumer Tracker fielded Thursday, May 7th – Friday, May 8th, 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.

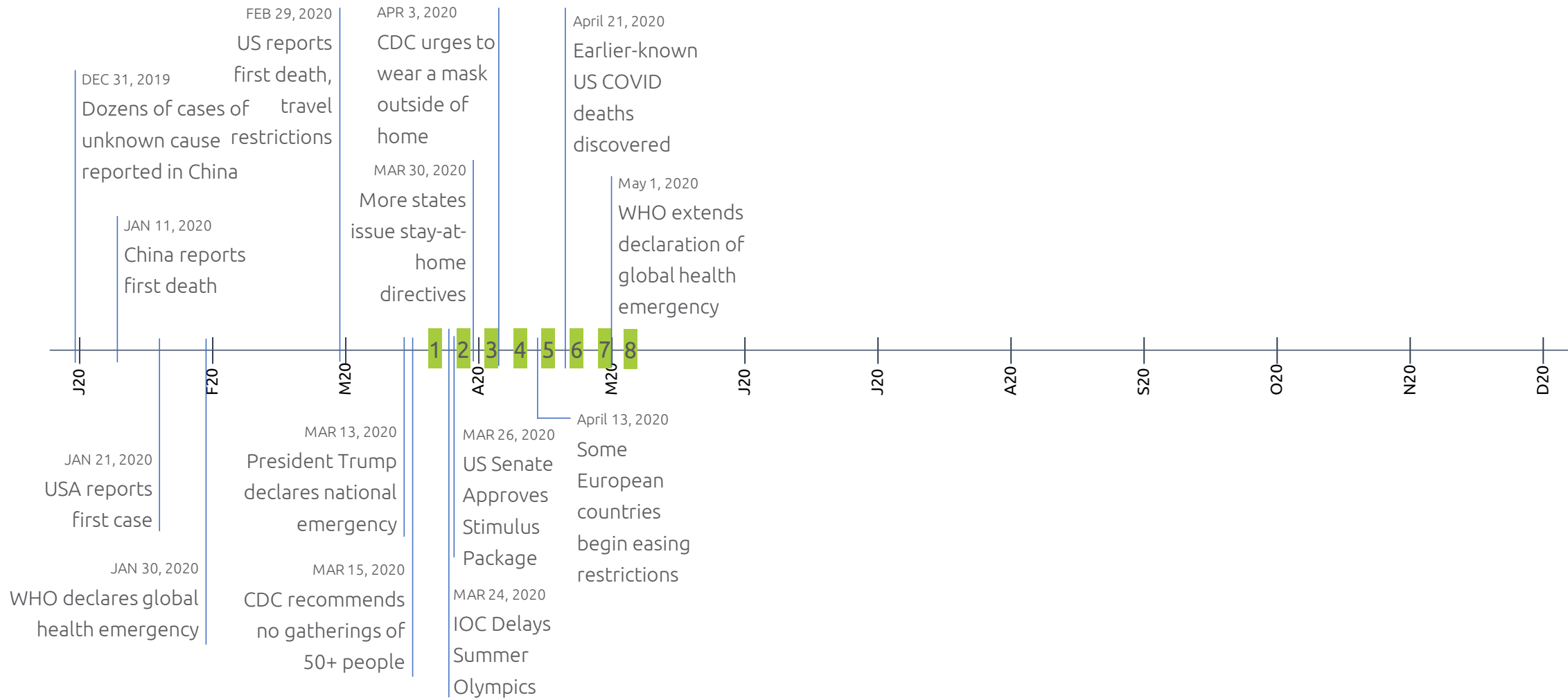
All significance testing is conducted at 95% confidence level with the effective base used as the sample base for statistical calculations (Effective Base = 965 for Total sample).

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

Overall concern eases for a second straight week, but worries persist.

- The proportion of Americans who say they are extremely concerned about the COVID-19 pandemic drops again this week to 31 percent, and overall top-two box concern falls marginally to just over 60 percent.
 - Despite the seemingly upbeat trend in concern over the pandemic, about 80 percent of Americans feel that the situation is still as serious as is being represented, if not more so.
 - Relatively unchanged from last week, health concerns are still top-of-mind for a vast majority of Americans, and especially so for older generations. Eighty percent remain worried for the health of parents or grandparents.
 - Just as distressing as health concerns, Americans are dealing with elevated levels of economic worries. Eighty percent are very or extremely worried about the future of the US economy. Only about two thirds, however, show the same worry for their own personal economic future, or that of immediate family.

An unclear employment outlook brings discomfort and changes in consumer behavior.

- Most Americans (80%) are likely to say that the COVID-19 outbreak has affected their daily lives in either a severe or moderate way. Maintaining the trend for several weeks now, those in the Northeast are particularly affected, as are higher income households.
 - The most disquieting impacts remain hardships brought on by job loss as well as social isolation from friends and family. About one in 10 have lost a job at some point during the pandemic, and, of those, 80 percent remain out of work.
- As economic fears and employment impacts continue to dismantle the norms of daily activity and consumer behavior, three-quarters of Americans have reduced their discretionary spending within the past week.
 - As in past weeks, some shopping categories are moderately likely to actually see an increase in consumer activity as a result of the pandemic, namely: cleaning products, shelf-stable foods, and frozen foods. Overall, consumers are less likely to increase their purchases in many product categories this week.
 - Those same categories that are more likely to experience an increase in consumer activity as a result of the pandemic are also the most likely to experience product shortages, which leads to brand-switching. Overall, product affordability is becoming another key driver of brand defection.

Mixed opinions on future developments linger.

A consistent theme since the tracker's beginning in March has been that, individually, Americans are largely optimistic about their own financial future, and that trend continues this week despite growing economic unease – the majority believe they will be as well (if not better) off one year from now. However, with the average expected time until things are back to normal reaching a high of 10 months this week, the immediate outlook for how the pandemic is expected to develop remains bleak. Forty percent of Americans believe it's still too early to begin reopening segments of the economy, and another third say it's only proper to begin reopening if public health and safety are the top priorities.

Wave over Wave Trends

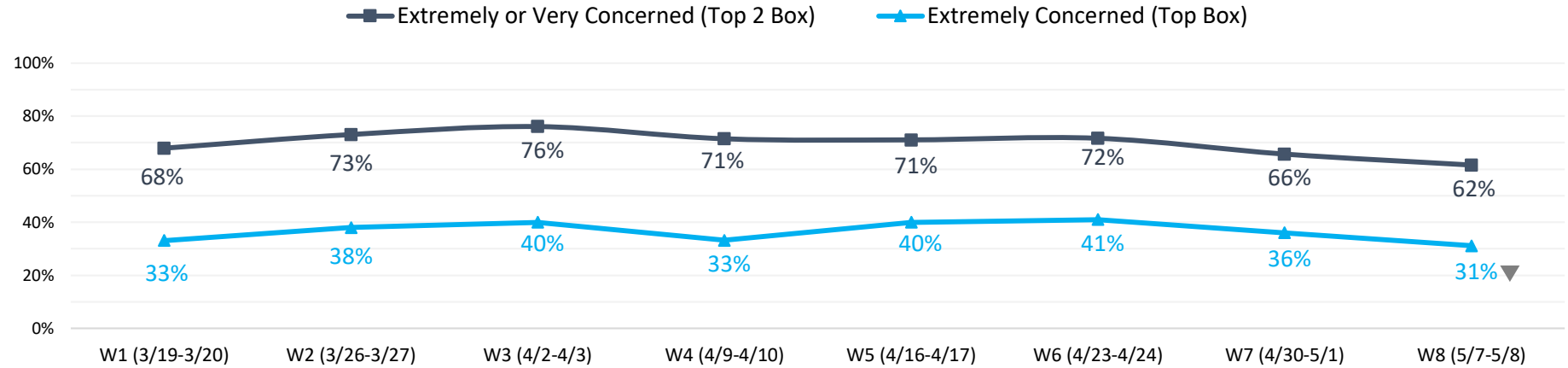
- COVID-19 Awareness, Concern
- Perceived Severity
- Anticipated Change in Next 30 Days
- Employment and Financial Impact
- Estimated “Back to Normal” Timeline



Coronavirus/COVID-19 Concern Level, Perceived Severity

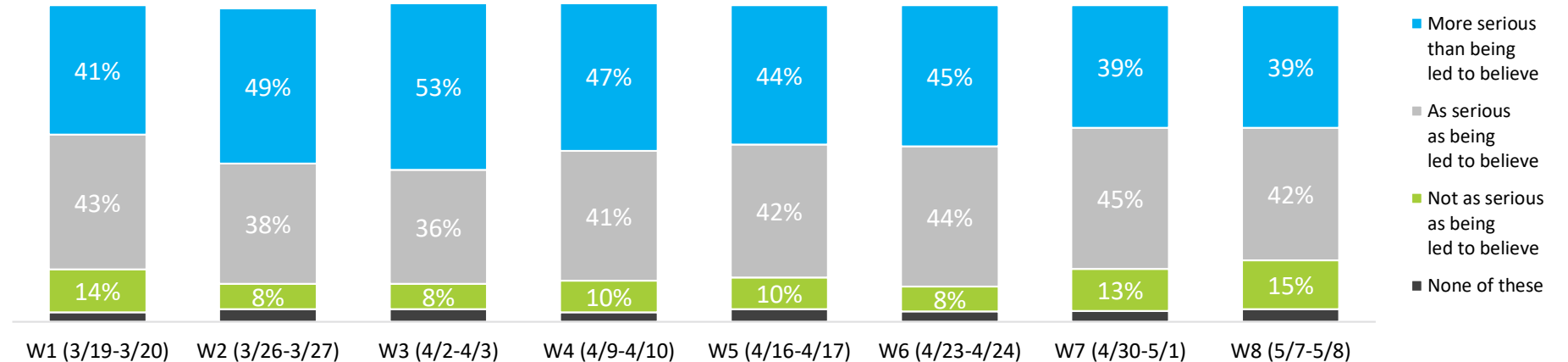
Concern over the COVID-19 pandemic is lower for the second consecutive week. The majority of Americans are still at least very concerned about the pandemic.

Coronavirus/COVID-19 Concern Level



There is little change in the perceived severity of the pandemic this week. Most Americans believe the pandemic is as serious, if not 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?

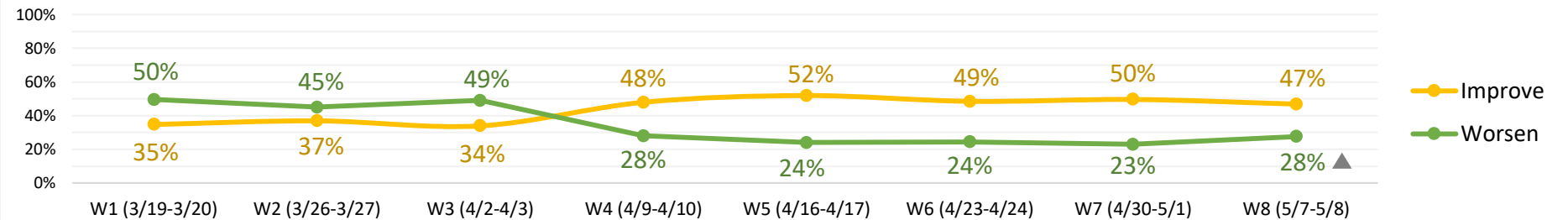
Q7 - Overall, how would you characterize your current level of concern about the Coronavirus/COVID-19 situation? Base: COVID-19 Aware

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

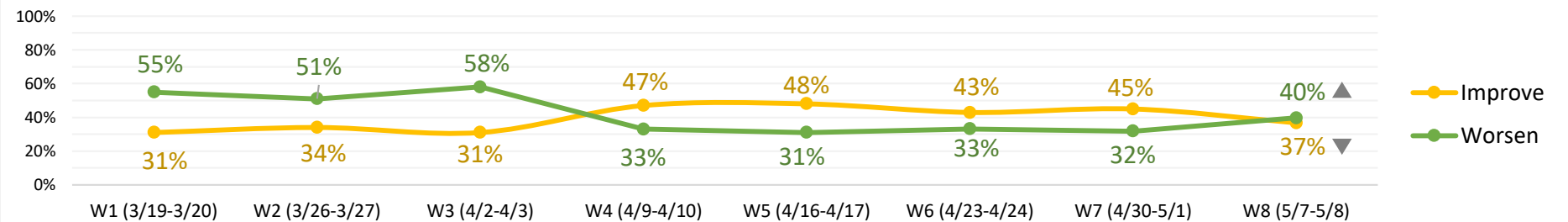
Twenty-eight percent of Americans expect the pandemic to worsen at the **local** level within the next 30 days – up from 23 percent last week.

Change Locally in Next 30 Days



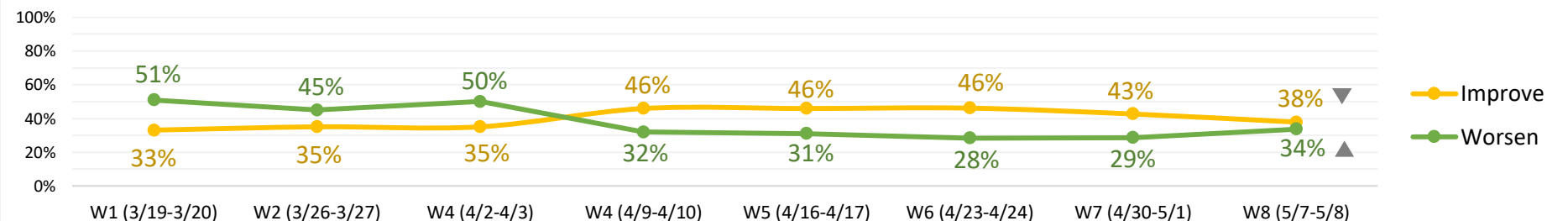
Similarly, optimism for the **US overall** in the coming 30 days wanes this week. More Americans expect the situation to worsen than improve.

Change in US Overall in Next 30 Days



The number of those who expect the **global** pandemic situation to worsen over the next 30 days also ticks up this week to 34 percent.

Change Globally in Next 30 Days

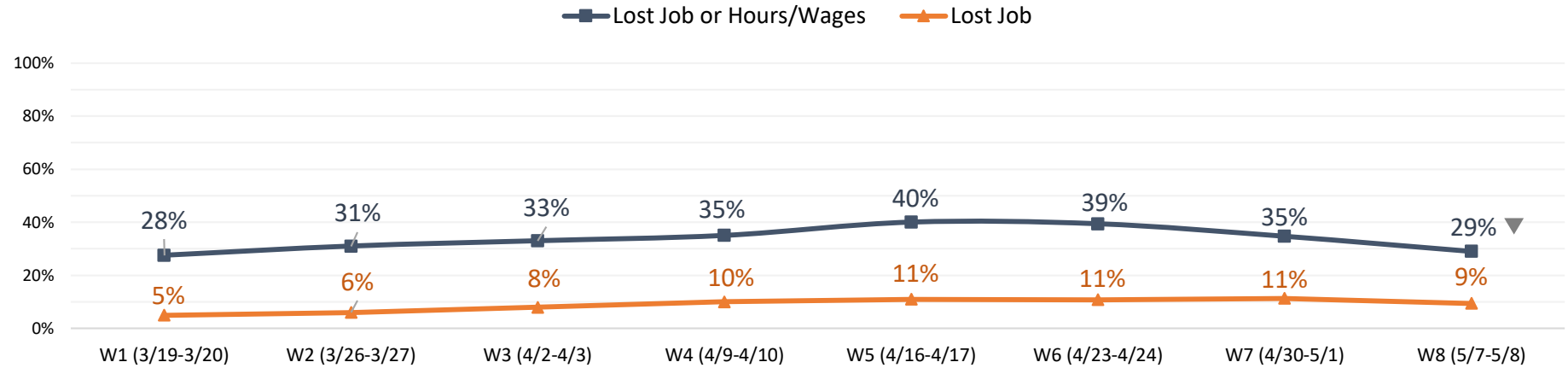


Q22 - Thinking locally, about the US overall, and globally, how do you expect the Coronavirus/COVID-19 situation to change in the next 30 days? Base: COVID-19 Aware

Employment, Financial Impact of Coronavirus/COVID-19

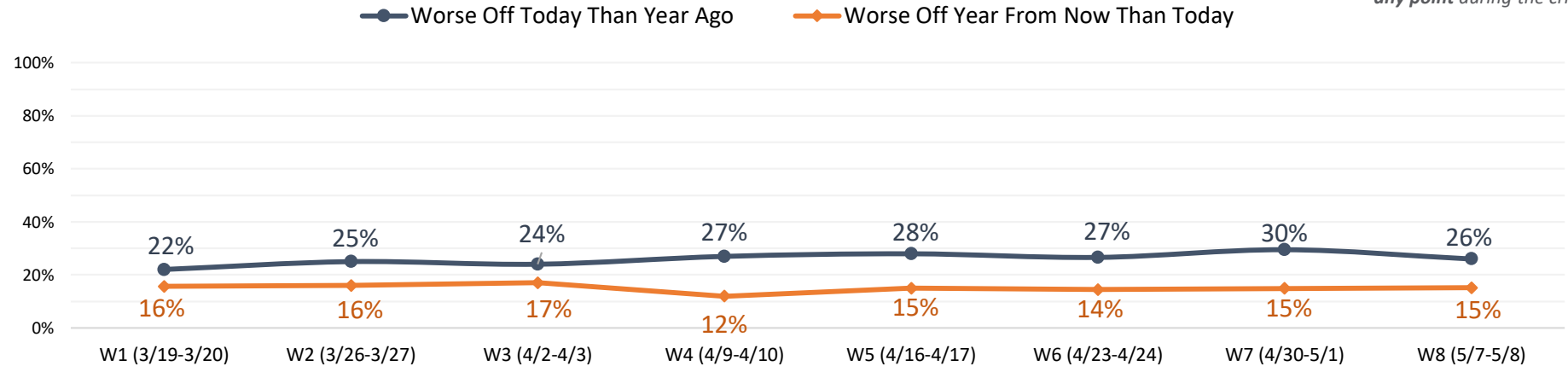
About one-third of Americans report losing a job or hours/wages at any point during the crisis. One in 10 has lost a job.

Coronavirus/COVID-19 Impact on Employment



Consistent with several previous weeks, about one-quarter of Americans feel that they are worse off financially today versus one year ago. There is no real change in financial outlook this week.

Personal Financial State vs. One Year Ago, From Now



**For W8, this question text was revised slightly to focus on employment effects incurred at any point during the crisis.*

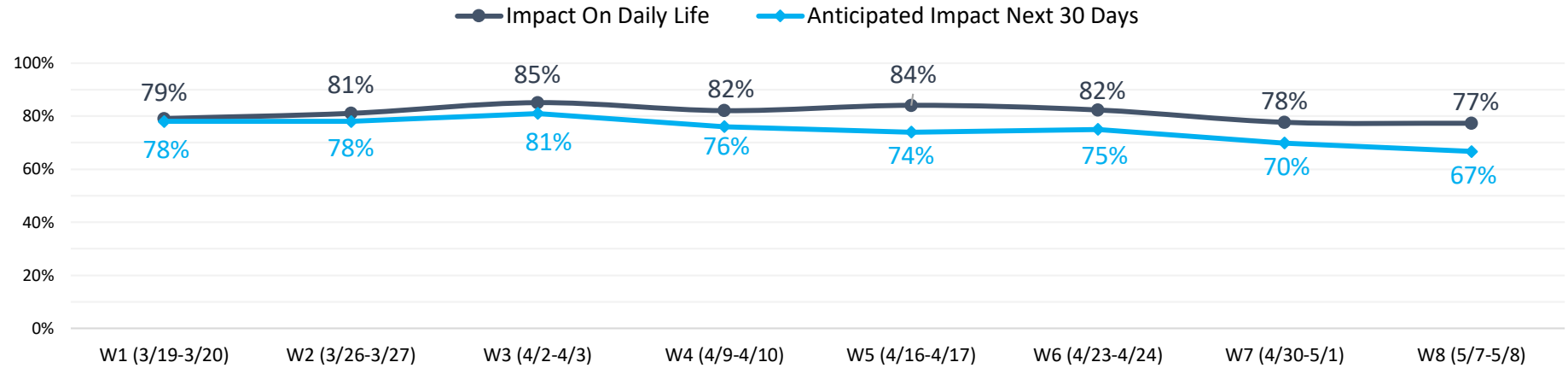
Q19 - At any point, did you lose a job or were your job hours or salary negatively affected by the Coronavirus/COVID-19 situation? Base: COVID-19 Aware | Q2 - Would you say that you/your family are better or worse off financially than you were a year ago? / Q3 - Now looking to the future: Do you think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

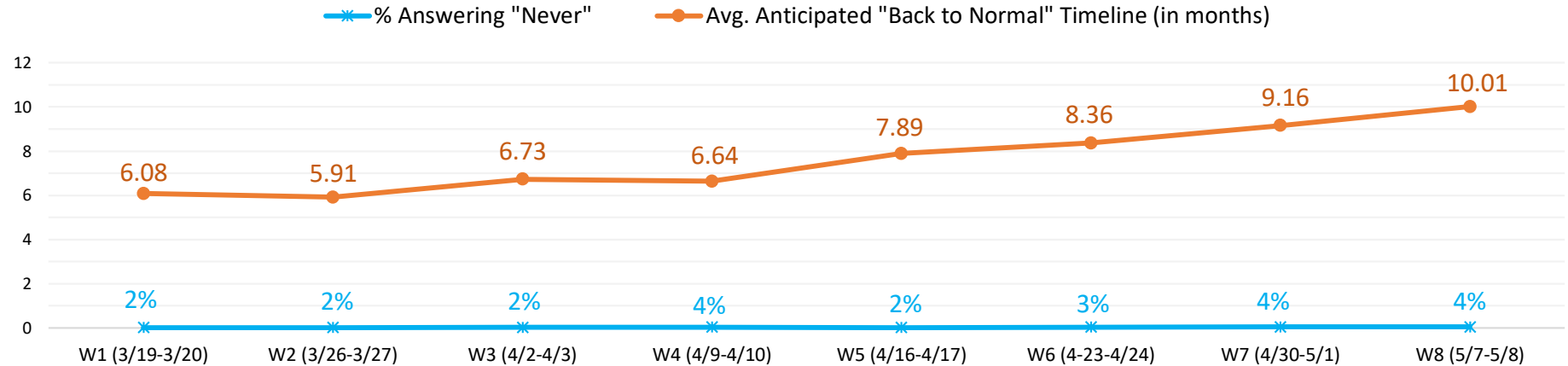
Since the beginning of the tracker, the number of people expecting a severe or moderate impact has trended down somewhat, although the majority still expect these impacts to occur. About one in five reports moderate/severe impacts to date.

The average anticipated time until things are “back to normal” continues its upward trend this week and reaches 10 months.

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



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

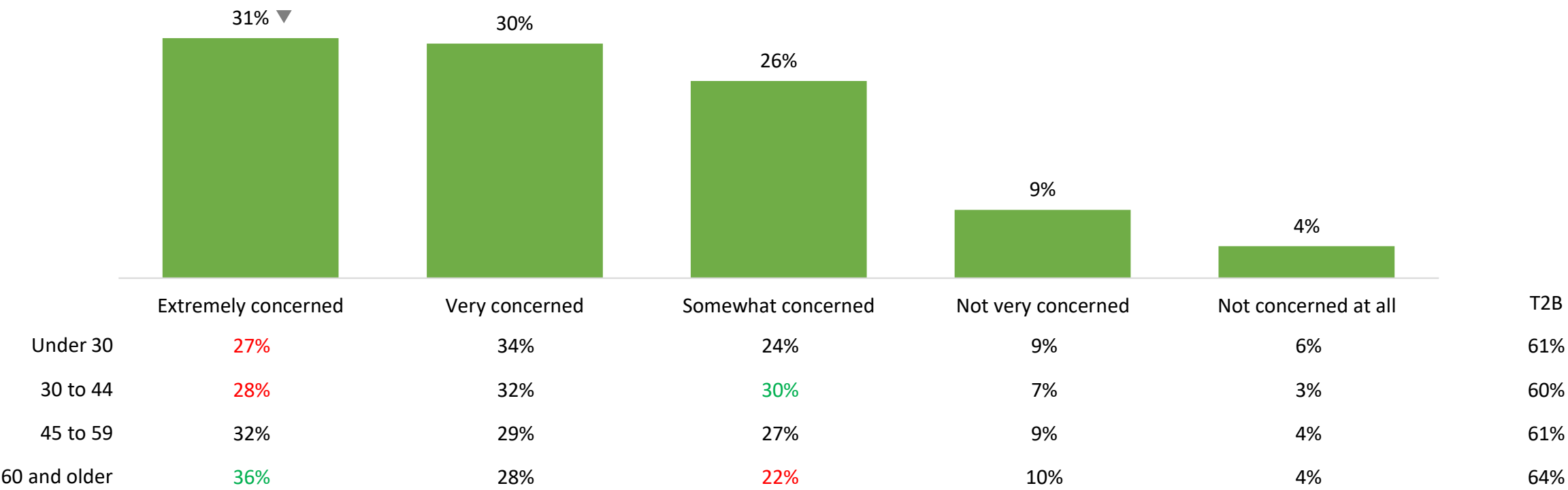
Awareness, Perceptions, Concerns

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



Americans are less likely to say they are *extremely* concerned about the pandemic this week, but overall concern remains high – 60 percent at the T2B level. Those 60 and over are more likely to be extremely concerned.

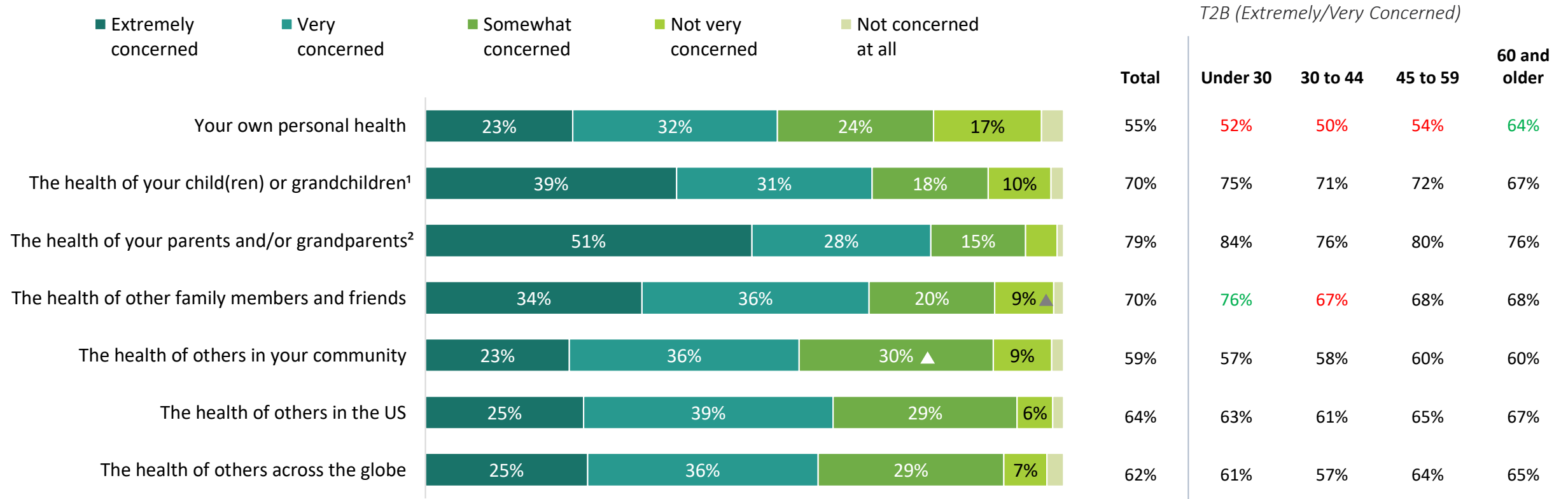
Coronavirus/COVID-19 Concern Level



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

When it comes to health concerns related to the COVID-19 pandemic, Americans remain most worried for the health of older relatives – parents and grandparents. There is less differentiation in health concerns between age groups than has been seen in previous weeks, but older Americans are still more concerned about their own personal health than younger generations.

Coronavirus/COVID-19 Health Concerns

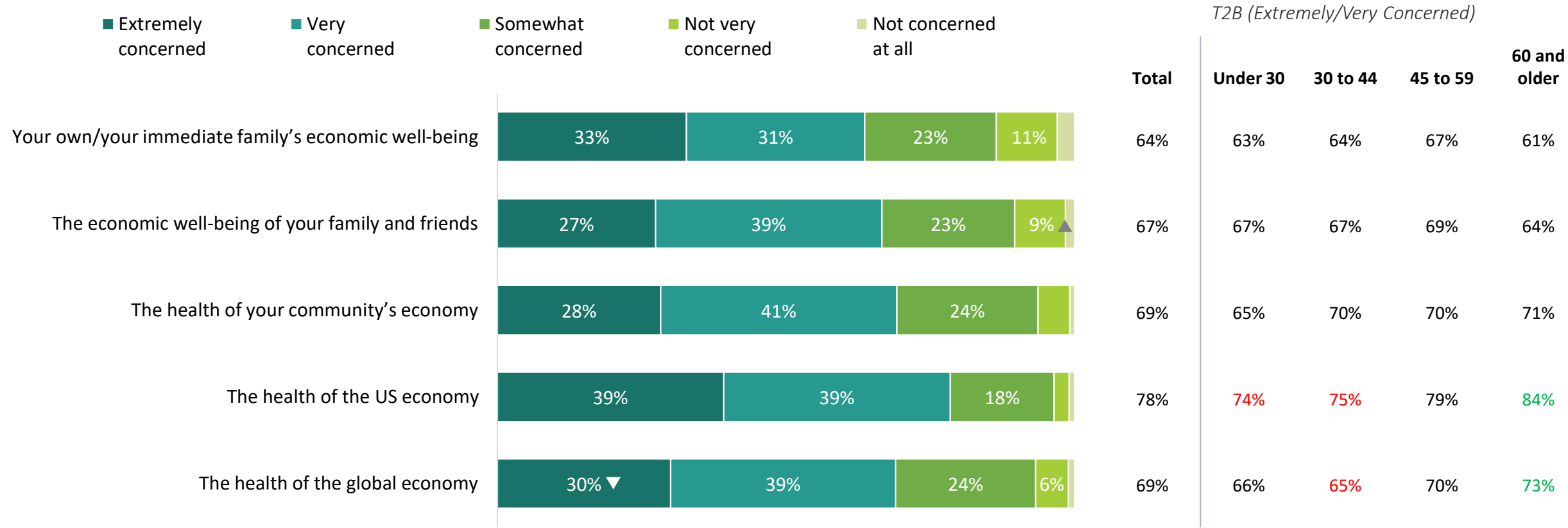


Q8 - To what extent are you concerned about the potential health impact of Coronavirus/COVID-19 at the following levels? Base: COVID-19 Aware + Not Very – Extremely Concerned

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

Economic concerns remain pronounced, and worries for the national economy are particularly high again this week. At least two-thirds of Americans are extremely or very concerned about at least some aspect of the pandemic’s devastating economic impacts.

Coronavirus/COVID-19 Economics Concerns

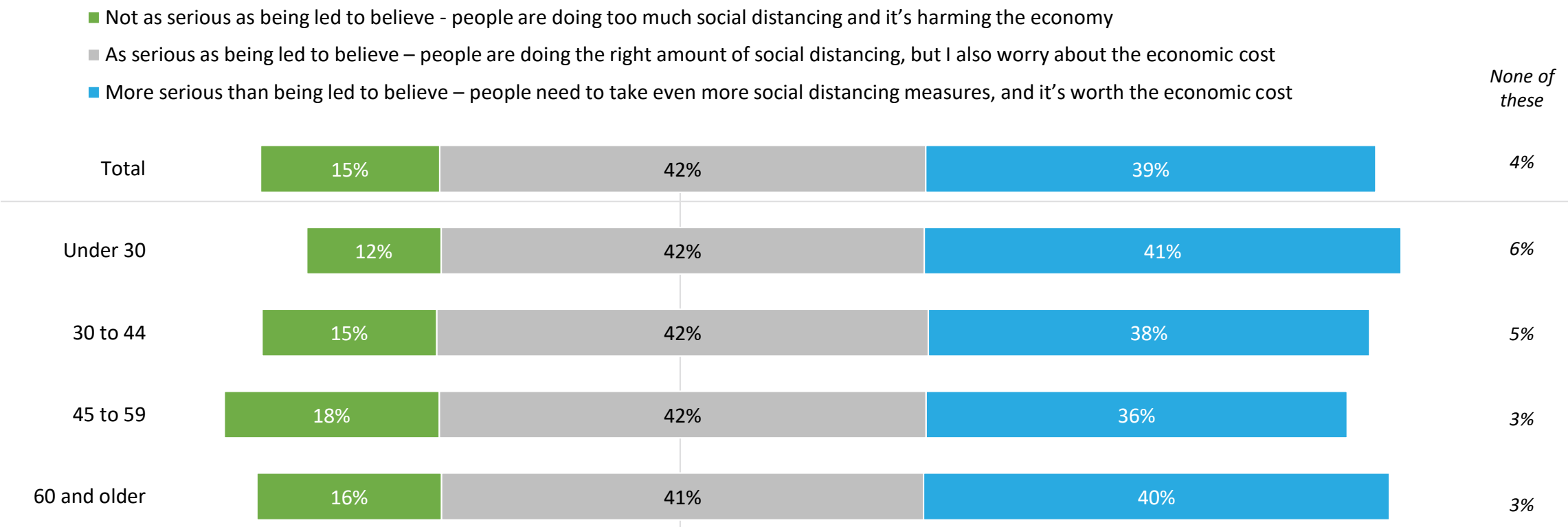


Q9 - To what extent are you concerned about the potential economic impact of Coronavirus/COVID-19 at the following levels? Base: COVID-19 Aware + Not Very – Extremely Concerned



The American population remains split on whether the amount of caution being taken is appropriate. Roughly 40 percent believe that the situation is more serious than we are being led to believe and about the same number believe it is as serious as we’re being led to believe. Those remaining believe it is not as serious as we’re being led to believe.

Coronavirus/COVID-19 Perceived Severity

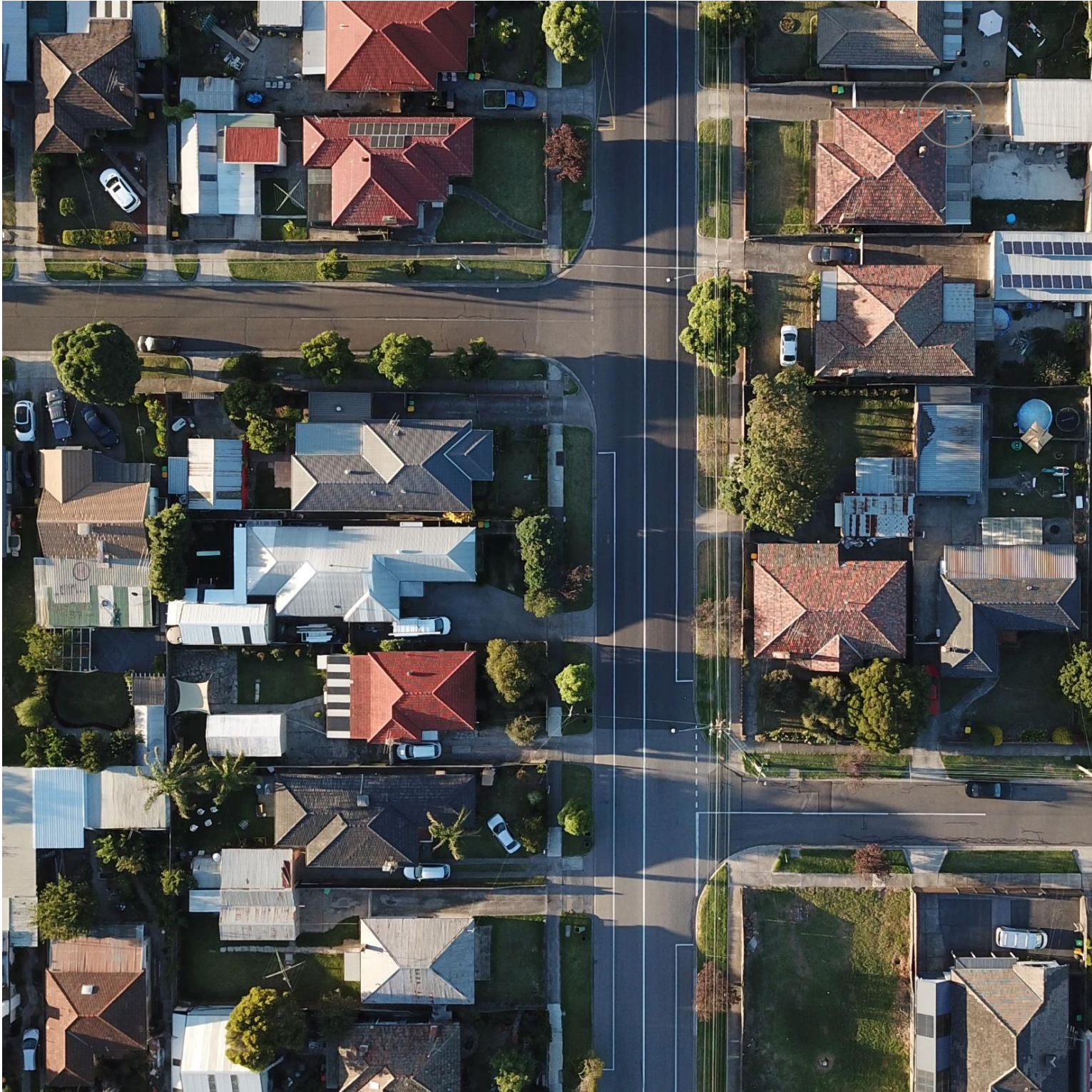


Q10 - Which statement below best describes your own general perception of the Coronavirus/COVID-19 pandemic? Base: COVID-19 Aware



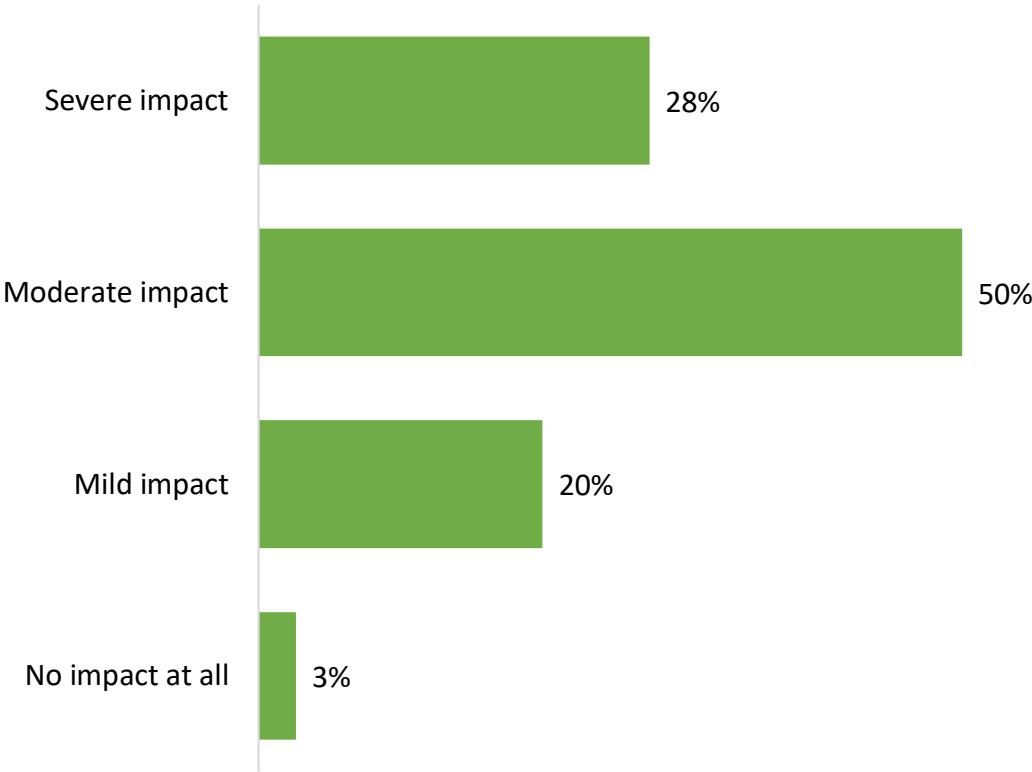
Impact on Daily Life


- Overall Impact
- Behavioral Reactions





The severity of impact from the pandemic is relatively unchanged this week, with four out of five reporting at least a moderate impact. Continuing a trend from several previous weeks, the most severe impacts are reported by higher-income households and those in the Northeast.

Coronavirus/COVID-19 Impact on Daily Life



	Under 30	30 to 44	45 to 59	60 or older
Severe	33%	31%	28%	19%
Severe or Moderate	79%	80%	79%	73%

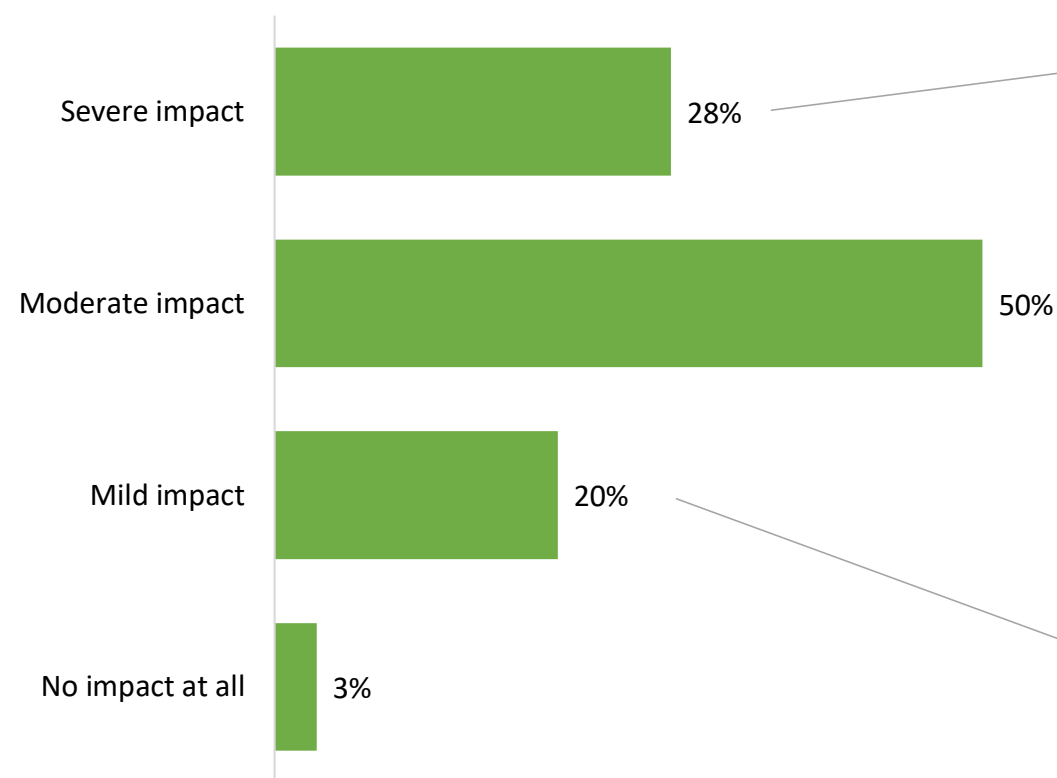
	Under \$50K	\$50K to \$100K	\$100K or more
Severe	24%	26%	34%
Severe or Moderate	72%	78%	84%

	Northeast	Midwest	South	West
Severe	34%	24%	26%	29%
Severe or Moderate	82%	73%	78%	77%

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

Fears over the burden that financial hardships have or might impose on families is consistently among the top themes for those who have been affected by the pandemic.

Coronavirus/COVID-19 Impact on Daily Life



My husband's business is practically at a standstill with no money coming in. We are afraid to go to food stores where there are a lot of people.

Both monetary and socially, it is putting a strain on our way of life.

My job was eliminated because the hotel I worked for was shut down by the State of Florida. No money coming in, bills piling up, rent for March is still due, had to buy food and supplies instead, April's rent is due in 2 weeks.

Separation from family

Missing my friends and family. Work is twice as difficult with a lot of extra stress.

The schools have closed and my grandchildren are stuck in their homes and are getting very depressed because it's spring break and they can't really go anywhere not even the zoo. I like to eat out at restaurants a lot and it's carry-out only now. I'm half afraid to go to the grocery store because I might catch something and a lot of the food and paper goods are sold out. I'm worried if people in my family will have jobs after this.

Worry about family members with compromised immune systems. Economic crisis it can cause at home, in the US, as well as globally.

My children are now at home and doing schooling at home and sometimes our income is impacted if there is no work available.

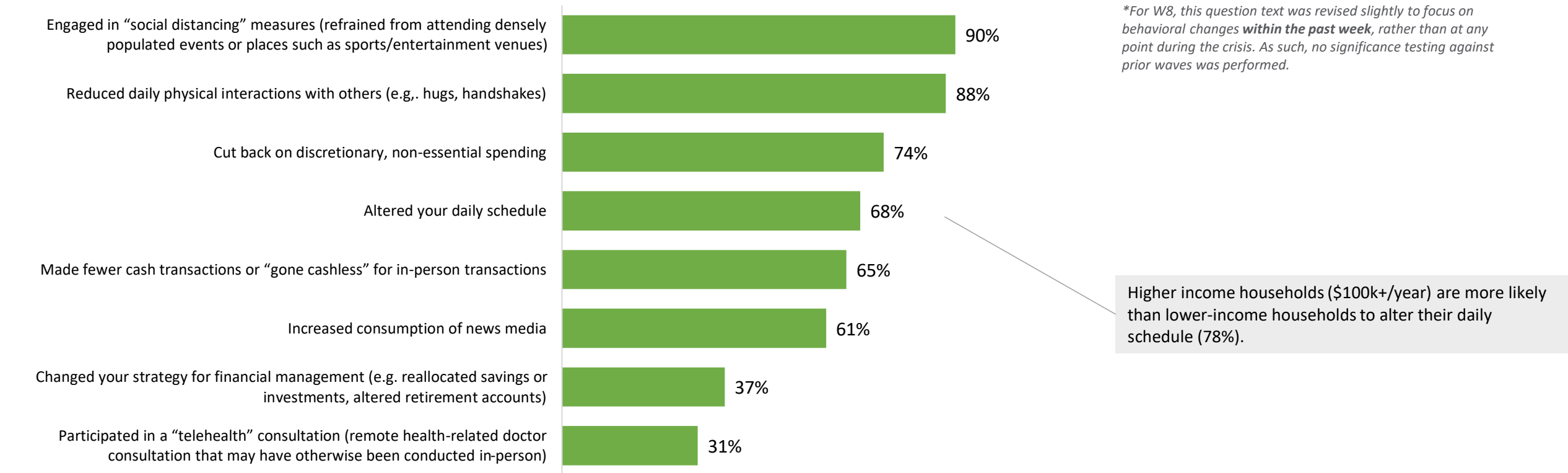
I'm staying indoors a bit more. So going to the store less and getting things I may need less.

Delays to items shipped when purchased online.

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

Nine in 10 Americans report engaging in social distancing within the past week. Three-quarters have cut discretionary spending. Around two-thirds have seen alterations to their daily schedules, reduced cash transactions, and increased consumption of news media.

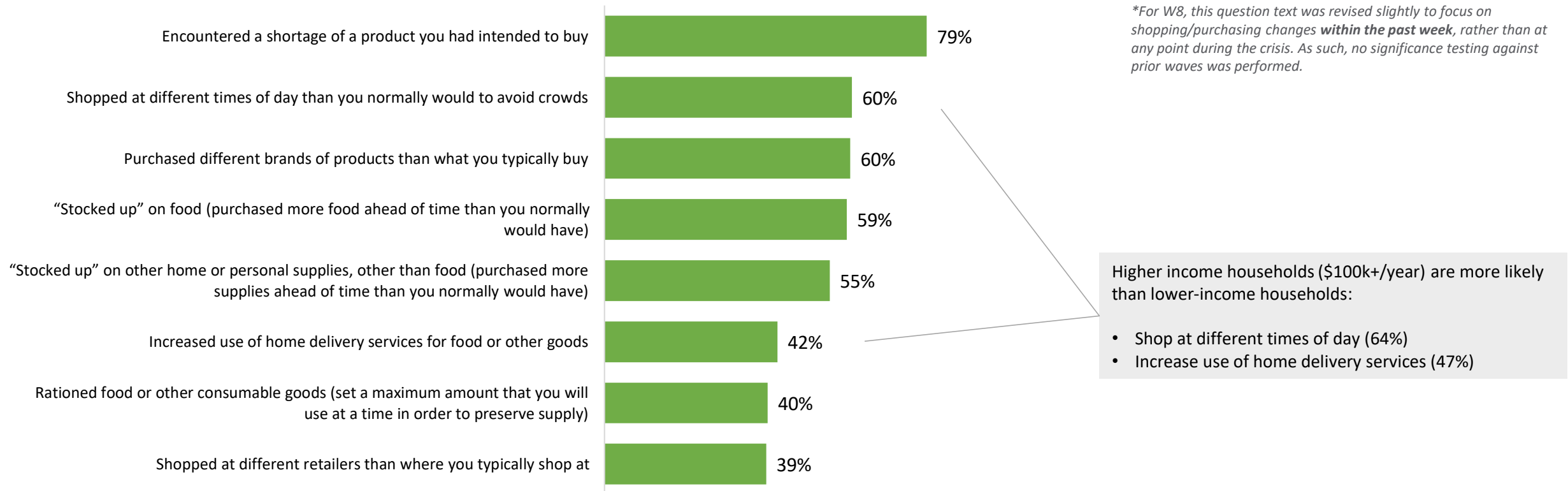
Behavioral Changes due to Coronavirus/COVID-19*



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

Four out of five Americans have encountered a product shortage within the past week. Common changes to purchasing behavior as a result of the pandemic include shopping at unusual times, purchasing different brands, and stocking up on foods and products.

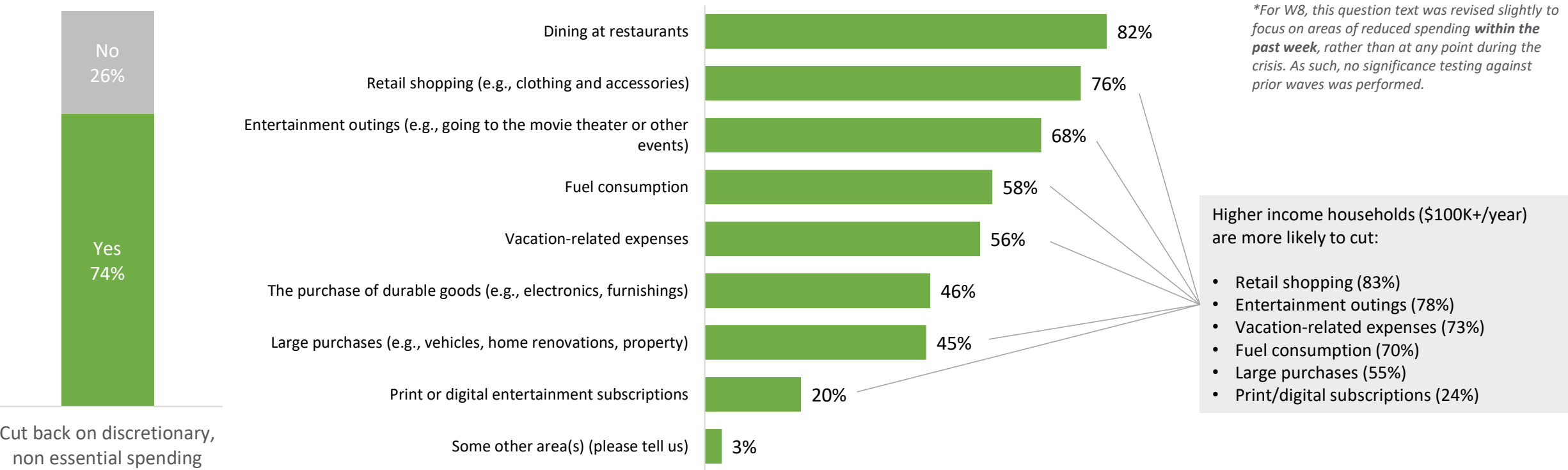
Shopping, Purchasing Experiences due to Coronavirus/COVID-19*



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 within the past week: % Answering "Yes". Base: COVID-19 Aware

Among the three-quarters of Americans who have reduced discretionary spending over the past week, the areas of spending most likely to see cuts are those affected by social distancing guidelines: dining at restaurants, retail shopping, and entertainment outings.

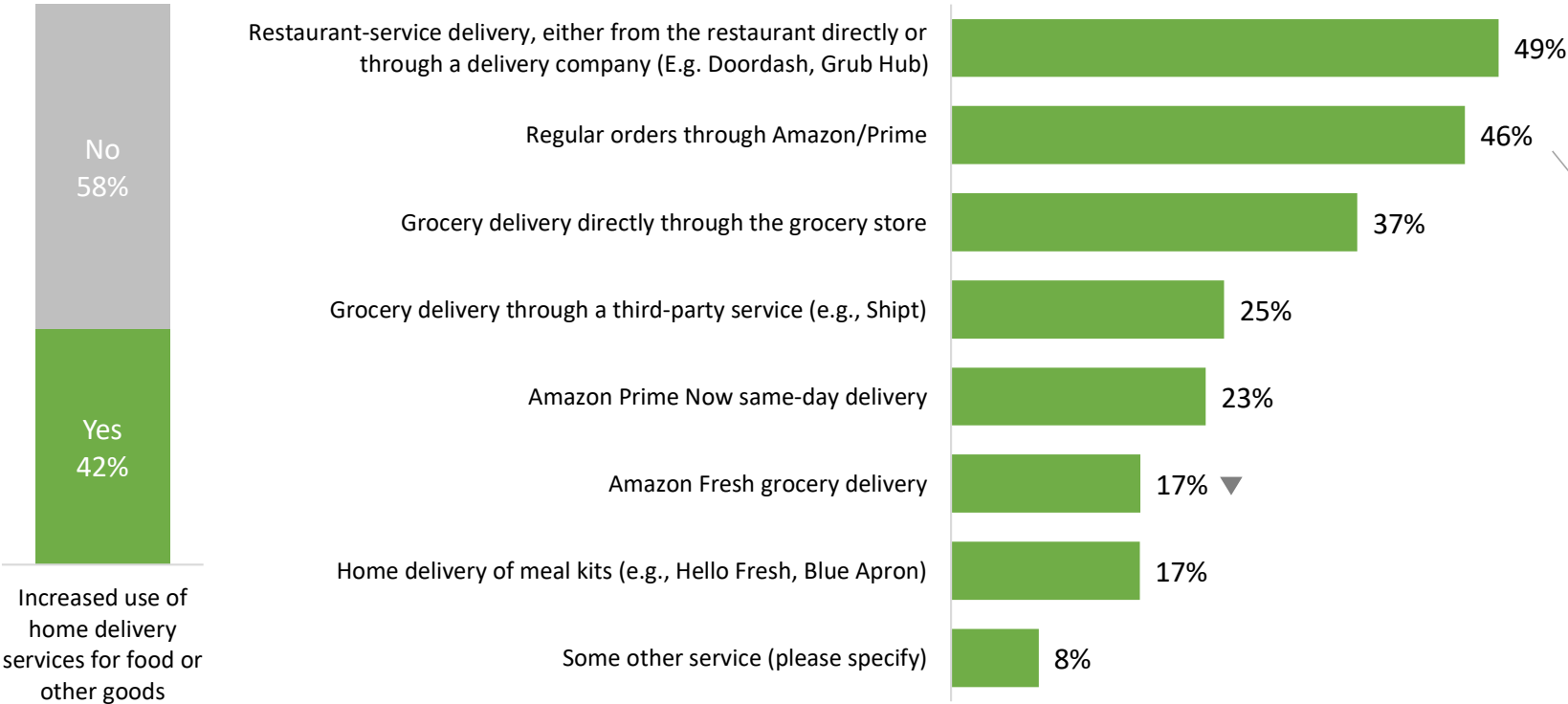
Areas of Reduced Discretionary Spending due to Coronavirus/COVID-19*



Q15 - You indicated that you have reduced discretionary/non-essential spending as a result of the Coronavirus/COVID-19 situation within the past week. 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)

About 40 percent of the population have increased their use of home delivery services within the past week as a result of the pandemic, and the most popular services are restaurant delivery, Amazon, and grocery delivery directly through grocery stores.

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



For W8, this question text was revised slightly to focus on increased delivery use **within the past week, rather than at any point during the crisis. As such, no significance testing against prior waves was performed.*

Higher income households (\$100k+/year) are more likely to increase use of regular orders through Amazon/Prime (56%).

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)

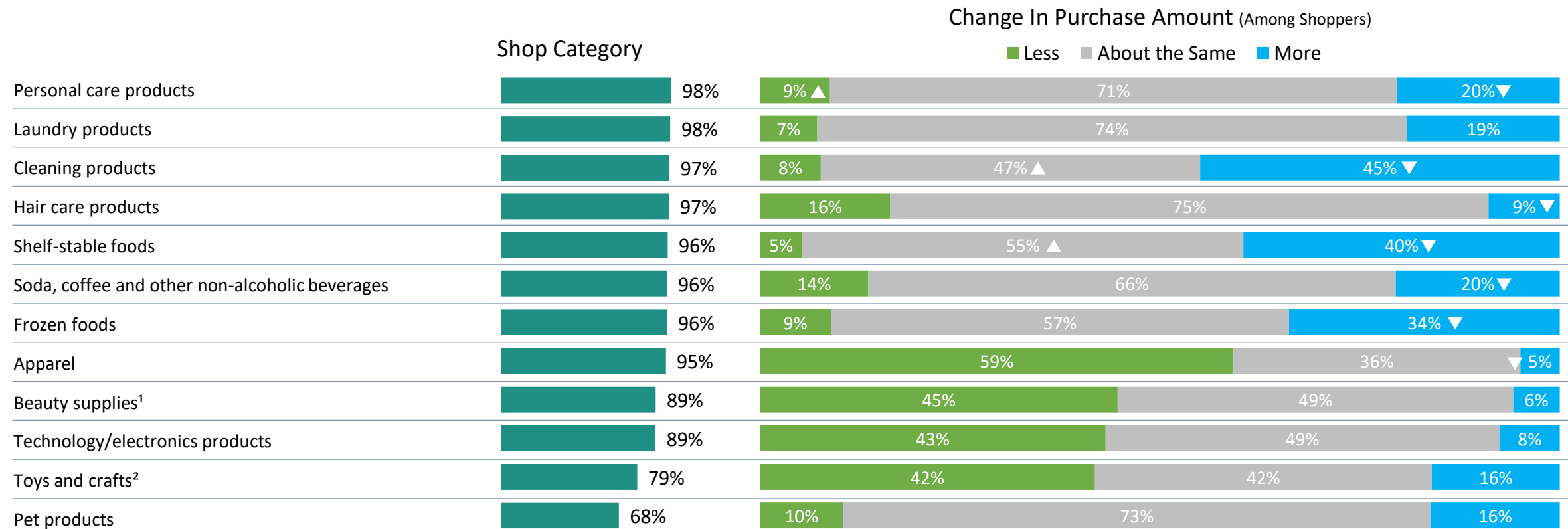
Changing Purchase Behaviors

- Category Purchase Volume
- Brand Loyalty



Although fewer people are reporting an increase in consumer spending in several categories this week, cleaning products and shelf-stable and frozen foods continue to see a boost in consumer spending as shoppers adapt their purchase behavior. Spending remains lower in apparel, tech products, beauty supplies, and toys and crafts.

Coronavirus/COVID-19 Impact on Categories Shopped



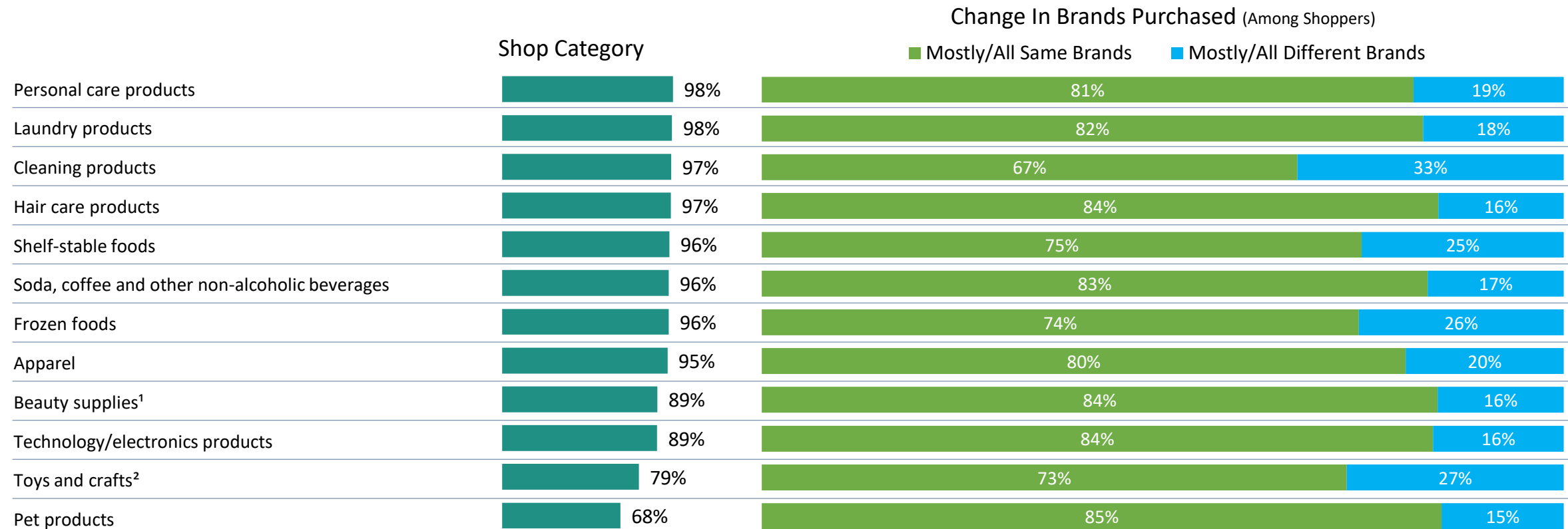
"Pet Products" was added to this question in W8

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

In line with several previous weeks, 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.

Coronavirus/COVID-19 Impact on Brands Purchased



"Pet Products" was added to this question in W8

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

While product shortages are still highly prevalent in cleaning products and shelf-stable foods, the more significant driver of brand switching in general this week is the consumer need for more affordable goods.

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	19%	48%	42%	19%	14%	1%
Laundry products	18%	40%	43%	22%	17%	1%
Cleaning products	33%	64%	29%	15%	14%	2%
Hair care products	16%	37%	43%	27%	21%	2%
Shelf-stable foods	25%	52%	41%	25%	8% ▼	1%
Soda, coffee and other non-alcoholic beverages	17%	42%	46%	26%	16%	2%
Frozen foods	26%	42%	40%	28%	14%	1%
Apparel	20%	25%	50%	26%	18%	5%
Beauty supplies ¹	16%	24% ▼	56%	21%	14%	1%
Technology/electronics products	16%	25%	49%	24%	12%	6%
Toys and crafts ²	27%	26%	40%	32%	10%	7%
Pet products	15%	31%	50%	27%	15%	4%

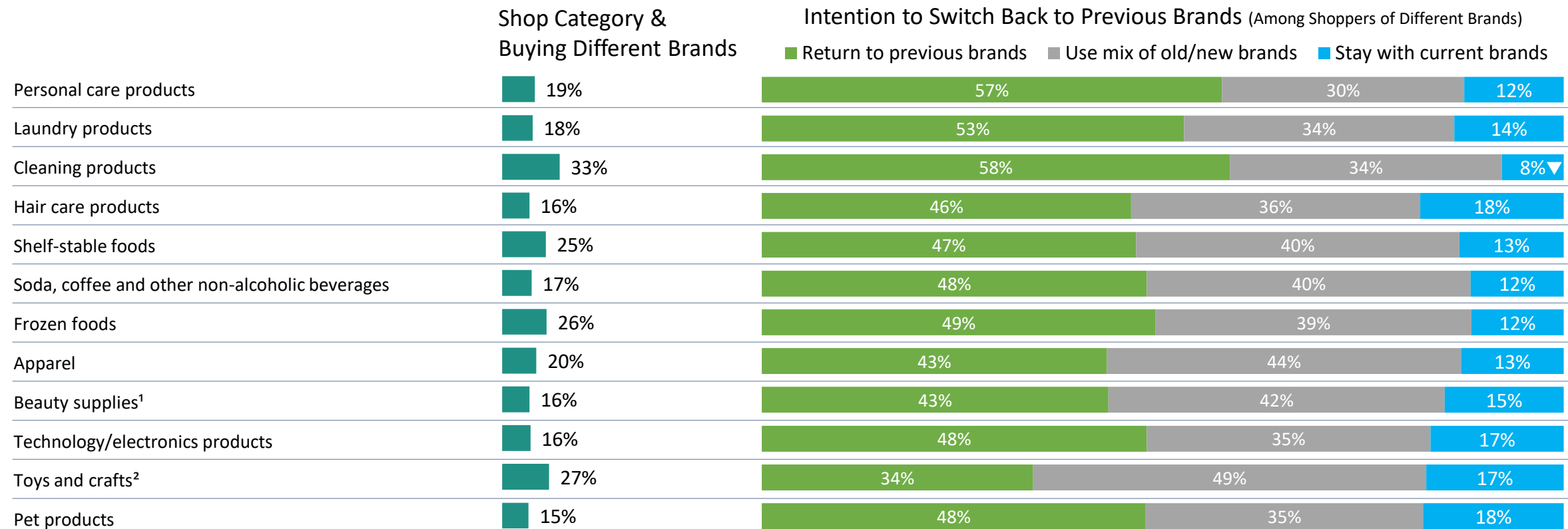
"Pet Products" was added to this question in W8

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

Just under 60 percent of those who have switched brands of personal care products and cleaning products expect to return to their previous brands once the pandemic ends. This percentage is even lower across all other key product categories, as most consumers plan to continue using at least a mix of original brands and new brands adopted since the pandemic's beginning.

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



"Pet Products" was added to this question in W8

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)

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

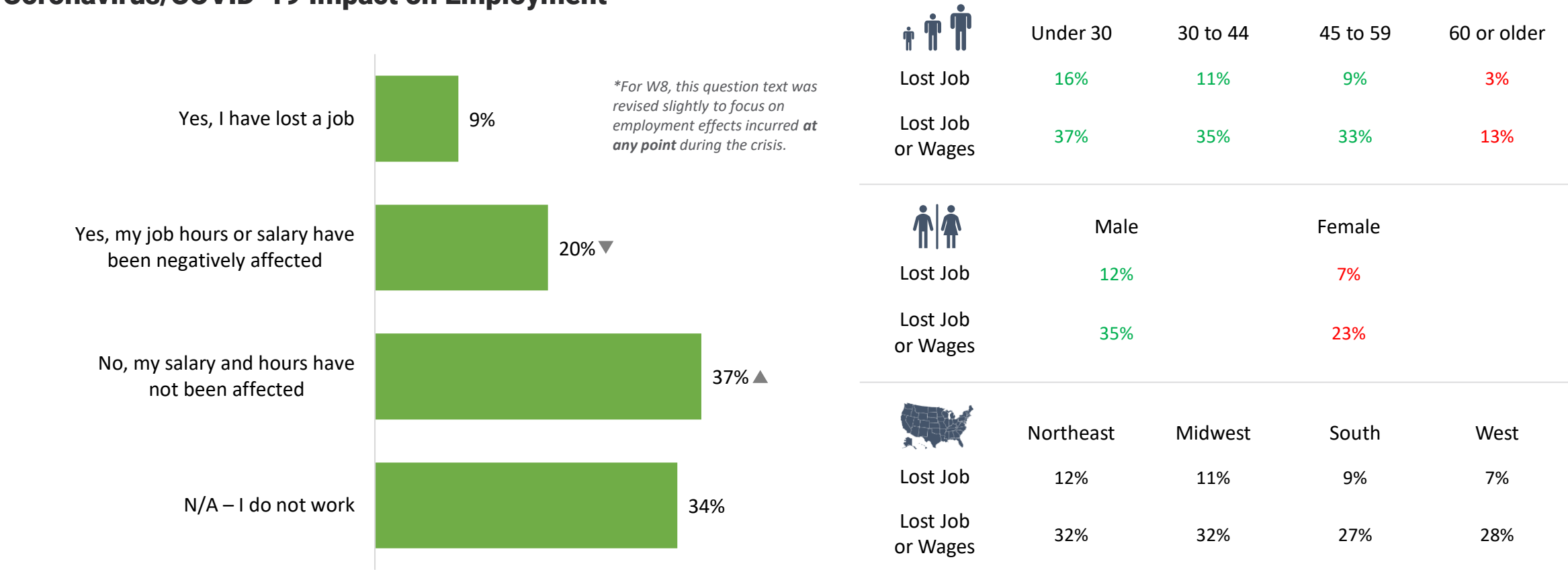
Employment Impact

- Effect on Job Status, Hours Worked
- Job Impact Recovery



The rate of reported job loss is flat over the past few weeks at around one in 10. Another 20 percent have experienced some kind of reduction in pay resulting from the outbreak. There is less differentiation in reported job effects by geographic region than in previous weeks.

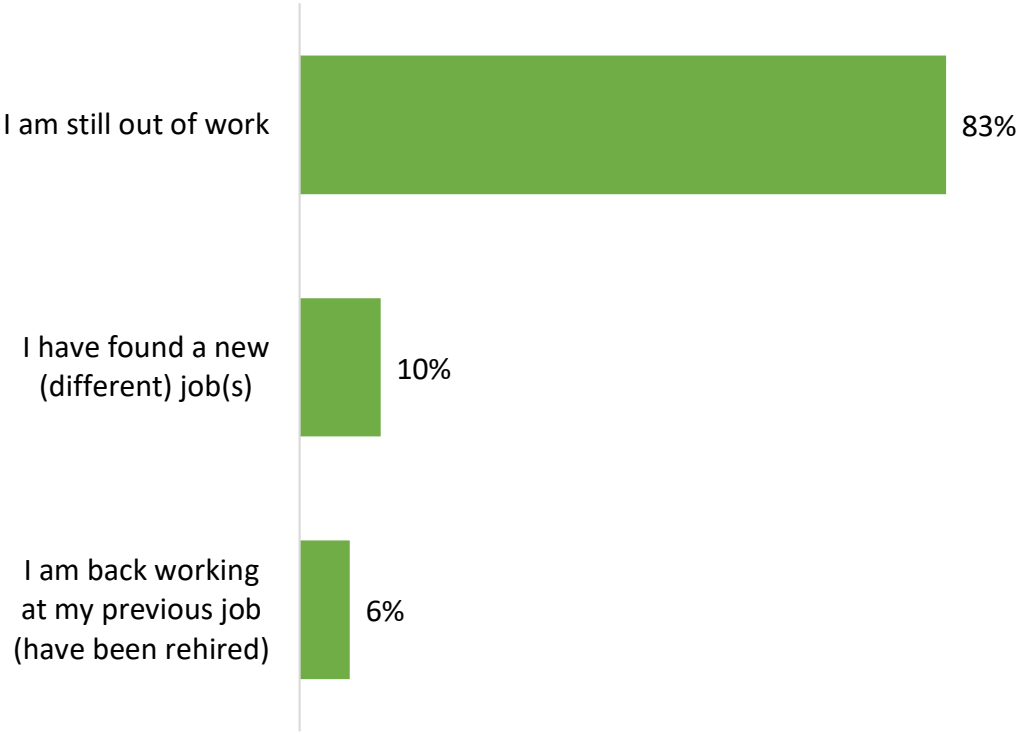
Coronavirus/COVID-19 Impact on Employment



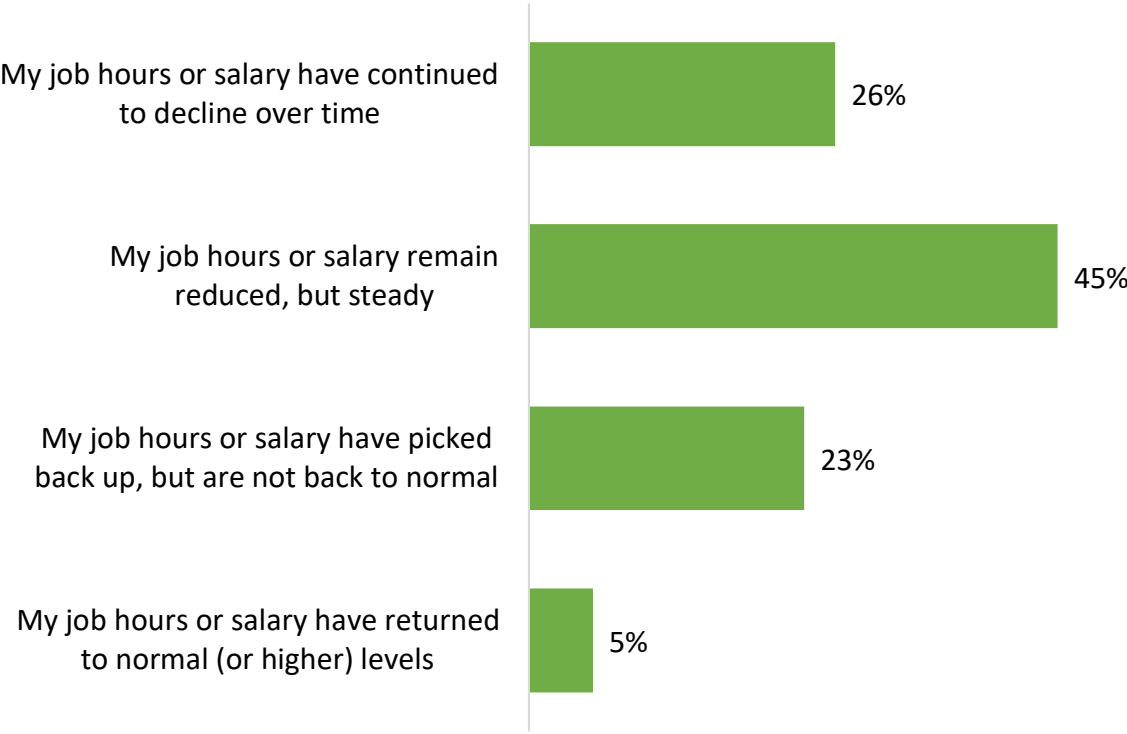
Q19 - At any point, did you lose a job or were your job hours or salary negatively affected by the Coronavirus/COVID-19 situation? Base: COVID-19 Aware

New this week, those who had lost a job or whose pay was negatively affected by the COVID-19 crisis were asked where their employment status stands today. Over 80 percent of those who have lost a job remain out of work. Seventy percent of those whose pay has been reduced are still coping with those lower levels or even seeing their pay drop further.

Employment Recovery Among Those Who Lost Job



Employment Recovery Among Those With Reduced Hours/Salary



Q19a - You indicated that you have lost a job due to the Coronavirus/COVID-19 situation. Which statement below best describes your current situation regarding that job loss? Base: COVID-19 Aware and had lost job
Q19b - You indicated that your job hours or salary were negatively affected by the Coronavirus/COVID-19 situation. Which statement below best describes your current situation regarding that loss of income? Base: COVID-19 Aware and had hours or salary impacted

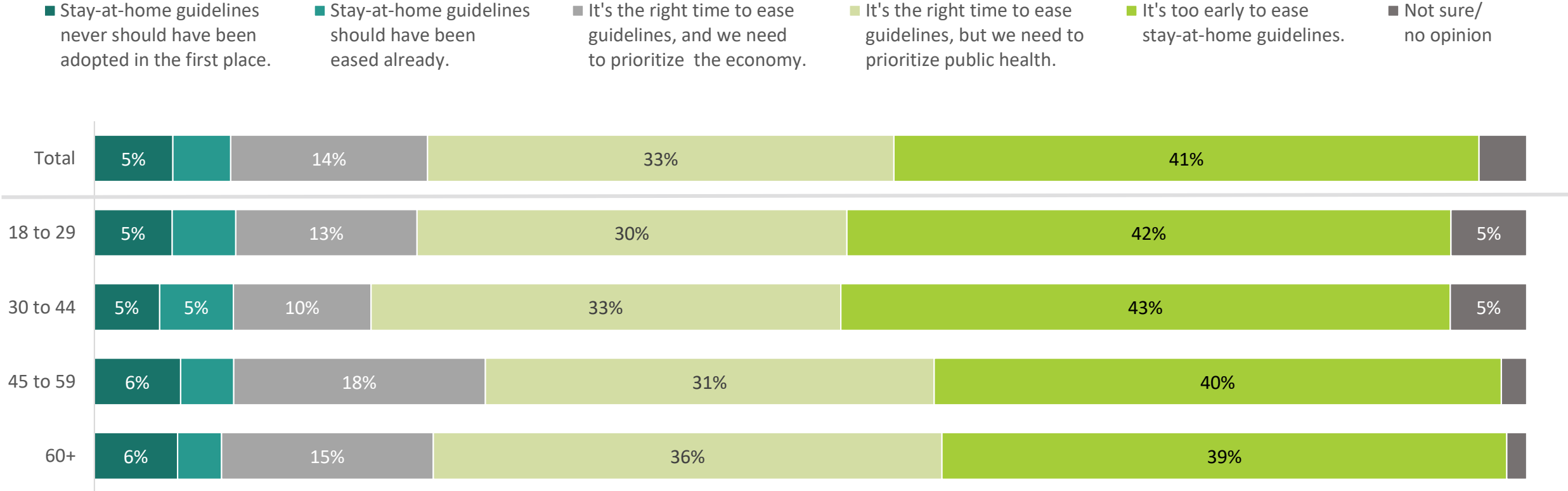
Outlook

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



There is little change in Americans' thoughts on the propriety of reopening segments of the economy this week – 40 percent still feel it's too early. Another third say reopening is only the right course of action if we can protect public health and safety.

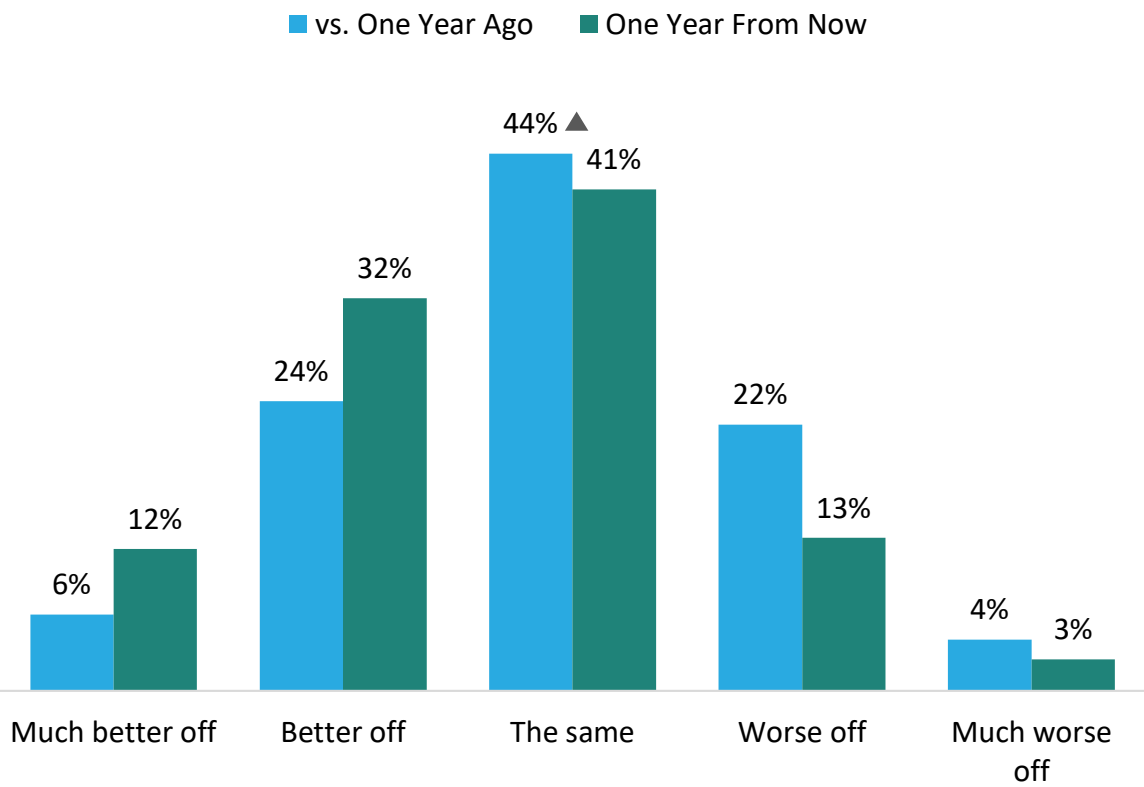
Perceptions of "Reopening"



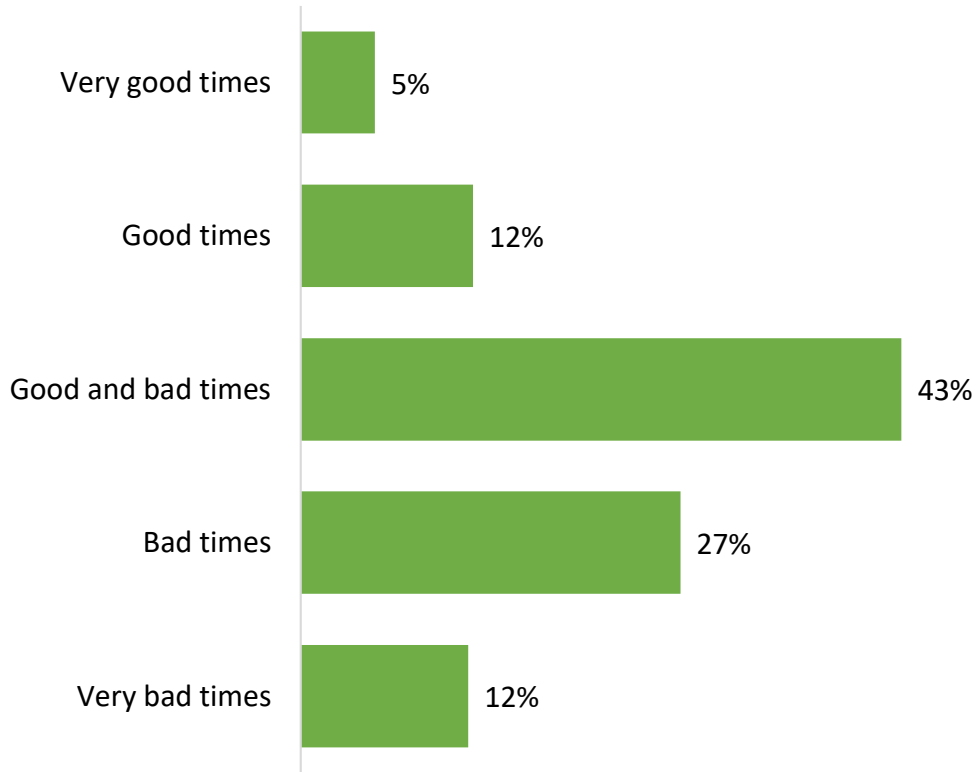
Q33 - Which of the following statements best describes how you feel when it comes to easing stay-at-home guidelines and allowing businesses to reopen? Base: COVID-19 Aware

As with previous weeks, most Americans believe they will be in the same financial position (if not better off) one year from now compared to today, showing optimism at the personal level in the long term. However, the majority also expect at least a mix of bad times for US businesses in general.

Personal Financial State vs. One Year Ago, From Now



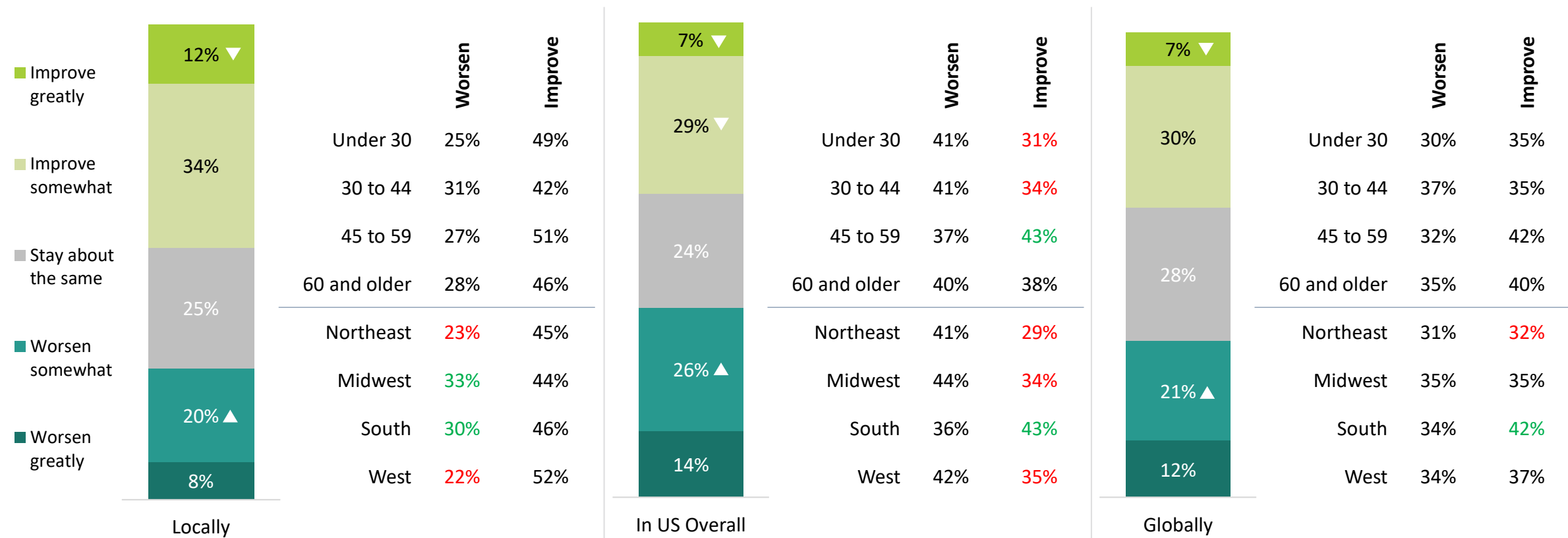
US Business Financial State Over Next 12 Months



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

Expected improvements in the COVID-19 situation over the next 30 days are down across the board this week at the local, national, and global levels. Those in the hardest hit areas of the country – the West and Northeast – are more optimistic about how the pandemic will progress in their local communities in the next month.

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

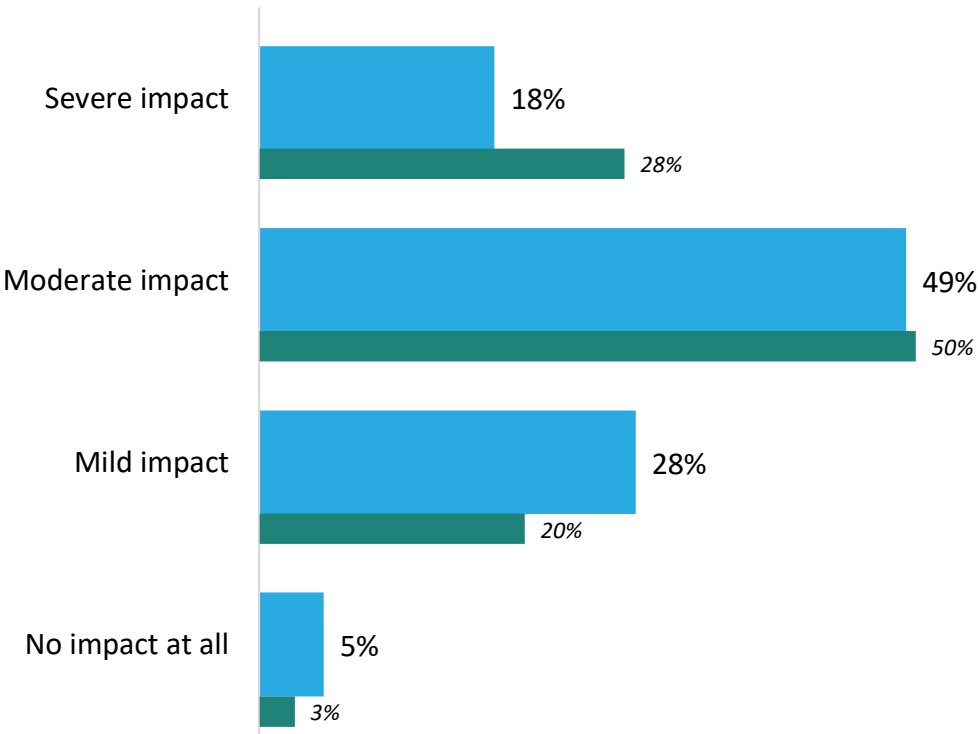


Q22 - Thinking locally, about the US overall, and globally, how do you expect the Coronavirus/COVID-19 situation to change in the next 30 days? Base: COVID-19 Aware

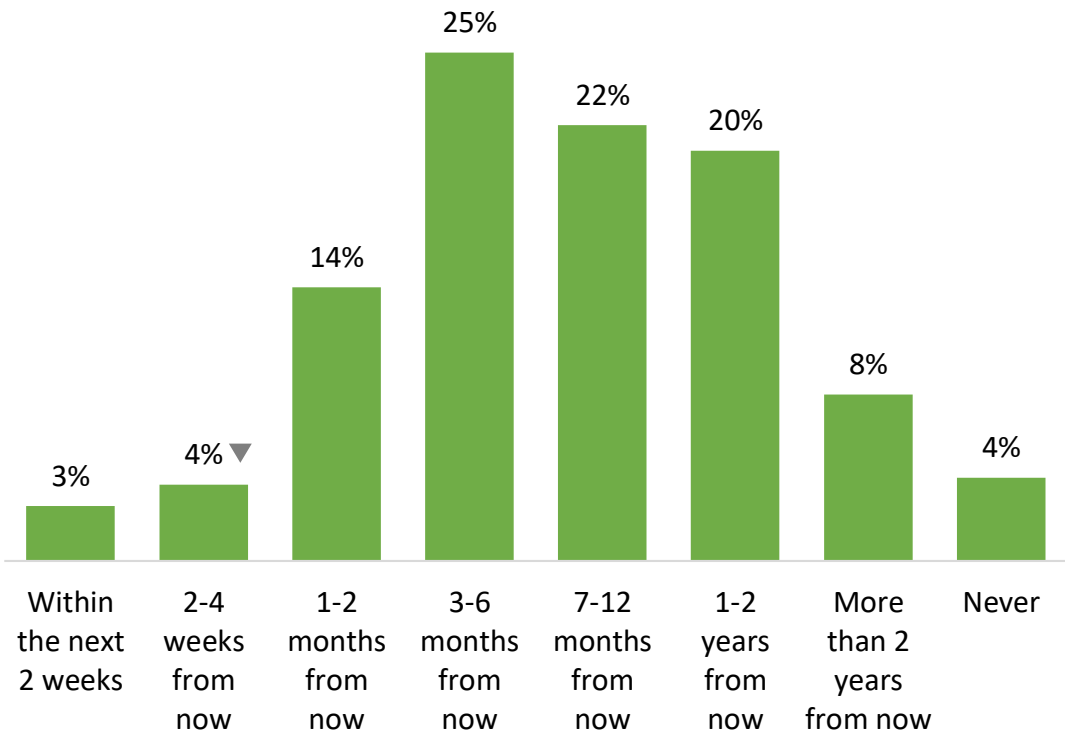
Nearly seven in 10 Americans are expecting moderate impacts (or worse) to continue throughout the next 30 days due to the pandemic. Americans now expect, on average, that their lives will not be “back to normal” for 10 months – a number that has steadily risen since the tracker’s beginning in March.

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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