

COVID-19:

Essential Consumer Takeaways & Business Implications

Week of April 20th, 2020



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About this deck:

- + Wide view of “real-time” consumer attitudes (globally and US specific) as the outbreak of Covid-19 unfolds.
- + Not all encompassing as knowledge is being shared and changing in rapid pace.
- + Sources to research can be found in Notes section.



In The News

Week of April 20, 2020

- + *White House task force walks governors through testing* – [CNN](#), 4/20/20
- + *Civil rights leaders see virus fight as another front in long struggle* – [The New York Times](#), 4/20/20
- + *Protests erupt again over coronavirus shelter-in-place orders* – [CNN](#), 4/20/20
- + *Cuomo says 478 more people had died in New York, the lowest single-day toll in two weeks* – [The New York Times](#), 4/20/20
- + *Trump says he will halt immigration* – [The New York Times](#), 4/20/20
- + *Some governors move to ease restrictions even as new infections swell in other states* – [The New York Times](#), 4/21/20
- + *Missouri is first state to sue China for coronavirus damages* – [USA Today](#), 4/21/20
- + *Timeline of virus's arrival in the U.S. shifts with the revelation of an early death in California* – [The New York Times](#), 4/22/20
- + *From South Dakota's raceways to Atlanta's barbershops, states grapple with reopening businesses* – [The New York Times](#), 4/22/20
- + *No state should reopen before May, data shows* – [CNN](#), 4/22/20
- + *More than 26 million people have joined the ranks of the unemployed over the past five weeks* – [The New York Times](#), 4/23/20
- + *House approves \$480 billion package to help small businesses and hospitals, expand Covid-19 testing* – [CNN](#), 4/23/20
- + *New York study suggests a much wider exposure to virus* – [The New York Times](#), 4/23/20
- + *Experts dismiss Trump's claim that sunlight and household disinfectants can treat the virus* – [The New York Times](#), 4/24/20

Key Headlines

Week of April 20, 2020

- + This week, US COVID-19 deaths rose to 50,234
- + This week, 4.4 million jobless claims were filed, bringing the total to 20% unemployment.
- + US homebound employees are logging three hours more per day on the job than lockdowns as our “always on” work culture reaches new heights but will not be sustainable due to burnout.
- + The balance at home continues to be a juggle as one in three jobs held by women have been designated as essential, and dads are more likely than moms to give in to children.
- + Americans are also facing digital and video conferencing fatigue: The saturated use of digital media is draining, leading to shifts to analog media forms.
- + Tired of seeing the same ads, consumers want more initiatives and less "in this together" messaging from brands.
- + Fans missing sports tuned into ESPN's “The Last Dance” Series Premiere Episodes as a source of comfort and escape, making it the most-viewed ESPN documentary content ever, averaging 6.1 million viewers.
- + Americans are feeling the void left from sports being halted. While there is a desire to return to live sporting events, fans will need certain safety and hygiene measures to be put in place first.
- + Based on social and search data, Americans are going "back to basics" by searching ways to become involved in their own food production, as well as learning to sew and knit.
- + American’s concern showed early signs of decrease as many gradually brace for society’s reopening.
- + Americans are reevaluating and reprioritizing what truly matters. Safety, family and health top the list, while possessions and indulgences are pushed to the bottom.
- + The coronavirus pandemic is accelerating a years-long decline in coal-fired electricity. Environmental wins show promise of future positive impact beyond the temporary global shutdown.

Insights & Implications

Week of April 20, 2020

- + Over a month into nationwide lockdowns, the coping mechanisms that we turned to when adapting to new restrictions are wearing off and feeling harder to maintain. Many are balancing new obligations and challenges, whether it's loss of income or trying to manage working from home with overseeing kids' distance learning. They're burning through their mental and physical reserves, resulting in stress and apathy. Brands are now expected to help consumers manage their lives.
- + Right now, consumers are looking for answers and reassurance. They're still focused on managing their personal needs but are ready to feel uplifted. To help, brands should emphasize their resilience and strive to inspire their strength. Opportunities include:
 - Fueling their curiosity and creativity craving by stimulating them with inspiration.
 - Building toward closure through burnout by offering clarity or glimmers of hope.
- + As consumers transition from burnout to recovery, they'll emerge with a newfound sense of empowerment, resulting in a reevaluation and reprioritization of their needs and values. Brands should consider how their message can drive relevance and make a meaningful difference in the new normal.
- + Attention – and scrutiny – of what brands are doing/saying is heightened. Consumers are actively looking to see how brands respond, especially younger consumers. Actions over "in this together" messages continue to be more impactful as ways to resonate with consumers.



COVID-19 by the numbers this week.

2,748,984

Cases Worldwide

192,155

Deaths Worldwide

757,775

Recovered Worldwide

210

Countries reporting cases

886,709

Cases in the United States

50,234

Deaths in the United States

An additional 4.4 million unemployment claims filed this week, bringing the total to 20% unemployment.

Weekly initial unemployment claims in 2020

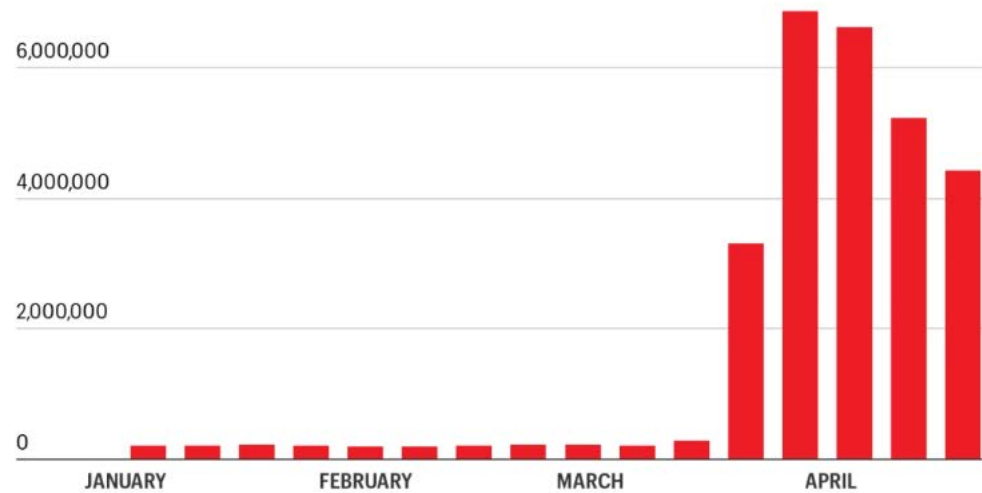


CHART: LANCE LAMBERT • SOURCE: U.S. DEPARTMENT OF LABOR

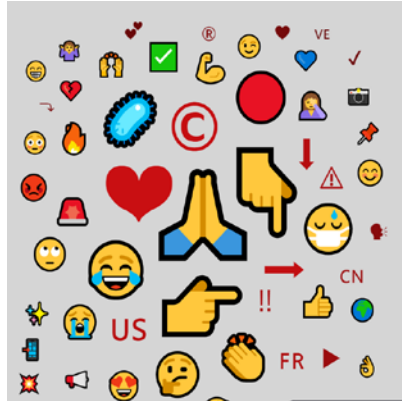
FORTUNE

Week of April 20, 2020

US Trending Conversations

#earthday2020
#hydroxychloroquine
#stayhome
#trump
#pandemic
#covid19
#reopenamerica

Trending Emojis



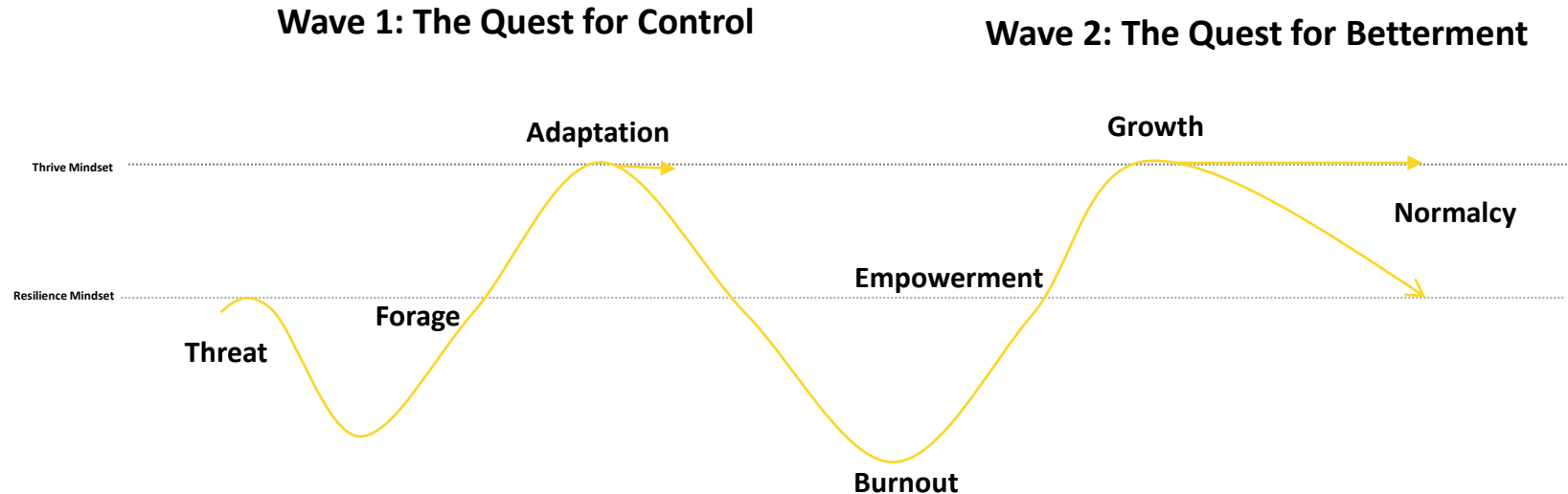
Most Popular Posts by Reach



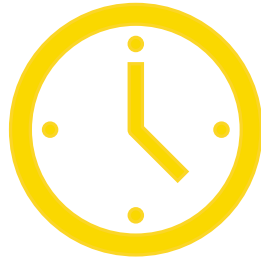
Wave Theory:

As we experience COVID-19, we progress through waves – our mindsets, cravings and behaviors shift as we navigate the quest for control to the quest for betterment.

We are currently in the ‘Burnout’ stage of the consumer response to the pandemic facing a depletion of mental and physical resources. Consumers crave comfort, escape and hope, with a forward-looking view of what’s to come.



America's "always on" work culture has reached new heights. The diminishing of work life balance resulted in initial productivity increases that will not be sustainable due to burnout.



In the U.S., homebound employees are logging **three hours more** per day than before lockdowns

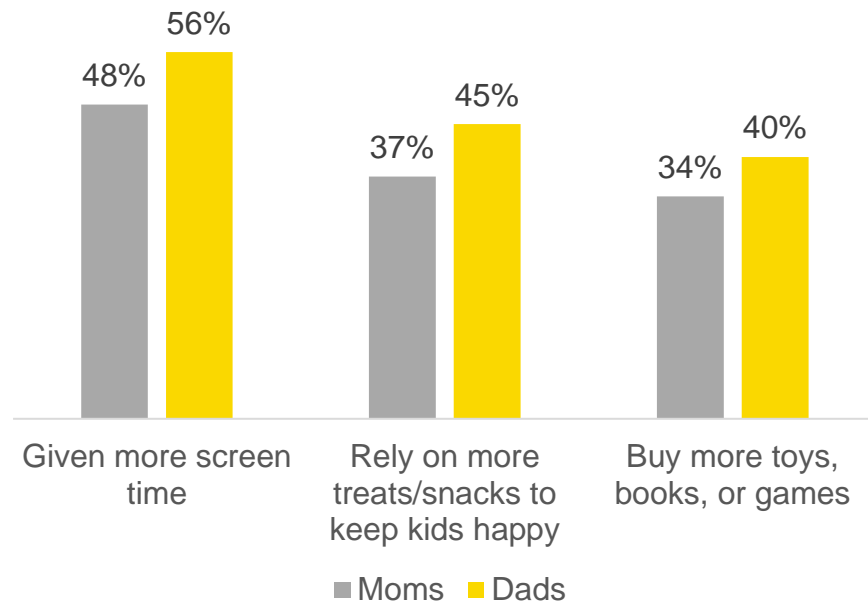
45%

of workers said they were burned out by early April

Work/Life balance continues to be a juggle: one in three jobs held by women have been designated as essential, and dads are more likely than moms to give in to children.



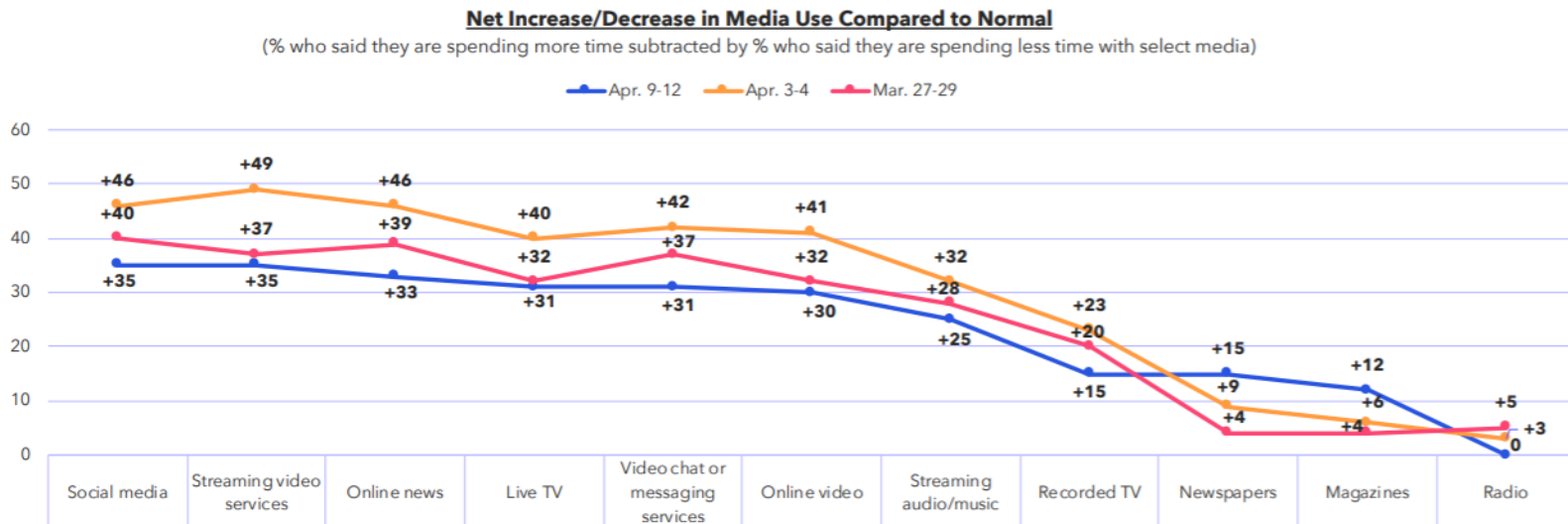
One in three jobs held by women have been designated as essential



People are facing digital and video conferencing fatigue: The saturated use of digital media is draining, and consumers are shifting to analog media forms as digital media growth slows.

Time spent with media hits a saturation point

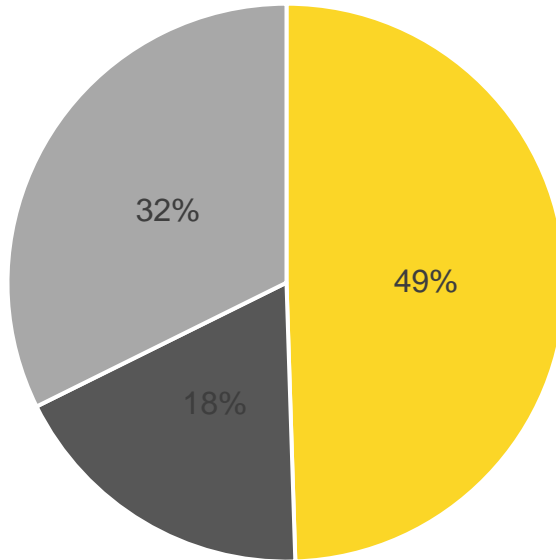
After continued gains over two-weeks, net time spent with media starts to drop. While respondents are still spending more time than they normally would, there is only so much media one can consume. Analog rising; digital threshold has been reached.



Consumers are paying attention to what brands are saying/doing. More notice the repetitive nature and "sea of sameness" in messaging and ads, risking appearances of insincerity.

Consumer Attention to Brands

- MORE attention to what brands are doing/saying right now
- LESS attention to what brands are doing/saying right now
- The SAME amount of attention to what brands are doing/saying right now



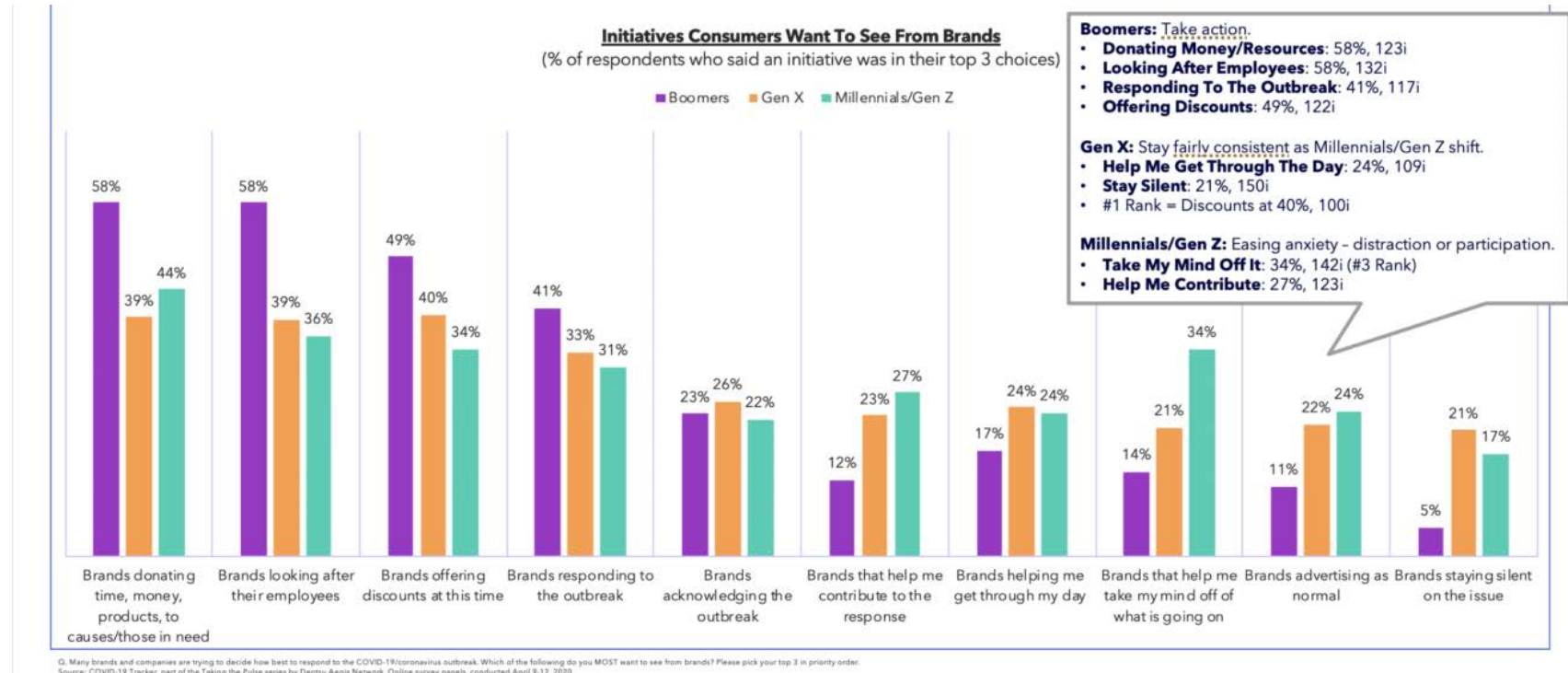
THE WALL STREET JOURNAL.

'In These Uncertain Times,' Coronavirus Ads Strike Some Repetitive Notes



<https://www.youtube.com/watch?v=vM3J9jDoaTA&feature=youtu.be>

Tired of seeing the same ads, consumers want more initiatives and less "in this together" messaging from brands. Brand action resonates with Boomers, while Millennials/Gen Z have a desire to participate in the crisis response alongside brands.



Fans missing sports tuned into ESPN's "The Last Dance" Series Premiere Episodes as a source of comfort and escape, making it the most-viewed ESPN documentary content ever, averaging 6.1 million viewers and dominated the conversation on social media. The 3-night NFL draft is expected to draw a similar response.

6.1

Million Views

"The Last Dance" episodes 1 and 2
across ESPN & ESPN2 from 9-11
p.m. ET.

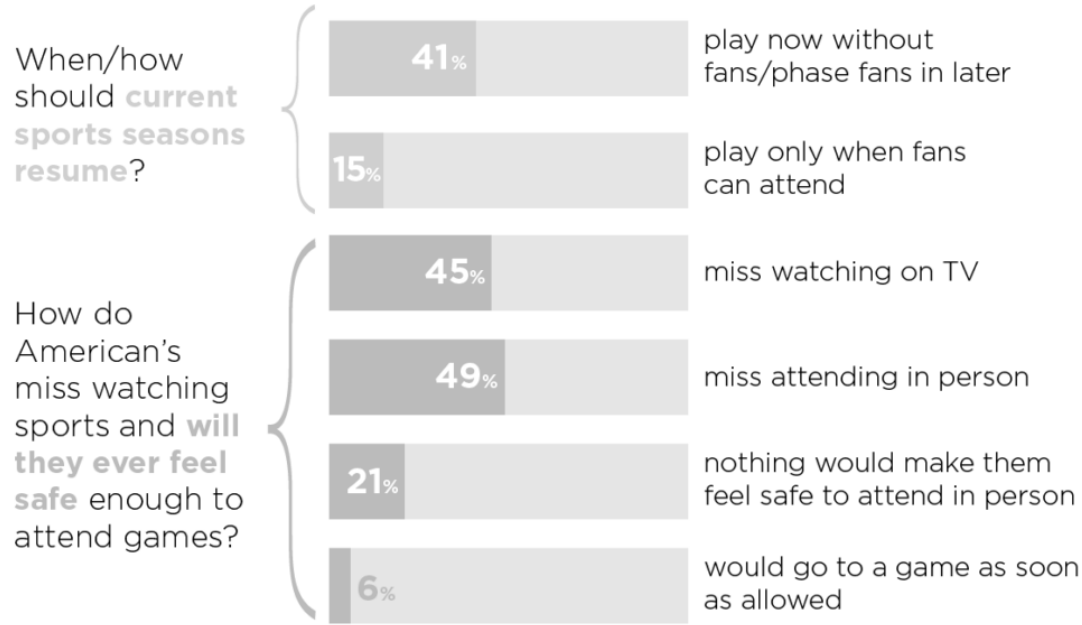
*Of those 6.1 million, 3.5 million were in the 18-49
demo. 3.5 million were in the 18-49 demo.*

Forbes

Viewers Guide To What Surely Will Be Most Watched NFL Draft Ever



Americans are feeling a void left from sports being halted. Nearly half of Americans say they miss watching sports on TV (45%) and attending sporting events in person (49%).



There is a desire to return to live sporting events, but not without changes put in place. Sports fans express various sanitation upgrades needed before they would feel safe attending.

43%

Hygienic wiping down
of seats

35%

Stadium seating configured
for social distancing

39%

Mandatory masks for
food vendors

40%

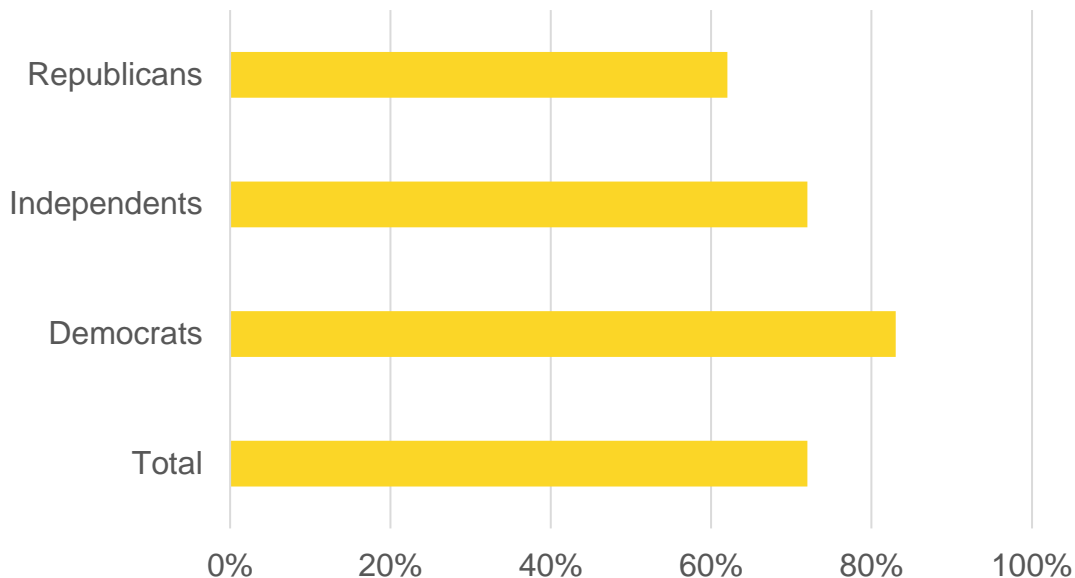
Hand sanitizer at every seat

35%

Maximum capacity limits to
ensure 6-feet between patrons
and staff

Despite differences between Democrats and Republicans, the majority of US consumers perceive at least a moderate risk to returning to pre-coronavirus life.

Returning to my normal life right now is
a moderate/large risk



Source: Data: Axios-Ipsos survey April 17-20 N= 1,021 US adults

Americans miss their old routines and activities during shutdown. Many are picking up new activities.

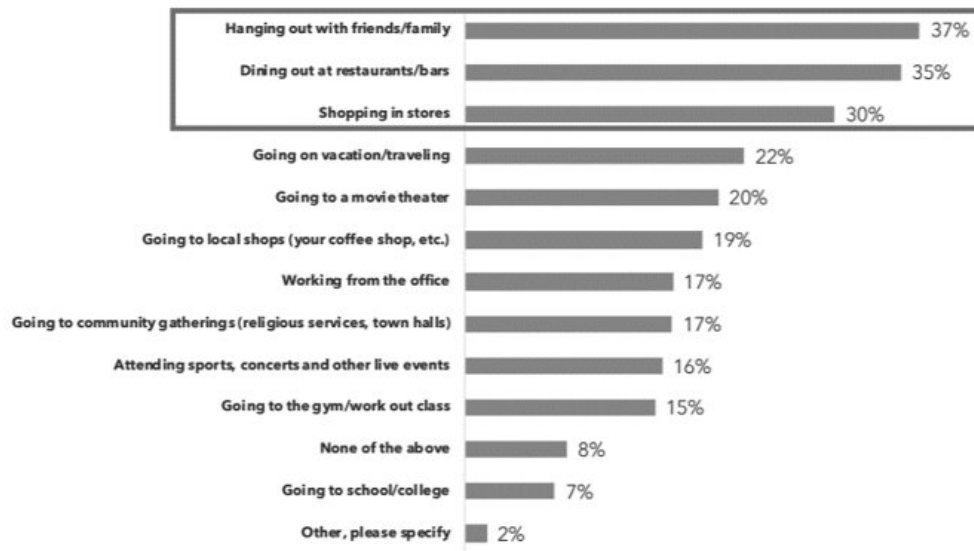
68%

Miss their old routines

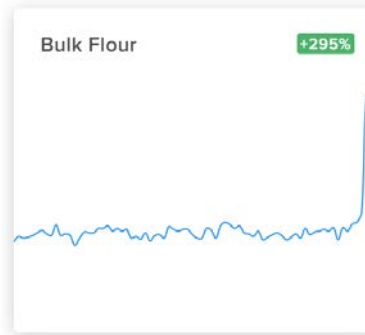
43%

Are exploring new things

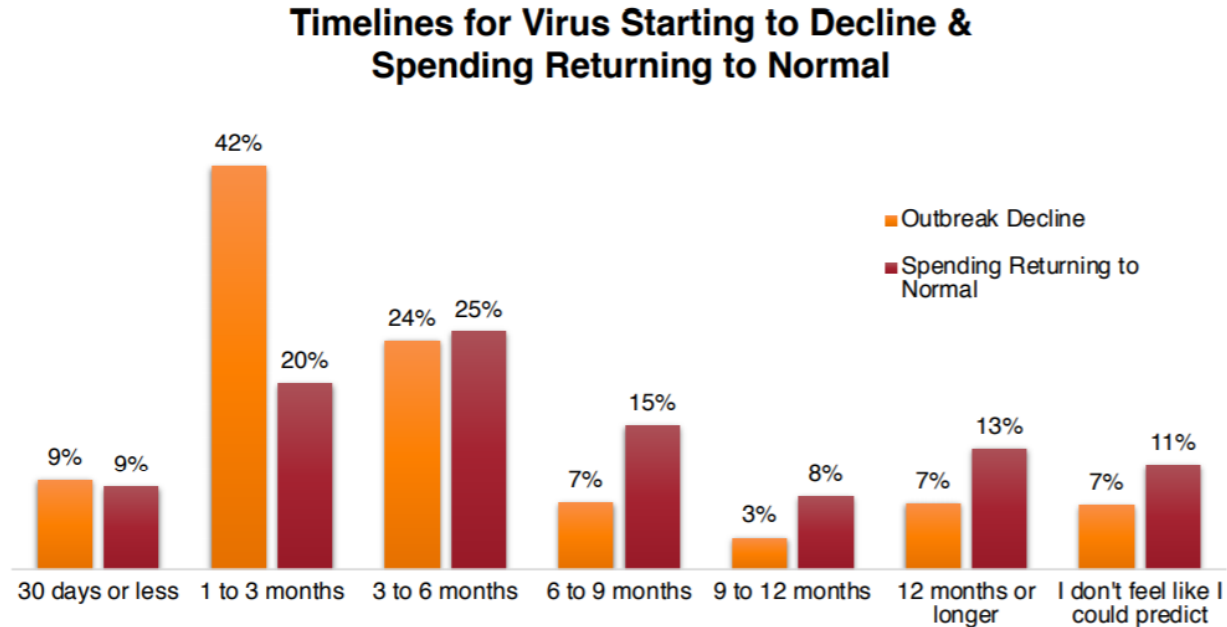
Consumers' Most-Missed Activities During the Shutdowns



Based on social and search data, Americans are going "back to basics" by searching ways to become involved in their own food production, as well as learning to sew and knit.



While the strong majority of Americans believe the COVID-19 outbreak will decline within 6 months, they are more split in terms of when they believe their personal spending will return to normal.



Americans are feeling frustrated and uncertain, yet still cautiously optimistic about what the next month of restrictions hold.

56%

**Feel frustrated by being
cooped up**

40%

Are unsure of what to do next

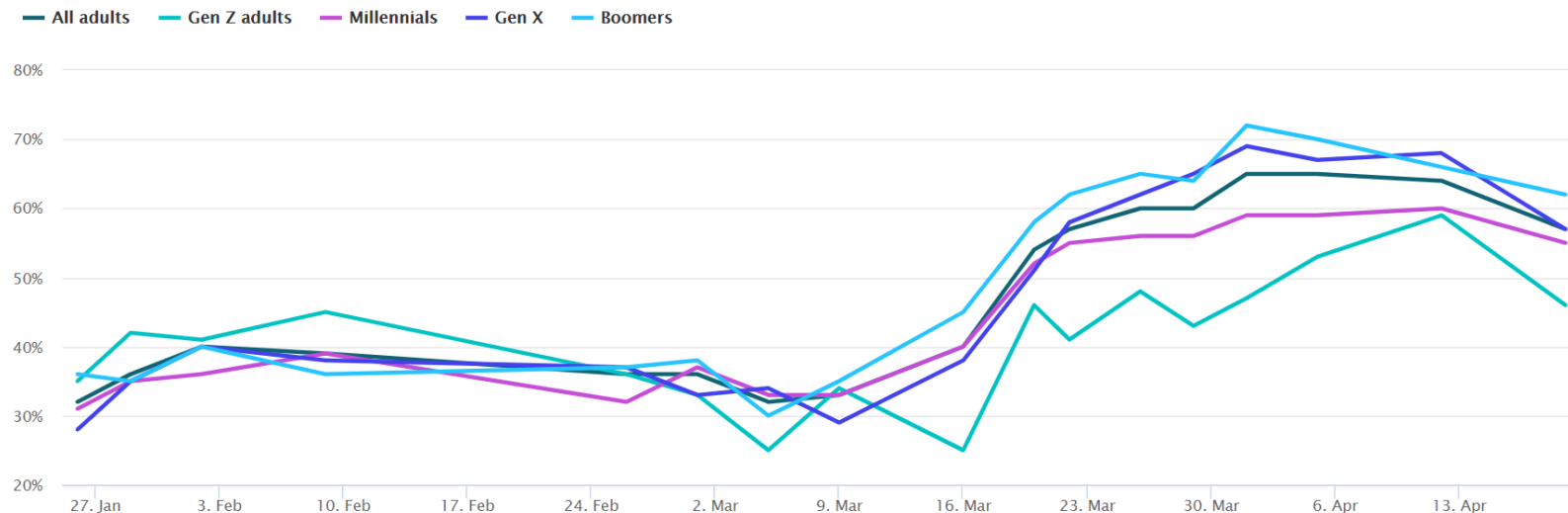
56%

**Are cautiously optimistic
about the next month**

Americans' concern of the virus spreading showed early signs of decrease, dropping 7 percentage points this week to 57% as many gradually brace for society's reopening.

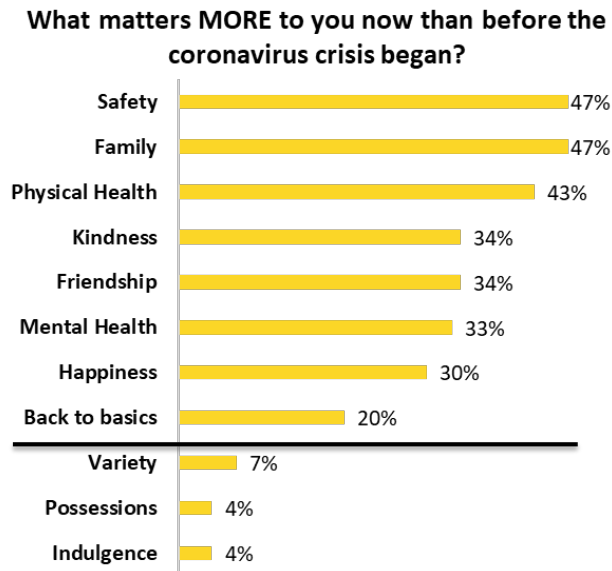
How Concerned Americans are About the Virus's Spread

The share of U.S. adults who are "very" concerned about the coronavirus outbreak, by generation



This data comes from Morning Consult's weekly coronavirus survey tracker, based on 2,200 surveys of U.S. adults. The latest survey was conducted April 17-19, 2020.

Americans are reevaluating and reprioritizing what truly matters. Safety, family and health top the list, while possessions and indulgences are pushed to the bottom.



45%

of Americans agree

I cherish intimate relationships
more because of the
coronavirus

Environmental wins show promise of future positive impact beyond the temporary global shutdown. This is due to increased adoption of renewable energy, greater scientific collaboration globally, and consumers refocusing their values.

19%

of people surveyed expressed **sustainability** as a value they care more about now than before the coronavirus.

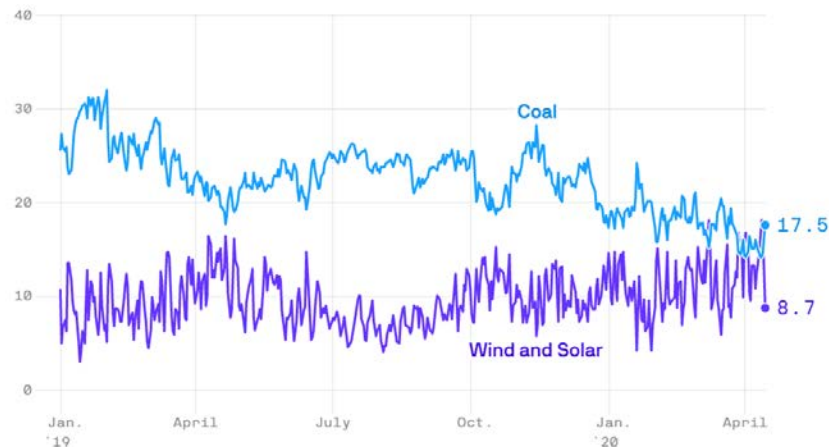
53%

Of Americans agree: I consider myself to be an **environmentalist**

Coal experienced record lows as a percentage of US energy usage at 17.5% compared to 50% a decade ago

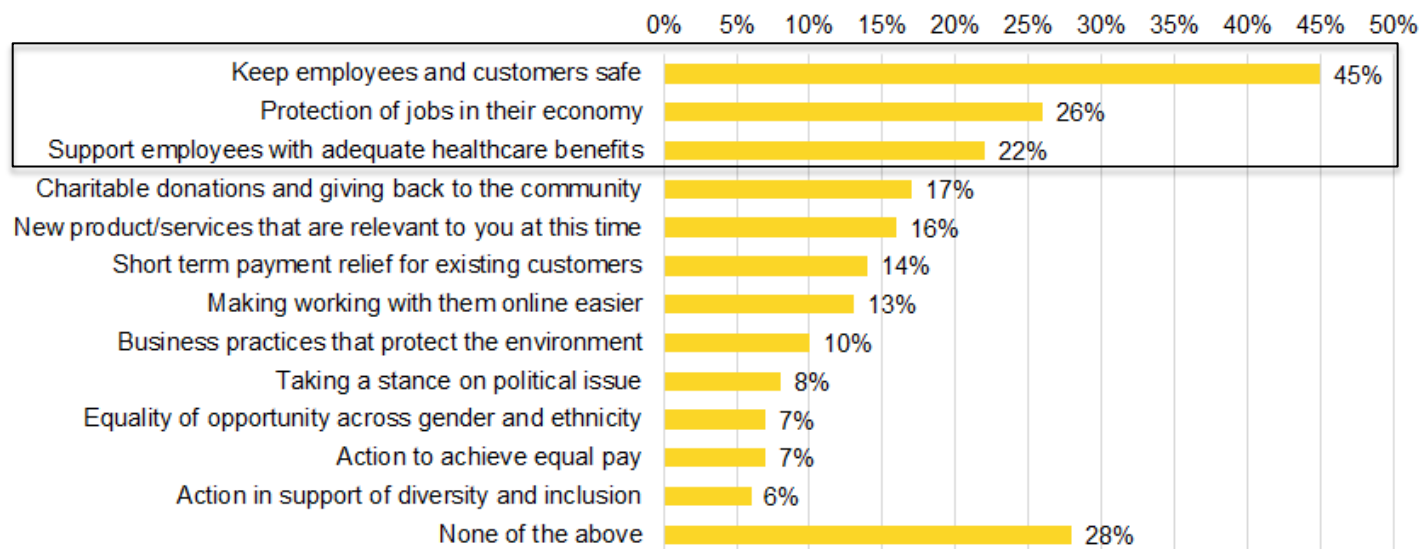
Percent of U.S. daily electricity from selected energy types

Jan 1, 2019 to April 14, 2020



Americans are currently looking for brands that take care of others, particularly their employees' wellbeing, safety, and health.

Brand/Product Decision Drivers in the Current Environment



The Healthcare industry has experienced the greatest increase in consumer trust since the pandemic. Other industries that have traditionally experienced consumer distrust (pharmaceutical, news media, government) are also climbing.

How much has your trust changed for the following industries as a result of COVID-19?

Healthcare (clinics and hospitals)	+42%
Grocers	+37%
Food & Beverage Manufacturers	+24%
Pharmaceutical	+21%
Tech (Apple, Amazon, Google)	+20%
News Media	+19%
Government	+19%
Banking	+16%
Social Media	+16%

Appendix