COVID-19 Consumer Research | Wave II

Brand Strategy & Research

April 15, 2020

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Methodology

- Wave I fielded March 25 - 26
  Wave II fielded April 13 - 14
- Target sample of 750 respondents
- Respondent Specs:
  - U.S. Adults, aged 18-74
  - With N=200 per age group: 24-39 (Millennials), 40-55 (Gen X), 56-74 (Boomers) and N=150 of age group 18-23 (Gen Z)
  - Approximate even gender distributions
  - U.S. census representation across ethnicity and region

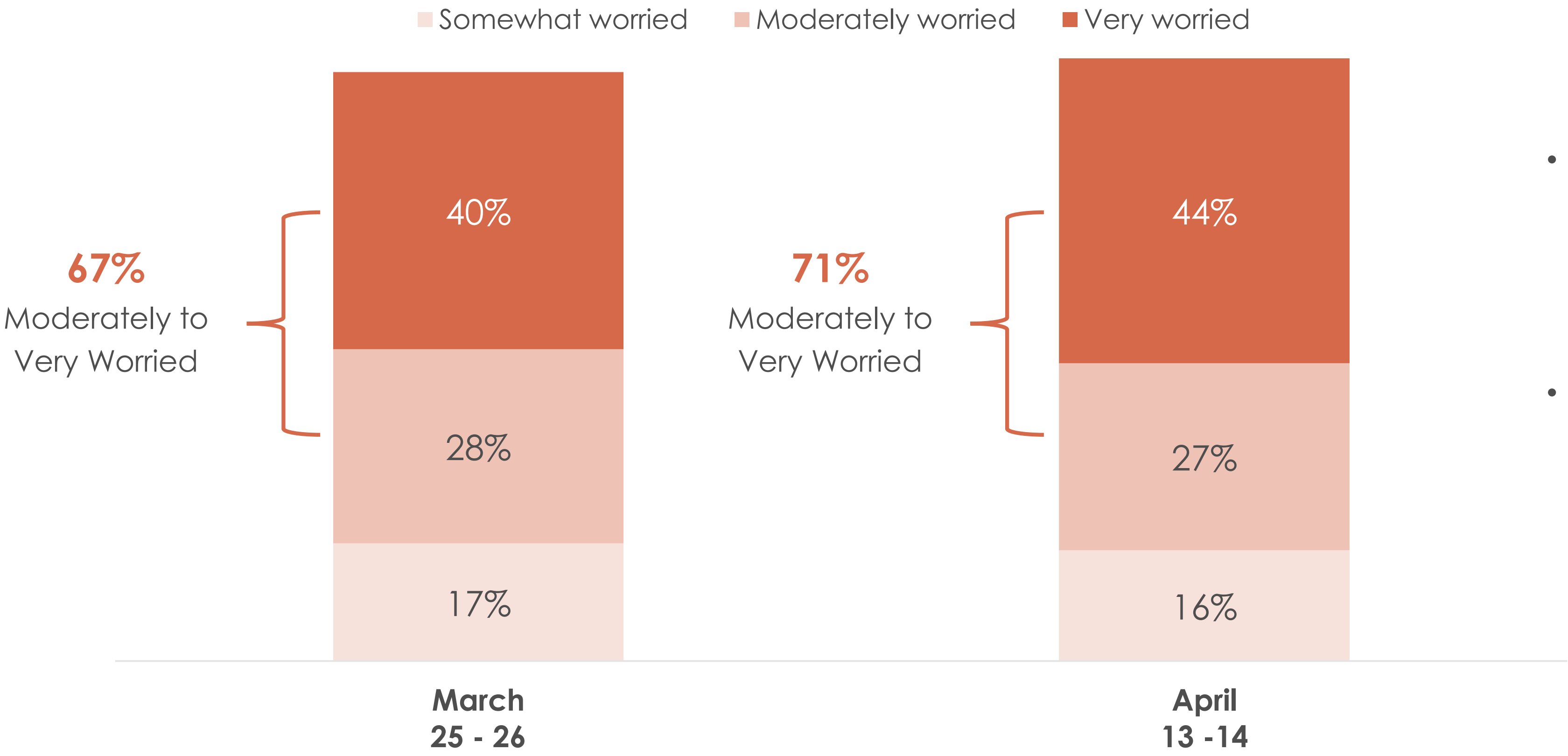
Topics

Consumer Concern & Confidence

71% are moderately to very concerned they or a family member will be exposed to COVID-19

A slight increase from 67% at the end of March

How worried are you that you or someone in your family will be exposed to coronavirus (COVID-19)?



- Gen Z continues to be significantly less concerned (64%) than older generations.
- Democrats (77%) are still significantly more concerned than Republicans (68%).
- There are no longer significant differences in concern across regions.
  - The South and Midwest indicate increased concern since March.
  - Concern levels in the Northeast and West have held steady.

One third continue to be confident in the federal government's ability to handle the outbreak in this country - no change from March

Nearly a quarter (24%) are "not at all confident" in the federal government's ability

How confident are you that the federal and your state government will be able to handle an outbreak of the coronavirus (COVID-19) in this country? (Top 2 Box)

	March 25 – 26		April 13 – 14	
	Federal Government	State Government	Federal Government	State Government
All Respondents	33%	42%	30%	43%
Generation				
Gen Z	22%	25%	23%	30%
Millennials	35%	45%	32%	47%
Gen X	31%	42%	28%	42%
Boomers	40%	50%	35%	51%
Political Affiliation				
Republican	54%	52%	46%↓	46%↓
Democrat	21%	41%	22%	48%

- State governments continue to garner more confidence.
- Gen Z remains less confident in both forms of government.
- Boomers' confidence in the federal government has dropped slightly, however, they continue to have the most confidence in government overall.
- Republicans are still more confident in the federal government, however, their confidence has declined since March.

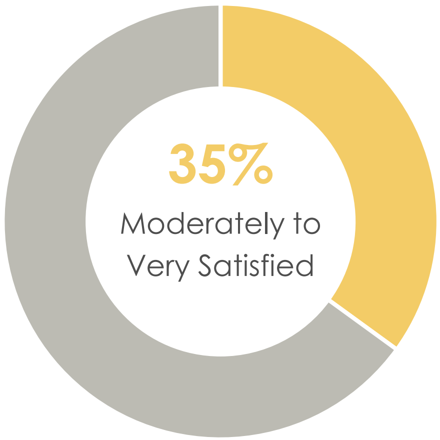
Notes: ↓ ↑ Arrows indicate a notable increase or decrease since Wave 1 March 25 - 26

Half are satisfied with their state government's handling of the outbreak

Only 35% are satisfied with the federal government's approach.

How satisfied are you in how the federal and state government is currently handling the coronavirus (COVID-19) outbreak?

Satisfaction in the
Federal Government

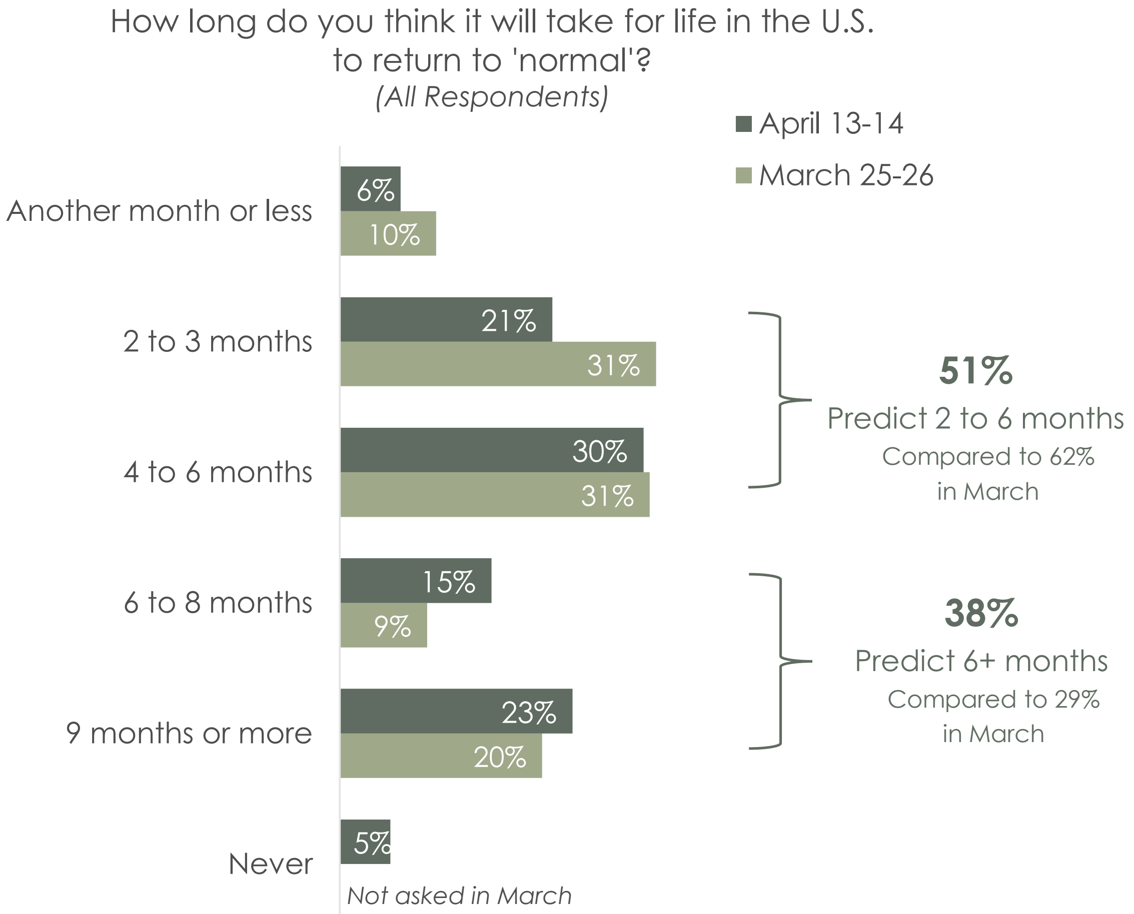


Satisfaction with your
State Government

- Satisfaction differences by generation and political affiliation are similar to the differences in government confidence.
  - Gen Z least satisfied; Boomers most satisfied
  - Democrats least satisfied; Republicans most satisfied

Nearly 2 in 5 now believe it will take 6 months or more for life to go back to 'normal' in the U.S.

A significant increase in predicted time from results in March



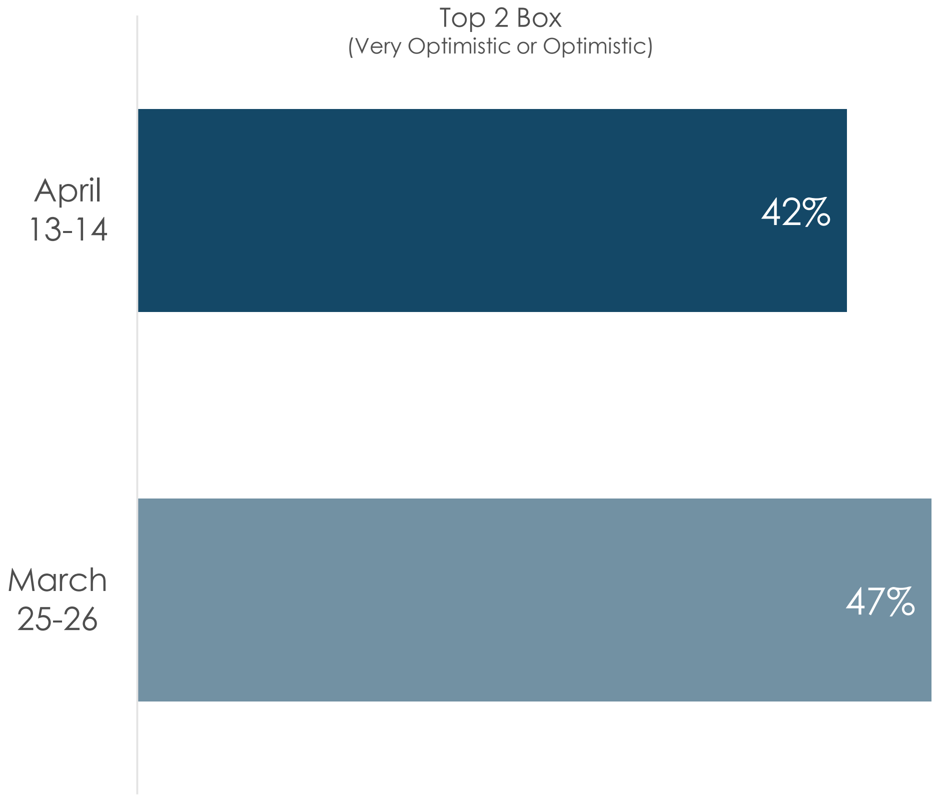
- There is an increase in predicted time across all generations.
  - Boomers continue to be most likely to believe it will take longer - with 47% stating 6+ months
- Democrats still believe it will take significantly longer to go back to 'normal' than Republicans.
- Those in the Northeast are now slightly more optimistic than other regions, a flip from results in March, where the South and Midwest were the most optimistic.

Economic Outlook & Spending

42% are optimistic about economic conditions after the crisis

A slight decline in optimism from March – a third (32%) now feel pessimistic about conditions post crisis.

Overall, how is your confidence level on economic conditions after the coronavirus (COVID-19) crisis?

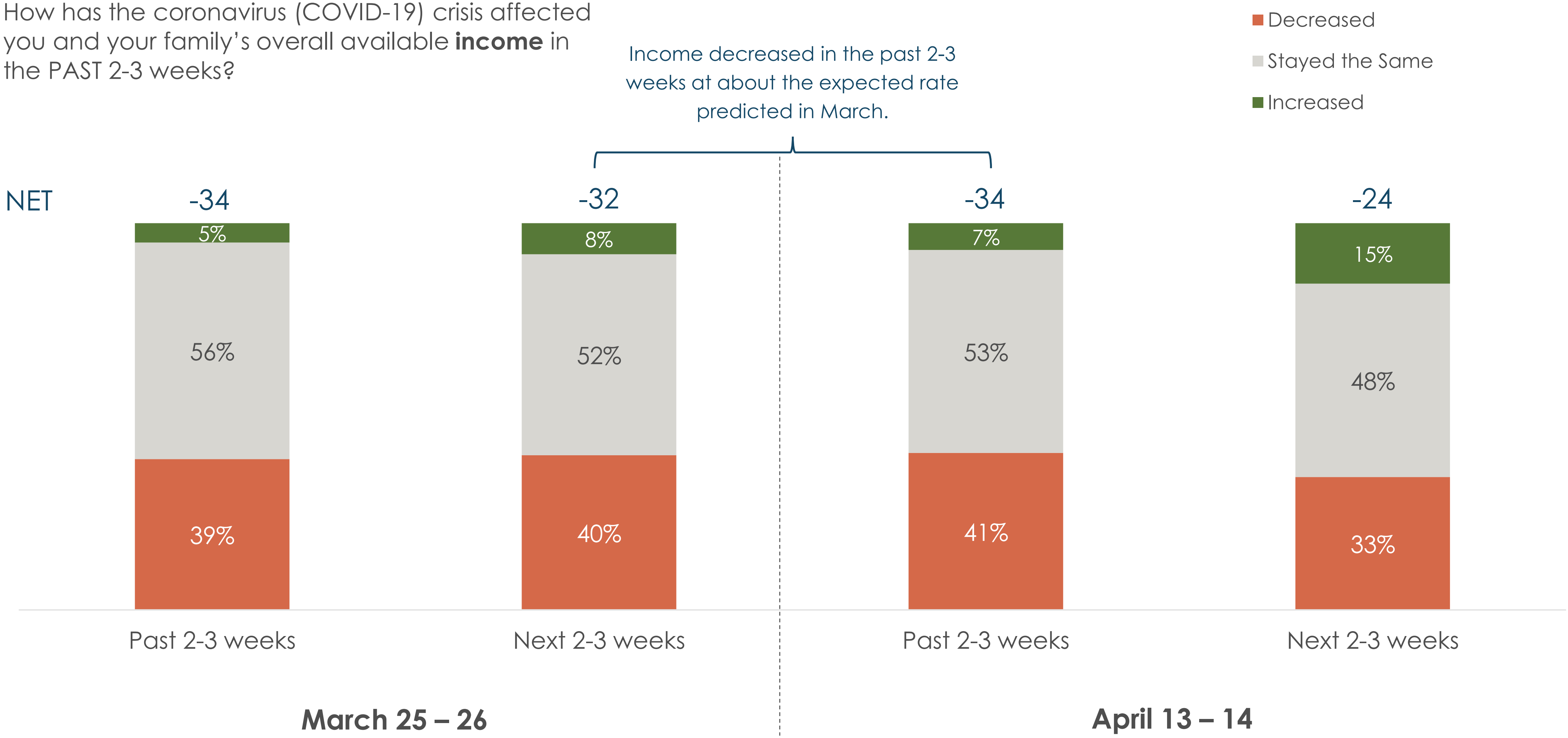


Top 2 Box (Very Optimistic or Optimistic)	**March** 25 – 26	**April** 13 – 14
All Respondents	47%	42%
Generation		
Gen Z	35%	43%
Millennials	51%	46%
Gen X	47%	43%
Boomers	53%	37%
Political Affiliation		
Republican	65%	55%
Democrat	41%	37%
Region		
South	53%	46%
Midwest	43%	36%
Northeast	41%	45%
West	49%	38%

More pessimism across segments with the exception of Gen Z and those living in the Northeast, who have become more optimistic

An expected net decrease in available income in the next 2-3 weeks, however, it's a more positive outlook than the March forecast

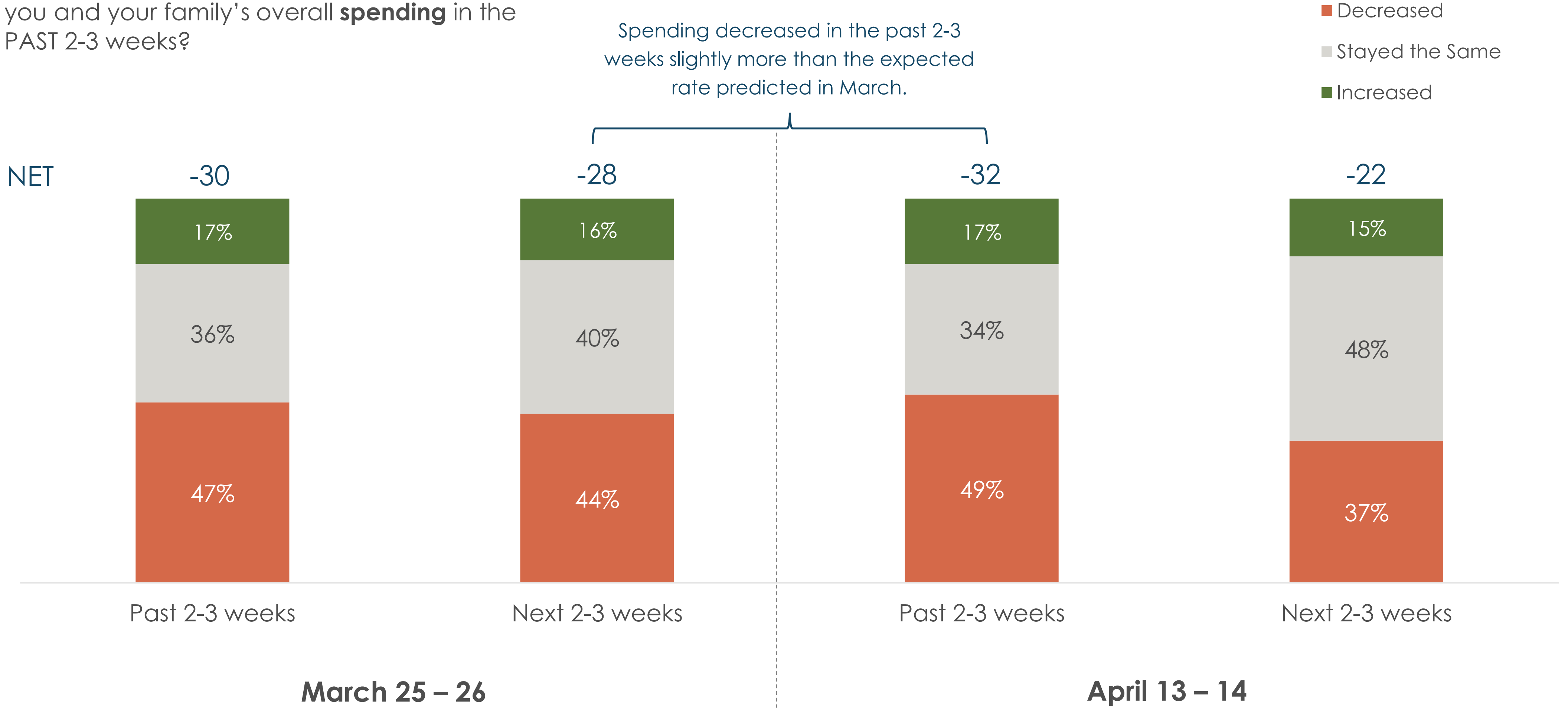
How has the coronavirus (COVID-19) crisis affected you and your family's overall available **income** in the PAST 2-3 weeks?



Notes: Net is calculated: (% Increased - % decreased)

Spending over the next 2-3 weeks is also expected to decrease, however, to less of a degree than expected in March

How has the coronavirus (COVID-19) crisis affected you and your family's overall **spending** in the PAST 2-3 weeks?



Notes: Net is calculated: (% Increased - % decreased)

On par with March results, half state their ability to work has been reduced, with 45% being able to perform most or all of their job remotely

5 in 10 are getting tired of hearing about COVID-19 – there's fatigue among most generations

April 13 – 14 Agreement (Top 2 Box)	All Respondents (n=750)	Generation Gen Z (n=149)	Millennials (n=200)	Gen X (n=201)	Boomers (n=200)
My **ability to work has been reduced** by the coronavirus (COVID-19).	50%	54%↓	56%↑	55%↑	30%
I'm getting **tired of hearing about** the coronavirus (COVID-19)*	51%	59%	59%	52%	35%
I feel **more concerned on days the stock market drops.**	49%	40%	48%	56%↑	48%
I am able to **perform most, or all of my job requirements remotely**/from home.	45%	33%	51%	46%	46%
I have **personally been affected** by the coronavirus (COVID-19).	36%	32%↓	40%	45%↑	26%

- In March, Gen Z's employment was most affected, however, Millennials and Gen Xers have now caught up.
- Gen Xers are feeling much more personally affected overall by COVID-19 compared to their sentiment in March.

Notes: ↓ ↑ Arrows indicate a notable increase or decrease since Wave 1 March 25 - 26
*New attribute in April Wave

More than half continue to be open to trying new brands/products over the next few weeks, however, over two-thirds plan to stay away from big ticket items

April 13 – 14 Agreement (Top 2 Box)	All Respondents (n=750)	Generation: Gen Z (n=149)	Generation: Millennials (n=200)	Generation: Gen X (n=201)	Generation: Boomers (n=200)	Political Affiliation: Republican (n=211)	Political Affiliation: Democrat (n=304)
I am no longer considering the purchase of **big ticket items** over the next few months.	66%	58%	66%	71%	68%	64%	70%
I am **open to trying new brands/products** over the next few weeks.	55%	46%	60%	60%	50%	53%	60%
Uncertainty about the economy is **preventing me from making purchases** that I would otherwise make.	54%	48%	61%	61%	45%	55%	55%
I'm concerned that products I purchase online **won't arrive in a timely manner**.	54%	55%	59%	54%	48%	54%	58%
I am concerned about the **potential health risks associated with getting packages** delivered to my home.	50%	48%	53%	54%	46%	48%	53%
In the next few weeks, I **intend to only buy from brands I'm familiar with** or have previously purchased from.	37%	36%	36%	39%	36%	42%	39%
I'm spending the same as, or more than normal **to help the economy.**	34%	30%	30%	41%	35%	41%	32%
In the past few weeks, I have purchased a product or service I wouldn't normally buy **to make me feel better during these times.**	33%	29%	39%	34%	30%	41%	39%

- Overall, there are no significant changes in spending attitudes from March.
- Supply chain concerns continue to be top of mind, in terms of packages arriving in a timely manner and adhering to health safety standards.

There are signs of optimism in the Northeast with a decrease in those stating they're putting off purchases

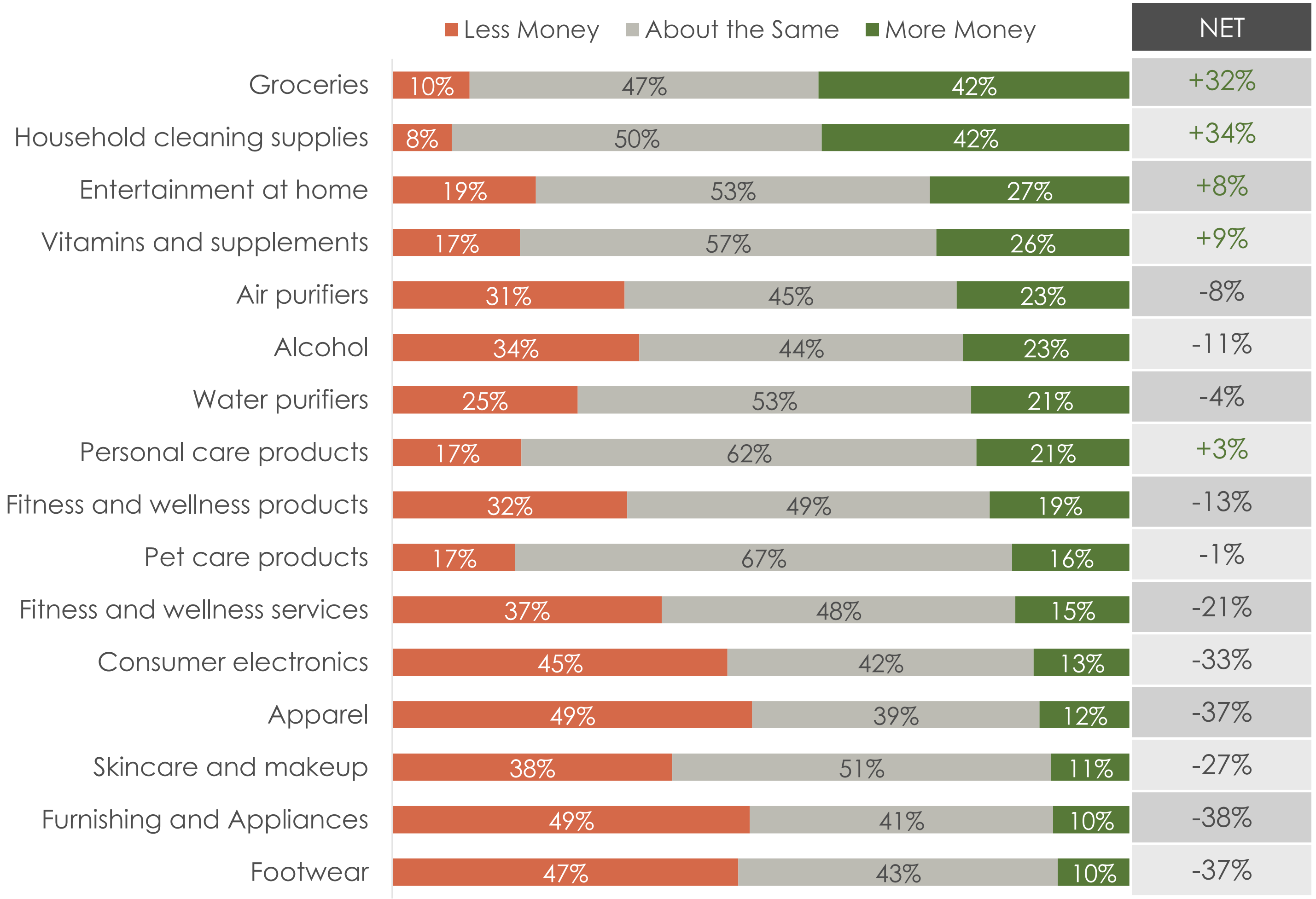
Otherwise, similar attitudes towards spending from March and across regions

April 13 – 14 Agreement (Top 2 Box)	All Respondents (n=750)	Region: South (n=269)	Midwest (n=165)	Northeast (n=139)	West (n=177)
I am no longer considering the purchase of **big ticket items** over the next few months.	66%	67%	69%	60%↓	68%
I am **open to trying new brands/products** over the next few weeks.	55%	53%	51%	55%	59%
Uncertainty about the economy is **preventing me from making purchases** that I would otherwise make.	54%	52%	54%	49%↓	60%
I'm concerned that products I purchase online **won't arrive in a timely manner**.	54%	53%	46%	57%	61%↑
I am concerned about the **potential health risks associated with getting packages** delivered to my home.	50%	57%↑	46%	53%	42%↓
In the next few weeks, I **intend to only buy from brands I'm familiar with** or have previously purchased from.	37%	40%	36%	39%	31%
I'm spending the same as or more than normal **to help the economy.**	34%	35%	32%↓	35%	34%
In the past few weeks, I have purchased a product or service I wouldn't normally buy **to make me feel better during these times.**	33%	35%	28%	31%	37%

Notes: ↓ ↑ Arrows indicate a notable increase or decrease since Wave 1 March 25 - 26

Aside from must-have categories, consumers expect to spend more on products for entertainment at home and vitamins/supplements

Over the next 2-3 weeks, do you expect that you will spend more money, about the same amount of money, or less money on the following categories than usual?



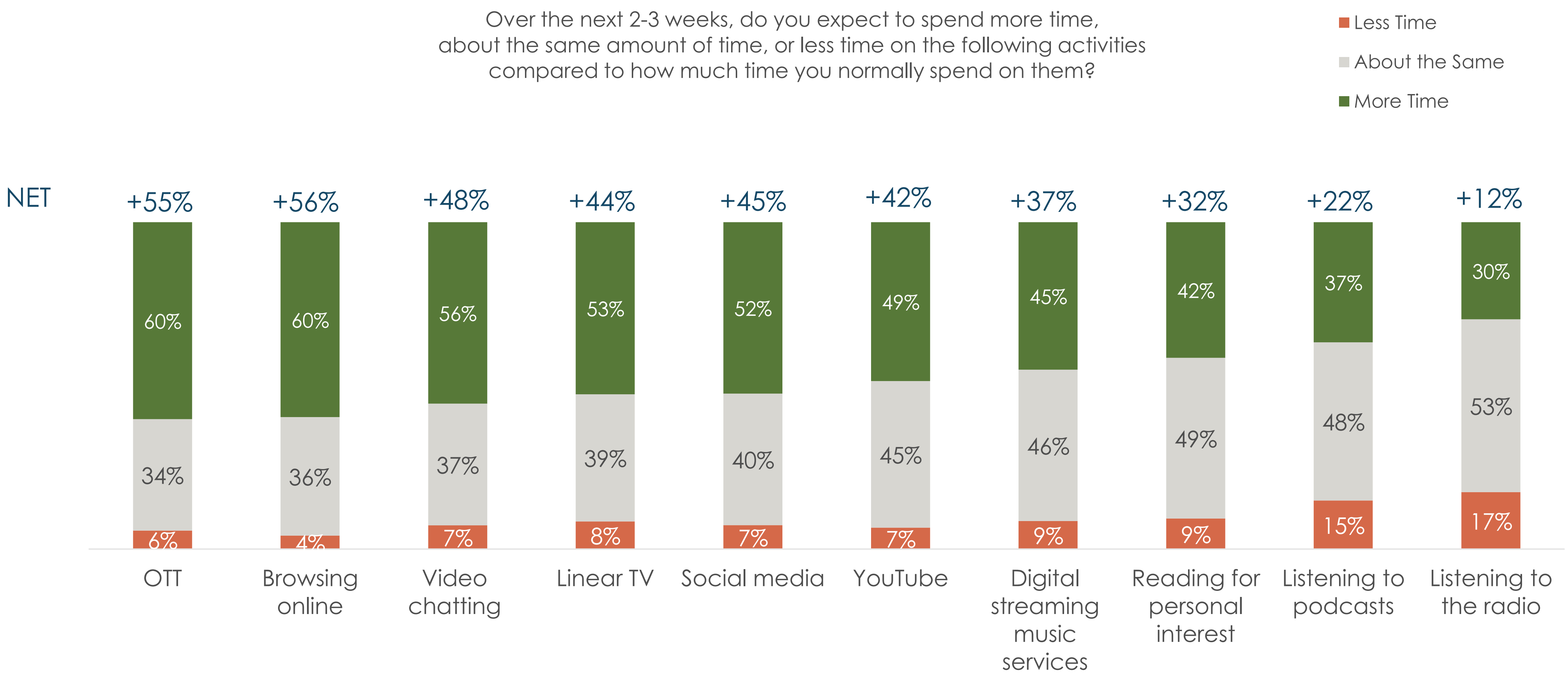
Check out another source for [E-Commerce revenue trends by vertical]

Notes: Net is calculated: (% Increased - % decreased)

Media & Other Activities

A continued rise in expected time spent across media outlets

No significant changes from March



Notes: Net is calculated: (% Increased - % decreased)

Sustained increases in OTT and Linear TV use across generations

Gen Z continues to lead in time spent on social channels

April 13 – 14 Net (% increase time - % decrease time)	All Respondents (n=750)	Generation Gen Z (n=149)	Millennials (n=200)	Gen X (n=201)	Boomers (n=200)
OTT (using services like Netflix, Hulu, Amazon, YouTube, Disney+, etc.)	+55%	+57%	+56%	+62%	+42%
Linear TV (live or delayed watching via a DVR player or Video on Demand (VOD) through your cable or satellite provider)	+44%	+32%	+47%	+48%	+46%
Browsing online	+55%	+70%	+58%	+54%	+44%
Video chatting with friends/family (e.g., FaceTime, Zoom, Skype)	+48%	+47%	+49%	+56%	+39%
Social media	+45%	+62%	+49%	+45%	+25%
Listening to music via digital streaming services (e.g., Spotify, Pandora, etc.)	+37%	+49%	+41%	+37%	+16%
YouTube	+42%	+64%	+41%	+43%	+23%
Reading for personal interest	+32%	+21%	+41%	+34%	+30%
Listening to podcasts	+22%	+17%	+26%	+19%	+24%
Listening to the radio	+12%	+7%	+7%	+23%	+10%

Q: Over the next 2-3 weeks, do you expect to spend more time, about the same amount of time, or less time on the following activities compared to how much time you normally spend on them?

A significant increase in telemedicine use since March

About one third (29%) used telemedicine services in the last 2-3 weeks

- Millennials continue to be the most likely users, however, Gen X and Boomers both significantly increased their usage.

Have you used a telemedicine service in the past 2-3 weeks?	March 25 – 26		April 13 – 14	
	Yes	No	Yes	No
All Respondents	22%	78%	29%↑	72%
Generation				
Gen Z	30%	70%	30%	70%
Millennials	35%	65%	39%	61%
Gen X	18%	82%	31%↑	69%
Boomers	8%	92%	14%↑	57%

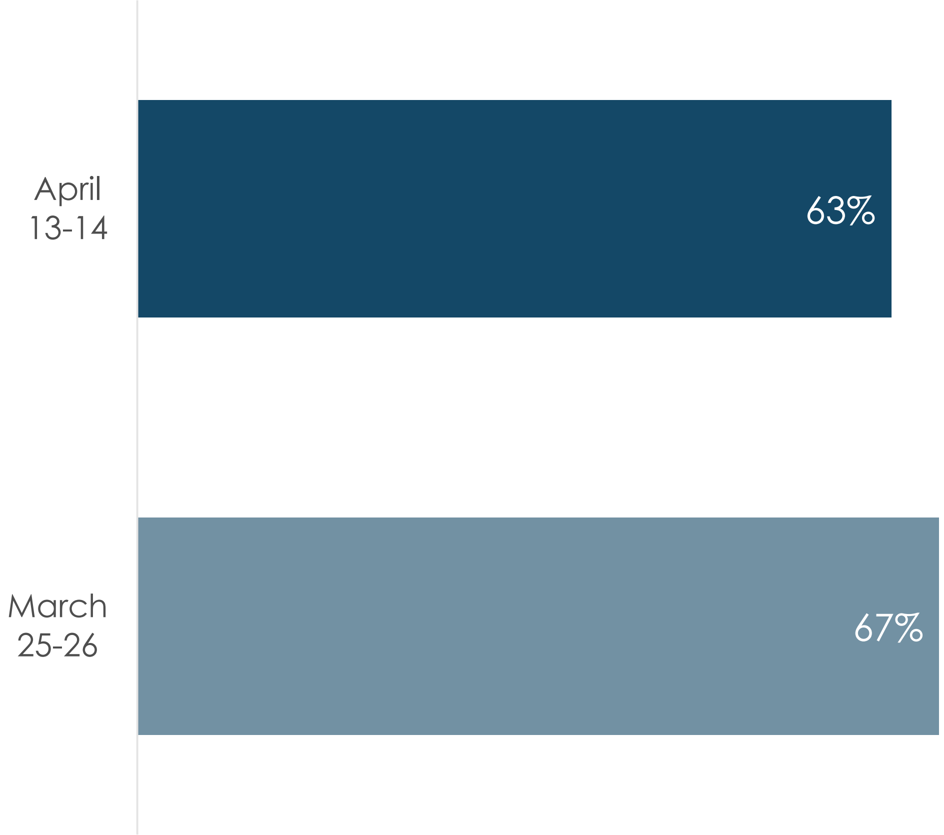
73% of those who used telemedicine in the last 2-3 weeks used it for the first time

Notes: ↓ ↑ Arrows indicate a notable increase or decrease since Wave 1 March 25th -26th

Advertising & Messaging

Most continue to expect brands to directly address COVID-19 in their advertising

How much do you agree that all brands/companies should be directly addressing the coronavirus (COVID-19) crisis in their advertising?
(Top 2 Box)



Top 2 Box	March 25 – 26	April 13 – 14
All Respondents	67%	63%
Generation		
Gen Z	66%	61%
Millennials	71%	66%
Gen X	62%	62%
Boomers	68%	62%
Political Affiliation		
Republican	69%	66%
Democrat	73%	67%
Region		
South	67%	68%
Midwest	61%	62%
Northeast	69%	59%↓
West	70%	59%↓

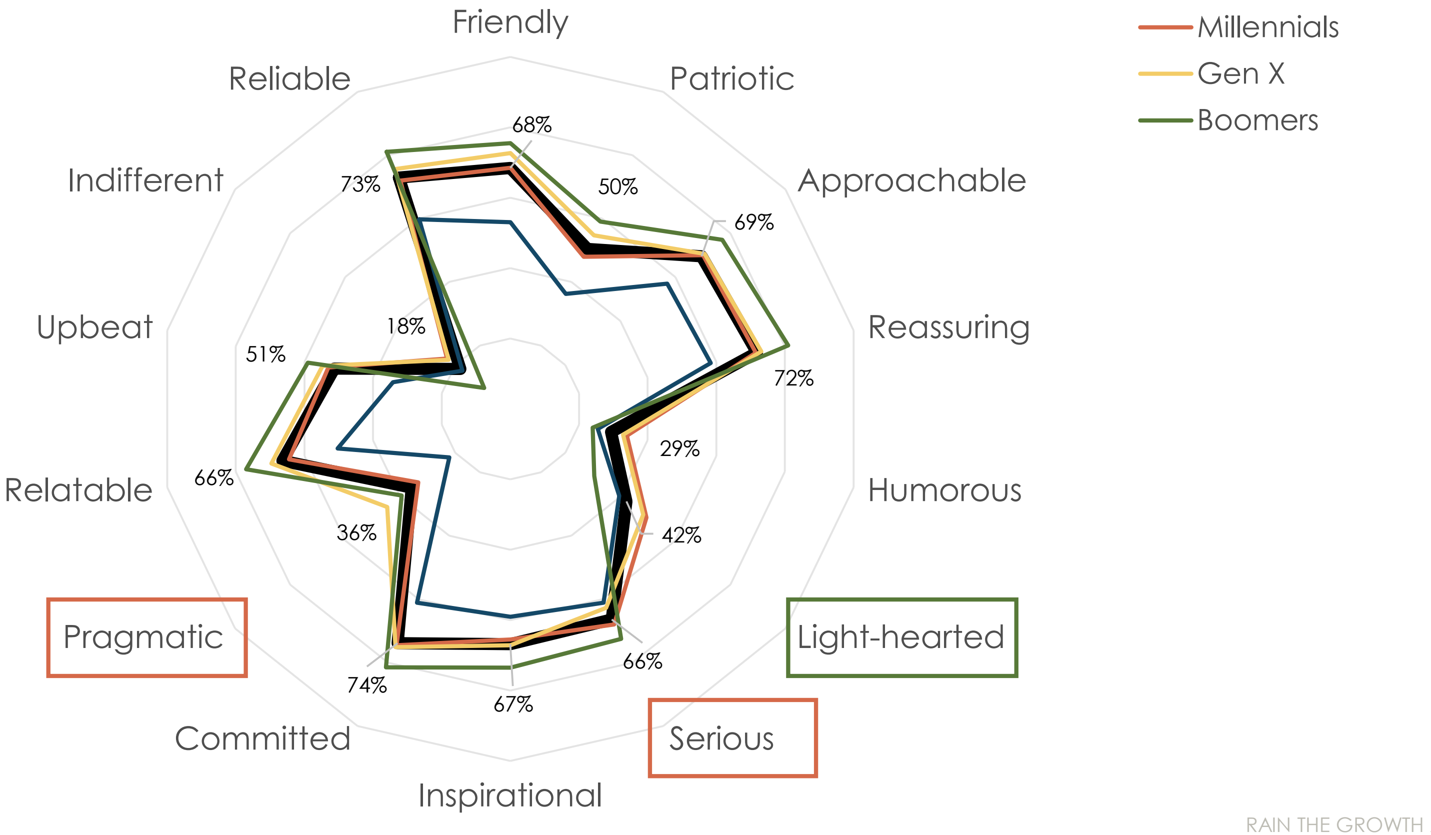
Notes: ↓ ↑ Arrows indicate a notable increase or decrease since Wave 1 March 25 - 26

Consumers are looking for brands to take the situation seriously and use reliable and reassuring messaging in their advertising

However, since March, significantly more consumers are wanting light-hearted messaging from brands and less are looking for brands to use serious and pragmatic messaging.

For each attribute, please select to what degree you believe it is appropriate for a brand to portray itself in this way during the current coronavirus (COVID-19) crisis.

(Top 2 Box: Appropriate)



The majority still want to know what brands are doing in response to the crisis

However, if communicated in an inauthentic way, there's a potential for being seen as tone-deaf.

April 13 – 14 Top 2 Box (Agreement)	All Respondents (n=750)	Generation				Political Affiliation	
		Gen Z (n=149)	Millennials (n=200)	Gen X (n=201)	Boomers (n=200)	Republican (n=211)	Democrat (n=304)
I am **pleased to hear brands taking action** like making donations of goods and services.	76%	63%	75%	77%	85%	76%	82%
I **want to hear reassuring communication** from brands I know and trust.	66%	54%	67%	67%	74%	67%	74%
I want to know what **brands are doing in response** to this crisis.	64%	52%	62%	68%	62%	64%	68%
I think it is appropriate for brands/companies to **continue advertising as normal.**	51%	38%	56%	53%	53%	55%	54%
If brands/companies advertise a promotion that requires me to act quickly to qualify or redeem, they are **exploiting the current situation.**	51%	42%	52%	50%	60%	49%	56%
I find it **disingenuous when most brands communicate about the current coronavirus situation.**	25%	23%	31%	27%	19%	29%	25%
I **do not want to hear from brands** at this time.	22%	23%	27%	27%	12%	22%	21%

- No significant changes in desired brand communication since March.

Q: Please indicate how much you agree with the following statements given the current coronavirus (COVID-19) crisis.

When put into context, nearly two-thirds continue to be okay with light-hearted humor in ads, as long as it is done in a tasteful manner

Gen Z is coming around to more upbeat and light-hearted ads

April 13 – 14 Top 2 Box (Agreement)	All Respondents (n=750)	Generation				Political Affiliation	
		Gen Z (n=149)	Millennials (n=200)	Gen X (n=201)	Boomers (n=200)	Republican (n=211)	Democrat (n=304)
I am **okay with brands having light-hearted humor** in their current advertising, as long as it is done in a tasteful manner.	60%	54%	63%↑	63%	61%	56%	67%
I would **enjoy it if a brand/company included bright and upbeat music or visuals** in their advertising during these times.	51%	46%↑	55%	53%	50%	53%	55%
It is **distasteful** for brands/companies to show **imagery of groups of people** in their advertising during these times.	31%	28%↓	32%	29%	36%	33%	36%
It is **distasteful** for brands/companies to show **any human contact** in their advertising during these times.	29%	23%	32%	30%	30%	33%	32%

- Sustained polarization in regards to types of imagery shown in ads.
- IPSOS sites a desire among consumers for normalcy.
  - Advertising can both remind people of more normal times and give them confidence in the stability of the economy during anxious times.

Q: Please indicate how much you agree with the following statements given the current coronavirus (COVID-19) crisis.
IPSOS: https://www.ipsos.com/en-us/knowledge/media-brand-communication/Lockdown-Family-HH

Since March, those in the Northeast are significantly more likely to be okay with light-hearted humor and an overall upbeat ad – on par with other regions

April 13 – 14 Top 2 Box (Agreement)	All Respondents (n=750)	Region South (n=269)	Midwest (n=165)	Northeast (n=139)	West (n=177)
I am **okay with brands having light-hearted humor** in their current advertising, as long as it is done in a tasteful manner.	58%	59%	56%	60%↑	67%
I would **enjoy it if a brand/company included bright and upbeat music or visuals** in their advertising during these times.	48%	52%	45%	56%↑	52%
It is **distasteful** for brands/companies to show **imagery of groups of people** in their advertising during these times.	32%	36%	24%	32%	32%
It is **distasteful** for brands/companies to show **any human contact** in their advertising during these times.	29%	33%	26%	27%	28%

Q: Please indicate how much you agree with the following statements given the current coronavirus (COVID-19) crisis.

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Appendix

Demographics

	All Respondents (n=750)	Generation: Gen Z (n=149)	Millennials (n=200)	Gen X (n=201)	Boomers (n=200)	Political Affiliation: Republican (n=211)	Democrat (n=304)	Region: South (n=269)	Midwest (n=165)	Northeast (n=139)	West (n=177)
Gender	50/50	50/50	50/50	50/50	50/50	51% Male	52% Female	50/50	50/50	51% Female	51% Male
Age											
18-23	19%	100%	-	-	-	21%	15%	18%	18%	23%	23%
24-39	27%	-	100%	-	-	22%	27%	28%	19%	29%	29%
40-55	27%	-	-	100%	-	25%	27%	29%	27%	27%	24%
56-74	27%	-	-	-	100%	32%	30%	25%	36%	21%	25%
Marital Status	46% Married	82% Single	50% Married	59% Married	55% Married	58% Married	43% Married	52% Married	48% Married	47% Single	42% Married
HHI ($50K+)	55%	46%	58%	64%	49%	62%	55%	51%	53%	57%	60%
Education (College+)	41%	17%	50%	50%	40%	42%	46%	42%	33%	39%	47%
Ethnicity (Caucasian)	68%	74%	66%	67%	67%	82%	59%	71%	78%	62%	60%
Children under 18	33%	26%	45%	48%	13%	39%	33%	32%	36%	35%	32%