



ONLINE
virus
unknown
worry
market
SOCIAL
evictions
Investment
PANICKING
money
social distancing
payments
Financial
uncertainty
health
challeng

CONSUMER CONNECTIONS:
*Key Insights From Consumers
During Covid-19 Shelter In Place*

May 2020

Emerge smarter.

C+R
RESEARCH



BACKGROUND & METHODOLOGY

Emerge smarter.

It's important to know where consumers have been so we know where they are headed.

Since March 26, 2020 through the end of April, we've been speaking with consumers across the country once a week to hear how the novel coronavirus and subsequent shelter-in-place ordinances are affecting their household's daily lives.

We've talked with a different group of consumers each week (and the same group in weeks 1 and 6) to learn about the different ways these societal changes are affecting individual consumers – in how they are feeling and behaving. We've also surveyed consumers across several touchpoints during this period.

This report brings to light the evolution of emotions consumers have experienced and what that has meant for how they are interacting with your brands.

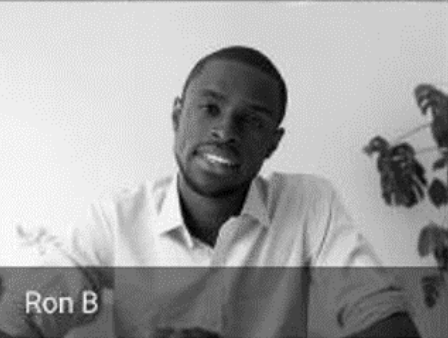




Mike



Sarah



Ron B



Christine



METHODOLOGY

We spoke to 5-6 consumers each week for 1 hour via remote roundtable discussion to hear their stories about how the novel coronavirus and shelter-in-place orders have affected their household. Some of the panels focused on general topics while others narrowed in on more specific topics of interest (e.g., family and kids, multiculturals and grocery shopping).

During this time, we have also conducted quantitative research to better understand what is concerning them most during these times. This included two online survey waves with 150-300 consumers each and two additional pro-bono surveys for the Ad Council with n=1000.

Full results for these studies can be found [here](#).



OUR FINDINGS

Emerge smarter.

C+R
RESEARCH

Consumers are not anxious, hopeful,
OR angry...they are all of these.

Consumers experienced a roller coaster of emotions in March and April. This change in daily life has led to the discovery of some positive aspects and feelings of gratefulness, but other changes have created anxiety, stress, and anger.

"I've run through all the emotions. There were times I was super depressed, times I'm optimistic. I'm riding the roller coaster now and trying to accept this. The more I don't accept it the harder it is to deal with."



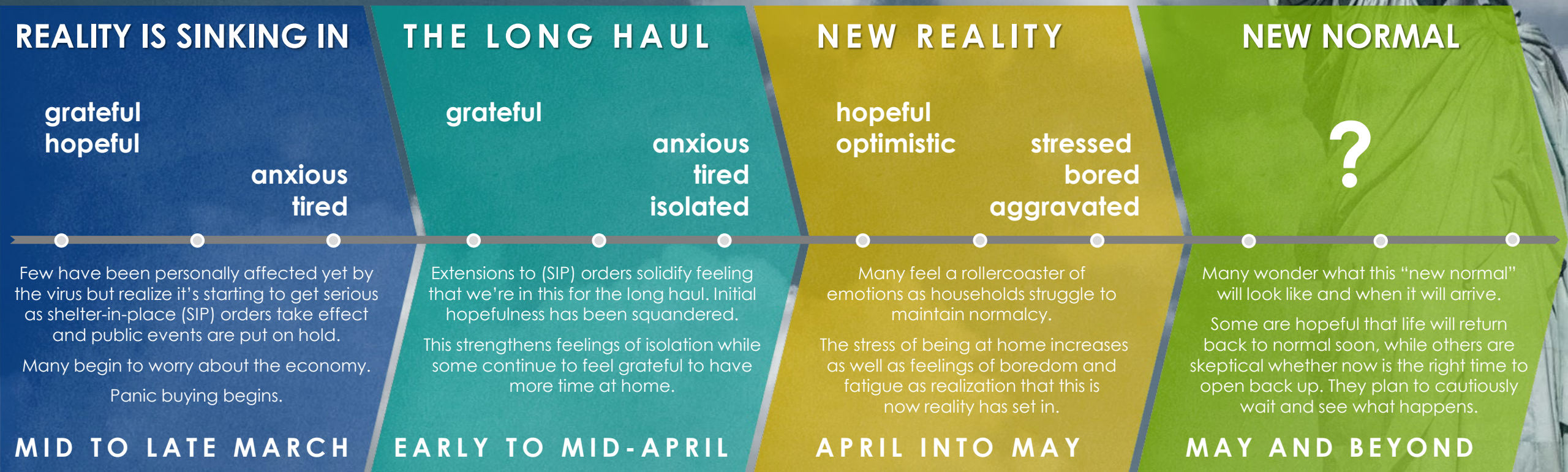
So far the impact of the pandemic on US consumers' lives can be divided into 4 phases

WHAT WAS HAPPENING IN THE US ...



Emotionally, while feelings have run high and low, each phase has a different tone and context

WHAT WAS HAPPENING IN THE US ...



-Data from Consumer Connections quantitative survey and pro-bono research for the Ad Council.

Across the four phases, consumers are taking differing outlooks on dealing with the pandemic, which greatly affects their emotions and behaviors throughout this journey...

DETOUR

Some see this as merely a “pause” to normal life that will someday go back to normal.

For some, this “survival mode” is in reaction to the tensions of juggling work and kids or the economic impact of the pandemic (reduced income, job loss, etc.).

Their coping mechanism is then to do whatever is needed to get through this: find ways to comfort, entertain and keep stress at a minimum, with typical rules and behaviors on pause for now.

DISRUPTION

Others see this as a disruption to our daily lives, and what we have defined as normal will change forever.

Some consumers have their basic resources covered to focus on higher-order needs during this interruption to life.

Their coping mechanism is to reassess and redefine themselves, their lifestyles and their values; they are developing new habits, hobbies and routines that will continue after the pandemic ends.

...but in both paths, they are aiming to make the best of this situation.

In the first phase, reality began to sink in that the pandemic is having an impact on consumers' lives

PHASE 1 Reality is sinking in

FEW DIRECTLY AFFECTED YET BUT IT'S GETTING REAL



During this phase, many had not been directly affected by the virus yet, but the realness of the pandemic was starting to sink in as we heard about deaths from COVID-19 increasing and we heard about high-profile individuals contracting the virus and major events being cancelled (NHL, NBA, Olympics).

MANY BEGIN TO WORRY ABOUT ECONOMY



Shelter-in-place orders are in full effect in many states; businesses close and much of the workforce moves to working remotely. Schools move to e-learning, and families work to adjust to this change in their routines and daily lives. The stock market begins to take a dip.

CONSUMERS BEGIN TO PANIC BUY



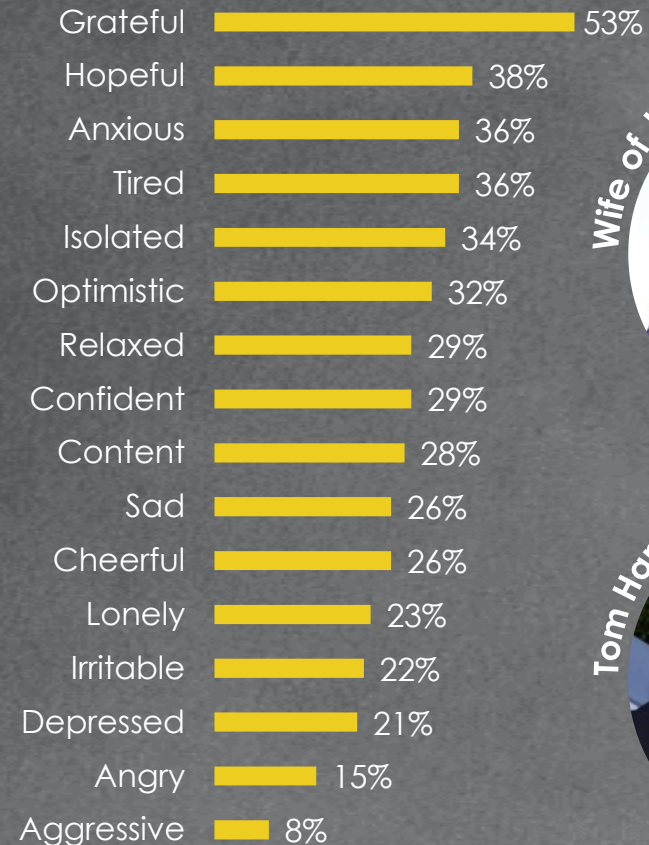
Grocery store shelves begin to empty as consumers stock up on essentials to prepare for a worst-case scenario, in turn emptying grocery store shelves and putting a strain on the supply chain. Shoppers begin switching to more shelf-stable foods and buying what's available over what is preferred.

We see this create a snowball effect for weeks as stores struggle to keep their shelves stocked, leading shoppers to further stock up when buying.

Mid-March

Felt in the Past Week

Americans are grateful and hopeful, yet anxious and tired.



Wife of Justin Trudeau Tests Positive



Tom Hanks & Rita Wilson Test Positive



These early events led consumers to cope in different ways: either as a time to take a break or to begin to make big changes

PHASE
1

DETOUR

CATCH UP ON ENTERTAINMENT

Many see the changes as a little “retreat” as it allows for additional time to accomplish tasks, hobbies and treats that normally don’t happen.

Others felt a level of gratefulness and delight, as they can now spend more time with their children and pets, avoid their long commutes to work and binge watch some favorite shows.

FIND NEW WAYS TO CONNECT WITH FAMILY AND FRIENDS

Consumers feel a sadness about missing trips and celebrations that had to be canceled. In its place, they are getting creative to connect virtually and are re-connecting with old friends and distant family. With businesses, they aim to be more patient and understanding when customer service has a longer than usual wait time as everyone figures out this change.

ALLOW FOR INDULGENCES

Consumers are buying what’s needed to help them emotionally get through this crisis – from “quarantine ice cream,” stocking up on alcohol and splurging on craft supplies for their kids, to signing up for media streaming services. These indulgences are warranted to help them cope with anxiety of the current crisis.

DISRUPTION

EXPAND MY COMMUNITY

While their world has shrunk by staying at home, their community is expanding. This collective suffering encourages consumers to reach out to neighbors and embrace this evolving sense of community.

FINISH THAT HOUSE PROJECT

This additional time at home leaves them with no more excuses to put off DIY projects; they reorganize, declutter and work on home improvement projects.

GIVE NATURE A BREAK

Even more broadly, they feel positive that our collective time at home is benefiting the environment; the earth is getting a break from pollution as humans travel less.

In Their Own Words...

PHASE
1

DETOUR

"I ordered Hulu, Netflix and there's 2000 hours of TV we haven't seen. Now I can watch The Price is Right. Every movie I didn't get to see, I'm going on Netflix to see."

"We did a complete Zoom birthday party, local family and friends, distant family, we had 15 people through Zoom. A few people did a drive-by drop present off and wave hi from the street. He said it was his best birthday yet."

"I'm definitely spending more on alcohol. I figure as long as you're staying tipsy, it makes the time go by easier."

"For me it's been coffee with Irish cream. That's my go to with the kids [being at home]."

DISRUPTION

"We're walking more as a family. We're active in other sports and scouting, but as a family we don't have the time to do that. Now every day we're going on a walk or bike through our neighborhood."

"Nature is healing itself [because of] humans being inside. We need it with the climate change crisis."

By mid-April, many began to feel that we were in this for the long haul

PHASE 2 The Long Haul

EXTENSIONS TO SIP ADD TO FEELINGS OF ISOLATION AND FRUSTRATION



The number of COVID-19 cases more than doubled to over 200,000 cases, and social distancing guidelines were extended until the end of April. Schools and universities are now closed through the end of the school year.

The new reality has sunk in that this interruption is not going to go away quickly.

ECONOMIC STRESS AFFECTS SPENDING



The unemployment rate reaches record highs in the beginning of April. Much of the workforce is now working from home, if possible, and we begin to see increasing number of individuals furloughed.

Because of this, many begin to cut back on unnecessary expenses and find ways to save more money. Younger consumers, often juggling kids at home and lacking the safety net of those older, are feeling especially anxious and tired.

GROCERY CHANNEL SHIFTS

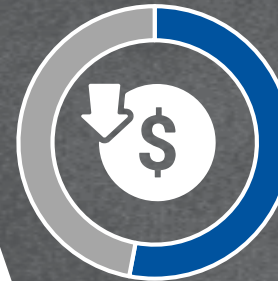


Consumers are still working to adjust to these changes – panic buying and stocking up is still occurring. However, shoppers try to limit trips to stores as much as possible to reduce risk of exposure. Many try online ordering and curbside pick-up at this time, but increased demand makes it difficult for retailers to keep up.

Others still switch their retailer preferences all together and choose stores that have less shopper traffic and better availability of essential items, often smaller format stores.

Early to Mid-April

The **economy is of the greatest concern** and having the **greatest impact** on Americans due to COVID-19 – this is consistent across everyone we spoke to.



53% say COVID-19 has had a 'huge' impact on the economy



59% say they are 'very concerned' about the economy due to COVID-19

“ ”

“Definitely anger. I would say a couple weeks into it there was a moment. **My anger started after the first week of distance learning for my 10-year-old** and having to facilitate public school instruction. After a week I felt I couldn't do this anymore.”

“We're shopping more through Amazon and have things delivered from the grocery so it's a week out. **We're ordering in more food than we normally do.**”

TOP EMOTIONS FOR...

18-30: anxious, tired, grateful, isolated

31-44: grateful, anxious, tired, isolated

45-64: grateful, hopeful, optimistic, confident

65+: grateful, hopeful, relaxed, confident

During the long haul, consumers on the detour path are in survival mode while those in the disruption path search for new ways to grow

PHASE
2

DETOUR

MINDFUL SPENDING

Consumers who are feeling the economic strain are getting in control of expenses by eliminating temptations and auto-pilot subscriptions.

KEEP THE FRIDGE FULL

These consumers are choosing grocery retailers with dependable availability of items to order and continue to stock up on items to cope with eating more meals at home.

FAMILY LIFE: PICK YOUR BATTLES

Parents are stressed trying to juggle work and homeschooling their children, and their kids don't fully understand the magnitude of the situation. Parents prioritize their kids' wants over household needs to keep their kids' anxiety at bay. To keep their kids entertained, parents have made exceptions to previous rules, especially with screen time, snacks, and toys.

Further, being home together brings new challenges to relationships, so spouses and partners aim to avoid conflict and give each other room to breathe.

DISRUPTION

SUPPORT MY LOCAL ECONOMY + GET IN CONTROL

Many begin shifting more of their purchases to local businesses (especially restaurants) to provide financial support to their community and buy food directly from the source vs. relying on a strained supply chain. Others are taking control by planting a vegetable garden. They plan to continue the support and patronage after SIP orders are lifted.

NOW IS THE TIME TO IMPROVE MY WELL-BEING

Some begin to reassess their current routines and habits by developing new behaviors to make improvements in their mental, emotional and physical well-being, with the hope of them becoming long-term habits. They are making health/fitness choices, e.g. purchasing exercise bikes, taking daily walks, and signing up for virtual exercise classes.

SHIFTING FAMILY DYNAMICS

Consumers use this disruption to adjust roles and responsibilities in the household. Children are given new chores and getting more involved in the kitchen, and partners use this as an opportunity to readjust responsibilities between childcare and work.

In Their Own Words...

PHASE
2

DETOUR

"My company furloughed everyone so I unsubscribed from my frivolous purchasing. I was a two-times-a-week Amazon shopper. I deleted my apps so I wouldn't be tempted. I canceled my Fab Fit Fun box."

"I'm buying more what my kids will eat. I might have one at home; I still buy two at the market so I don't run out of what my kids need. I can do with less."

"I bought these razor scooters for them. I allowed it to be in the house."

DISRUPTION

"When you lose the ability to do things and things slow down, I'm taking stock of what really matters. It's not getting the new car or more aspirational things. There will be a time and place for that later. It's focusing on family, people you care about, the bare essentials. It's a shock back to the basics."

"I tried to make it a point to only order produce from my local farmstand and do meats from an Amish market. I'll continue with that because the product is better and it's local."

"I'm in the hospitality industry. I feel it's my duty to help these businesses stay afloat. We generally go out 1 day a week. Now 1 day a week we do takeout. We live in a tiny town so the number of patrons these restaurants get weren't big. 1 person turns into 100 ppl. We're trying to keep our locals employed."

"It's enjoyable that I'm seeing my neighborhood more [taking walks]; I'm not cooped up in the house. I'll keep it up."

"I have been using this time to refocus on what's important to me."

"I appreciate my friendships more because we're looking out for each other, supporting each other. This is a life lesson for us all. We forget about others' needs. We need each other in worse times."

"Purchased fitness equipment; I ordered a beach cruiser to pick up from a local store."

Then we see a grudging acceptance that this may be a new reality for some time

PHASE 3 New Reality

SLUGGISH ECONOMY CHALLENGES OPTIMISM



The cases of coronavirus continue to climb, and so does the unemployment rate.

FAMILIES ARE FEELING THE STRAIN



At this point, about a month into the national stay-at-home order, families are settling into a routine and yet keenly feeling the strain. The novelty of being together in the confined space of their homes, while also trying to learn, work and stay occupied, continues to look more and more like the new long-term reality. Parents are working hard to keep themselves and their kids on an even keel; day-to-day and hour-to-hour and to maintain the rhythm they've established. Their current attitude is still optimistic, but increasingly tinged with the knowledge this isn't going to be over anytime soon, and their family is going to need to continue to adapt and hang tight for the foreseeable, unknowable future.

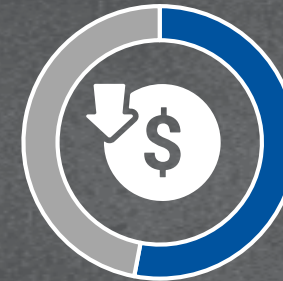
XENOPHOBIC DISCOURSE COMPOUNDS ANXIETIES



Reacting to news of, anecdotes of, and being witness to xenophobic reactions across the nation surrounding COVID-19, multiculturals (regardless of their background and ethnicity) anticipate an even more race-hostile environment, attributing much of it to the current political discourse and the tone and language used in messages by the current administration.*

April into May

The **economy** is still of the **greatest concern** and having the **greatest impact on Americans due to COVID-19**



53% say COVID-19 has had a 'huge' impact on the economy



55% say they are 'very concerned' about the economy due to COVID-19

“ ”

“I feel like I'm accepting the life we're living right now. We have space and property. But once things start to open... people will go to the movies and restaurants. I feel scared of how that will affect our community. I have anxiety and fear for the future.”

“Starting to get drained and emotional.”

“A roller coaster. We wake up feeling refreshed but by lunch we're stressed. Balance is a huge struggle in our house.”

“Short fuse is a good way to describe it. It's not that we're angry, but we're sitting on top of each other in a smaller space and having kids doing school and I'm doing work. We're having to share things”

“I have [witnessed xenophobia] in the hospital. Not me, personally. But [towards] other patients. They're almost like, 'Don't put me in the room next to this Chinese...' Or Vietnamese, or whatever, type of Asian descent. Or they make a comment. Just their facial expressions. They don't even have to say anything.”

*These comments or conversation took place prior to the death of George Floyd and the subsequent protests in response to his death.

Consumers work through a rollercoaster of emotions in this New Reality

PHASE
3

DETOUR

As the weeks have worn on, most have developed established routines and a grudging acceptance that—for now—this is the way life is.

FAMILY LIFE: CONTINUE TO PICK YOUR BATTLES

This uneasy equilibrium has become more challenging to maintain. Families work to find ways to keep tempers from flaring, resulting from spending so much time together. In addition to establishing new routines, parents are relying heavily on technology and screen time, and they've also started exploring things like puzzles—a challenging activity that everyone in the family can participate in, can be worked on in intervals, shows progress over time and offers a sense of achievement together when complete.

LOOK FORWARD TO TRAVEL

In an attempt to maintain optimism, families look to the future with hopes of taking their long planned (and now delayed) vacations. Hope is not lost that these may still happen later in the year.

GEAR UP FOR SHOPPING

With stores more stocked, consumers have been able to revert back to previous shopping habits and decision criteria – though a trip to the store involves more stress than previously with the need to “gear up” - taking more energy, time and effort to complete than before.

DISRUPTION

During this phase, consumers on this path are aiming to maintain and sustain these new habits.

EXPERIMENTATION IN THE KITCHEN

Meals have become an even more important respite in the day and a source of discourse and discord for families. While it's a challenge to feed ever-hungry kids, consumers are embracing the time to try new recipes.

MAINTAIN MOTIVATION TO SUSTAIN NEW HABITS AND SKILLS

For those who started new habits, they are working to maintain them. For others, this phase of accepting the new reality is the trigger to recalibrate their approach to their life during the pandemic.

FAMILY LIFE: MAINTAIN FOCUS ON THE POSITIVES

Families are continuing to look for moments of joy that might not have occurred before sheltering in place – hearing baby's first word, witnessing their child's education and building a stronger relationship with their partners by seeing them in a new light.

DETOUR

"Hoping it dies down so that we can take our family trip. Look forward to it every year."



DISRUPTION

"I'm getting my daughter back; she's almost 20 and she's been living on campus. To have her living with me, the time she's with me is more quality time I wouldn't have had. I'm trying to take advantage of that as a silver lining. It's not ideal but it's special family time."

"My son is normally in school so I don't get to see that. Now that we're home schooling, I'm seeing these light bulbs go off. Seeing him learn to read is not something I'd get to witness if we weren't home doing this virtual learning stuff."

Consumers feel uncertain when this new normal will start and express a mixture of anxiety, fear and impatience for some normalcy to return

PHASE 4 New Normal

STATES BEGIN TO RE-OPEN AND OTHERS ANNOUNCE PHASED RE-OPEN PLANS



Those in Texas and Arizona expressed anxiety about their states opening up in May and how the initial phases will play out, while others are excited to socialize with friends and families in person, dine at restaurants and visit their favorite retailers.

STAGE IN THE IMMEDIATE FUTURE: ANXIETY & CAUTIOUS OPTIMISM



Emotionally, many consumers are chafing to reclaim a semblance of what life used to be like—but most anticipate their current lifestyle is likely to last longer than initially expected.

Many look to the future and wonder what aspects of life will be forever changed and what will return to pre-COVID status quo.

Some feel scared and anxious about reopening businesses too soon, while others are excited to get back to work and send their kids back to school.

May? and Beyond

"I'm getting ready for baby showers and divorces."

"Mayhem. Texas is opening up tomorrow. It's an uncertainty that I've had through this whole thing. I'm typically a low stress person. I'm anxious to get back to my class work. But I'm nervous for the future."

"I'm in AZ and we're opening in 2 weeks and I don't know what that means. There needs to be more compromises like maintaining distances while still doing stuff. I don't know how this can be the new normal."

While consumers in our live roundtable discussions were only yet anticipating their perspectives and attitudes in this New Normal, our Consumer Connections online panel will provide insights on this continued evolution of emotions during May & beyond.



DOES YOUR PRODUCT STAND FOR CONVENIENCE, EASE, ENTERTAINMENT, INDULGENCE?

↑ Consumers in a detour mindset need acknowledgment that this is a struggle and need solutions to make life right now easier

- ✓ These **consumers are looking for solutions that make this time easier** and less stressful
- ✓ They are looking for brands that speak to **their needs for convenience, entertainment & indulgence**

Think about consumers' mindset when providing support during this time



IMPLICATION

The key will be to create an experience that keeps them interested for the long-term

RECOMMENDATIONS



For established brands, **lean into your history** and equity by **providing comfort, reliability, trust and connection** to ease uncertainties



Lean into indulgence benefits of your product to **provide a moment of escape**



Provide solutions and suggestions that occupy and **entertain kids to give parents a break**



Communicate improved but seamless shopping experiences and remind shoppers of services that provide added convenience. Optimize omni-shopper solutions and minimize challenges with online shopping



Re-assess how you can **meet the needs of your consumers with more limited time and money**



Think about consumers' mindset when providing support during this time

DOES YOUR PRODUCT STAND FOR ENRICHMENT, GROWTH, INSPIRATION, WELL-BEING? ARE YOU ADAPTING TO HOW LIFE CHANGING?

2 Consumers in a disruption mindset need inspiration and sustained motivation

- ✓ These **consumers are in an open mindset and embracing change** that may last beyond this pandemic. **Now is the time to convert them to your brand**, and if they are a current consumer, to **ensure they stick with you**.
- ✓ For some, **they are reassessing their lives and reinventing themselves**, whether it's through organizing and decluttering, fitness and wellbeing, financial health, etc. **They are looking for brands that fit their new life** and speak to enrichment, growth, inspiration and well-being.
- ✓ Others are shifting their behavior in reaction to changing circumstances - while ways of engaging with your brand may have been disrupted, **their core needs are still the same**.



IMPLICATION

The key here will be to ensure these consumers are supported and motivated to stick to their "new" habits if they've recently adopted your brand. If their behaviors are shifting away from your brand, how can you innovate to re-engage these consumers? Meet them in new and different ways to satisfy their underlying needs.

RECOMMENDATIONS



Think about **how your brand can (or has) evolved** to continue to connect and meet your customers' needs



Provide products and solutions that **help consumers feel a sense of accomplishment**



Communicate how your brand can **help them reimagine their lives** right now in **positive ways**



Revisit the core needs of consumers in your category and deliver in a way that's relevant for life today