

Episode 3:

The changing perspectives of COVID-19 on consumers & business

This is the third episode in our three-part series based on a survey of 570 U.S. personal and business consumers:

Adapting B2B & B2C Strategies in the Time of COVID

Episode 1:

Insights to help B2C companies survive & thrive during COVID-19 derived from innovative message & image testing

Episode 2:

B2B & B2C products & services during and after COVID-19

Episode 3:

The changing perspectives of COVID-19 on consumers & business

The Gist

Respondents feel it will be 18-36 months before a vaccine is developed and deployed and experts generally agree. As such, companies and employees are adapting to this new reality inclusive of working from home, kids at home, limited colleague interaction, repetitiveness, and lackluster optimism about the near future. Companies would be wise to invest in supporting their employee's new needs in the years ahead:

KEY POINTS

Employees want their companies to **invest in** remote work technology, health care, new product research/adapting products and employee perks, while **reducing investments** in office space and executive compensation.

There are indicators people are **shifting their home locations from urban to suburban and rural areas** ushering in years of massive related ramifications; companies must plan for supporting not only work from home but likely even more widely distributed workforces.

A silver lining is that organizations that are prepared to support their employee's new home and work realities will have the most satisfied, healthy, and productive workforces while those that do not risk, at best mediocrity, and at worst lethargic disengagement. Satisfying the human thirst for interactions with colleagues, friends and family will continue to be a critical component to creating and sustaining healthy teams.

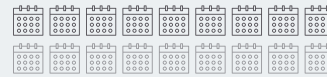


The Details

As the Covid-19 situation oscillates between quarantine and opening, we asked 570 Americans how they feel about their work situation, remote work, and how the pandemic has affected their lives.

The following pages detail our findings.

Nearly **50 percent** of respondents think it will take **7-8 months** before we have a vaccine for COVID, while **nearly one-third** feel it will take **more than 18 months**.



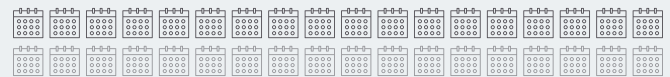
project 7-18 months for a vaccine ... and **1 in 3** think it will take longer

think it will take longer

Once available, **two-thirds** think it will take **18 months or less** for the majority of the U.S. to get vaccinated. As such, most respondents are expecting **some degree of physical distancing for the next 18-36 months**, meaning that many personal and professional changes are here to stay for the foreseeable future.

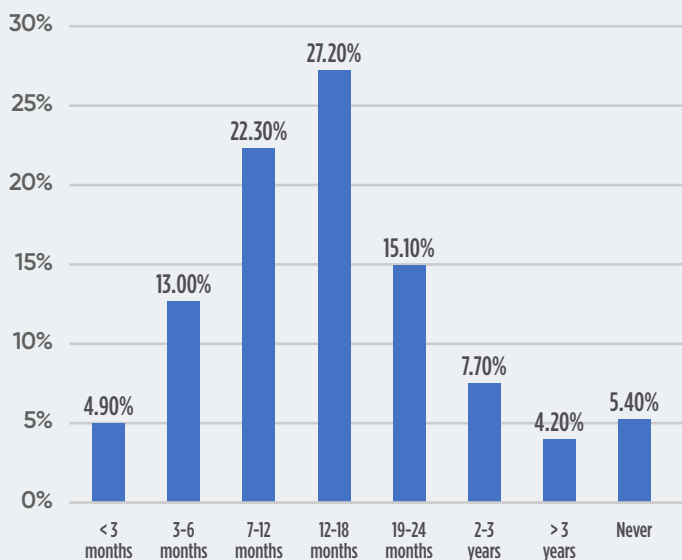


think it will take 18 months or less for the majority to get vaccinated once available ...

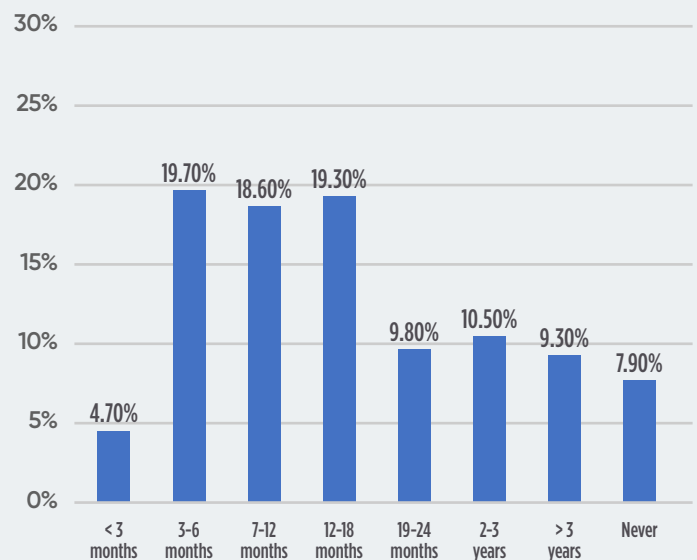


... thus an expectation social distancing extending around 18-35 more months

How long do you think it will be until there is a successful vaccine developed for COVID-19?



After a successful vaccine is developed, how long do you think it will take for the majority of the US population to get vaccinated?



Consumer Optimism

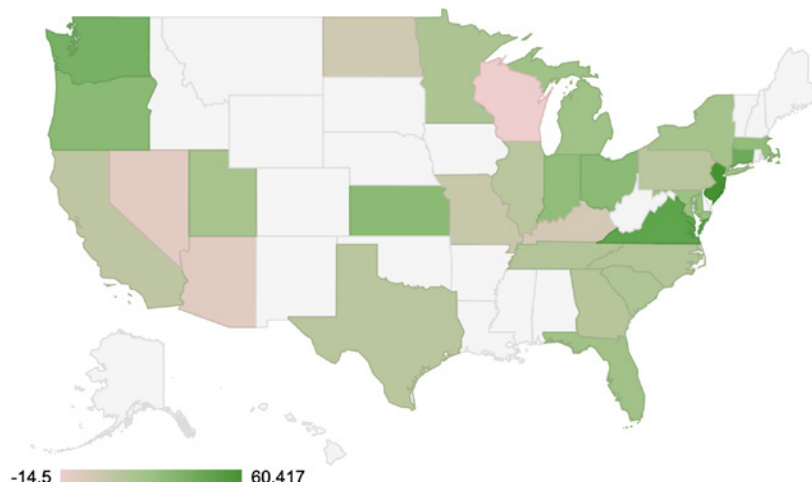
We asked people across the country on a scale of -10 to +10 how optimistic they are about 15 aspects of their lives, given the current climate. Across the country, **average sentiments were slightly positive**. People felt most positive about their own companies, their local healthcare, rural real estate, and the environment. People felt most negative about partisan politics and international travel.

Not surprisingly, the data shows a **shift to rural and suburban real estate from urban centers**. This factor alone will have massive implications on American society over the next decade.

Aspect of Life	Optimism Rating (+10 best, - 10 worst)
Your Company	3.1
Human Health, Locally	2.1
Rural Residential Real Estate Market	1.8
Environmental Health	1.7
Suburban Residential Real Estate Market	1.6
Stock Market	1.5
Domestic Travel	1.5
United States Economy	1.4
Urban Residential Real Estate Market	1.1
Global Economy	1.1
Human Health, Globally	1.1
Commercial Real Estate Market	0.7
International Travel	-0.1
Partisan Politics	-0.9

This map indicates the **aggregate positivity score** across all 15 life aspects, shown by the states of the participants.

Range:
Most Optimistic 150
Least Optimistic -150



Average Optimism

WI	-14.5
NV	-9.1428571
AZ	-8.4444444
KY	-2.4
ND	-0.6666667
MO	2.6666667
CA	6.9
IL	9.4666667
TX	9.525
PA	9.5483871
GA	11.1818182
TN	12.4
NC	12.7058824
SC	14
MN	15.6
UT	17.2
NY	18.6666667
FL	20.7719298
MI	21
MD	23.2380952
MA	26.75
IN	26.9285714
OH	29.0588235
OR	29.5
KS	29.5294118
WA	36
CT	40.5
VA	46.0625
NJ	60.4166667

Work Location – pre and post COVID

To get a sense of the workplace environment both now and post-COVID, we asked people where they most worked before social distancing, and where they believe they will work after social distancing is relaxed. Time spent working in the office decreased significantly, while working from home increase significantly. **This validates what has been noted internationally, as companies have decided to move as much day-to-day operations to remote working as COVID has made office work not worth the risk for employees. The trend is clearly to more isolated, separate locations.**

Q:

In the months 1) prior to social distancing regulations
2) after social distancing is relaxed, what percent of your working time do you expect to spend working from each location?

The trend is clearly to **more isolated, separate locations.**

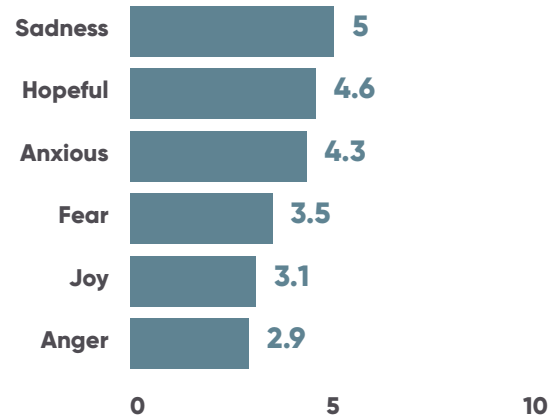
	Before	After	% Change
Office in your home	16.0%	39.5%	147%
Someone else's home	2.6%	3.3%	27%
Other	3.5%	3.3%	-6%
In a vehicle or outdoors	5.4%	4.8%	-11%
Other employer facilities	7.0%	6.2%	-11%
Retail space	5.9%	4.5%	-24%
Co-working space, coffee shops, etc.	4.0%	3.0%	-25%
Business travel or client's facility	4.2%	3.1%	-26%
Company office	51.3%	32.3%	-37%

Image Testing

A technique we use to test the feelings triggered by various images, ads and promotional materials is called image testing in which we ask respondents how various images make them feel.

While we know people are eager to get their lives back to normal, they expressed a mix of sadness and hope about returning to work. Overall, testing of this image of a full office, which was totally normal just a few months ago, now evokes a high degree of mixed emotions, where people simultaneously feel sadness, anxiety, and hope.

Q: How does this picture make you feel on a scale of 0 to 10, 0 being "not at all", 10 being "extremely".

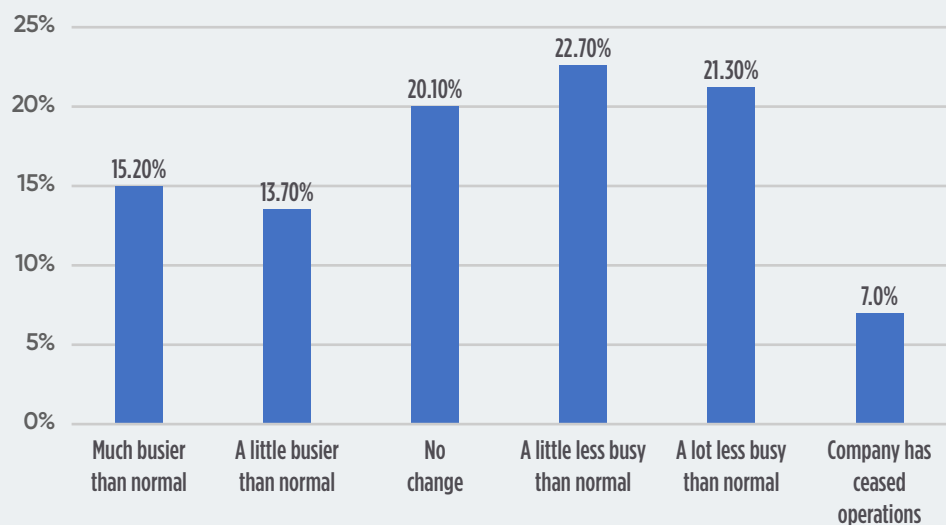


Half of respondents

indicate they are **less busy** since COVID surfaced, than they were prior.

One in five have experienced **no change**, while **nearly 30 percent** say they are **busier** now.

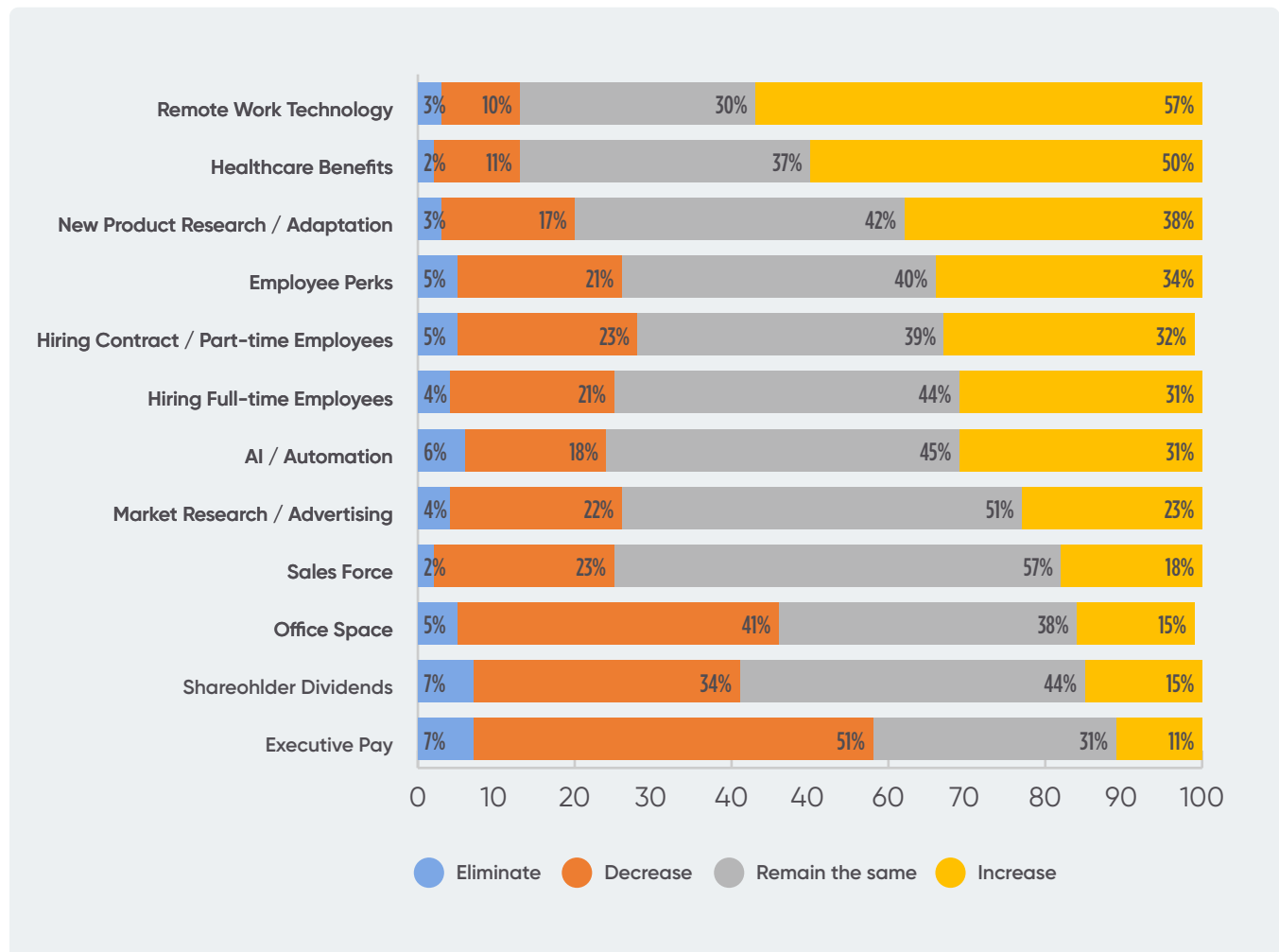
How has social distancing changed your productivity?



Workers feel employers should increase investments in remote work technology, healthcare benefits, and new product research / adaptation. Meanwhile, over 50 percent of respondents think spending on office space should be reduced or eliminated.

Q:

Many economists are predicting that there will be a recession for a few months or years. Big companies will need to adjust their budgets accordingly. In your opinion, where should these companies increase spend, and where should they decrease spend?



n=478, Gen Pop Currently Employed, May 2020

Not everyone is happy with working from home, however...

A frequent complaint among respondents who had been stuck at home for months at the time we deployed this survey was **they simply missed the in-person interaction** they got with their colleagues.

“[I miss] being able to engage in all the things that define one as human. Particularly and specifically interacting with other humans on all levels – personal and professional. Looking people in the eye to see what’s there.”

OTHERS EXPRESSED FRUSTRATIONS BROUGHT ON BY THEIR NEW CIRCUMSTANCES:

“I am a freelance writer. I used the time my kids were at school to get a ton of work done. Now that I have to homeschool and they’re here all day, I had to stop working.”

“I am not able to reach out to my colleagues right away because they are not in contact with me in person. This makes getting a response or feedback for my projects much slower, as well as the technological impediment that my internet likes to buffer.”

“I am a high school teacher, and the reality is that I am doing more work to cover less content with my students. I see them struggling to succeed, to find ways to adapt to the new world, and taking on roles that their parents previously filled such as wage-earner and full-time care-taker for their younger siblings.”

“High expenses to set up home office, unable to access costly services such as printing. Loss of focus based on environment (no divide between work and home).”

Employers have done an impressive job of adapting in the face of an unprecedented global calamity. However, the threat of disease remains, and workers who cannot work remotely face tough choices.

It is incumbent on employers wanting to retain and attract top talent to continue offering safe and comfortable ways for their employees to work remotely. Employees working from home are facing distractions, a lack of equipment, and a lack of face-to-face connection with their coworkers. Companies will need to provide support and out-of-box solutions to drive connectivity. **This change is real, and it is likely here to stay for the foreseeable future.**

About Paradoxes

Established in 2007, Paradoxes is a strategic marketing organization that gathers and analyzes information to help clients make sales, marketing and product decisions.

Our focus is on creating sturdy foundational marketing components, anchored in customer and market intelligence, that span the product lifecycle: Design, plan & build; Market & sell, and Adopt & use.

We welcome the chance to test messages for your company, produce strategies for evolving products in a post-COVID world, or to produce research like what you see here. You can find us at **paradoxesinc.com**.

