

JOLTZ

**BIG JOLTZ.
BIG PICTURE.
BIG IMPLICATIONS.**

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Responding to COVID-19:

A retail-focused guide
to navigating business
success today and
tomorrow.

OVERVIEW

JOLTZ

The dust is far from settled — and the tensions from the COVID-19 Pandemic still run high. At Zimmerman, we are seeing a clearer and clearer picture of how to respond to the JoltZ we are experiencing in order to win in the retail space:

PERSPECTIVE JOLTZ

Making sense of market conditions and the pressures on retail success

CONSUMER JOLTZ

Identifying leveragable insights regarding consumer buying behaviors

MEDIA JOLTZ

Making sense of how consumer media consumption has shifted

BRAND JOLTZ

What brands and businesses are doing to pivot and lead the change

PERSPECTIVE JOLTZ

CONSUMER
JOLTZ

MEDIA
JOLTZ

BRAND
JOLTZ

WE HOPE

THERE ARE SOLID REASONS FOR OPTIMISM IN THESE SCARY TIMES

While many experts point to warning signs that the present COVID-19 crisis may be in its early stages, there are hopeful signs that government efforts are on track to eventually contain the outbreak as well as mitigate some of the more extreme economic fallout. At this juncture, it appears that containing the virus is driven by the need to not overwhelm the hospital systems, as opposed to the fear of widespread deaths from the illness.

FEARFUL SIGNS

EXPONENTIAL
INFECTIONS

GROWING BUSINESS
CLOSURES

GREATER
LOCKDOWNS

TIGHTER
ORDINANCES

MORE JOB
LOSS

ECONOMIC
RECESSION

HOPEFUL SIGNS

VIRUS
CONTAINMENT IN
CHINA

FISCAL STIMULUS
PACKAGE

MEDICAL SUPPLY
PRODUCTION

BUSINESSES
CONTRIBUTING
TO CAUSE

CURE/VACCINES
IN TESTING

WE WILL

BECAUSE WE'VE OVERCOME SOME PRETTY TOUGH TIMES BEFORE

From the statements of our local municipalities and national government, many view the next month as the most critical time to control and manage the outbreak. However, many expect the virus' economic impacts and its effects on consumer behavior may be far reaching.

**AND WHILE EVERY CRISIS IS DIFFERENT, ONE THING IS COMMON:
WE RECOVER AND WE'RE STRONGER**



WE BUY

UNCERTAIN TIMES ARE CREATING NEW BUYING TRIGGERS

Retail Trigger: **ISOLATIONS**

Delivery and online sales have increased so they don't have to go out

Retail Trigger: **NECESSITIES**

Rushes on essential items have lifted home categories on and offline

Retail Trigger: **UNCERTAINTY**

Holding off or postponing most discretionary purchases

WE BUY

HOW PEOPLE ARE BUYING AND WHAT PEOPLE ARE SHOPPING FOR HAS DRAMATICALLY CHANGED

DELIVERY (AND DISTANCE) IN HIGH DEMAND:

Instacart saw a nearly

400%

increase in daily
downloads in
February alone

RETAIL RAPIDLY MOVING ONLINE:

Costco saw a

23%

increase in
online sales
in February

BUT, NON-ESSENTIAL RETAIL HAS COME TO A HALT:

16%

of retail stores in
the US were closed
as of March 19th

LOCALIZATION IS KEY TO CAPTURING SALES:

1 in 4

Americans are now
under shelter in
place ordinances

WE FEEL

PEOPLE ARE GUARDED,
YET SIMULTANEOUSLY OPTIMISTIC

MANY ARE OPTIMISTIC ABOUT THE ECONOMY

44% expect the economy to rebound in the next 2-3 months

MOST EXPECT A NEAR TERM IMPACT

70% expect a financial impact in the next 2 months

MANY PLAN TO RESTRICT THEIR SHOPPING

48% I am cutting back on spending

PLAN TO SPEND MORE THOUGHTFUL

59% plan to be careful with how they are spending their money

WE SPEND

WE KNOW PEOPLE WILL SPEND DIFFERENTLY

	Total
	n=250
Save it	47%
Use it to pay bills	45%
Spend it on essential items	40%
Invest it	11%
Spend it on non-essential items	9%
Donate it	7%
Other (please specify)	6%

Savings, bills and necessities will **command the lion share** of re-investment of US Stimulus package

WE NEED

PEOPLE ARE LOOKING TO THE GOVERNMENT FOR GUIDANCE

UNCERTAINTY WILL DRIVE CONSUMER SPENDING APPREHENSION



As we tune in to daily briefings from public health officials, listen for guidance from our governors, and seek help and hope from our national leaders, we are seeing the critical role that “big government” plays in our lives and our health. We also see the deadly consequences of four decades of disinvestment in public infrastructure and dismissal of public expertise.

- POLITICO

10 - 15%

US GDP CONSISTS OF CONSUMPTION OF SERVICES THAT COULD BE CURTAILED. ANOTHER 16% CONSISTS OF NON-FOOD GOODS CONSUMPTION THAT'S AT RISK IF PEOPLE DON'T GO OUT.

PEOPLE AREN'T GOING OUT. THE DEMAND SIDE OF OUR ECONOMY IS BEING EFFECTED, WHICH IN TURN IMPACTS HOW MUCH AND WHERE WE ALLOCATE OUR MEDIA DOLLARS.

RETAIL IMPLICATION

It's time for retailers to

GAIN SHARE OF MIND,

build sales while promoting good will. Some retailers may have an opportunity to show how they are necessary in peoples' lives like never before (fun, entertainment, education, etc.).

PERSPECTIVE
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CONSUMER JOLTZ

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DELIVERY DEPENDENCY

**WE WENT FROM ONE-DAY DELIVERY
TO OVERNIGHT DEPENDENCY**

**DELIVERY
DEFINES
THE BRAND
EXPERIENCE
AMID SOCIAL
DISTANCING**

We have seen a transformation of same-day delivery as a novelty for some to an essential service for many nearly overnight, as consumers eschew brick-and-mortar retailers and seek other ways to get essential goods.

Even those businesses already reliant on takeout have evolved their offering to align with low or no-contact offerings to align with CDC recommendation of social distancing.

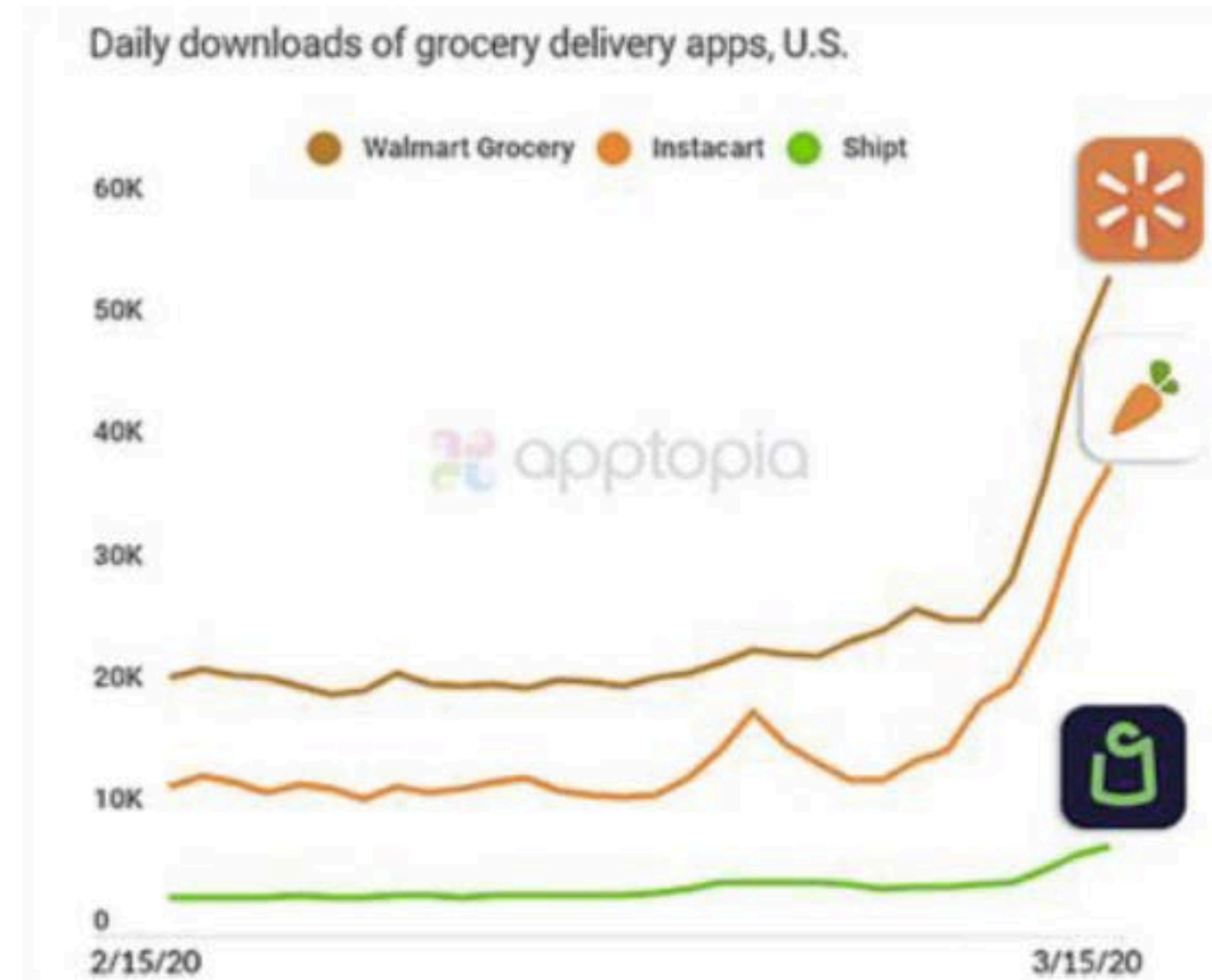
DELIVERY DEPENDENCY

THE TRADITIONAL ADOPTION CURVE WAS SUPERCHARGED BY THE CRISIS

The three largest non-Amazon delivery apps — Walmart grocery, Instacart and Shipt:

**AS MUCH AS
400%
INCREASES
IN FEBRUARY ALONE**

as consumers move online, and many other changed usage agreements to eliminate signing for deliveries and other high contact steps.



RETAIL IMPLICATION

As the outbreak progresses,
consumers will continue to

GRAVITATE TO SELF-SERVICE OFFERINGS

where little or no interactions are needed.

Business will need to innovate to

ADJUST THEIR CUSTOMER EXPERIENCE OR BUSINESS MODEL

to allow for low contact options
even in high-touch categories.

HOME SMART HOME

THE HOME IS NO LONGER
“A” PLACE, IT’S THE PLACE



WHILE CONFINED TO OUR HOMES,
IT HAS BECOME OUR SPACE FOR
ALL THINGS LIVING

First came “work from home” with offices instructed to trim down amounts of people coming in everyday. This brought on the influx of our homes becoming our “stage” and platform for work via video conferencing and phone calls.

With gyms and retail spaces closing temporarily, we began streaming at-home workouts and movies from brands such as Netflix and Planet Fitness, started shopping brick-and-mortar via FaceTime with store owners, and supporting local restaurants in our neighborhoods for in-home dining.

HOME SMART HOME

**THIS IS LEADING TO AN INFLUX OF NEW
TECHNOLOGY AND TOOLS FOR THE HOME**

50%

**INCREASE IN
MICROSOFT
TEAMS CHAT
VOLUME IN THE
US IN MARCH
2020**

50%

**INCREASE IN
NON-EQUIPMENT
WORKOUT
PROGRAMS ON
AAPTIV DURING THE
WEEK OF MARCH 16,
2020**

30%

**INCREASE IN
ZOOM USAGE
SINCE THE
BEGINNING
OF FEBRUARY
2020**

RETAIL IMPLICATION

RETAIL BRANDS THAT FIND WAYS TO **BRING VALUE TO CONSUMERS** **IN THEIR HOME** WILL WIN

Retailers must adapt and tailor their products and services for consumers to use them at home.

DRIVE VALUE WITHOUT **IN-PERSON SERVICE**

While most brands during this time cannot offer an in-person experience, instilling a sense of greater value through goods and services purchased for at-home use will be crucial.

BRACE FOR IMPACT

REGARDLESS OF INCOME, AMERICANS ARE
PREPARING FOR THE UNEXPECTED

DRAWN TO “SAVIOR RETAILERS”

Like the U.S. dollar for investors, Amazon is a beacon of stability for retail online shoppers. The retailer has been on the front lines of the coronavirus battle, keeping America (and other countries) supplied, even when cutting back on the delivery of non-essentials.

LEARNING REGARDLESS OF SITUATION

Coronavirus School Closures Expose Digital Haves and Have-Nots. Being tested: The ability of families to turn their homes into tech-ready, virtually connected classrooms.

This unprecedented remote-learning situation is expected to **expose the tech gap** between affluent and lower-income families and districts, as well as between urban, suburban districts, and rural ones where high-speed internet doesn't always exist.

BRACE FOR IMPACT

WHILE FEW HAVE BEEN AFFECTED, MOST PLAN TO CUT DISCRETIONARY SPENDING IF THEY STILL HAVE IT TO SPEND



CONSUMER SENTIMENT PULSE FROM MARCH 16-17, 2020
NEXT PULSE INSIGHTS COMING MARCH 25, 2020

Consumers are spending money carefully and expect to cut back

Overall sentiment in the general population in the US

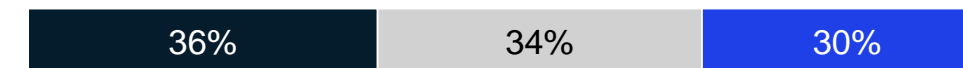
Percent of respondents

Strongly disagree / disagree Strongly agree / agree
Somewhat disagree / agree

I have been **personally affected** by the coronavirus (COVID-19)



My **income** has been negatively impacted by the coronavirus (COVID-19)



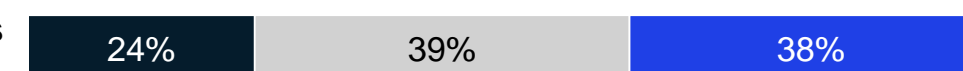
My **ability to make financial ends meet** has been negatively impacted by the coronavirus (COVID-19)



My **ability to work has been reduced** by the coronavirus (COVID-19)



Uncertainty about the economy is **preventing me from making purchases** or investments that I would otherwise make



I am **cutting back on my spending**



Given the economy and my personal finances, I have to be **very careful how I spend my money**



1. Q: Please indicate how strongly you agree or disagree with each of the following statements. Please select only one response for each statement.

Source: McKinsey & Company M&S COVID-19 US Consumer Pulse Survey 3/16-3/17/2020 N = 1,042 Sampled and weighted to match US gen pop 18+ years

McKinsey & Company

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RETAIL IMPLICATION

**RETAIL BRANDS SHOULD AIM
TO MAINTAIN ENGAGEMENT
WITH LOYAL CUSTOMERS WHO
MAY FIND THEMSELVES LESS ABLE
TO AFFORD TO PURCHASE.**

Brands should look towards greater “**starter**” products to build relationships until income returns. Luxury brands, for example, may consider more entry level products to service lower income audiences.

STAYING SOCIAL

**CONSUMERS ARE SEEKING NEW WAYS TO STAY SOCIAL
IN ABSENCE OF EVENTS AND GATHERINGS**

**AS CONSUMERS ARE
SELF ISOLATING IN
THEIR HOMES THEIR
NEED FOR SOCIAL
ENGAGEMENT,
SOCIAL GATHERINGS
AND PARTIES
HASN'T SUBSIDED**

The needs once served by events, concerts and sporting events are now being addressed remotely, and consumers find new ways to maintain and build connection in a socially isolated world.

STAYING SOCIAL

CONSUMERS ARE TURNING TO TECHNOLOGY TO REPLACE LOST CONNECTIONS



Microsoft Teams, the go-to communication and collaboration platform of choice for companies working from home, has taken on a larger need in the age of COVID-19. Already in March 2020, they have added 12 million daily active users in a single week amid the crisis, bringing it up to 44 million total.

NETFLIX

Meanwhile, many consumer brands are including social features to encourage connection on their platform. Netflix, for example, has introduced a watch party feature where customers can watch shows and movies alongside another user.

RETAIL IMPLICATION

As consumers seek out ways of recreating lost connections between those separated by social distancing, retail brands have an opportunity

**TO FULFILL A NEED FOR
LACK OF COMMUNITY.**

As the outbreak continues, retail brands should look for ways to connect consumers

THROUGH THEIR PRODUCTS.

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TV SHIFTS

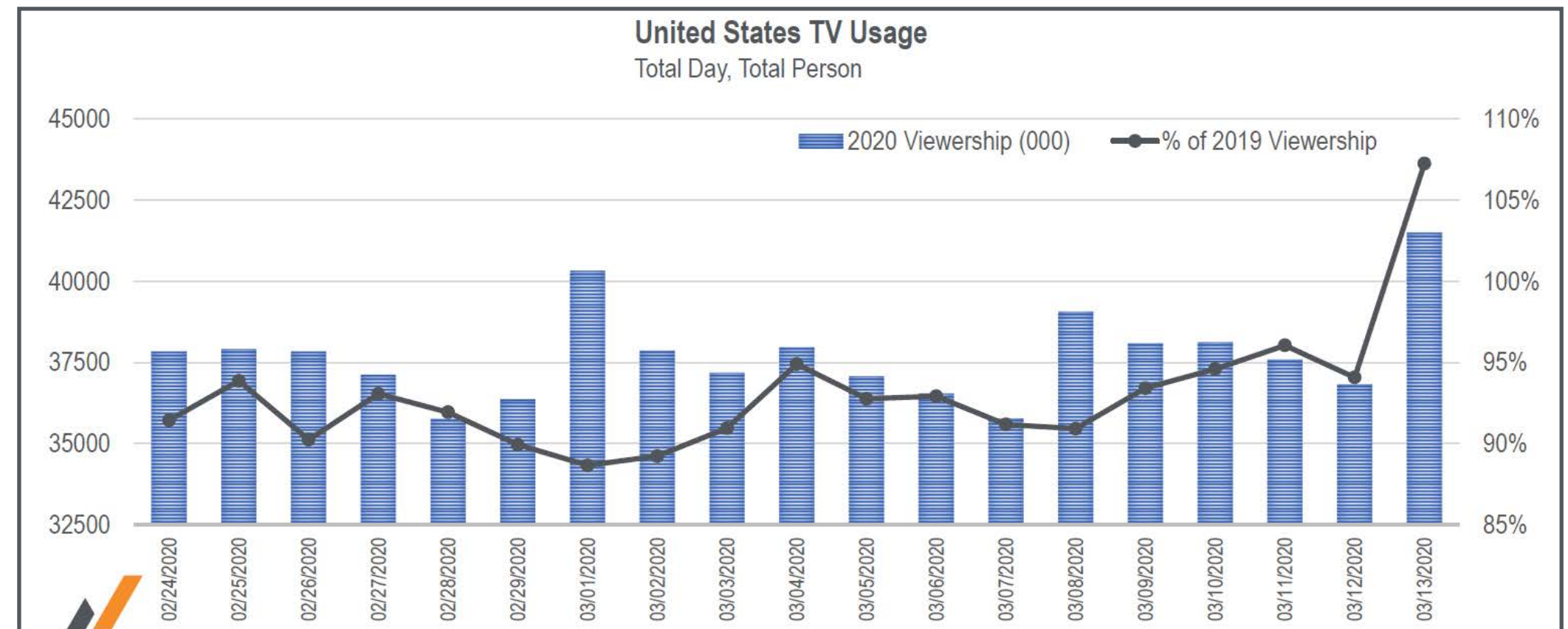
OVERALL TV CONSUMPTION IS INCREASING AS CONSUMERS STAY HOME

Nielsen anticipates a 60% increase in the amount of content watched.

Major TV networks are +7% in primetime viewers during a time that typically dips post daylight savings.

IMPLICATION

Advertisers that stay on air will reap the long term benefit of SOV and greater brand engagement.



TV SHIFTS

NEWS IS THE NEW REALITY TV

NATIONAL BROADCASTS

Last Thursday's episode of ABC's World News Tonight had more viewers (10.8M) than anything that aired in television's primetime that week.

Collectively, the ABC, NBC and CBS evening newscasts on Thursday — all of which air prior to primetime — reached 26.3 million people.

IMPLICATION

The lesson of Newspapers, "If it bleeds, it leads," has transformed TV news from always on politics to COVID-19.

Ever-changing Coronavirus news cycle has consumers tuned-in to news at an astonishing pace:



+80%



+42%



+28%

Economic downturn also has business-related news surging:



+244%

TV SHIFTS

ACT GLOBAL, THINK LOCAL

LOCAL BROADCASTS

As the Coronavirus spreads around the globe, the impact is being felt in a cascading number cities across America.

Like most trends, the initial wave is hitting the coasts first – NY, CA, WA and FL – the rest of the US will follow.

IMPLICATION

Local TV Newscasts have reaped the benefit with huge increases in HH Viewership

LOS ANGELES: +19%

MIAMI-FT. LAUDERDALE: +15%

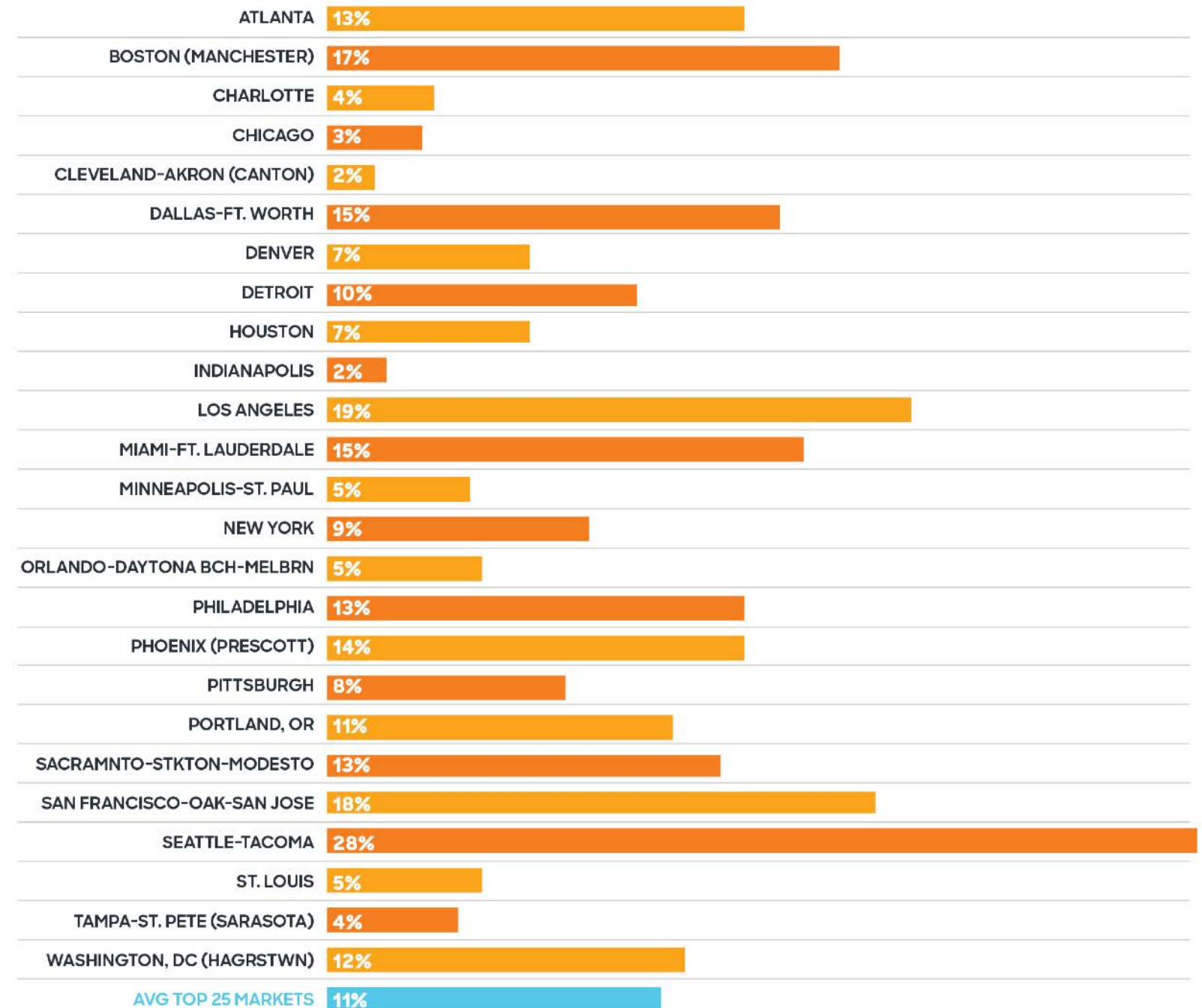
NEW YORK: +9%

SAN FRANCISCO: +18%

SEATTLE: +28%

Local Newscasts: Average Household Viewership in Top 25 Markets

PERCENT CHANGE – WEEK OF MARCH 9 VS. WEEK OF FEB. 10



TV SHIFTS

THE VOID: 14,000 LIVE SPORTS GRPS (6% OF ALL TV) ARE NOW GONE

With the unprecedented postponement or outright cancellation of all the tentpole sporting events in Q1 and Q2, we estimate ~14,000 GRPs have been removed from the market.

IMPACT TO SPORTS AND PROFESSIONAL LEAGUES

CANCELLED



SUSPENDED



IMPLICATION

This is a major gap to fill for brands looking to reach males in highly engaging, DVR-proof programming.

POSTPONED



TV SHIFTS

LATE NIGHT TV HOSTS HAVE BEEN FORCED INTO EXILE

With traditional production shut down, Late Night hosts cannot work from a studio, do a monologue in front of a live audience, or sit behind a desk and interview celebrities.

IMPLICATION

This has spurred on LN Hosts' creativity in new and approachable ways.

Jimmy Fallon "Skype Broadcasting" from home with his daughters interrupting him.

Conan O'Brien and Samantha Bee going to digital platforms – YouTube and Facebook.

Stephen Colbert with web-only episodes.



TV SHIFTS

PROBLEMS TODAY, BUT THE TROUBLES TO BE FELT TOMORROW

Social distancing has forced TV production to shut down.

Virtually all new TV shows & episodes on network, cable syndication, OTT and premium digital video platforms have been postponed, delayed or temporarily on hiatus.

IMPLICATION

The longer the delay, September's new TV season may be in jeopardy.

NOTABLE SHOWS THAT HALTED PRODUCTION



The Bachelorette
ABC



The Morning Show
Apple TV



Grey's Anatomy
ABC



America's Got Talent
NBC



The Ellen DeGeneres Show
Syndication



The Handmaid's Tail
Hulu

TV SHIFTS

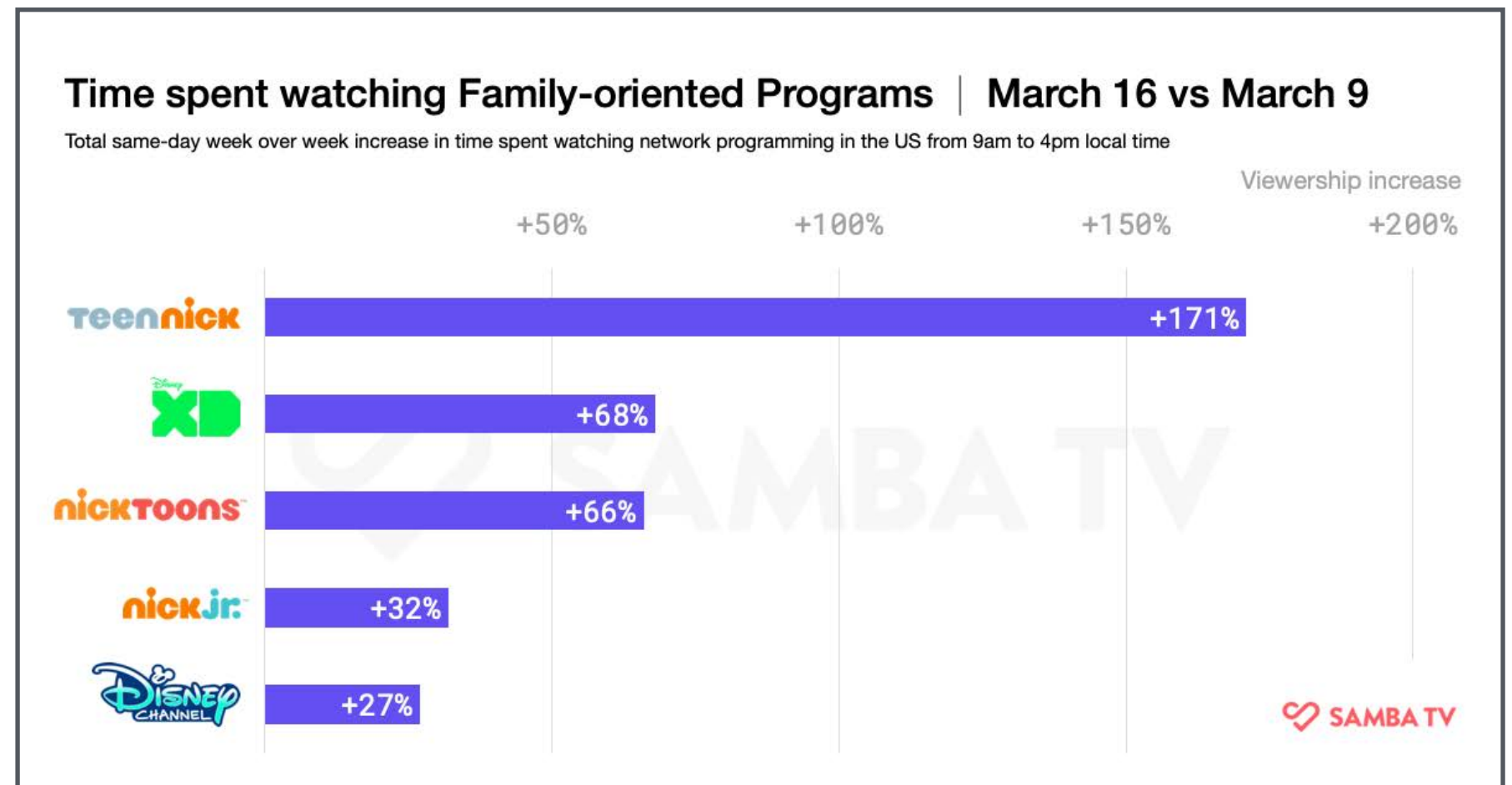
KIDS ARE DOING ONLINE SCHOOLING, BUT WITH DOWNTIME FUN MIXED IN

Reversing some systemic ratings declines, national TV kids' networks have seen gains over the last week, as more children are now home from school due to COVID-19 concerns.

TeenNick has seen viewership increases of +171% week over week.

IMPLICATION

Media companies are seeing the opportunity to push more family-oriented content. Walt Disney has released Frozen 2 on Disney+ three months earlier than planned.



DIGITAL SHIFTS

LIKE TV, NEWS ABOUT COVID-19 IS DRIVING CONTENT CONSUMPTION

In looking at an aggregate of approximately 40 select news sites, the week of March 9-15 was the highest week of news visits this year.

More than 100 million more news visits than next highest week (which was the previous week March 2-8).

IMPLICATION

Consumers are hungry for information in this constantly developing story of our lifetimes. Ecommerce or deliverable brands can find scores of web visitors on news sites.

Total Digital News Site Visits

AGGREGATE DATA OF ~40 SELECTED NEWS SITES

417
MILLION

392
MILLION

523
MILLION

HIGHEST WEEK OF
NEWS VISITS
IN 2020

FEB 3 -
FEB 9

FEB 10 -
FEB 16

FEB 17 -
FEB 23

FEB 24 -
MAR 1

MAR 2 -
MAR 8

MAR 9 -
MAR 15

 **comscore**

Source: Comscore Media Metrix Custom Reporting

DIGITAL SHIFTS

WHEN THEY CAN'T WAIT FOR NEWS, CONSUMERS WILL SEARCH FOR IT

Google reported a search volume surge related to the Coronavirus, with location based inquiries following the virus spread.

IMPLICATION

Our own search on these terms found not a single advertiser with a paid ad, only organic news stories. For the moment, brands are social distancing when it comes to search and the virus.



Internet searches, including for the terms “Coronavirus,” “COVID” or “COVID-19” increased by
553,778% IN JANUARY 2020

9,902 IN DEC. 2019

54.85 MILLION IN JAN. 2020

(Source: Search Planner, Desktop Only)

DIGITAL SHIFTS

SOCIAL DISTANCING MADE CLOSER WITH GROUP CHATS

Group chats designed for business also filled up as more employees worked remotely.

Video-conference tool developed by Zoom Video was the most downloaded app from major apps stores with a single day download of 275,000 last week.

IMPLICATION

While working from home is an inconvenience for many, it is also training a whole workforce generation on new ways to communicate, lessons brands will translate to these soon-to-be-consumers in retail marketing.



Frozen birthday party held on Zoom video chat app for a Coronavirus isolated Pre-Schooler.

DIGITAL SHIFTS

GAMING HAS SEEN ENGAGEMENT FIGURES SKYROCKET

Steam, the most popular digital PC gaming marketplace, last week drew a record 20,313,451 concurrent users – lead by Counter-Strike: Global Offensive with 1,023,339 players.

Call of Duty: Warzone, launched on March 10 on PC, Xbox and PlayStation with 15 million downloads in 3 days.

As a sign of things to come, housebound Italian Kids put a strain on Italy's internet network with a 70% surge in traffic due to an online gaming Fortnite Marathon.

IMPLICATION

Seek out advertising opportunities on Amazon's Twitch, which features live broadcasts of people playing videogames. Mobile downloads increased 29% for week of March 15 from previous week.



"Call of Duty: Warzone"

MEDIA IMPLICATIONS

01 As state lock downs are implemented, brands that practice Hyper-localization will thrive as consumers are forced to look closer to their homes for products, goods and entertainment.

02 With Social Distancing, Disruptive Retail practices - such as Shoppable Walls, Retail Drone Delivery, Mobile Food and Product Trucks, Retail Robots - will be needed as age-old shopping and buying habits are no longer available.

03 Cold Turkey stoppage of nearly all live sports programming, a major content source for consumers, will likely accelerate cord-cutting of cable subscriptions.

04 Delays in TV show production and chaos with retail marketing, will delay, if not cancel, the traditional TV Upfront, confining the National TV marketplace to mostly Scatter-sold inventory.

05 Newsstand Media - daily newspapers and weekly magazines - that have been on the brink for a decade will begin to disappear.

06 Out of home and place-based media that guarantees impressions, will struggle to make good all the missed eyeballs on billboards, in taxi cabs, movie theaters, malls, and gyms over the coming months.

07 Terrestrial Radio will take a huge hit as commuters are not in their cars listening to AM/FM Radio; conversely streaming audio, such as Pandora and Spotify will have big gains as home workers try to fill in background noise missing from the workplace.

08 Social Media will move from a fun thing to do for most people, to an indispensable lifeline to the outside world for contact, content and commerce.



JOLTZ

PERSPECTIVE
JOLTZ

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BRAND JOLTZ

BRANDS WINNING

WALMART & AMAZON

Many small mom-and-pop retailers as well as non-essential retailers were struggling with declining traffic prior to the Coronavirus. Those that offer consumers what they need (or even want) in easily accessible ways are the ones prevailing in today's environment.

Some are predicting a world in which three fulfillment retailers will remain: Walmart, Costco and Amazon. While the Dow Jones has dropped approx. 30%, stocks in Walmart closed at an all-time high. All three are hiring tens to hundreds of thousands of employees to meet increased demand.

For decades, Walmart built a brand on offering consumers the lowest price. For the past few years, the brand has expanded to deliver everything that people may need (from food to clothing to power tools) in the convenient channels: BOPIS, next / same day delivery, curbside pick-up. The strength of all retail brands has been tested in these days; it has become evident which are strongest both financially and in the minds and lives of consumers.

BRANDS WINNING

WALMART & AMAZON

150,000

**THE NUMBER
OF EMPLOYEES
WALMART
EXPECTS TO HIRE
TO MEET DEMAND**

\$350MM

**INVESTED
GLOBALLY BY
AMAZON AS A
RESULT OF THE
CORONAVIRUS**

RETAIL IMPLICATION

ROUTINE. NAVIGATION. CHANGE.

Retailers that sell essential items such as toilet paper, foods, etc., of course, will prevail during this crisis. However, retailers now have an opportunity to assess how their product offerings are essential to the lives of consumers.

For example, a morning latte at your favorite coffee shop which was before thought of as an indulgence can be re-framed as a means to reclaim a sense of normalcy and routine.

“Essential” does not have to mean toilet paper and provisions. How consumers define what is essential in their lives extends beyond the basics. It is now up to retailers to define and communicate that today and beyond.

BRANDS ADAPTING

BIG BRANDS ARE QUICKLY PIVOTING MANUFACTURING RUNS TO SUPPORT THE PANDEMIC NEEDS ACROSS THE WORLD

LVMH - FASHION MEETS HYDROALCOHOLIC GEL



BRANDS ADAPTING

AUTO BRANDS PARTNERING WITH HEALTHCARE COMPANIES TO MANUFACTURE VENTILATORS



Donald J. Trump ✓
@realDonaldTrump

Ford, General Motors and Tesla are being given the go ahead to make ventilators and other metal products, FAST! @fema Go for it auto execs, lets see how good you are?
@RepMarkMeadows @GOPLeader @senatemajldr

♡ 157K 10:25 AM - Mar 22, 2020

💬 46.1K people are talking about this

↳ Elon Musk Retweeted



Medtronic ✓ @Medtronic · Mar 21

Addressing #COVID19 is a group effort. We are grateful for the discussion with @ElonMusk and @Tesla as we work across industries to solve problems and get patients and hospitals the tools they need to continue saving lives. We're all in this together.



Elon Musk ✓ @elonmusk · Mar 21

Just had a long engineering discussion with Medtronic about state-of-the-art ventilators. Very impressive team!

TESLA MEETS MEDTRONIC

BRANDS ADAPTING

**HERCULEAN EFFORTS ARE BEING MADE
TO ADDRESS THE SHORTAGE**

**LVMH TO PRODUCE 26,455
POUNDS OF HAND SANITIZER AND
10 MILLION MASKS A MONTH**

**BLOOM ENERGY, A SAN JOSE
COMANY WHO REFURBISHES AND
REPAIRS FUEL-CELL GENERATORS,
WILL SWITCH GEARS TO
REFURBISH VENTILATORS**

**GUCCI TO DONATE 55,000
MEDICAL OVERALLS**

**FOXCONN, APPLE PHONE
MANUFACTURER, WILL DIVERT
PRODUCTION LINE TO PRODUCE
FACE MASKS**

**DYSON ARE USING THIER
RESOURCES TO MANUFACTURE
VENTILATORS**

**VIKRE DISTILLERY IN DULUTH
WILL USE ALCOHOL TO MAKE
HAND SANITIZER**

RETAIL IMPLICATION

BRANDS THAT ARE WINNING, HAVE A GAME PLAN FOR SUCCESS WHEN COVID-19 DIES DOWN.

Brands that are at the forefront, such as Lysol, must have a strategy on how to continually grow and establish value once the 'need' during COVID-19 decreases.

COMPANIES THAT BRING ESSENTIAL ITEMS, HEALTH AND WELLNESS, AND HOME PRODUCTS TO CONSUMERS ARE WINNING IN THE BATTLE OF COVID-19.

During this time, people are willing to spend their money on products and services they deem necessities or to stay healthy and safe. Retail brands that find a way to pitch will prevail. There's an opportunity to innovate and evolve in the short term to win.

WHEN CONSUMERS BEGIN TO BOUNCE BACK, THERE WILL BE A BUILT UP DISCRETIONARY INCOME FOR BRANDS TO CAPITALIZE ON.

Even for brands that are losing out during these times, it's still important to maintain relevancy for when there is a comeback period. Although consumers may not be spending on things such as restaurants or travel, there will be a time when they will play catch up so remaining top of mind is key.

BRANDS ADAPTING

TURNING CONSTRAINTS INTO CATALYSTS

RETAILERS ARE LEANING INTO THE CRISIS BY SERVING CUSTOMERS WHERE THEY ARE



CURB APPEAL

Traditional brick-and-mortar is adopting curb side and take away options while delivery apps are changing their rules to allow for non-contact drop offs.



TRAFFIC CONTROL

Many are tailoring hours and capacities allowed in store to align with social distancing recommendations and local ordinances on large groups.



ADDED SENSITIVITY

Some stores have developed special hours for sensitive and elderly customers to shop, and have adopted new cleaning standards to ensure their safety.

BRANDS ADAPTING

TURNING CONSTRAINTS INTO CATALYSTS

RETAILERS ARE LEANING INTO THE CRISIS BY SERVING CUSTOMERS WHERE THEY ARE



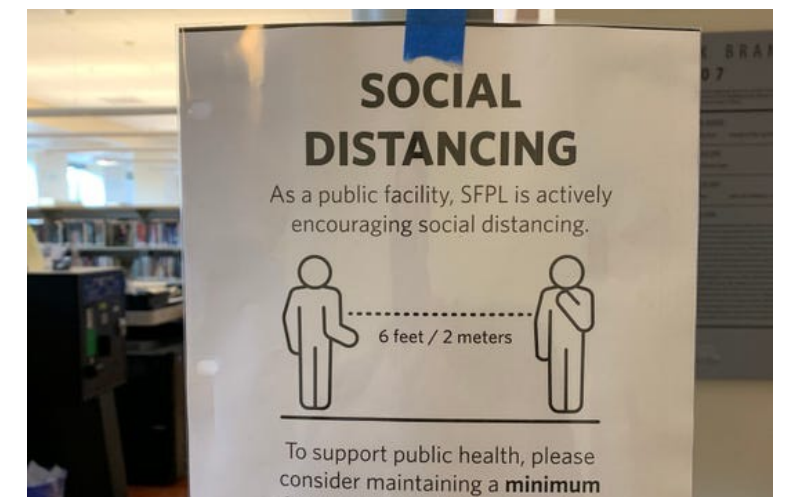
EASIER ECOMM

To service customers skeptical of visiting physical stores, many companies have adopted free shipping and extended return policies to ease the transition.



STOP THE STOCKPILE

To ensure essentials get to those in need, many retail stores are putting quantity limits or taking other measures to stop stockpiling.



MANAGE EXPECTATIONS

Many brands have taken proactive steps to communicate with their customers about what to expect, providing stability and trust at an uncertain time.

BRANDS ADAPTING

PRACTICAL EXAMPLES



STARBUCKS

Starbucks has limited all transactions to drive-thru only.



DISNEY

Disney is donating its surplus food to food banks.



TRADER JOE'S

Trader Joe's has limited the number of people in-store and are providing water and hand sanitizer to waiting customers.



MILLER LITE

Miller Light creates a virtual tip jar to support bartenders who are out of work.



UBER EATS

Uber Eats is helping local restaurants and the community by waiving delivery fees and offering contactless drop offs.



PLANET FITNESS

Planet Fitness is offering free online "Work-Ins".

BRANDS ADAPTING

PRACTICAL EXAMPLES



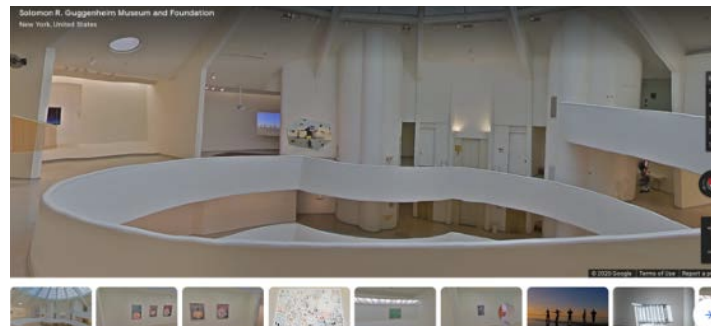
CHIPOTLE

Chipotle is hosting “Chipotle Together” Zoom parties for fans to remain connected including special celebrity guests and give-aways.



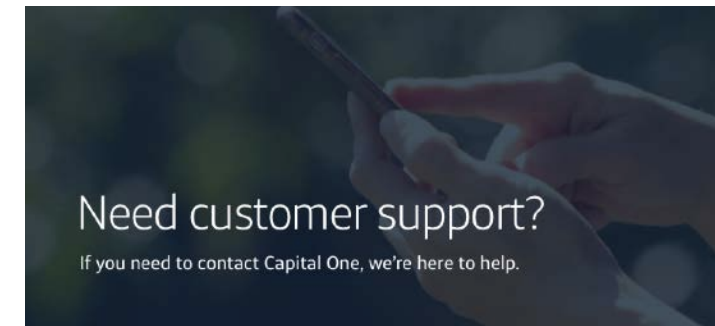
COMCAST

Comcast is offering free broadband internet access to low-income families and students.



GUGGENHEIM MUSEUM

Many museums like the Guggenheim are offering virtual visits, chat rooms and live streaming artist Q&A.



CAPITAL ONE

Capital One is allowing cardholders to skip payments without accruing interest.



BUD LIGHT

The Bud Light Dive Bar Tour has gone virtual offering a fun experience for music fans while keeping everyone safe.



COUNTY SCHOOL DISTRICTS

Broward and Miami-Dade school districts are offering free hot grab-and-go meals for breakfast and lunch for all students.

RETAIL IMPLICATION

RETAILERS ARE ADOPTING A “TOUCH-LESS” BUSINESS MODEL.

Consumers will be expecting acts of social responsibility from retail brands through
AUTHENTIC COMMUNITY DRIVEN EFFORTS.

Retail brands are accelerating innovations that
BRING BRAND EXPERIENCE IN HOME.

PROVIDING VIRTUAL ENGAGEMENT OPPORTUNITIES
keep audiences engaged and provide much needed escapism.

Retailers need to find a way to offer consumers
RELIEF FROM THEIR FINANCIAL CONCERNS.

JOLTZ

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THANK YOU