PERSPECTIVES ON COVID-19
WHAT’S NEXT? CONSUMERS + MARKETERS + MEASUREMENT
WHAT'S HAPPENING?

@ HOME & ONLINE
‘Shelter in Place’ / WFH driving increased time with media for those quarantined to ‘flatten the curve’.

NEW RETAIL REALITY
Panic purchasing has led to pantry loading, shortages in the supply chain and an accelerated adoption of e-commerce.

ECONOMIC VOLATILITY
Economic shut down has driven volatility in financial markets, rapid unemployment and recessionary fears becoming a reality.

HEALTH & SAFETY
Heightened focus on health and safety as Personal Protective Equipment shortages persist globally.
COVID-19 IS CHANGING THE WAY COMPANIES MARKET THEIR PRODUCTS

DRIVERS OF CHOICE
DESPITE MEDIA CONSUMPTION INCREASES, MARKETERS ARE PULLING BACK

ONLINE @ HOME

HEALTHY + MORE TIME WATCHING TV ON THEIR PHONE BUDGETS ARE DECREASING

ADULTS SPENDING MORE TIME ON THEIR SMARTPHONE SINCE COVID-19 OUTBREAK – MARCH 2020

<table>
<thead>
<tr>
<th>Country</th>
<th>Time on Smartphone Since COVID-19</th>
</tr>
</thead>
<tbody>
<tr>
<td>World Wide</td>
<td>70%</td>
</tr>
<tr>
<td>China</td>
<td>86%</td>
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<tr>
<td>Philippines</td>
<td>86%</td>
</tr>
<tr>
<td>Brazil</td>
<td>77%</td>
</tr>
<tr>
<td>Italy</td>
<td>72%</td>
</tr>
<tr>
<td>South Africa</td>
<td>72%</td>
</tr>
<tr>
<td>Singapore</td>
<td>64%</td>
</tr>
<tr>
<td>Spain</td>
<td>64%</td>
</tr>
<tr>
<td>Japan</td>
<td>47%</td>
</tr>
<tr>
<td>France</td>
<td>41%</td>
</tr>
<tr>
<td>US</td>
<td>40%</td>
</tr>
<tr>
<td>UK</td>
<td>38%</td>
</tr>
<tr>
<td>Germany</td>
<td>33%</td>
</tr>
<tr>
<td>Australia</td>
<td>30%</td>
</tr>
</tbody>
</table>

SOURCE: Nielsen Total TV Viewing | eMarketer

MEDIA BUDGET MOVEMENT BY US AGENCY & MARKETING PROFESSIONALS DUE TO COVID-19 – MARCH 2020

- Display: Decreased 13%, Retained/Increased 47%
- Social Media (Paid): Decreased 19%, Retained/Increased 45%
- Digital Video: Decreased 14%, Retained/Increased 43%
- Linear TV (Broadcast): Decreased 7%, Retained/Increased 41%
- Linear TV (Cable): Decreased 7%, Retained/Increased 34%
- Search (Paid): Decreased 24%, Retained/Increased 24%

SOURCE: Nielsen Total TV Viewing | eMarketer
WHAT TO CONSIDER?

HISTORY SHOWS DECREASING AD SPEND CAN BE COUNTER PRODUCTIVE

DURING A RECESSION...

“...cutting back on advertising during a recession can hurt sales during and after the recession, without generating any substantial increase in profits.”

THE RISK & REWARD OF ADVERTISING

+0.5 PTS
SHARE GAIN FOR BRANDS THAT MAINTAINED OR INCREASES AD SPEND VS. THOSE THAT DECREASED SPEND

-2.0%
LONG TERM REVENUE IMPACT FOR EVERY QUARTER WITH NO MEDIA ON AIR

3-5 YEARS
TO RECOVER EQUITY LOSSES FROM GOING DARK FOR EXTENDED PERIODS OF TIME

SOURCE: Nielsen ROI Norms Database | WARC – What we know about advertising in a Recession | Biel & King (1990)
ONE MEDIA TRUTH

“THE PRICE OF LIGHT IS LESS THAN THE COST OF DARKNESS”

- ARTHUR C. NIELSEN -