



COVID-19 and the Consumer

An Astound Insights
Special Report

Contents

4

Our Team

6

Introduction

8

Survey Methodology

10

Global Fears

12

Mapping
the New World

14

Concerns and
Sentiments

16

A Tipping Point for the
Digital Community?

18

Behavioral Shifts

20

Digging Out
and Coming Back

22

The Physical Store

24

Shifting Behaviors

28

Innovate,
Don't Equivocate

30

Inventory and
Category Implications

32

Out-of-Stocks

34

The Changes
Could Be Long-Term

36

Fulfillment
Concerns

38

Secure the
Supply Chain

40

Shipping Delays

42

Outlook
for the Future

44

Working Through It

46

Predictions

48

Timeline
of Events

50

6 Responses
to the COVID-19
Crisis That
Go Beyond Retail

60

Creating
a New Normal

62

Survey Results
by Region



To see more of our work, please visit
astoundcommerce.com/insights.

Our Team

EDITOR IN CHIEF

Blair Campbell

PRINCIPAL ANALYST

Kylee Magno

DIGITAL COMMERCE ANALYST

Renata Akers

SENIOR COPYWRITER

Alicia Lynch

DESIGNER

Mary Garnish Bauman

CONTRIBUTORS

Karsten Bockbreder

Vanessa Cartwright

Sean Dunn

Bridget Fahrland

Dmitry Golovatsky

Igor Gorin

Terry Hunter

Glen Martin

David Murack

Gita Samani

Leslie Steere

Philip Stuhlmann

VICE PRESIDENT, GLOBAL MARKETING

Josh Murack

It's not just the primary topic—it's the *only* topic. The COVID-19 pandemic has transformed our world, menacing the lives of millions, devastating the global economy, and inflicting widespread emotional trauma.

While all economic sectors are affected, retail is proving particularly vulnerable to the crisis. But dire as it is, the threat isn't evenly distributed across all verticals. Consumers are still shopping, but their purchases reflect the new normal imposed by the coronavirus. Cleaning supplies, pharmaceuticals, frozen and canned food, vitamins and supplements, and bulk purchases (think toilet paper) have jumped dramatically. Apparel and luxury items, airline tickets, hotel reservations, and tickets to concerts and sporting events have—predictably—crashed.

Some brands have responded adroitly, and humanely, to the crisis. A large number of airlines and hotels are dropping prices and change fees. Many companies instituted broad work-at-home policies and enforced employee travel restrictions even before governmental shelter-in-place mandates went into effect. Most retail outlets that remained open while they still could emphasized rigorous sanitary practices. And retailers that offer online options are upping their game, offering free shipping and no-contact delivery.

Surveys conducted by Astound Commerce in early and mid-March 2020 confirm that concerns about COVID-19 are spiking, and give us a view into what's yet to come in terms of consumer behavior. Moreover,

it's clear that we're far closer to the beginning of the crisis than the end; it would be naïve to anticipate an imminent diminution of the pandemic and an immediate economic rebound.

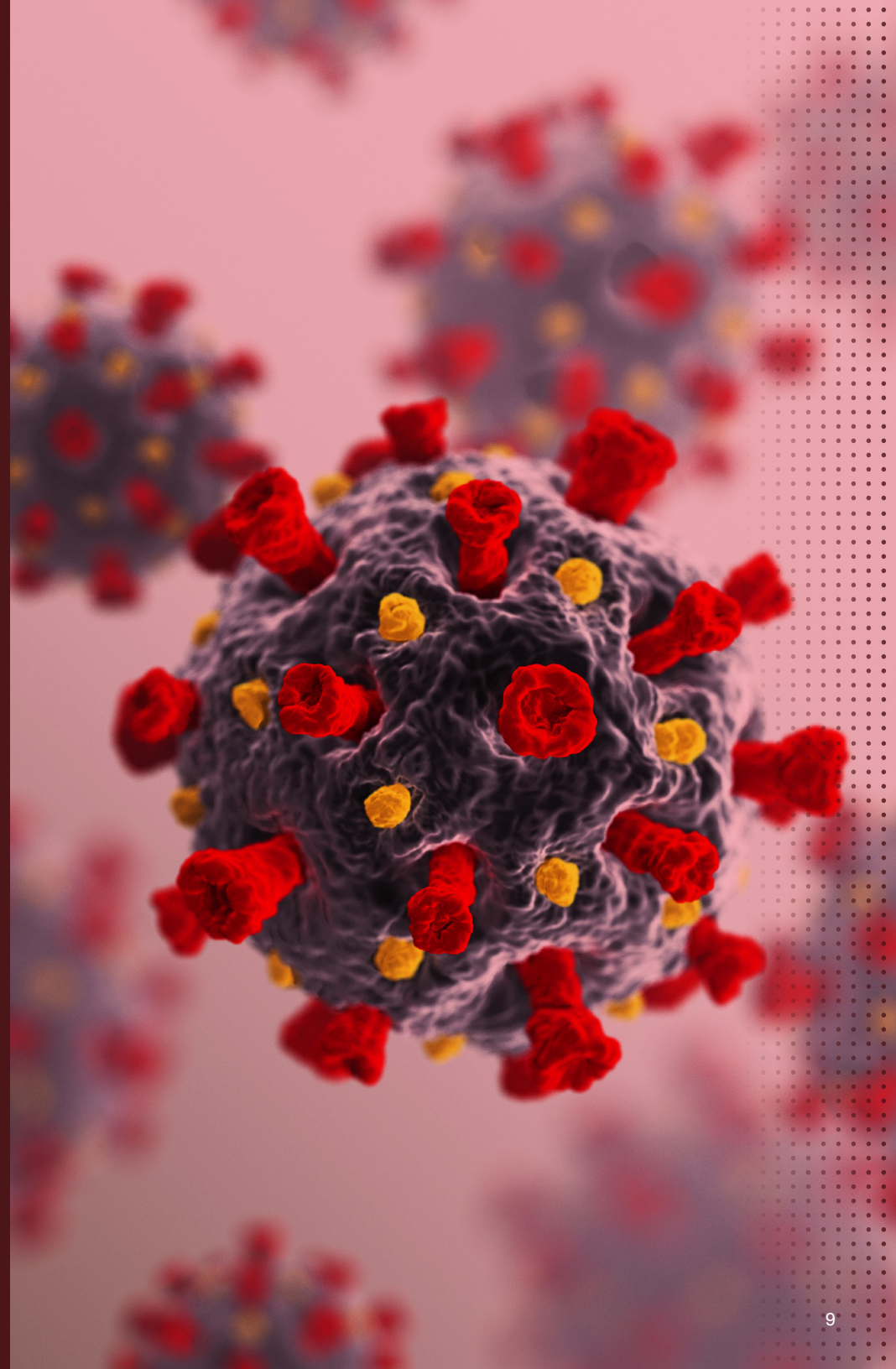
But the Astound study also concludes that consumers in all survey areas—the US, Canada, Europe, and the Middle East—are *not* panicking. They are assessing the situation pragmatically and responding appropriately. They are also maintaining a basic optimism: the vast majority expect the virus to be controlled within six months. In short, they are proving they are up to the challenge. Retailers would do well to follow their example.





Survey Methodology

During the weeks of March 9 and March 16, 2020, in the midst of the COVID-19 pandemic, we deployed two surveys, each canvassing 500 online global consumers in the US, Canada, the Middle East (KSA and the UAE), and Europe (France, Germany, Italy, and the UK). Our goal was to follow shoppers' behavior during a time of immense panic and disruption, in order to identify pain points and determine trends and how these dynamic behavioral shifts will impact brands now and in the long term. Our most recent survey data is reflected in this report.





Global Fears

The novel coronavirus, or COVID-19, global pandemic has delivered a substantial blow to a global economy that was already standing on shaky ground. As a result, 77 percent of consumers across the globe are fearful about the economic future. From a personal standpoint, just over half of consumers have reported their incomes have already become compromised as a result of the COVID-19 outbreak.

Reading social media posts and news feeds only fuels the flames of anxiety, with 72 percent of respondents declaring such. Conversations with family and friends also do little to assuage peoples' fears, with 63 percent of respondents admitting that these engagements also cause them a sense of angst. And at the core of it all is the general stress and anxiety felt by the majority of consumers over this crisis concerning their own health and the health of loved ones.

Mapping the New World

By Igor Gorin, CEO, Astound Commerce

At this point, there's no question that COVID-19 is changing the behavior of consumers for both the long and short terms. The impacts of the virus are profound, and they're exposing weaknesses in our public health policies, infrastructure, and businesses. Many companies are on the brink—or past the brink—of failure.

Further, it is human nature to react strongly and viscerally to emergencies. All too often, this devolves into panic. Such reactions only exacerbate the stresses on our economy and the businesses that support it. Panic and confusion can make it difficult for business leaders to objectively analyze the true nature of the threat and formulate and implement effective responses.

COVID-19 is straining the economic and social fabric, and it is important to understand that it presents challenges as well as opportunities for everyone to step up, adjust, and do things differently.

But what can we do?

In the short term, companies must organize crisis management and response teams and provide them with the needed authority to draft and implement innovative solutions. Many businesses have been able to respond quickly to the crisis and put in place new policies and adjust their internal operations to respond to the threat of the virus and government-mandated restrictions. However, these adjustments were primarily intended to support business internally,

rather than to support how businesses interact with their customers externally. In this regard, many were unprepared to deal with supply chain interruptions, fulfillment challenges, and increased demand on their ecommerce operations.

These challenges underscored the need to think strategically about making fundamental changes to business operations, rather than thinking only in tactical terms. We must assume that COVID-19 is not a one-and-done crisis. There is every indication that it will return seasonally, as influenza does now. And until researchers develop a vaccine, we could well endure severe virus reprises for months—even years. In addition, research from Astound and others indicates that this crisis has also changed consumer behavior, and that these changes are likely here to stay.

In other words, we are now in a new world or “new normal,” one that obligates companies to develop a wholly new set of long-term strategies. Companies need to be rigorous in their self-assessments. They must stress-test their systems for a variety of new-world potential realities, mercilessly discarding those approaches that speak to the past rather than the future.

Brands must create a set of use cases, drills, and what-if scenarios, methodically evaluating every aspect of operations to ensure they are flexible, resilient, and responsive to consumer needs. There must be extensive investigation into re-engineering supply chains, moving away from traditional, warehouse-bound fulfillment models, and employing third-party logistics and drop-shipping and innovative point-to-point and micro-fulfillment models.

One clear trend has emerged already: the need for business models that can adjust capacity on demand. SaaS models brought flexibility to IT; now is the time for bringing SaaS-like models to business operations. The ability to scale up or down quickly is an evolutionary trait that will assure dominance in the new post-COVID-19 commerce ecosystem. Retailers who understand this—and implement functional systems such as commerce, order management, fulfillment, and business operations that reflect that understanding—will thrive.

Igor Gorin is a cofounder of Astound Commerce. As Astound's CEO, he is responsible for North American operations and general company strategy.

Concerns and Sentiments

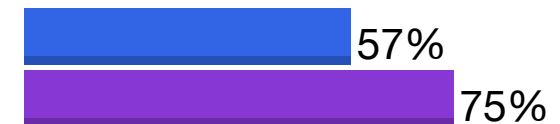
Please state your agreement with the following statements regarding your sentiments around the current coronavirus (COVID-19) outbreak. (Strongly agree - somewhat agree)



I have fears concerning the coronavirus outbreak



I have altered my day-to-day activities to be as "contactless" as possible



Reading my social media feeds (Instagram, Twitter, Facebook, and so forth) makes me anxious about current health situations concerning the coronavirus



Interaction with mainstream media outlets (TV, radio, newspaper) make me anxious about current health situations concerning the coronavirus



My income has been compromised due to the coronavirus outbreak



Week of March 9
Week of March 16

Average of Respondents



Retailers: Next Steps

A Tipping Point for the Digital Community?

By Sean Dunn, Head of Digital Engagement, Astound Commerce

The digital social community has emphatically replaced physical interaction due to the public health imperatives enforced by COVID-19—and it all happened more or less seamlessly. Before the crisis, communication was fused between the physical and virtual worlds, as we moved throughout our tribes never far from a connected device. Now, a vast majority of our tribes are walled off. It's all about Zoom for family meet-ups, Nextdoor for neighbors checking on neighbors, Google Classroom and Snapchat for students.

And despite the adverse publicity it has endured in recent years, Facebook is also proving its value.

Facebook is not the evil empire anymore—because virtual conversation suddenly matters. You go there to get notifications on the specific grocery stores that still have toilet paper or Purell. Yes, there is fear and political infighting on the social networks, but people are hungry for connection, and they're finding it on their devices. And increasingly, you see the innate decency of people manifesting online, overwhelming the negative blabbing. Random acts of kindness are becoming crowdsourced neighborhood advocacy.

For the retailer, expressing brand values and offering customer service are critical during this crisis; the customer who reaches out and finds a helping hand will remember it. A little extra effort from the retailer will pay dividends long after the pandemic has run its course. I speak from personal experience. Everyone from Marc Benioff to Maggie at Best Buy has reached out to me in the past few weeks, wishing me well and letting me know their business will remain available to me in my time of need. Communications like these are effective because they're sincere and emotionally rich, combining personal concern with brand values and dedication to the customer.

Over the next few months, brands should work on personalizing their outreach efforts, determining where customers are on the outbreak curve. Tailoring outreach to geography, target consumer pain points, and localized activities will be critical to brand building as we move through the crisis. Businesses should also be planning loyalty and advocacy outreach for the downside of the curve, emphasizing community commitment and brand integrity. Consider Facebook Live outreach, virtual hospitality, and/or Zoom conferences for key customers and influencers. Right now, I'm getting requests from neighbors to order takeout from local restaurants, and to prepay for a haircut or house cleaning, simply to keep those folks in business. Hackneyed as it may sound, we're all in this together. Get involved. Participate as both a retailer and as a human being.

Sean Dunn specializes in bringing brands to market, building brand equity, and creating relationship strategies that forge immensely strong bonds between brands and their customers. He is the creator of Wingman, a trade marketing platform that has been deployed for clients including Diageo, Treasury Wine Estates, Cisco Systems, and Ford Motor Company.



Behavioral Shifts

To reduce the spread of the virus and “flatten the curve,” we have all been forced into abnormal social distancing and isolated behavior. In our week of March 16 survey, three-quarters of respondents say they have modified their normal day-to-day activities to be as contactless as possible (up from 57 percent one week prior). Due largely to government directives and recommendations from health organizations, working from home, homeschooling, and working out at home are now the new normal.

Contactless delivery options have become the industry’s answer to the isolation mandate, and it’s an option that should be adopted by all logistics companies going forward. Consumers also altered their in-store form of payment, preferring to use mobile payments or credit cards in lieu of cash. This indicates a greater need for more mobile payment methods in all physical stores. But to a larger extent, retailers should also extend more payment plan options, such as Afterpay or Klarna, to help ease the financial strain many customers now face.

Another obvious implication has been a sudden but necessary pivot to online shopping, with many retailers caught off guard—in particular, those companies that have not made significant investments in their ecommerce strategies. Our findings saw



online shopping surge 55 percent across the globe between the week of March 9 and March 16, led by Europe (up 129 percent) and Canada (up 96 percent). This immediate shift has tested many companies’ ability to be agile and successfully scale their business to meet these increased shopper demands. Furthermore, merchants that provide omnichannel service options have the upper hand in these unprecedented times, because they can provide shoppers with immediate order fulfillment, albeit at a distance, either via pick-up or curbside delivery (“buy online, pick up in-store” features saw an increase of 35 percent during the survey time frame).



Retailers: Next Steps

Digging Out and Coming Back

By Terry Hunter, Managing Director, Astound Commerce UK and MENA

There's no point in pretending that the current situation isn't a challenge. Let's face it: it's a genuine crisis. But the commerce realm is no arena for the faint of heart; crises come and go as part of the normal business cycle. We will get through this. And the companies that emerge intact likely will have made similar decisions regarding customer service, where and when to spend, and technological commitment.

Husbanding resources and slashing expenses is a natural—in many cases, necessary—reaction to tough times. But during this particular moment, it's essential to remain committed to digital. It's clear that digital commerce will drive future revenues. That was the trend before COVID-19, and the virus will only accelerate the process as the strain on brick-and-mortar grows.

Priority number one: Don't lose your search ranking. Don't just put up a holding page and walk away. Because if you do that, you'll disappear—you'll simply be invisible when the global commerce engine is up and running again. Maintain your site and encourage people to browse it. Don't just enable the buy button. Right now, people are going to be disinclined to buy much beyond essentials anyway. But they still want to explore. They still want to dream. And if you're not part of that dreaming, you're toast.

Also, hoard your expertise. Furloughs may be necessary, but use a scalpel, not a meat cleaver. Do your utmost to keep the people whose ideas and insights drive your business. Talk to them. Negotiate with them. Everything can be on the table when staffers know they are esteemed and respected. If they can't stay with you in some capacity during the crisis, let them know they're needed when the situation starts to improve.

Finally, consider an analogous approach to clients. Is a given client known to be reliable and safe? Consider flexible payment terms, including delayed billing. Business, as we all know, is basically about relationships. Cultivate the relationship, and the business will follow.

Terry Hunter brings 20 years of enterprise technology expertise to his position with Astound, including a decade's experience in digital technology design and delivery. Prior to joining Astound, he was founder and CEO at Tryzens, which he established as one of the leaders in the ecommerce industry.



The Physical Store

The increase in online shopping evident in our survey results was at the detriment of physical store shopping, where nonessential stores were forced to temporarily close their doors to help mitigate the spread of the virus. Where in-store shopping was available, 52 percent of global shoppers made a purchase without apprehension, with 67 percent having witnessed store personnel take precautions to ensure their safety while in-store. On a positive note, 82 percent of shoppers see the in-store situation getting back to normal within six months—a bright spot for many brick-and-mortar retailers, who can look forward to shoppers returning to stores once we are released from current prohibitions.



Photo by Janko Ferlic on Unsplash

“Brands must create a set of use cases, drills, and what-if scenarios, methodically evaluating every aspect of operations to ensure they are flexible, resilient, and responsive to consumer needs.”

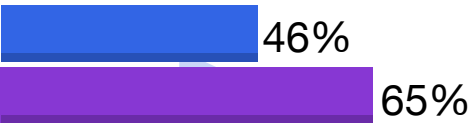
—Igor Gorin, CEO, Astound Commerce

Shifting Behaviors

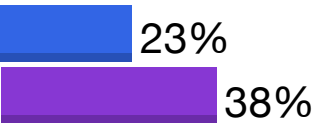
Day-to-day

In light of the COVID-19 outbreak, how have your day-to-day activities changed? MORE OFTEN

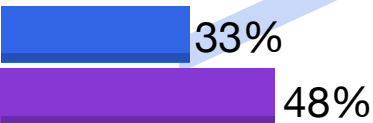
Eating meals at home



Telecommuting or working from a home office



Downloading or streaming media to watch at home



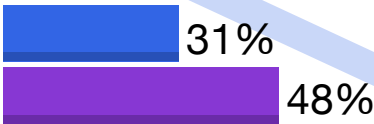
Week of March 9
Week of March 16

Average of Respondents

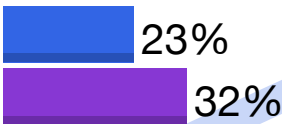
Shopping

In light of the COVID-19 outbreak, how has your shopping behavior changed? MORE OFTEN

Making purchases online

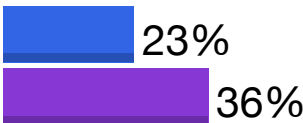


Using online grocery delivery services (Amazon Fresh, Instacart, Shipt, and so forth)

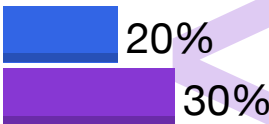


In light of the COVID-19 outbreak, how has your shopping behavior changed? LESS OFTEN

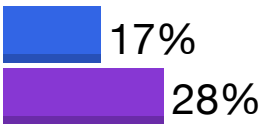
Purchasing at a physical store location



Using online food delivery services (Uber Eats, Grubhub, DoorDash, and so forth)



Placing a mobile order for food pickup



Week of March 9
Week of March 16

Average of Respondents



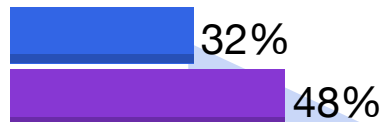
“Don’t just enable the buy button. Right now, people are going to be disinclined to buy much beyond essentials anyway. But they still want to explore. They still want to dream.”

— Terry Hunter, Managing Director, Astound Commerce UK and MENA

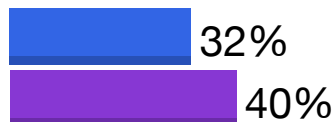
Categories purchased

In light of the COVID-19 outbreak, how has your shopping behavior changed? **MORE OFTEN**

Shelf-stable, frozen, or canned goods



Health and well-being (vitamins, supplements)

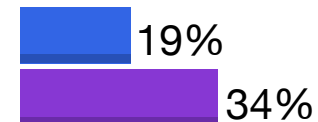


Cleaning supplies (antibacterial products, disinfectants)

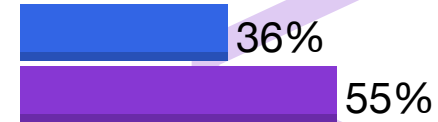


In light of the COVID-19 outbreak, how has your shopping behavior changed? **LESS OFTEN**

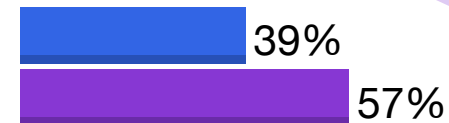
Apparel and luxury items





Travel (plane tickets, hotel reservations)



Tickets to events (concerts, sporting events)



Week of March 9 
Week of March 16 

Average of Respondents



Photo by Raphael Lovaski on Unsplash

Retailers: Next Steps

Innovate, Don't Equivocate

By Gita Samani, Consultancy Practice Lead, Astound Commerce UK

It's clear that COVID-19 has created some fundamental social and economic shifts, and retail has not been immune. In fact, there are few economic sectors that have been more affected by the virus than retail.

But the impacts are not distributed equally across all verticals. Fashion has been hit terribly hard. Many firms are pushing back their product launches until September, essentially writing off six months of commerce. And a six-month hiatus in fashion is long enough to change customer behaviors. People start thinking: I don't need that new dress, that new handbag. That can have long-term impacts on basic consumption patterns.

But beauty products are another matter. They're taking off! That presents a different challenge. Many cosmetics companies are now finding that their difficulties aren't demand, aren't website-associated—the problems are with their warehouses. They're struggling to address a backlog of orders. The issues are all about distribution.

Still, some broad trends are emerging. First, retail—all retail—must become more digitized. Consumers don't have the option right now of going to a physical store; their purchases are performed online, and this will only increase their brick-and-mortar expectations when the pandemic is over. There will be a clear shopper preference for brands that provide a great customer experience both in the store and on the website. The omnichannel—including app commerce—will reign supreme as never before. And customers will want more from their digital experiences, such as augmented reality for trying on clothes and accessories.

Second, the temptation to reduce online traffic and create holding pages must be resisted. It's a potentially fatal mistake. Turning your website into a "Be back soon" sign simply turns customers away—and off. Many won't return. And it impacts SEO profoundly, making post-coronavirus recovery all the more difficult. Invest in your digital infrastructure. It's your future.

We need to anticipate dramatic and long-term changes in product preference. Fast fashion is decelerating, and luxury shoppers are moving to more affordable products. The ephemeral, ultra-cheap and disposable will fade—but so will the ultra-luxurious and hyper-expensive. Why? Necessity. The value of money and the desirability of well-made and durable products are becoming obvious to everyone.

Finally, the old cliché says it all: one door closes and another opens. There really is opportunity in hardship—even when it comes to fashion. The savvy retailer is always thinking about what the customer needs at any given moment. Right now, people are staying home. No one is concerned about making an impression on the street, or even in the office. After all, they're not going to the office—but they still want to feel well-dressed and stylish.

So what's poised to go up? Loungewear: clothes for nesting, for staying at home. Change is implicit in the fashion industry—so embrace it.

***Gita Samani** is one of Astound's gifted soothsayers, a deeply experienced retail and ecommerce professional able to identify and interpret the small, critical details that emerge from the big picture. Her insights have turned challenging market trends into golden opportunities for innumerable clients.*



Inventory and Category Implications

As consumers engaged in panic buying in order to stock up on essential products, out-of-stocks became a common occurrence for many. Most notably, 75 percent of US and 69 percent of Canadian shoppers ran into issues of depleted inventory. Shoppers stockpiled canned goods, cleaning products, and health and well-being items to prepare for at least two weeks of quarantine.

Out-of-stocks have created many obstacles for shoppers during this time. 22 percent of global shoppers reported having to pay a premium as a result of products being out of stock elsewhere (up 450 percent from the week of March 9) in their scramble to secure important products. Over one-third of shoppers in the Middle East region were affected by price gouging, the most of any area. Additionally, half of global customers ran into issues of online store product locators that reported in-stock quantities, only to arrive at the store and find items were in fact sold out. The need for more accurate, up-to-the-minute inventory information is mandated to prevent shopper frustrations, especially in such times of adversity.

Naturally, as food, healthcare items, and cleaning products become the priority, items deemed discretionary will certainly take a hit, such as apparel, luxury, and travel. The McKinsey consumer study produced similar results in regard to category declines across comparable regions surveyed. Conscious consumerism will be the state of play for shoppers in the short term; in the long term, consumers will reward brands that have made social contributions related to this pandemic, as well as local businesses that have been directly impacted as a result of the outbreak.

“Don’t cut your investments or running projects, and use your stores as warehouses for the time being.”

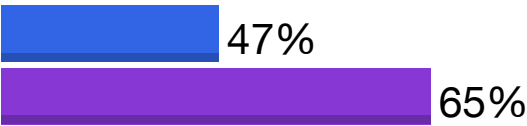
—Philip Stuhlmann, Vice President, Client Services, Astound Commerce DACH



Out-of-Stocks

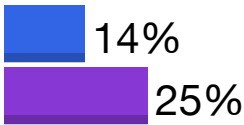
Have you recently tried to make a purchase and run into out-of-stock issues?

Yes

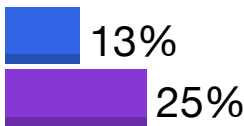


How did the out-of-stock situation affect your buying behavior?

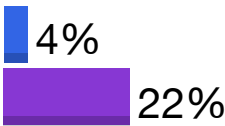
Had to buy in bulk in order to get the product



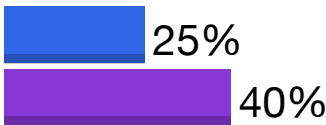
Had to purchase from a merchant I wasn’t familiar with



Had to pay a premium for the product as a result of an out-of-stock



Couldn’t find and had to go without the item



Week of March 9
Week of March 16

Average of Respondents

The Changes Could Be Long-Term

And That's Not Necessarily a Bad Thing

By David Murack, Vice President of Technical Services, Astound Commerce

The great social distancing event of 2020 may have a much longer and deeper effect on social consciousness and consumer behavior than originally anticipated.

People's habits and routines were broken almost overnight—and they adapted. This could well lead to greater individual introspection on what's important in life and a rise in personal confidence about the ability to change and endure.

The COVID-19 crisis is also driving home the importance of shopping locally. Stores that were taken for granted a few weeks ago and were seen as permanent fixtures are now in danger of closing permanently. That constitutes a dire threat to the character of individual communities and neighborhoods. So it's occurring to people that it may not be a bad idea to spend \$5 more on a book or hardware item if it helps keep their communities intact.

The crisis is also making American consumers reconsider their relationship with China. More thought is being given to the fact that most of our goods are made in a country in which we have little social visibility or political trust, a place where many top-tier



retailers have manufacturing contracts that entail human rights violations. If this consumer realization—indeed, education—continues in tandem with an activated Canada, Mexico, and US trade agreement, we may see some significant shift in supply chain dynamics. The cheapest may no longer necessarily be viewed as the best. Ethics could come more into play.

Further, the perception of basic value in consumer goods may be shifting. Utilitarian value is becoming more important than perceived value. When the crisis hit, the playing field was suddenly leveled. It didn't matter if you were wearing Gucci jeans or Levi's—the important thing was that you had a pair of pants to wear. No one is checking your label when you're stockpiling toilet paper. Brands like Timberland, the North Face, and Ice Breakers are going to increase. They're high quality, and they'll actually help you survive a crisis. Luxury and fashion brands that have no additional utilitarian value will take much longer to recover—if they can recover at all.

*With 18 years of experience in information technology and ecommerce, **David Murack** is a technocrat's technocrat. He has done everything from debugging code to managing enterprise-level ecommerce operations. He has a comprehensive understanding of software, database, and web application programming—and the expertise needed to integrate these systems into streamlined, elegant, and efficient processes.*



Fulfillment Concerns

Consumer dismay over order delivery has also become prevalent. In the first week of our survey, just under half of shoppers reported they were concerned about the shipping of their online orders; since then, that number has increased to 66 percent. The reality is that fulfillment has become vastly overburdened due to the sudden increased demand, with nearly 60 percent of shoppers actually experiencing a delay in their order shipping, an increase from the week before of 51 percent.

Grocery orders did not fare much better. For those shoppers that placed grocery orders for either pickup or delivery, 70 percent also ran into delays. Predictably, online grocery delivery has accelerated as a result of the pandemic, with Canada seeing the highest week-over-week growth rate of 66 percent. There is tremendous room for growth and innovation in the areas of grocery delivery and pickup; as consumers have now adopted this behavior, they will become accustomed to the convenience and time-saving quality of these services, similar to the convenience of mobile-ordering a latte at Starbucks or having takeout delivered by Grubhub.



Photo by Christian Keeple on Unsplash

Retailers: Next Steps

Secure the Supply Chain

By Vanessa Cartwright, Chief Client Success Officer, Astound Commerce

As we all continue to reel from the effects of the current global pandemic, close attention must be paid to the integrity of the supply chain. It's coming under increasing pressure as more workers are mandated to stay at home, and we're already seeing impacts to our essential businesses, including groceries: slots for home deliveries are harder and harder to come by.

Shortages are increasing both in-store and online, despite government appeals against bulk buying and hoarding, and despite the fact that grocery retailers and some other critical businesses are hiring—among the few sectors to do so during the crisis.

Such shortages and bottlenecks are likely to increase as workers in critical services and businesses come down with symptoms, are quarantined, or are forced to stay at home to care for ill family members.

As consumers, we should reassess whether our need for that new shirt or those fabulous shoes is important enough to ask someone to fill that order—and we must also be mindful of conserving funds that should be saved for a more essential purpose.

In the long run, every aspect and element of consumer supply chains will be re-examined, likely resulting in long-term changes in both business strategies and customer behavior. We'll probably see major shifts to locally sourced materials and manufacturing, an increased use of technology to forecast demand, and the implementation of as much automation as possible. COVID-19 may also fundamentally alter our expectations of ever-shortening delivery times.

Grocery supply chain structures are also translating into a dramatic surge of interest in self-sufficiency. We're seeing a massive number of Facebook posts inquiring about sourdough starter sources, vegetable seeds, and gardening equipment. People are so interested in keeping chickens that there's a sudden shortage of hens and chicks.

Finally, there are increased appeals to companies to convert production to emergency supplies. Apparel companies are being asked to produce medical masks and hospital gowns, alcoholic beverage producers are urged to manufacture hand sanitizer, and auto companies are being petitioned to switch production to ventilators. This is a global war, and some people and businesses will recognize that fact sooner than others. The companies that can and will meet the challenge, the ones that do the right thing and move beyond their narrow interests, will be remembered.

Vanessa Cartwright develops and executes company vision and strategy, corporate development (including mergers and acquisitions), and restructuring. She has deep experience in retail, consumer goods, financial services, lifestyle and fashion, luxury, cable and communications, wellness and beauty, and nonprofits. She also provides expertise in AI, content, social media, and mobile.

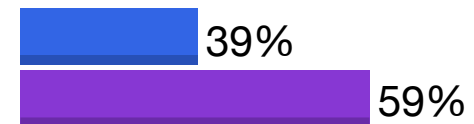
“The companies that can and will meet the challenge, the ones that do the right thing and move beyond their narrow interests, will be remembered.”

—Vanessa Cartwright, Chief Client Success Officer, Astound Commerce

Shipping Delays

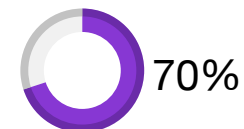
Have you experienced any shipping delays?



Yes



Have you experienced delays in receiving a click + collect order?

Yes



Week of March 9 
Week of March 16 

Average of Respondents



Outlook for the Future

Despite current events, shoppers have a bright vision for the future—72 percent of global consumers think that COVID-19 will be under control and/or eradicated within six months or less, up from 9 percent just a week before. As the deluge of grim news reports about this outbreak continues, shoppers maintain their optimism. Their shifts in behavior come as a result of terrible circumstances, but they know we will get through this. Together.

Working Through It

By Dmitry Golovatsky, Head of Product Development, Astound Commerce

Retailers have to move quickly to accommodate the stay-at-home lifestyles now enforced on consumers—or get left behind by their competitors.

Most immediately, businesses must reduce bottlenecks. Case in point: local retailers don't have enough delivery opportunities to fill demand. There is also a real need for apps that will let a person accept orders from his or her neighbors prior to going to the supermarket or other physical store; that way, the neighbors can get what they need, and the risk of spreading the virus is minimized.

Brands can also partner with consumers sheltering in place to produce product reviews. In return for affiliate commissions, stay-at-home consumers can make video reviews of recently purchased products that retailers can post on the detail pages of their websites. People are still interested in retail—they just can't go to physical stores. All the activity is now online, and brands have to move with that flow.

New ecommerce opportunities are emerging that can integrate consumers as both brand aficionados and partners and can pay huge dividends even after this crisis has passed. The benefits will flow to the perceptive, the quick, and those who can intuit consumer needs in a stressful time.

Dmitry Golovatsky is the founder of Astound Labs, Astound Commerce's internal incubator.

“Start or accelerate your direct-to-consumer initiatives, and put digital communication and interaction with your customers on top of your priority list.”

—Karsten Bockbreder, Vice President, Expert Services, Astound Commerce DACH

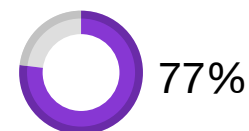


Photo by Collins Leslie on Unsplash

Predictions

Please state your agreement with the following statements regarding your sentiments around the current COVID-19 outbreak. (Strongly agree - somewhat agree)

The coronavirus outbreak has weakened the economy, and I am fearful for the future





How long before you think COVID-19 outbreak will be under control and/or eradicated?

Within a few months



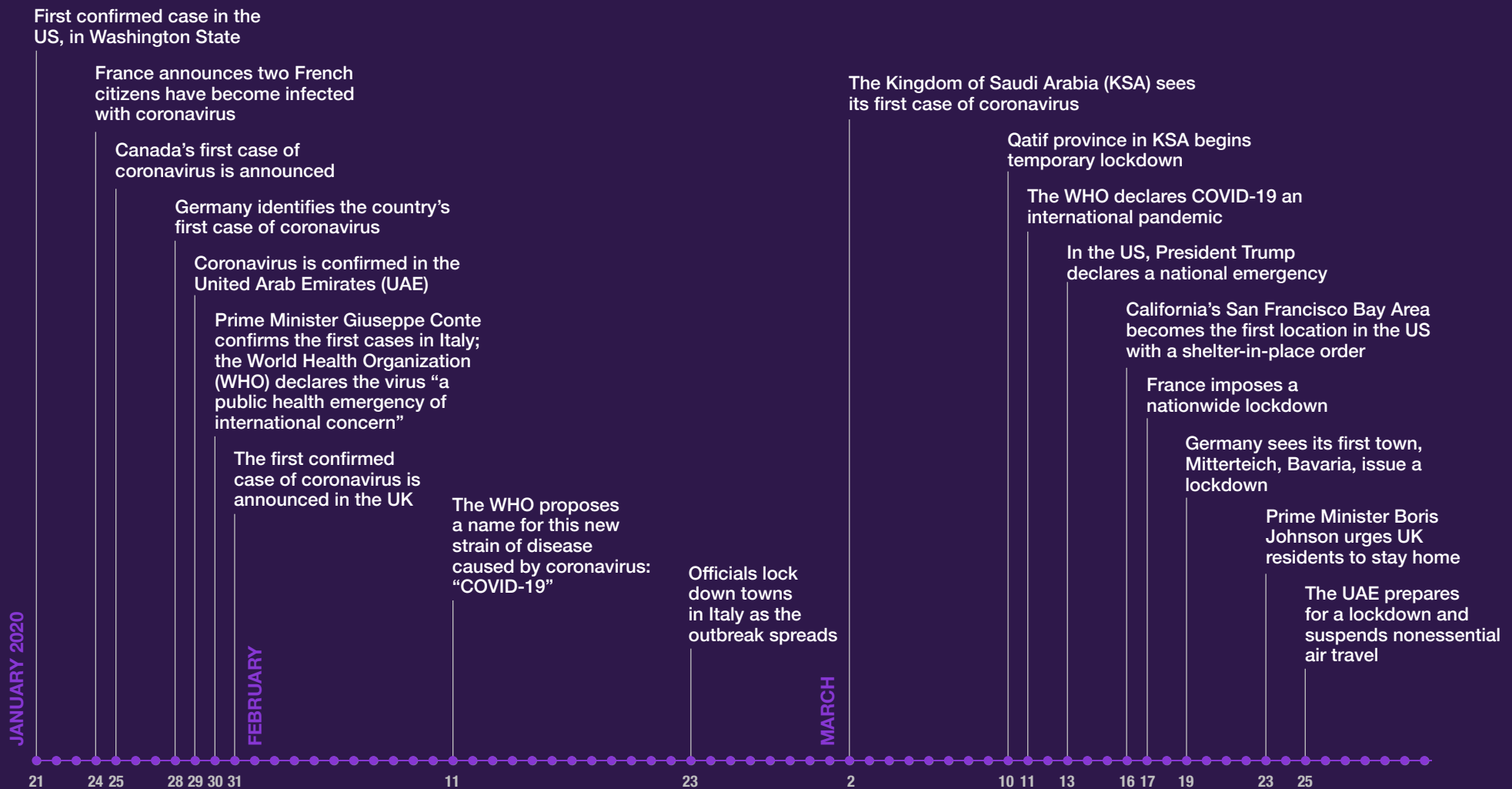
Within 6 months



Week of March 9 
Week of March 16 

Average of Respondents

Timeline of Events



6 Responses to the COVID-19 Crisis That Go Beyond Retail

COVID-19 has caused serious disruption to our daily lives, creating massive panic, while out-of-stocks, long checkout lines, and various prohibitions have caused stress and anxiety for us all. Under normal circumstances, shopping can represent a sense of normalcy when everything else is in chaos. But how should retailers react when they are in their own state of pandemonium?

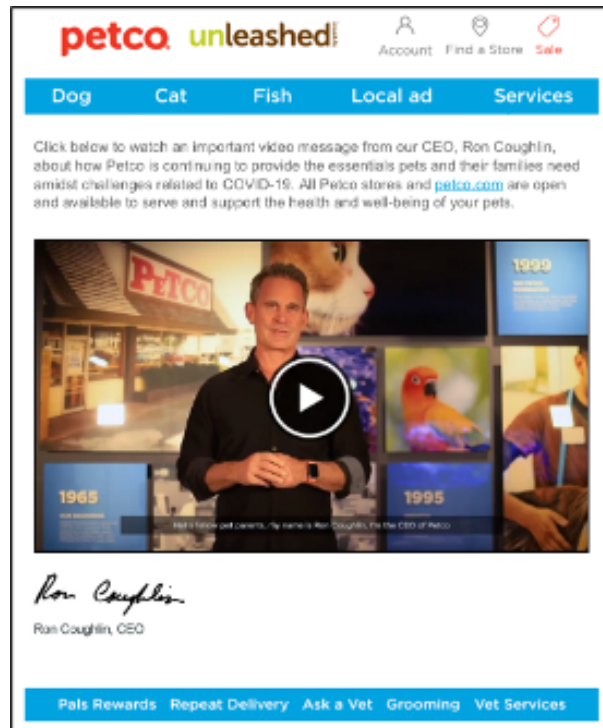
Due to the rapidly evolving nature of the situation, responses to the COVID-19 crisis from retailers have run the gamut. In general, most statements followed the same boilerplate, impersonal messaging of, “We are taking every precautionary measure to keep you and our employees safe,” along with, “We are closely monitoring the situation and complying with CDC guidelines,” to the sudden, “We are closing our stores until further notice.” Before the closures, some retailers wisely publicized their efforts to adhere to social distancing practices and increase their store cleanliness standards, while beauty retailers in particular announced the suspension of in-store beauty services—all necessary measures to help mitigate shoppers’ anxiety.

Some retailers were tone-deaf to the potential severity of the situation, sending out emails amid store closure announcements that invited shoppers to mark their calendars for upcoming in-store events such as trunk shows and pop-up shops. Luckily, these emails were outliers.

Admittedly, there is currently no proper protocol for how to effectively communicate during a global pandemic. While the majority of retailer responses used the same approach to update shoppers, some responses truly stood out. The communications that resonated were those that were authentic, trustworthy, and called for a sense of community during a time of unprecedented uncertainty.

Petco's CEO calms pet parents' fears.

Pet products and services retailer Petco emailed a video message to its customers in which CEO Ron Coughlin attempts to quell the anxieties unique to pet parents. He calmly states that currently, all credible expert veterinarians have determined that pets are safe from both contracting and spreading the coronavirus. Also, in contrast to the barrage of retailers closing or modifying their hours of operation during this ordeal, Petco's doors will remain open to serve as the "grocery store" and "pharmacy" for all pets—all while adhering to CDC guidelines. In times like these, people need a reliable source they can turn to for answers, and Petco is that source for pet parents.



Reformation asks its shoppers 'How should we respond?'

Responses to traumatic events can often feel inadequate or out of touch. Sustainable women's clothing retailer Reformation is not afraid to admit to and embrace this feeling, making its email response feel more authentic and relatable compared to others. The brand asks shoppers for feedback on the type of content, if any, that is relevant to them during this time. This sincere request for feedback is important, as appearing tone-deaf or irresponsible can have negative consequences for a brand.

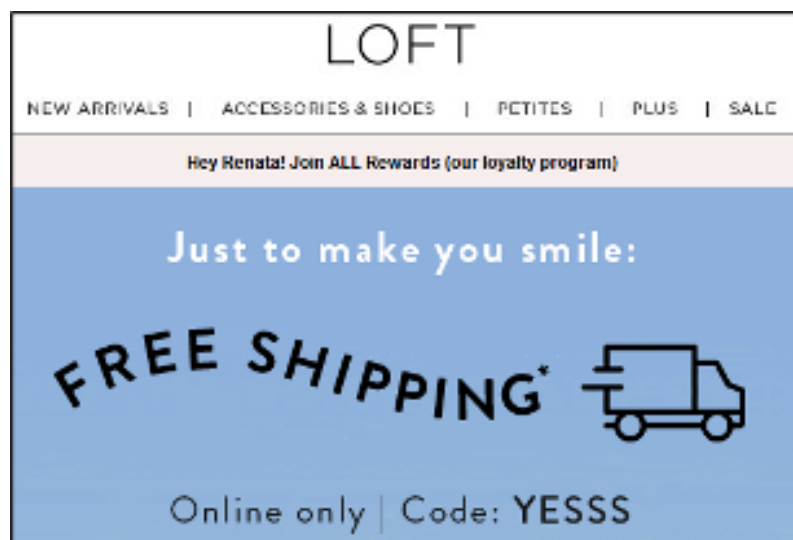
Lastly, we're not sure exactly what is appropriate for a company like ours to be talking and posting about right now. What's resonating with you? Do you still want to hear about new collection launches and sustainability related stuff? Or do you need a break? Please let us know.

Stay safe and take care of each other.

♥ Ref

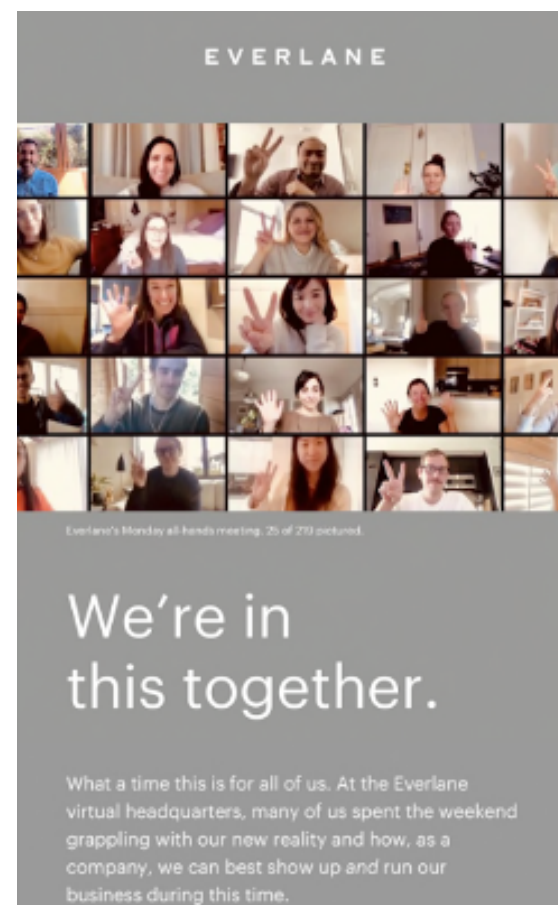
Loft offers a compassionate promotion.

As the economic effects of this outbreak reverberate far and wide, Loft is not the only retailer to offer shoppers free shipping (or at least a lower free shipping threshold). But the added implicit acknowledgment of current events gives this promotion a more genuine tone. Providing an offer “just to make [the shopper] smile” feels like a warm hug—a gesture of compassion during a time when we are called upon to self-isolate and distance ourselves from one another for the sake of our health—just when we most need to connect.



Everlane shows solidarity.

One ramification in the fight to stop the spread of this virus is that now, many of us are required to work from home if possible. This email from ethical apparel brand Everlane includes a photo of 25 of its employees during a recent virtual meeting, each person working remotely amid this outbreak. An empathetic show of solidarity such as this one goes well beyond retail; the takeaway here is in the value of Everlane’s message: “We’re in this together.” Yes, we are.



M.M.LaFleur shares favorites.

The internet is brimming with lists of the top movies or shows to stream, playlists to listen to, books to read, and so on, to help us escape from reality for a while as we try to adjust to this new normal. M.M.LaFleur, a luxury apparel brand for professional women, curated its own list of content recommendations to share with its community, inviting suggestions in return. Based on your mood and preferences, there's something for everyone—a daily moment of Zen within your inbox. This simple yet meaningful email can provide each of us with a much-needed moment of calm.

We're all in need of a little something right now. Depending on what that something is for you, here are some links we've been clicking on a lot this week. Send us what you're reading, what you're thinking about, and what you want more of.

For those craving moments of calm:

- Season 3, Episode 1 of [Chef's Table](#), which follows the unbelievably soothing persona of Jeong Kwan, a buddhist monk who cooks world-famous food without garlic, onions, or spices.
- The intensely-colored-but-light-as-air, simultaneously-old-and-new-world paintings of [Maki Na Kamura](#).
- [The Calm Place](#), from the New York Times, which showed us that we actually needed to be listening to bird songs this whole time.

For those hoping for a bit more energy:

- This passionate defense of ["Mamma Mia"](#) as the best thing to watch right now.
- Robin Williams's routine about the invention of [golf](#).

For those who could use a bit more color:

- [Yinka Shonibare's](#) saturated creations made from Dutch Wax cloth.
- [Jamie Beck's](#) still-life creations made from daily life objects in Provence, France.
- This saturated spring [green](#).

For those looking for new voices to read:

- This [piece](#) by Paul Graham, which will make you want to start playing with essay writing.
- Anything by [Isabel Allende](#), since this seems like a good time for magical realism.
- This charmingly human [letter](#) from the founder of Man Repeller about uncertainty and starting over.

And for those [discovering their new style](#):

Many of us are working from home these days, but there's no one right way to do it. In fact, we've identified at least 4 distinct styles of working from home. Which one are you?

The Body Shop does its part.

Barren store shelves have become somewhat commonplace for shoppers over the last few weeks. Stores are running out of the essential healthcare products needed to safeguard against this virus—principally hand sanitizer. The Body Shop is known for its cruelty-free skincare products as well as its socially responsible ethos. This email explains how the brand is doing its part in this crisis by donating an estimated 30,000 units of cleansing products to its partnering shelter and community organizations. Seeing this gesture of community support right now strikes the perfect chord—more of this, please.

THE BODY SHOP®

To Our North American Customers,

As communities around the world are struggling with Coronavirus (COVID-19), we recognize not everyone has access to the supplies that they need to protect themselves. At The Body Shop we have products that allow people to safely wash their hands to eliminate bacteria, which is the most effective form of prevention from COVID-19 based on the World Health Organization guidelines.

Our stores all over North America partner with shelters and senior communities as part of their everyday work. To further support these communities, we are donating approximately 30,000 units of cleansing products to these organizations throughout the US and Canada. In addition, we have provided all North American The Body Shop employees with hand washing products to take home to protect themselves and their families.

As consumers continue to grapple with this current reality, they are optimistic about the future. 72 percent of global consumers think that the coronavirus will be under control and/or eradicated within six months or less, according to our most recent COVID-19 consumer survey. How this outbreak unfolds remains to be seen, but as 31 percent of global consumers are shopping more online, retailers can present themselves as a way to maintain normality. Communication is key during this period of seclusion, and retailers can use this opportunity to connect with shoppers on an emotional level that goes beyond retail.

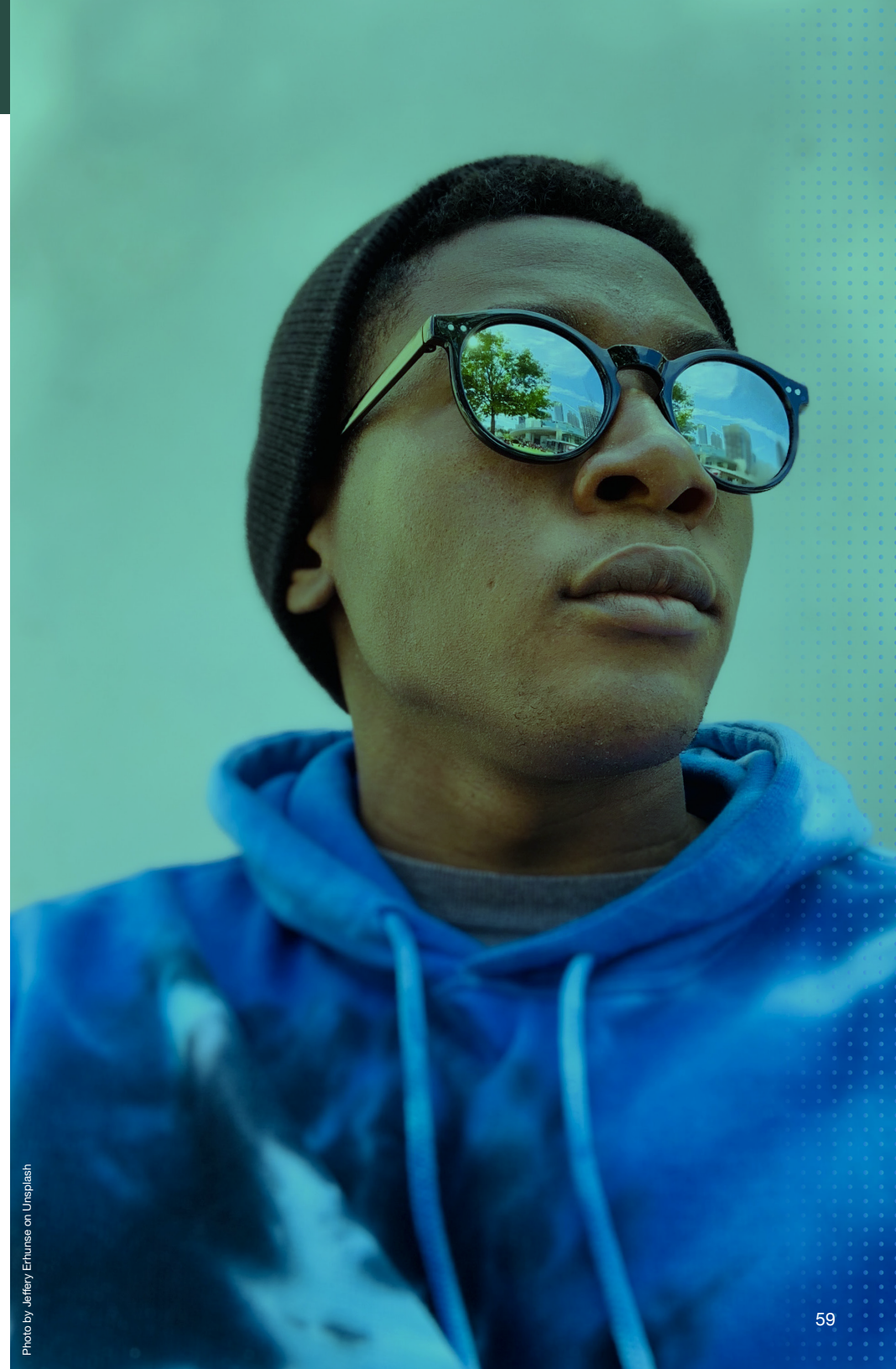


Photo by Jeffery Erhurse on Unsplash



Retailers: Next Steps

Creating a New Normal

By Bridget Fahrland, Head of Digital Strategy, Astound Commerce

COVID-19 has brought a quick reappraisal of priorities in commerce, from the perspective of both the retailer and the consumer. With the exception of gifts—which are evergreen even during times of crisis—nonessential items will be a low priority in the short term.

It's all about Purell and Clorox wipes now—few are thinking about buying new shoes or a new TV. Beauty may see more traffic soon (we are about to know everyone's real hair color!), but overall

apparel and luxury goods are in for a rough ride. Essentials—groceries, pharmaceuticals, household products—are doing well, and that's likely to continue.

The internet is our savior in this emergency, but it's not just about shopping. We're also relying on it for work-from-home and homeschooling. People might even spend less time shopping online because they're going to get screen fatigue and at the end of the day opt for a book and cup of tea versus more scrolling.

Also, COVID-19 has raised some ecommerce issues that don't have a clear resolution. Should people be working in warehouses to ship nonessential items during a stay-at-home order? How do we handle packages that once required signatures? Can in-store pickup move gracefully to curbside? Etailers *can* work to minimize their losses and even gain some traction during the pandemic; business invariably continues out of necessity, even during the most challenging catastrophes.

But perhaps the most important thing to do now is help. Retailers should look to Kevin Love and Jack Ma—the people who are doing their utmost to make a difference. We have to rise to the occasion.

Bridget Fahrland is a national digital leader with extensive strategy, brand, creative, CX, ecommerce, and integrated marketing experience. Her clients over the years have included AAA, Aqua-Aston, Bare Minerals, Citibank, Clorox, Disney, Google, Gymboree, J&J, McKesson, Panasonic, the North Face, Whirlpool, WW, and 1-800-FLOWERS.



STAY SAFE
STAY HOME
SAVE LIVES

Photo by Sandie Clarke on Unsplash

Survey Results by Region

United States

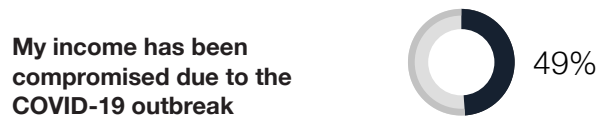
Canada

Europe

Middle East

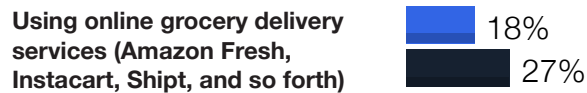
United States

CONCERNS AND SENTIMENTS



SHIFTING BEHAVIORS

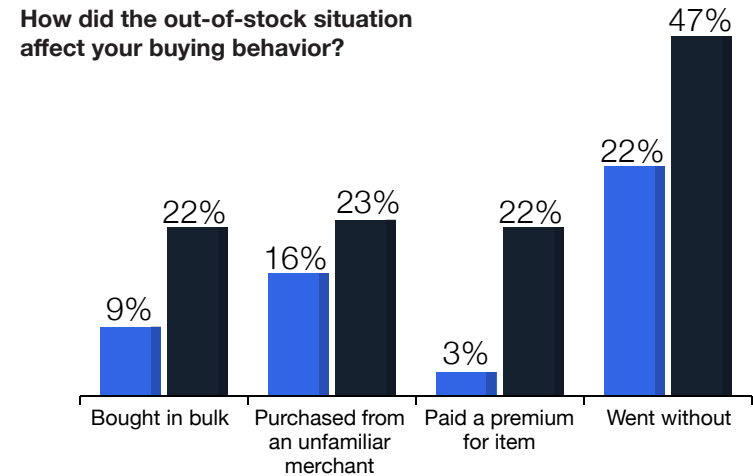
Shopping Habits: MORE OFTEN



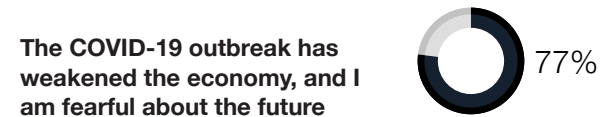
SHIPPING DELAYS



OUT-OF-STOCKS



PREDICTIONS

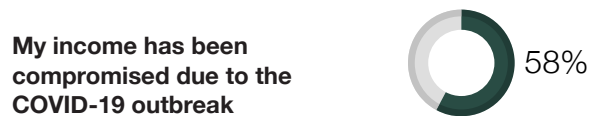


Week of March 9

Week of March 16

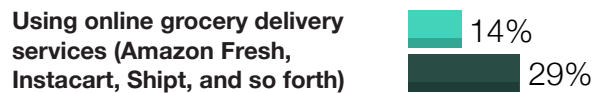
Canada

CONCERNS AND SENTIMENTS



SHIFTING BEHAVIORS

Shopping Habits: MORE OFTEN



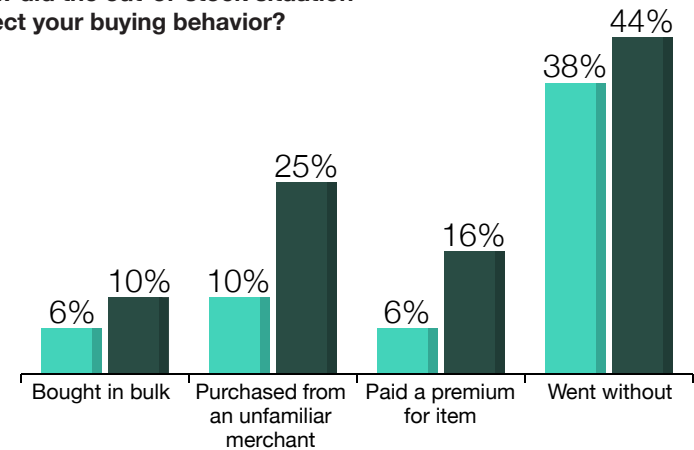
SHIPPING DELAYS



OUT-OF-STOCKS



How did the out-of-stock situation affect your buying behavior?

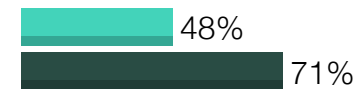




PREDICTIONS

The COVID-19 outbreak has weakened the economy, and I am fearful about the future



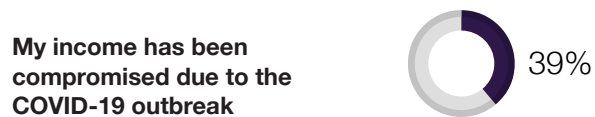
I think the COVID-19 outbreak will be under control and/or eradicated within 6 months or less



Week of March 9 
Week of March 16 

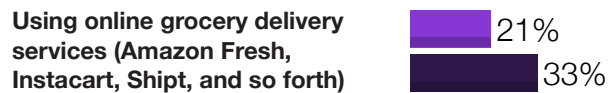
Europe

CONCERNS AND SENTIMENTS



SHIFTING BEHAVIORS

Shopping Habits: MORE OFTEN



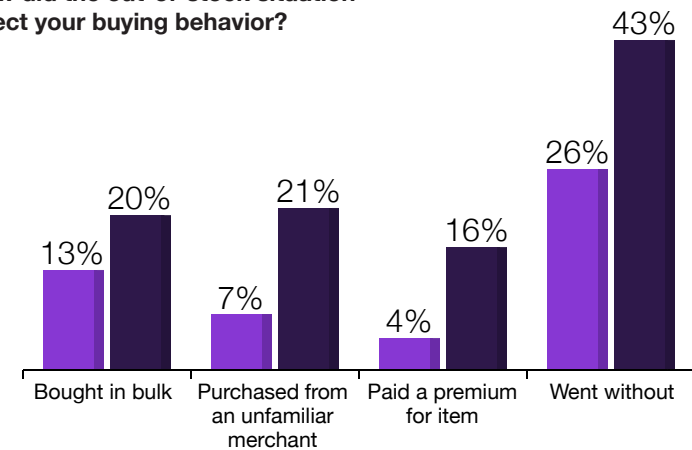
SHIPPING DELAYS



OUT-OF-STOCKS

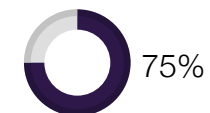


How did the out-of-stock situation affect your buying behavior?





PREDICTIONS

The COVID-19 outbreak has weakened the economy, and I am fearful about the future



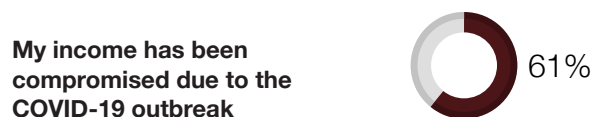
I think the COVID-19 outbreak will be under control and/or eradicated within 6 months or less



Week of March 9 
Week of March 16 

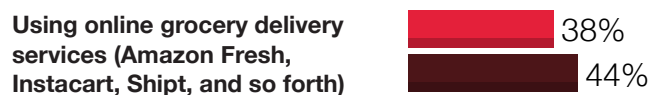
Middle East

CONCERNS AND SENTIMENTS



SHIFTING BEHAVIORS

Shopping Habits: MORE OFTEN



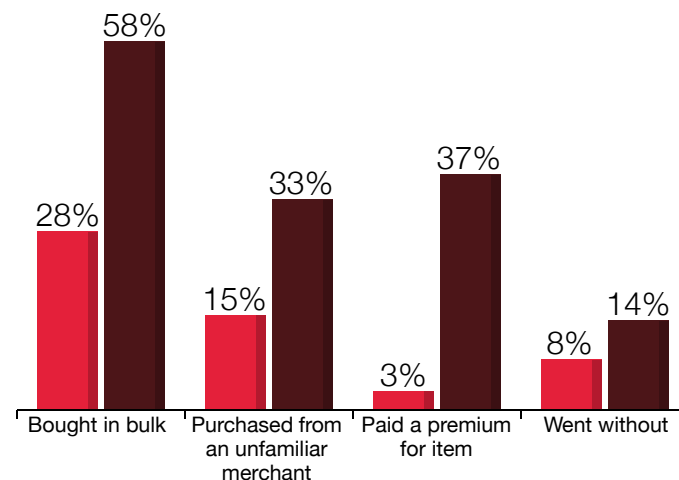
SHIPPING DELAYS



OUT-OF-STOCKS

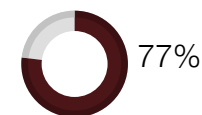


How did the out-of-stock situation affect your buying behavior?



PREDICTIONS

The COVID-19 outbreak has weakened the economy, and I am fearful about the future



I think the COVID-19 outbreak will be under control and/or eradicated within 6 months or less



Week of March 9

Week of March 16

About Astound Commerce

Astound Commerce (astoundcommerce.com) is a global digital agency focused on developing innovative commerce experiences. Over the last 20 years, we have grown to combine experience design, technology development, and marketing strategy and help brands build relationships and engage with their customers at every stage of the buying cycle.

We work with more than 200 clients, including Calvin Klein, Bare Minerals, Bloomingdales, Google, L'Oreal, Puma, Michael Kors, Ralph Lauren, Allergan, Under Armour, Movado, Louis Vuitton, Parts Town, and Jimmy Choo.

With our years of expertise and thousands of experience-driven ecosystems woven into our DNA, we create unique and compelling experiences for customers across all channels and drive sustained business growth for our clients. Please contact Chief Client Success Officer Vanessa Cartwright at v.cartwright@astoundcommerce.com to learn more.