

COVID-19 CONSUMER RESEARCH WAVE 24 EXECUTIVE SUMMARY

August 14 - 16, 2020

MDC and **The Harris Poll** have partnered to conduct research to monitor the pulse of the American Consumer.

The executive summaries on the pages that follow provide insight into current consumer attitudes and behavior and can be used to help navigate the changing industry landscape. We hope this information proves useful to you and your team as you address these changes in real time and strategize for your next moves.

As always, we are here to help. Please don't hesitate to contact us with any questions you may have.

Positively,

Ryan Linder + The MDC Family
Global Chief Marketing Officer, EVP



WAVE 24

WAVE 24 INTRODUCTION

The following research was conducted between **August 14-16, 2020** by The Harris Poll. Fielded among a nationally representative sample of **1,967** U.S adults, the newest research demonstrates how consumers' perceptions are rapidly shifting as new developments emerge.

Section:

01

Topic:

AMERICA SAYS THE POST OFFICE DELIVERS

Introduction:

In recent weeks, the administration's effort to reduce costs at the U.S. Postal Service by cutting funding, overtime, and sorting machines has been met with fierce backlash by Americans. Why the backlash? Earlier this summer, USPS [was #1 in the Harris Poll Essential 100](#) during the pandemic, beating out the likes of Amazon, Clorox, and Microsoft.

- Why do Americans consider USPS to be the most essential “company” during the pandemic? Likely because **they don't view it as a company at all, but a public service**. Despite calls by many in the administration to run the organization like a private business, three-quarters of Americans (76%) say **USPS should receive necessary government funding during a crisis** vs. only one-quarter (24%) who say it should be run like a private business and not be subsidized by the government during a crisis.
- Recent operational changes to cut costs are being noticed by Americans: **more than half of Americans (54%) say they have noticed a delay in mail or packages arriving at their home** over the last few weeks. Only 38% of Americans support these changes and over three-fourths (77%) say they are concerned about the delays.
- And while few issues in government cross the partisan divide, the popularity of USPS is one: 54% of Republicans and 69% of Democrats oppose the changes. Perhaps because Americans **nearly unanimously (92%) say USPS plays an important role in their community**.
- The importance of USPS and impact of these changes will increase drastically over the next two months as more and more Americans choose to vote-by-mail during a pandemic. **Three-fifths (59%) of Americans believe USPS can handle a nationwide vote-by-mail election, including 74% of Democrats and 49% of Republicans.**

- This isn't just wishful thinking. Last year, the agency [delivered 28 million packages per day during the holiday season](#).
- **But large majorities are concerned their mail votes won't be counted:** While 67% say they support conducting vote-by-mail for the upcoming election, 74% say they are concerned that recent changes at the Post Office means some Americans' ballots won't be counted.
- A majority of Americans (67%) support vote-by-mail for this November's election, down slightly from 73% in April of this year.
- Americans' love for the Postal Service made an impact: Postmaster General DeJoy announced that these changes [will be suspended until after the November election](#).
- **Read More:** The USPS reaches every address in America every single day, even in rural areas that [require a mule](#) to reach the depths of the Grand Canyon.

Implication:

This assault on USPS credibility is achieving the intended effect of casting doubt on mail-in voting. But what's more telling is the overwhelming trust and vitalness that Americans place in their letter carriers. After all, USPS is a lifeline to seniors as well as many parts of rural America that FedEx and UPS won't or can't reach. These may be challenging times, but the good ol' postal service has delivered in worse weather.

Section:

02

Topic:

TIKTOK, TIME'S RUNNING OUT

Introduction:

As President Trump upped the pressure last weekend on ByteDance to complete its sale within 90 days to Microsoft (or now Oracle), our The Harris Poll in [USA TODAY](#) finds Americans support the executive order, whereas daily users oppose – despite acknowledging its inherent security risks:

- The majority (57%) of **Americans agree with President Trump's executive order** effectively shutting down TikTok and WeChat (within 45 days) over security concerns. And even more (67%) are concerned China is inappropriately using personal data collected from the popular app.
- However, 64% of active TikTok users oppose Trump's order even though 59% of these users are concerned China is inappropriately using their personal data.
- What's more, nearly two-thirds (62%) of all Americans agree that even if bought by an American company, TikTok would still pose a security threat because of its ties to China – including 63% of active TikTok users.
- TikTok has a hold on its users: Three quarters (74%) of active TikTok users say **they would miss it if it were banned** while only 30% of Americans cared.
- Overall, 61% agree **Trump is doing the right thing** in looking to ban apps that threaten American's online privacy security. But nearly the same amount (58%) also agree what is happening with TikTok **sets a dangerous precedent that the government can interfere in corporate acquisitions** before proper diligence is conducted.
- Why go after TikTok? Votes: Our Harvard CAPS/Harris Poll found in July over half of voters (53%) **now believe China is an enemy of the U.S.** with 7 in 10 believing China is creating tension and instability in the world.

- **Another reason: it's young people on the platform:** Nearly one-third (31%) of Americans told us they have downloaded TikTok but 60% are 18-24; 52% of 25-34. Only 16% of Xer's and Boomers 50-64 are on the platform. Among active users, 50% are 18-24; 43% are 25-34; but only 10% of 50-64.
- Other skirmishes in the new growing China tech war: [U.S. puts new curbs on access by China's Huawei to U.S. technology.](#)
- **Read more:** [Trump now has a profile on Triller](#)—TikTok's rival platform.
- **Read more:** If Microsoft isn't a matchmaker ... is [Netflix?](#)

Implication:

It's good politics, but Trump risks an American-Chinese tech divorce that could break the global internet and disrupt companies and consumers in both countries. While this tit-for-tat (or tik-for-tok) is harmful on both sides, American firms that specialize in microchips, AI, biotech and other industries are worried that restricting the flow of technology to China could siphon expertise, research and revenue away from the U.S. and curb America's advantage. Unless security agreements are reached, the world is moving toward two internets with more dislocation for American companies relying on the China market and vice-versa.

Section:

03

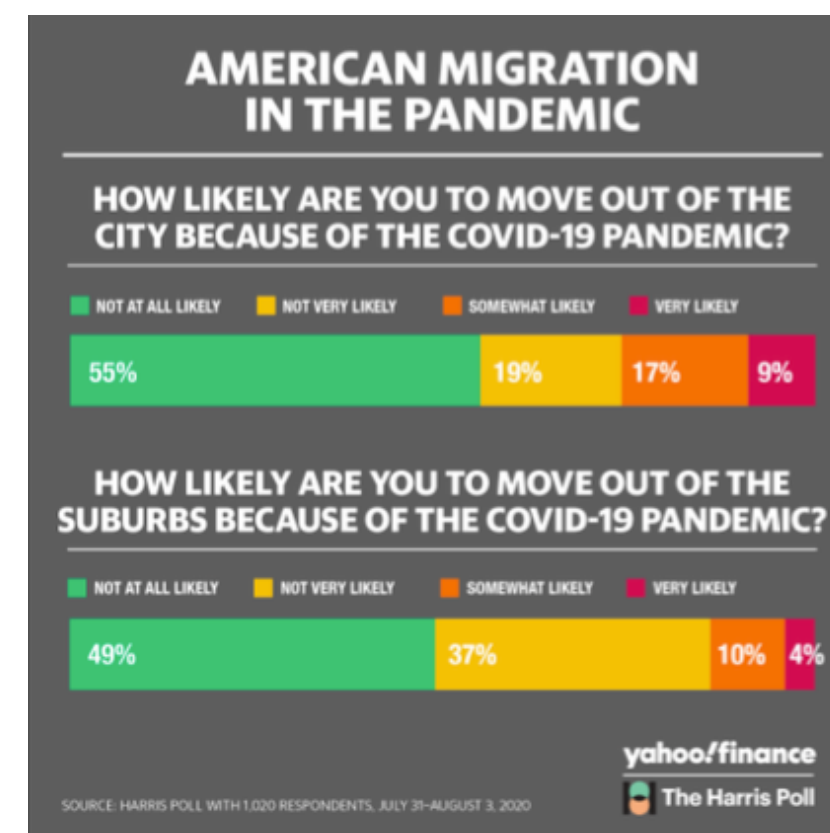
Topic:

SOFTENING ON THE SUBURBS

Introduction:

The thing about polling is Americans feel strongly one way, until they don't. Such was the case in the spring when we reported an intended mass exodus out of U.S. cities into the greenery of America. But now a new Harris Poll shared with [USA TODAY](#) and [Yahoo! Finance](#) finds a change of heart.

- With restrictions easing in some cities, 74% of **urban residents now say they are likely to stay put** despite the ongoing health crisis while just 26% say they are somewhat or very likely to relocate. This compared to our survey from [May](#), only 60% of urbanites said they wanted to continue living in the city and over three in ten Americans said the COVID-19 pandemic makes them want to live in a rural area more than 21 miles of a major city (37%) or a suburb within 10 miles of a major city (35%).
- Suburbanites are content to stay put, especially women. 86% of suburbanites are not at all/not very likely to move out of the suburbs because of COVID-19, and this number jumps to 90% of women who are unlikely to move from the suburbs.



- That being said, the **younger generation may be more willing to consider the move**, [as USA Today reported](#). 44% of those ages 18-34 are very/somewhat likely to move out of the city due to COVID-19 (vs. 29% of those 35-44, 13% of those 45-54, 9% of those 55-64, and 11% of those 65+). Also, the number of millennials considering moving may vary city by city, [according to the Chicago Tribune](#).

Implication:

The city appeal is back for most urbanites, especially as cities have lifted COVID-19 restrictions. As The Harris Poll's co-CEO, Will Johnson, said, "As the risk of catching COVID-19 subsides, city dwellers are reminded of why they love city living." There are some who will still consider moving, but it is clear that Americans have not yet made up their minds on whether the pandemic will cause them to make a residence move. The housing market will have to wait and see.

Section:

04

Topic:

AMID COVID-19, AMERICAN'S DON'T CARE ABOUT CLIMATE CHANGE ANYMORE

Introduction:

COVID has shifted the calculus on social issues, causing a mass re-prioritization based on a sense of urgency. In a [survey The Harris Poll conducted last December](#), Americans said Climate Change was the number one issue facing society. When asked in July this year, the environment along with almost every other issue we asked about, took a back seat to COVID. Our Co-[CEO Will Johnson](#) dove into the discouraging results in his [recent Op-Ed in Fortune](#).

- Today, Climate Change comes in second to last on a list of a dozen options, ahead of only overpopulation. Further, more than a third of Gen X men **dismiss climate change as unimportant** and 13% of all respondents say the **government should do nothing to improve the environment**, a stance that rises to nearly one in five of all survey takers in the South.
- Despite the de-prioritization of Climate Change due to COVID, some of Americans' actions may be more environmentally friendly due to the pandemic while others, not so much:
 - **COVID is reducing our fuel burn.** Just 61% of Americans say they are using their car today, compared with the 77% of adults who were driving regularly pre-COVID. And only 14% are flying which is down from 21% last winter.

- But it is also **increasing waste**. Younger men in particular are ordering more takeout food, packed in single-use plastic bags and disposable boxes, often with those plastic straws scorned for littering the landscape and polluting waterways.
- **And it seems our better habits are not here to stay.** Americans say post-COVID they will drive as much as they did before, take public transportation less, bicycle or walk less, buy more clothes, and have more stuff packaged up and shipped to our homes.
- On the flip side, Americans say that they will not use air travel as much even after the pandemic, and that they will go back to reusable bags post-COVID.

Implication:

Despite Climate Change taking a significant dip on the list of issues Americans believe most important today, it remains to be seen if COVID could end up harming or helping the environment in the short and long-run. When this question was put to them, nearly 2 in 5 Americans (39%) said that COVID-19 is helping in the short-term but causing long-term damage. With this awareness in mind, we can only hope that the environment will take the front seat again once the pandemic has started to decline.

Section:

05

Topic:

YOUNG AMERICANS TURN TO SOCIALISM IN THE AGE OF COVID

Introduction:

In March of last year, [our survey with Axios](#) found Gen Z/Millennials have a more positive view of the word "socialism" than previous generations, and are more likely to embrace socialistic policies and principles. Last week, we asked [the same question for the Financial Times](#). What did we find? Gen Z/Millennials' preference to live in a socialist country instead of a capitalist country increased by 9 points (from 50% to 59%).

- Why is socialism increasingly appealing to these younger Americans during this crisis? Perhaps because Gen Z/Millennials are significantly more likely to be impacted financially in some way by the pandemic compared to Boomers (92% vs 82%).
 - They are more likely to have cut back on savings (39% vs. 25%), seek out additional sources of income (40% vs. 28%), partially lost income (36% vs. 28%), or accumulated more debt (29% vs. 19%).
- More than three-fifths (63%) of Gen Z/Millennials in our polling say **the pandemic is the most important event of their lifetime** vs. only 40% of Boomers.
- Gen Z and Millennials are also having a **different emotional reaction to the pandemic**: compared to Boomers, they are more likely to feel annoyed (47% vs. 20%), claustrophobic (40% vs. 24%), and overwhelmed (49% vs. 26%) and less likely to be thankful (62% vs. 77%) and appreciative (58% vs. 82%).

- These generations **are experiencing their second global crisis before they even turn 40**. As the [Financial Times](#) wrote last month, "the double blow of the financial crisis and the pandemic will increase pressure for policies to help those under 40."
- But this leftward reaction to the back-to-back crises isn't strictly an American phenomenon. The [LA Times](#) says "the financial crisis shaped the views of millennials in ways that are already driving politics on both sides of the Atlantic, including the greater willingness of younger people to refer to themselves as socialists. Millennials elevated Jeremy Corbyn to the leadership of the Labor Party and Bernie Sanders to the verge of the Democratic presidential nomination. The coronavirus outbreak is likely to sharpen many of these views."
- This November, these two generations are projected to make up 37% of the electorate and what they are looking for in a presidential candidate is shifting the candidates' priorities. According to our polling, the top three voting issues for Gen Z are mass shootings, racial equality, and immigration policy.
- Read more: Vice explores [Why Gen Z Is Turning to Socialism](#).

Implication:

Embracing socialism has implications that extend beyond past politics: It is not just the government that Gen Z is looking to solve problems, it's also corporate America. Half (50%) of Gen Z **say their opinion of a company is influenced by how the company behaves in society**, second only to the quality of products and services (61%).

Questions?

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