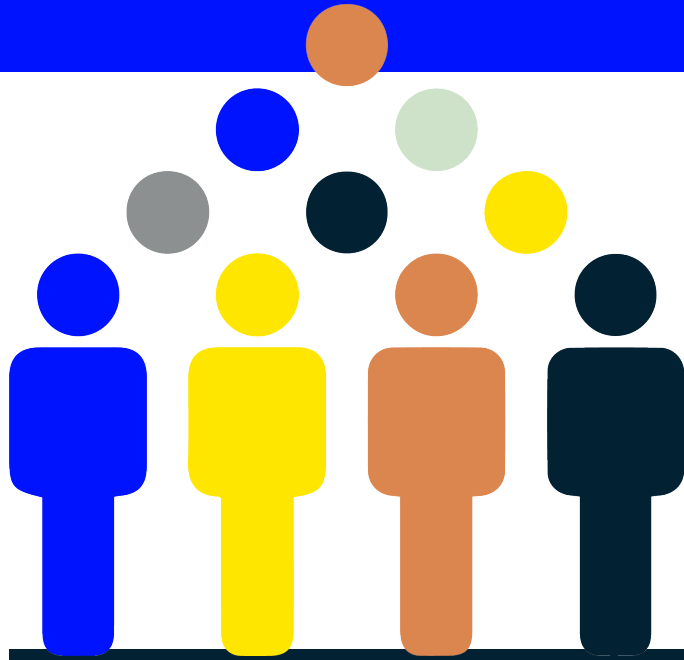


An update on Nationwide Marketing Group Members' perspectives and actions on the business impact of the coronavirus.

From April 2-3, Nationwide Retail Insights conducted a quick survey of Member companies to better understand the impact of coronavirus, also known as COVID-19, on their businesses, employees, and retail operations in the United States. This is the third study over the past two weeks in this series. Trend data compares results found here with the first quick turn survey, conducted March 18-19.

Visit the Nationwide Marketing Group's coronavirus resource page for more information and breaking updates.

Key Findings



580 respondents

provided full or partial feedback to nine inquiries related to how their business is navigating the COVID-19 outbreak.

29%

of dealers have closed their store(s), with 26% of those doing so under government order.

82%

of dealers who remain open report a decrease in traffic over the past week, with 62.6% describing the decrease as significant.

81%

of dealers report website traffic has increased or remained at a normal level over the past week.

39%

of dealers who remain open report YoY comp sales for March having increased or remained flat.

Categories Represented



580 respondents

assort an array of durable goods, with many dealers offering multiple categories. Of participating dealers, we found that:

60% Offer Major Appliances

62% Offer Bedding

24% Offer Consumer Electronics

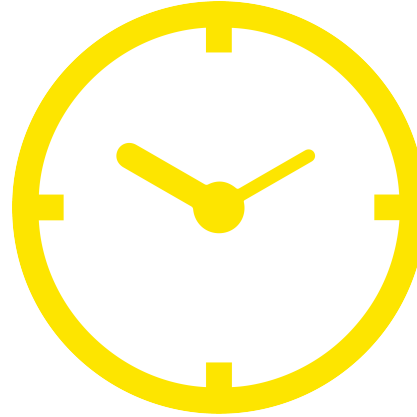
54% Offer Home Furnishings

Regarding retail operation, dealers report:



36%

are maintaining normal operating hours. This is down from 67.4% just two weeks ago.



30%

have move to reduced operating hours. This is up from only 20% two weeks ago.

29%

have closed for a period of time, up from only 5% two weeks ago.



90%

of stores reporting closure did so under governmental order.



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Regarding **in-store** consumer traffic, in the past week, dealers have seen:

1.9% Traffic increase significantly,
down from 4.3% two weeks ago.



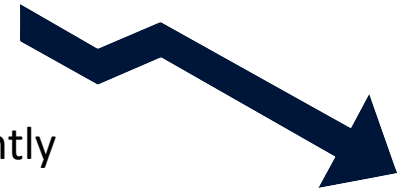
4.4% Traffic increase slightly,
up from 3.4% two weeks ago.



7.6% Traffic remain the same,
down from 11.9% two weeks ago.

19.0% Traffic decrease slightly

67.1% Traffic decrease significantly



Two weeks ago, these metrics registered at 27.9% and 52.4% respectively, with the total percentage of dealers seeing a decrease in traffic moving from 80% to 86%.

Regarding **website** traffic, in the past week, dealers have seen:

12.8% Traffic increase significantly,
up from just 6.4% two weeks ago.



29.3% Traffic increase slightly,
a sharp rise from 15.9% two weeks ago.



30.9% Traffic remain the same,
contrasting with 53.9% two weeks ago.

8.5% Traffic decrease slightly

18.6% Traffic decrease significantly



Two weeks ago, these metrics registered at 12.4% and 11.4% respectively, with the total percentage of dealers seeing a decrease in website traffic moving from 24% to 27%.

Regarding YoY comp sales for March, dealers report experiencing:



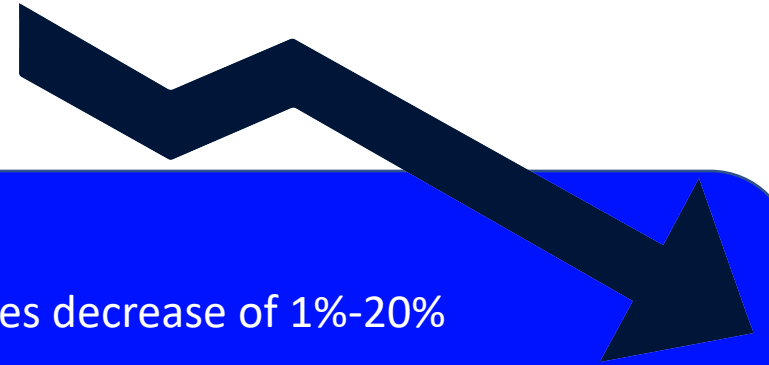
1.1% Comp sales growth of more than 50%

7.4% Comp sales growth of more than 21-49%

30.3% Comp sales growth of 1%-20%



11.9% Comp sales were flat



25.5% Comp sales decrease of 1%-20%

16.2% Comp sales decrease of 21-49%

7.4% Comp sales decrease of more than 50%

Metrics based on 504 dealers reporting YoY comp sales

Regarding **marketing investments (across all channels)**, dealers describe their **near-term** plans as:



53.8%

We plan to reduce our marketing spend in the near-term
This is up from 38% two weeks ago.

40.2%

We plan to maintain our marketing spend in the near-term.
This is down from 52% two weeks ago.

5.4%

We plan to increase our marketing spend in the near-term.
This is up from 4% two weeks ago.

Notable Trends

Key questions in this survey align with those asked two weeks ago in the first in this series of quick turn retail surveys. On the following pages, we'll highlight some of the more notable data trends, which can help you understand movement across the channel over the past two weeks.

March 18/19

Retail Operations

April 1/2

In companies that offer major appliances:

72.8% Maintain normal operating hours
18.8% Move to reduced operating hours
2.8% Close for a period of time

287 respondents

In companies that offer bedding:

66.1% Maintain normal operating hours
19.5% Move to reduced operating hours
5.8% Close for a period of time

292 respondents

In companies that offer outdoor living:

70.2% Maintain normal operating hours
17.0% Move to reduced operating hours
2.1% Close for a period of time

94 respondents

Over the past two weeks, dealers are shifting more and more to a model of reduced operating hours.

Appliance dealers, classified in many areas as “essential”, have remained open at a much higher rate than their counterparts in furniture and bedding.

In companies that offer major appliances:

51.4% Maintain normal operating hours
38.2% Move to reduced operating hours
10.4% Close for a period of time

325 respondents

In companies that offer bedding:

30.9% Maintain normal operating hours
28.8% Move to reduced operating hours
40.2% Close for a period of time

333 respondents

In companies that offer outdoor living:

37.6% Maintain normal operating hours
28.7% Move to reduced operating hours
33.7% Close for a period of time

101 respondents

March 18/19

In-store traffic

April 1/2

In companies that offer major appliances:

6.0% Traffic increased significantly
5.3% Traffic increased slightly
18.4% Traffic remained the same
32.0% Traffic decreased slightly
38.3% Traffic decreased significantly 266 respondents

In companies that offer bedding:

2.5% Traffic increased significantly
2.5% Traffic increased slightly
7.6% Traffic remained the same
28.4% Traffic decreased slightly
59.0% Traffic decreased significantly 278 respondents

In companies that offer outdoor living:

4.5% Traffic increased significantly
4.5% Traffic increased slightly
9.1% Traffic remained the same
27.3% Traffic decreased slightly
54.4% Traffic decreased significantly 88 respondents

Over the past two weeks, dealers are reporting that traffic has slowed, with significant trends toward traffic decreasing.

Furniture and bedding dealers, with only those open included here, are again seeing a sharper decline than seen by appliance dealers.

In companies that offer major appliances:

2.5% Traffic increased significantly
5.0% Traffic increased slightly
7.9% Traffic remained the same
23.0% Traffic decreased slightly
61.5% Traffic decreased significantly 278 respondents

In companies that offer bedding:

0.5% Traffic increased significantly
4.0% Traffic increased slightly
5.0% Traffic remained the same
17.9% Traffic decreased slightly
72.6% Traffic decreased significantly 201 respondents

In companies that offer outdoor living:

1.4% Traffic increased significantly
2.8% Traffic increased slightly
4.2% Traffic remained the same
22.2% Traffic decreased slightly
69.4% Traffic decreased significantly 72 respondents

March 18/19

Online Traffic

April 1/2

In companies with fewer than 10 employees:

3.8% Traffic increased significantly
8.0% Traffic increased slightly
62.0% Traffic remained the same
12.7% Traffic decreased slightly
13.6% Traffic decreased significantly 228 respondents

In companies with 30-49 employees:

7.5% Traffic increased significantly
32.5% Traffic increased slightly
40.0% Traffic remained the same
15.0% Traffic decreased slightly
5.0% Traffic decreased significantly 39 respondents

In companies with more than 100 employees:

50% Traffic increased significantly
21.4% Traffic increased slightly
14.3% Traffic remained the same
0% Traffic decreased slightly
14.3% Traffic decreased significantly 14 respondents

Over the past two weeks, dealers are reporting that website traffic has increased, indicating more and more consumers are shopping online during the pandemic.

Appliance dealers are seeing the largest spike in online traffic, with 50.2% reporting traffic increases compared to only 11.8% two weeks ago.

In companies that offer major appliances:

17.7% Traffic increased significantly
32.5% Traffic increased slightly
30.4% Traffic remained the same
8.0% Traffic decreased slightly
11.4% Traffic decreased significantly 237 respondents

In companies that offer bedding:

14.0% Traffic increased significantly
28.0% Traffic increased slightly
28.4% Traffic remained the same
7.0% Traffic decreased slightly
22.6% Traffic decreased significantly 257 respondents

In companies that offer outdoor living:

17.4% Traffic increased significantly
26.7% Traffic increased slightly
30.2% Traffic remained the same
7.0% Traffic decreased slightly
18.6% Traffic decreased significantly 86 respondents

In Depth Findings

In order to make this data even more relevant to your business, on the next few slides you'll find the data shared above in more specific formats. You'll see the data broken out by product categories (realizing that some dealers offer multiple categories). We hope you'll find these useful as you consider the current strategies and operational modifications, as well as current results across the independent channel.

Regarding retail operation, dealer plans vary by product categories offered.

In companies that offer major appliances:

51.4% Maintain normal operating hours
38.2% Move to reduced operating hours
10.4% Close for a period of time

325 respondents

In companies that offer consumer electronics:

45.5% Maintain normal operating hours
37.3% Move to reduced operating hours
17.2% Close for a period of time

140 respondents

In companies that offer bedding:

30.9% Maintain normal operating hours
28.8% Move to reduced operating hours
40.2% Close for a period of time

333 respondents

In companies that offer outdoor living:

37.6% Maintain normal operating hours
28.7% Move to reduced operating hours
33.7% Close for a period of time

101 respondents

In companies that offer home furniture:

28.3% Maintain normal operating hours
28.0% Move to reduced operating hours
43.7% Close for a period of time

305 respondents



Regarding in-store traffic, dealer results vary by categories offered.

In companies that offer major appliances:

2.5% Traffic increased significantly
5.0% Traffic increased slightly
7.9% Traffic remained the same
23.0% Traffic decreased slightly
61.5% Traffic decreased significantly

278 respondents

In companies that offer consumer electronics:

0.9% Traffic increased significantly
3.7% Traffic increased slightly
6.5% Traffic remained the same
22.2% Traffic decreased slightly
66.7% Traffic decreased significantly

108 respondents

In companies that offer bedding:

0.5% Traffic increased significantly
4.0% Traffic increased slightly
5.0% Traffic remained the same
17.9% Traffic decreased slightly
72.6% Traffic decreased significantly

201 respondents

In companies that offer home furniture:

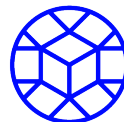
0.6% Traffic increased significantly
3.0% Traffic increased slightly
4.2% Traffic remained the same
16.9% Traffic decreased slightly
75.3% Traffic decreased significantly

166 respondents

In companies that offer outdoor living:

1.4% Traffic increased significantly
2.8% Traffic increased slightly
4.2% Traffic remained the same
22.2% Traffic decreased slightly
69.4% Traffic decreased significantly

72 respondents



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Regarding online traffic, dealer results vary by categories offered.



In companies that offer major appliances:

17.7% Traffic increased significantly
32.5% Traffic increased slightly
30.4% Traffic remained the same
8.0% Traffic decreased slightly
11.4% Traffic decreased significantly

237 respondents

In companies that offer consumer electronics:

22.9% Traffic increased significantly
32.4% Traffic increased slightly
26.7% Traffic remained the same
5.7% Traffic decreased slightly
12.4% Traffic decreased significantly

105 respondents

In companies that offer bedding:

14.0% Traffic increased significantly
28.0% Traffic increased slightly
28.4% Traffic remained the same
7.0% Traffic decreased slightly
22.6% Traffic decreased significantly

257 respondents

In companies that offer home furniture:

13.7% Traffic increased significantly
27.4% Traffic increased slightly
26.6% Traffic remained the same
7.5% Traffic decreased slightly
24.8% Traffic decreased significantly

226 respondents

In companies that offer outdoor living:

17.4% Traffic increased significantly
26.7% Traffic increased slightly
30.2% Traffic remained the same
7.0% Traffic decreased slightly
18.6% Traffic decreased significantly

86 respondents



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Regarding YoY Sales in March, dealer reports vary by categories served.

In companies that offer major appliances:

1.3% Comp sales growth of more than 50%
7.2% Comp sales growth of 21-49%
32.3% Comp sales growth of 1% - 20%
13.4% Comp sales are flat
25.4% Comp sales decrease of 1%-20%
13.7% Comp sales decrease of 21-29%%
6.5% Comp sales decrease of more than 50%

306 respondents

In companies offer consumer electronics:

0.0% Comp sales growth of more than 50%
6.3% Comp sales growth of 21-49%
25.2% Comp sales growth of 1% - 20%
9.5% Comp sales are flat
28.4% Comp sales decrease of 1%-20%
18.1% Comp sales decrease of 21-29%%
12.6% Comp sales decrease of more than 50%

127 respondents

In companies offer bedding:

1.3% Comp sales growth of more than 50%
4.8% Comp sales growth of 21-49%
17.7% Comp sales growth of 1% - 20%
10.6% Comp sales are flat
20.3% Comp sales decrease of 1%-20%
36.4% Comp sales decrease of 21-29%%
18.7% Comp sales decrease of more than 50%

311 respondents

In companies that offer home furniture:

0.4% Comp sales growth of more than 50%
3.0% Comp sales growth of 21-49%
18.7% Comp sales growth of 1% - 20%
10.5% Comp sales are flat
20.6% Comp sales decrease of 1%-20%
28.5% Comp sales decrease of 21-29%%
20.2% Comp sales decrease of more than 50%

267 respondents

Regarding marketing investments (via all channels, including digital, print, broadcast, etc.) dealers report plans for the near-term future that vary by categories offered.

In companies that offer major appliances:

44.9% plan to reduce their marketing spend
48.3% plan to maintain current marketing spend
6.2% plan to increase their marketing spend

323 respondents

In companies that offer bedding:

62.1% plan to reduce their marketing spend
33.0% plan to maintain current marketing spend
4.6% plan to increase their marketing spend

330 respondents

In companies that offer outdoor living:

56.5% plan to reduce their marketing spend
36.1% plan to maintain current marketing spend
7.4% plan to increase their marketing spend

108 respondents

In companies that offer consumer electronics:

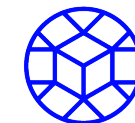
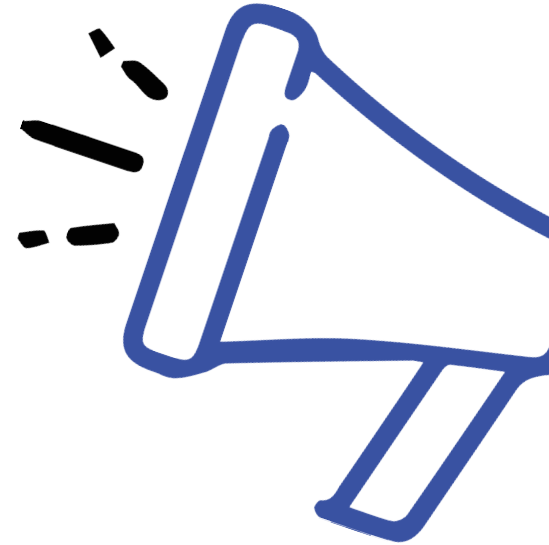
51.5% plan to reduce their marketing spend
53.3% plan to maintain current marketing spend
5.2% plan to increase their marketing spend

134 respondents

In companies that offer home furnishings:

61.6% plan to reduce their marketing spend
33.2% plan to maintain current marketing spend
4.9% plan to increase their marketing spend

286 respondents



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This is the **third in a series** of quick turn surveys and resulting insights as together, we navigate the Coronavirus outbreak.

We hope that you found the insights in this study helpful as you make the best decisions for your business as the COVID-19 outbreak continues to develop.

In this study, we received many great questions that will be included as we move forward. Our only ask is that you participate as these surveys become available so that we may provide you with the most robust and useful insights possible.

As always, if you have questions or needs, please reach out to any NMG team member or email us at ask@nationwidegroup.org.