



Responding to Coronavirus: For Home Advertisers



The novel coronavirus outbreak, also known as COVID-19, has severely affected the many industries, such as the home décor and improvement category. Managing expectations of current and future customers has become even more important during this period of uncertainty. Digilant is committed to closely monitoring the impact of coronavirus on consumer behavior in order to provide the best digital advertising recommendations during this time of uncertainty.

In this guide, you'll find current trends within the home improvement and décor categories during the COVID-19 outbreak and strategic ways to advertise as a result of those trends.



01. DIY ON THE RISE

With the whole family at home, many have turned to taking on projects that have been on the to-do list for a while. Stores such as Michael's have started to offer **curbside pickup** and **delivery** to encourage **DIY projects**. People are looking to reinvent their spaces and keep themselves busy with rewarding at-home renovations and creations.

According to Yahoo Finance, **79%** of surveyed consumers with children age 3-17 at home indicated that they may purchase either home improvement or DIY items online while they are confined to their homes. For home good sellers, now is a great time to focus on promoting items that can be easily delivered and assembled by customers, or if applicable, have a DIY component. Additionally, consider switching up **messaging** that emphasize home improvement or staying at home.



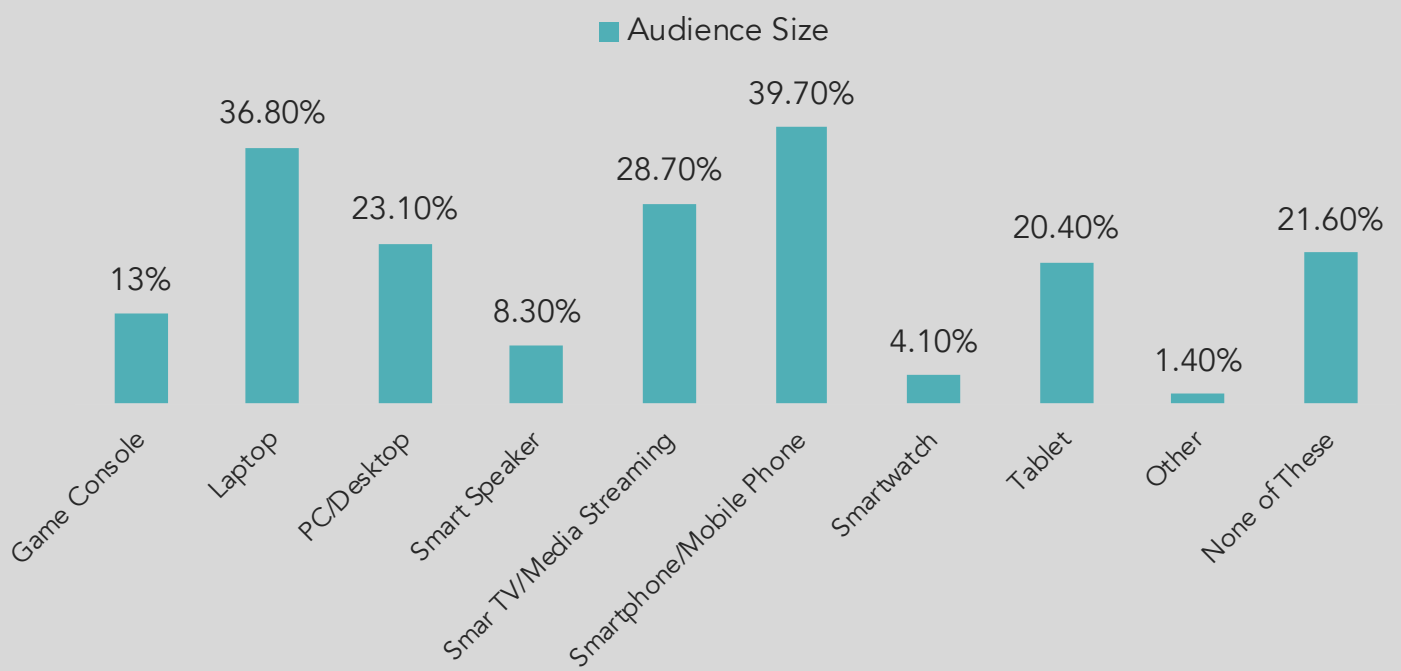
02. TECH USAGE

With the swift adoption of social distancing measures, more consumers are utilizing portable devices to stay connected to their loved ones and to entertain themselves in their down time.

Data usage has seen a huge spike since the start of the coronavirus outbreak, with overall web traffic increasing 20% (CNBC). This has ultimately yielded an increase ad inventory and a larger reach than usual, giving advertisers a prime opportunity to capture the attention of their target audience.

Devices expected to see a significant increase include Smartphones, Smart TVs, Laptops, Game Consoles and Tablets. Now is a time to consider expanding targeting to devices and channels that will continue to see greater than average usage in the coming months.

WHAT DEVICE(S) HAVE YOU BEEN SPENDING MORE TIME USING SINCE THE START OF THE CORONAVIRUS / COVID-19 OUTBREAK?*



03. IMPLEMENT APP OWNERSHIP

It's essential for brands to strategically tailor messaging to effectively communicate with the age groups that are most predominantly active on digital channels. To reach mobile audiences who have recently used home improvement and DIY apps on all their devices, consider implementing app ownership in your digital advertising strategy. to reach users with applicable apps on all their devices, using Connected ID technology,

Sample apps could include Pinterest, Bright Nest, ColorSnap, Home Depot, Lowes and more. App Ownership also can classify audiences along dimensions of life stage, interests and activities, and intent based on app ownership behaviors.



04. MIND THE GENERATIONAL GAP

As changes continue to impact consumers' everyday lives, different age groups are reacting in different ways – and in turn, their spending habits are changing. Now, more than ever, it's essential for brands to strategically tailor messaging to effectively communicate with the age groups that are most predominantly active on digital channels.

GEN Z (AGES 25 AND UNDER)

Gen Z relies heavily on word-of-mouth testimonials and reviews from peers and influencers (hint: influencer marketing).

Be thoughtful with social spending. You won't find Gen Z on Facebook and Twitter much, as the majority prefer Instagram, Snapchat and TikTok.

MILLENNIALS (AGES 25-35).

Millennials highly value community and enjoy co-creating content. To speak to these traits, encourage brand engagement through contests, polls, user-generated content programs. With DIY projects and home improvement on the rise, consider a contest of showing off creations and finished products.

GEN X (AGES 36-54)

Show this generation you appreciate their business with freebies and coupons, and they'll return the favor with brand loyalty.

This generation is highly active on Facebook, so leverage it as a point of contact to drive engagement with this audience.

BABY BOOMERS (AGES 55-75)

This generation is more active on social media than you might think. They spend about 27 hours per week online (and spend \$7 million per year online).

They prefer easy to use, easy to understand loyalty programs that *actually* benefit them (and, in turn, will benefit you).

05. A NEW WORK FROM HOME AUDIENCE

Despite not having intel on how long offices nationwide will keep their doors closed, many employees both domestically and internationally are now tasked with working from home for the interim. This includes many who are doing so for the first time and are likely looking to boost their focusing skills by creating a comfortable, designated at-home workspace.

As discussed by WRCB TV, there has been a spike in sales of home office furniture and supplies as more workers transition to a remote work atmosphere. With this said, shifting advertising towards “working from home” messaging and imagery could lead to higher engagement.

Another way to reach this professional audience is through a **Business Whitelist**.. Having advertisements for office space furniture, desks & other accessories alongside this content could prove to be a valuable awareness and consideration tool to help bring your products become top of mind as workers everywhere adapt to a new working style.



QUICK STAT

A company called The Edge Desk saw sales of their desk products surge **700%** in a week after the coronavirus spread.

Source: Bloomberg

06. LEAN INTO SOCIAL TO RELAY MESSAGES TO YOUR AUDIENCE

Social media is a constantly moving target, especially during a global health crisis. In this time of social distancing, consumers are turning to social media to stay connected and find community. Some are seeking the latest news and breakthroughs on coronavirus, while others are in search of a brief escape from the realities the world is facing.

As a result, businesses have been bringing their messaging to social feeds, messaging apps, sponsored content, and paid ads. As customers lean into their at-home projects and home improvement interests, utilize social across channels such as Instagram, Pinterest and Facebook to reach them as they search for inspiration.

QUICK STAT

Sponsored content engagement on Instagram jumped by 76% in March.

source: Obviously, 2020 Influencer Study

QUICK STAT

Instagram campaign impressions have increased by 22% from Q4 2019 to Q1 2020.

source: Obviously, 2020 Influencer Study

QUICK STAT

>30% of consumers are spending more time on social media because of the coronavirus.

source: IRI

07. SHIFT TO STREAMING AND CTV

With streaming services such as Hulu, Netflix and Youtube TV offering an enormous quantity of binge-able content, households all over the nation will be tuning more than ever. Additionally, with many live events being cancelled, people everywhere are expected to fill the void with content from their preferred streaming service.

According to Nielsen, the social distancing caused by COVID-19 could lead to upwards of a **60% increase** in the amount of TV we consume. Nielsen looked to past major crises, like Hurricane Harvey, which drove a **56%** increase in TV consumption, while the severe Northeast snowstorms of 2016 drove a **45% increase**.

Understandably, desires to consume and keep up with the current events has risen in tandem with the increased need for entertainment.

Now is the time to allocate budget towards CTV. Doing so will enable you to reach the growing cord-cutting and cord-never audiences, achieve high completion and viewability rates, and access premium networks at a far more cost effective price than with linear T.V.. Digilant has access to a wide range of CTV/OTT inventory, alongside a partnership with Hulu.

QUICK STAT

29% of users indicated they have been using streaming services/Smart TVs more since coronavirus began.

QUICK STAT

9% of users indicated coronavirus outbreak as a major reason they subscribed to a streaming video service, while **12%** indicated the outbreak as a minor reason.

QUICK STAT

32 million Americans watched the news mid March, up 42% from the same week last year.

08. STAYING CONNECTED ON SOCIAL MEDIA

While social distancing has driven us apart from one another, people now more than ever are relying on social media to bring us together once again. It is also an optimal way for us to stay on top of the latest news surrounding COVID-19. Facebook reported that WhatsApp and Facebook Messenger use has more than doubled since the onset of this crisis (Hootsuite). In addition to higher virtual engagement with one another, social channels such as Facebook, Twitter and Instagram provide an opportunity for brands to stay connected with their user base and potential customers. This trend also allows brands the opportunity to analyze how they are responding to the crisis.

QUICK STAT

64% of surveyed users expect their usage of YouTube to increase, while **63%** expect their Facebook usage to increase.

QUICK STAT

Users are engaging with ads on Instagram more than usual with a **76% increase of likes** on #ad posts.

09. REASONS NOT TO GO DARK

While economic instability may incline business owners to cut advertising costs, there are several reasons to consider keeping a campaign running or pivot your strategy to better fit the nature of the current environment. Shifting your messaging to include promotional efforts or philanthropic efforts, could be helpful for your brand, as is changing messages that are no longer relevant (dining in, in-person events, store openings, etc). For example, Ford recently pulled ad campaigns promoting vehicle purchases and replaced it with ads promoting a car payment relief program to assist individuals through the economic fallout (AdAge).

Going dark could perpetuate a loss in brand equity, while conversely, properly shifting brand messaging could lead to an increase in both awareness and brand trust. Now is the time to stay engaged with your consumer base. Ad costs are lower than ever, and with many companies pausing their efforts, an opportunity has emerged to gain a larger share of voice.

QUICK TIP

Shift messaging as necessary

QUICK TIP

Reallocate budgets to surging channels

QUICK TIP

Build on CRM & existing relationships



Questions?



There's a lot going on right now. Social distancing is impacting how we all do business and we know there is concern over the days ahead. Not only do you have to worry about your health and the health of your family, but you have to find the best path forward for pursuing your company's objectives for the year.

We are (and have always been) optimists and believe that we will get through this together.

We are with you for the long haul and will continue to provide relevant insights and guidance as you navigate this new normal. You can reach us with any questions or concerns at digilant.com/contact or info@digilant.com.