AMERICA APPROACHES AN INFLECTION POINT

Key findings from the May 6, 2020 Back-to-Normal Barometer

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JON LAST, PRESIDENT OF SPORTS & LEISURE RESEARCH GROUP
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In which of the following leisure activities have you participated over the past 12 months?

- Visit a retail store: 75%
- See a movie in a theater: 69%
- Attend a live sports event: 59%
- Take a trip that included travel of 50+ miles and 1+ nights in a hotel: 55%
- Take a commercial flight: 46%
- Visit a casino: 37%
- Attend a conference or convention: 31%
- Take a cruise vacation: 23%
- Attend an open house or tour a home listed for sale: 22%

N=547, Back to Normal Barometer – May 6, 2020
A TOUGHER ENVIRONMENT THAN 9/11

Taking a vacation of over 500 miles is a priority for me and my family in the next 12 months.

- Sept. 28, 2001: 50%
- Apr. 1, 2020: 35%
- May 6, 2020: 38%

n=505, Back to Normal Barometer, March-April 2020, n=547, Back to Normal Barometer, May 6, 2020
WHERE WE STAND RIGHT NOW
A SLIGHT UPTICK IN CONFIDENCE…GOES FLAT

Confidence Barometer

31%

Current Conditions

24%

Future Expectations

37%

Wave 1 → Wave 3 change
MATRİX OF CONCERNS

PERSONAL

Potential to contract COVID-19

-1

51%

SOCIETAL

The overall public health crisis

-3

61%

MEDICAL

Personal Finances

48%

$$$

PERSONAL SOCIETAL

-1 -3

-5- -

$$$
### NEARLY HALF WOULD RETURN RIGHT NOW

Are you currently willing to engage in the following activities, without hesitation?

<table>
<thead>
<tr>
<th>Activity</th>
<th>Apr. 1, 2020</th>
<th>Apr. 22, 2020</th>
<th>May 6, 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Take a cruise</td>
<td>39%</td>
<td>53%</td>
<td>58%</td>
</tr>
<tr>
<td>Attend a live sporting event</td>
<td>34%</td>
<td>37%</td>
<td>33%</td>
</tr>
<tr>
<td>Stay at a hotel</td>
<td>39%</td>
<td>48%</td>
<td>47%</td>
</tr>
<tr>
<td>Visit a casino</td>
<td>34%</td>
<td>37%</td>
<td>46%</td>
</tr>
<tr>
<td>Fly commercially</td>
<td>32%</td>
<td>34%</td>
<td>43%</td>
</tr>
<tr>
<td>See a movie in a theater</td>
<td>32%</td>
<td>35%</td>
<td>39%</td>
</tr>
</tbody>
</table>

n=505, Back to Normal Barometer, March-April 2020, n=547, Back to Normal Barometer, May 6, 2020
1/4 UNWILLING TO BUDGE FOR MONTHS

Percentage of respondents who require a vaccine or treatment for COVID-19 in order to re-engage

<table>
<thead>
<tr>
<th>Activity</th>
<th>Apr. 1, 2020</th>
<th>Apr. 22, 2020</th>
<th>May 6, 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Take a cruise</td>
<td>18%</td>
<td>14%</td>
<td>22%</td>
</tr>
<tr>
<td>Attend a live sporting event</td>
<td>33%</td>
<td>32%</td>
<td>25%</td>
</tr>
<tr>
<td>Stay at a hotel</td>
<td>29%</td>
<td>34%</td>
<td>28%</td>
</tr>
<tr>
<td>Visit a casino</td>
<td>34%</td>
<td>29%</td>
<td>31%</td>
</tr>
<tr>
<td>Fly commercially</td>
<td>33%</td>
<td>27%</td>
<td>26%</td>
</tr>
<tr>
<td>See a movie in a theater</td>
<td>33%</td>
<td>33%</td>
<td>31%</td>
</tr>
</tbody>
</table>

n=547, Back to Normal Barometer, May 6, 2020
ASSURANCE ARCHETYPES

DEMOS

- Men
- 35-to-44
- Northeast, West

LIFESTYLE

- Very liberal, Very conservative
- Business travelers

Cautious and Fearful

- Women
- 45+
- Midwest

- Democrat, Leisure travelers

Somewhat liberal
READY TO GO, BUT NOT EXPECTING TO GO

- 22% likely to visit a casino within the next two months (Apr. 22, 2020)
- 25% likely to visit a casino within the next two months (May 6, 2020)
- 23% likely to attend a live sporting event within the next two months (Apr. 22, 2020)
- 26% likely to attend a live sporting event within the next two months (May 6, 2020)
Open House or New Home Tours
SOME ASSURANCES MATTER A LOT

Which of these singular occurrences (alone or in conjunction with something else) would make you comfortable attending an open house or new home tour, without hesitation?

- Approval of a COVID-19 vaccine: 47%
- Approval of a pharmaceutical protocol to mitigate the effects of COVID-19: 36%
- Assurance from a reputed national medical authority that it is safe to do so: 43%
- Assurance from the agent that it is safe to do so: 30%
- Assurance from the U.S. Government that it is safe to do so: 26%
- Assurance from the local health department that it is safe to do so: 45%
- Assurance that agents are required to be tested for COVID-19: 38%

N=53, Back to Normal Barometer – May 6, 2020
MORE THAN ONE ASSURANCE IS VITAL

Which of these singular occurrences (alone or in conjunction with something else) would make you comfortable attending an open house or new home tour, without hesitation?

- This ALONE would be sufficient assurance for me
- I would need this occurrence/condition PLUS at least one other item on this list

<table>
<thead>
<tr>
<th>Item</th>
<th>Alone</th>
<th>Plus</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approval of a COVID-19 vaccine</td>
<td>47%</td>
<td>36%</td>
</tr>
<tr>
<td>Approval of a pharmaceutical protocol to mitigate the effects of COVID-19</td>
<td>36%</td>
<td>43%</td>
</tr>
<tr>
<td>Assurance from a reputed national medical authority that it is safe to do so</td>
<td>30%</td>
<td>43%</td>
</tr>
<tr>
<td>Assurance from the agent that it is safe to do so</td>
<td>26%</td>
<td>47%</td>
</tr>
<tr>
<td>Assurance from the U.S. Government that it is safe to do so</td>
<td>45%</td>
<td>55%</td>
</tr>
<tr>
<td>Assurance from the local health department that it is safe to do so</td>
<td>45%</td>
<td>38%</td>
</tr>
<tr>
<td>Assurance that agents are required to be tested for COVID-19</td>
<td>38%</td>
<td>45%</td>
</tr>
</tbody>
</table>
FOR 1/5, NONE OF THESE ASSURANCES MATTER

Which of these singular occurrences (alone or in conjunction with something else) would make you comfortable attending an open house or new home tour, without hesitation?

- This would NOT EVEN PARTIALLY impact my decision one way or another
- I would need this occurrence/condition PLUS at least one other item on this list
- This ALONE would be sufficient assurance for me

<table>
<thead>
<tr>
<th>Assurance</th>
<th>Sufficient Assurance</th>
<th>Partially Sufficient</th>
<th>NOT Sufficient</th>
</tr>
</thead>
<tbody>
<tr>
<td>Approval of a COVID-19 vaccine</td>
<td>17%</td>
<td>21%</td>
<td>62%</td>
</tr>
<tr>
<td>Approval of a pharmaceutical protocol to</td>
<td>17%</td>
<td>21%</td>
<td>62%</td>
</tr>
<tr>
<td>mitigate the effects of COVID-19</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assurance from a reputed national medical</td>
<td>19%</td>
<td>21%</td>
<td>60%</td>
</tr>
<tr>
<td>authority that it is safe to do so</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assurance from the agent that it is safe to</td>
<td>19%</td>
<td>23%</td>
<td>58%</td>
</tr>
<tr>
<td>do so</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assurance from the U.S. Government that it is</td>
<td>17%</td>
<td>26%</td>
<td>57%</td>
</tr>
<tr>
<td>safe to do so</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assurance from the local health department</td>
<td>19%</td>
<td>45%</td>
<td>36%</td>
</tr>
<tr>
<td>that it is safe to do so</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Assurance that agents are required to be</td>
<td>19%</td>
<td>38%</td>
<td>43%</td>
</tr>
<tr>
<td>tested for COVID-19</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

N=53, Back to Normal Barometer – May 6, 2020
WITH ASSURANCES, 75% RETURN IN 3 MONTHS

Assuming you had the necessary assurances that it was safe to resume normal activities, how quickly would you next..... Attend an open house or tour a home listed for sale?

- Immediately: 30%
- Within one month: 21%
- Within two months: 11%
- Within three months: 13%
- Within 3-6 months: 7%
- Within six months to a year: 12%
- More than a year out: 6%

N=121, Back to Normal Barometer – May 6, 2020
Let’s get protected!
CERTIFY THAT YOU HAVE BEEN “BLESSED”

I'd be much more likely to visit a public place or fly on an aircraft that displays a certificate issued by a local government authority indicating that it has adhered to established protocols for sanitization.
PROFESSIONALS NEED TO DO THE CLEANING

- 56% of respondents agree that they are more comfortable seeing certified professionals versus property staff conducting sanitization procedures.
- 50% of respondents are more concerned about being exposed to COVID-19 from other customers/guests than from staff.

n=541, Back to Normal Barometer, May 6, 2020
# KNOW THE TOP PRECAUTIONS

Percent of open house visitors who say this precaution would have a “top five” positive impact

<table>
<thead>
<tr>
<th>Precaution</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Requiring customer-facing staff to wear face masks</td>
<td>43%</td>
</tr>
<tr>
<td>Requiring physical distancing of 6+ feet at all times</td>
<td>42%</td>
</tr>
<tr>
<td>Assurance that customer-facing employees are required to be tested for COVID-19</td>
<td>38%</td>
</tr>
<tr>
<td>Denial of entry to all customers/guests with a fever</td>
<td>37%</td>
</tr>
<tr>
<td>Providing disinfectant wipes for guests</td>
<td>36%</td>
</tr>
<tr>
<td>Visible and frequent cleaning of all public areas by property staff</td>
<td>32%</td>
</tr>
<tr>
<td>Providing ample hand sanitizer for guests</td>
<td>32%</td>
</tr>
<tr>
<td>Prominent listing of sanitization practices being implemented by the property</td>
<td>30%</td>
</tr>
</tbody>
</table>
Qualitative findings
10 1-ON-1 INTERVIEWS: 3 BIG TAKEAWAYS
HERE’S WHAT THEY THINK OF PRECAUTIONS

• **3 F’s of Cleaning**: FREQUENT, (the right timing), FOCUSED (the right surfaces), and FUNCTIONAL (the right products)

• **Short shelf life**: Testing employees for COVID-19 is very assuring, but has a fast-closing effectiveness window

• **Masks are expected** and becoming more accepted, but are not completely straight-forward
  - There are so many styles and materials; are all adequate?

<table>
<thead>
<tr>
<th>Pros</th>
<th>Cons</th>
</tr>
</thead>
<tbody>
<tr>
<td>Signals caring about others</td>
<td>Questionable effectiveness</td>
</tr>
<tr>
<td>Many people used to wearing</td>
<td>Uncomfortable/limiting</td>
</tr>
<tr>
<td>Synchronous with exposure</td>
<td>Appearance/culture</td>
</tr>
</tbody>
</table>
EMPLOYERS FACE VERY TOUGH QUESTIONS

• Where and when are masks required?
  ▪ Is it fair for “personal office” employees to shut their doors and remove masks while common-area employees can’t?
  ▪ What about meals and drinks?

• Why require employees to return to the office when social distancing / partial seating remains in play?
  ▪ Zoom calls may replace employees in conference rooms, even when in the office

• Is non-compliance grounds for termination?
  ▪ Are your managers aligned?

• Is the company responsible for PPE and cleaning products?
  ▪ Can employees bring their own?
REAL ESTATE AGENTS NEED TO BE PREPARED

• Sellers are viewed as at a higher risk than buyers – they have less control of their risks

• Buyers are fairly comfortable touring homes
  ▪ Buyers expect to wear masks and avoid directly touching surfaces
  ▪ Buyers think they have a good sense of what a clean home looks like – may choose to pass on home tour if it doesn’t “look” clean

• Buyers and sellers rely on their agent to inform and enforce compliance to Covid-19 precautions and encourage mutual respect

• Beyond health concerns, economic uncertainty has caused some buyers/sellers to pause their activity
QUESTIONS

• What questions do you have about these findings?

• What questions should we consider for wave 4?

• When would you like us to brief your members?
Ron Bonjean, Partner, ROKK solutions
Rich Thau, President, Engagious
Jon Last, President, SLRG
Gina Derickson, Research Director, Engagious