

JUNE 2020



**At Home in the
Age of
Coronavirus.**

LEARNING FROM THE LOCKDOWN.

INTRODUCTION

On March 19, 2020, California became the first state to order its residents to stay at home in the midst of the COVID-19 global pandemic. By early April, 42 states and Washington, D.C., had some form of stay-at-home guidelines in effect.

Suddenly, some 300 million Americans found themselves with their lives disrupted – physically, emotionally, and financially – and spending more time in their homes than ever before, socially distanced from friends and loved ones.

People and businesses were forced to adapt quickly and learn new roles. Parents became home-school teachers. Spare bedrooms became makeshift home offices. Small businesses became online retailers. Feelings of stress permeated across the country as many worried about the virus, millions lost their jobs, and the usually mundane task of grocery shopping became a source of anxiety.

While the long-term effects of the pandemic remain to be seen, **how would this extraordinary moment in time impact homeowners moving forward?** We conducted a nationwide survey with US homeowners.

Some of the key questions answered in the research:

- ▶ What challenges have homeowners faced throughout the pandemic and what precautions will they continue to take?
- ▶ How concerned are homeowners about their current and long-term financial picture?
- ▶ How would consumer spending change as a result of the pandemic?
- ▶ Would homeowners be encouraged to make changes in their homes after spending more time than usual in them, or would other priorities or potential concerns stand in the way?
- ▶ What new behaviors have they picked up as a result of the pandemic, and would those behaviors stick once this is all said and done?

READ ON

To see the insights from our research. In addition, we share our POV, our thoughts on what these findings mean for those looking to find marketing success in a post-COVID-19-pandemic world.

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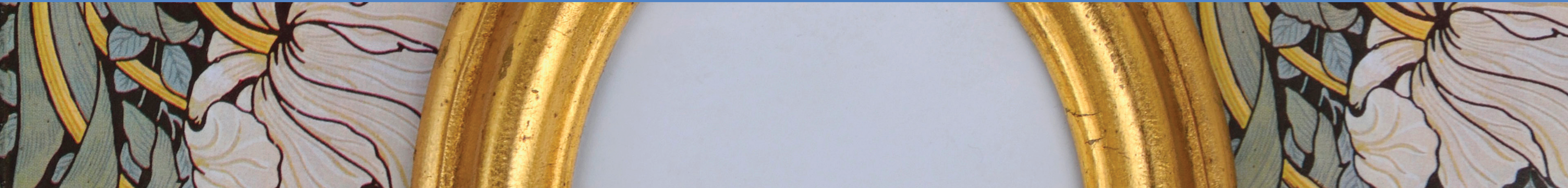
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CONCLUSION



EXECUTIVE SUMMARY

Before diving into detailed findings and analysis, here are a few of the key findings and takeaways from our homeowner survey.

Health is the biggest concern - now and in the near future.

The top concern during the pandemic shared by nearly 6 in 10 homeowners was worrying about contracting the virus or others getting it. Homeowners are looking to become better prepared and better equipped to mitigate their health risks. They indicate increases in spending on cleaning supplies and personal protective equipment, two categories expected to see the highest increases in consumer spending coming out of the pandemic.

With homeowners looking to improve health and lower risks, marketers should look for positive health angles to emphasize while messaging on product and service benefits.

Financial concerns will linger. Homeowners focusing on essentials.

Four in 10 homeowners are either very concerned or extremely concerned about both their current and future financial picture. Many plan to either put their stimulus money from the government into savings (38%) or just use it for everyday household expenses (36%). When it comes to future spending, they plan to increase spending online, at local businesses, and on home improvements. Thirty percent plan to decrease spending at chain retailers, and 40 percent plan to decrease dining out spending.

With expected tightening of wallets, marketers need to make the case for product or service “essentialness” by appealing to the values and attributes that are most important at this moment: health, protection, preparedness, and local.

Four in 10 to move forward with home improvement projects.

Stay-at-home led to “learn more about your home” – 62 percent of homeowners became aware of or more sensitive to at least one energy-related issue in their home during the pandemic, with comfort, utility bill costs, and indoor air quality the top-cited issues. A third of homeowners were more concerned than usual about their energy use. Forty percent are taking action through planned energy-related home improvements, with weatherization as the most common project. For the most part, the pandemic has resulted in project delays rather than outright cancellations when it comes to projects planned before the pandemic.

That leaves 6 in 10 homeowners not thinking about home improvement even after the challenges brought on by the pandemic. Energy program and home performance marketers need to draw a direct link to home challenges discovered during COVID-19 to convince those that aren't seeing a connection between home improvements and those issues, especially utility bill cost concerns.

Contractors should take precautions.

One in 5 homeowners would be too concerned to let contractors in their home even after stay-at-home orders are lifted. But the overwhelming majority of homeowners would be comfortable with contractors doing work in their home as long as necessary precautions were taken. Face masks and gloves would be required by 53 percent of homeowners in order to feel comfortable with contractors in their homes, followed by appropriate social distancing (46%), and thorough cleaning of the work area (44%).

Energy program managers should connect with contractors in their networks to receive assurances of health-related best practices. Ensure homeowners feel confident and comfortable with home improvement projects with messaging that outlines the precautions being taken.

RESEARCH METHODOLOGY

**KSV CONDUCTED AN ONLINE SURVEY
ON APRIL 23-24, 2020 WITH 1,329 US HOMEOWNERS.**

**THE SAMPLE WAS CENSUS-BALANCED BY RESPONDENT AGE.
THE MARGIN OF ERROR IS +/- 2.69% AT THE 95% CONFIDENCE LEVEL.**

INSIGHT

The COVID-19 pandemic shines a brighter spotlight on health and well-being.

The first reported case of COVID-19 reached the US on January 20, 2020.

In a matter of weeks, the pandemic brought challenges from every angle as schools and businesses shut down and residents were asked to stay home to “flatten the curve” as the possibility of overwhelming the healthcare system hung in the balance. The COVID-19 virus was the catalyst that unleashed a chain reaction of unexpected challenges, but it was the virus itself that remained the top source of stress most American homeowners were worried about.

Which of the following have been challenges or sources of stress during the COVID-19 coronavirus pandemic? Select all that apply.

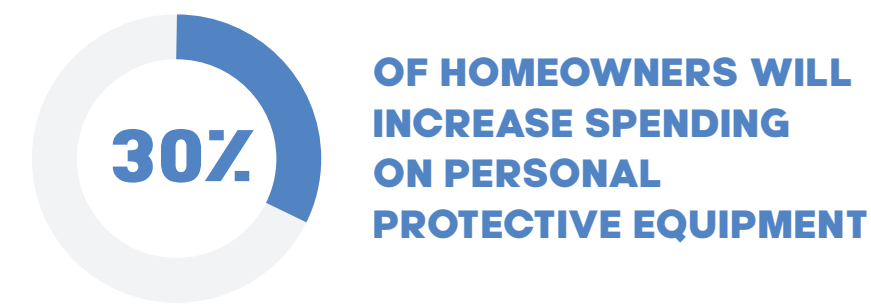
ANSWER CHOICES	RESPONSES
WORRYING ABOUT OTHERS GETTING THE VIRUS	58%
WORRYING ABOUT GETTING THE VIRUS YOURSELF	57%
ISOLATING FROM FRIENDS/FAMILY MEMBERS	56%
SOCIAL DISTANCING WHEN OUT AND ABOUT	48%
LEAVING HOME TO BUY GROCERIES/RUN ERRANDS	48%
BOREDOM	41%
HAVING ENOUGH FOOD OR TOILETRIES	32%
JOB LOSS OR INCOME LOSS	26%
MESSY HOUSE	18%
UTILITY BILLS	15%
WORKING FROM HOME	14%
HOMESCHOOLING	13%

Nearly 6 in 10 homeowners said they were worried about getting the virus or others getting it.

Fear of infection led to a fear of going out, with nearly half saying they were challenged by social distancing requirements and the stress associated with everyday errands like buying groceries.

The rush to stock up on cleaning products, hand sanitizer, and masks left many wondering what they would do to be better prepared in the future. Homeowners told us that after the pandemic, **the top two areas in which they will increase their spending will be on cleaning and sanitizing products and personal protective equipment** such as face masks.

After stay-at-home orders are lifted:



Survey respondents also expect to be more cautious moving forward to mitigate health risks, with two-thirds saying they will express more caution when attending large public gatherings and events. Six in 10 also say they'll be more considerate of the cleanliness of frequently touched surfaces.

While survey respondents indicate health concerns while out in public in the future, they are less concerned about their own abilities toward keeping their homes virus-free. Twenty-nine percent of homeowners say they will be more cautious about inviting people into their homes, an indication that **the majority of homeowners feel more in control over the virus in their own homes compared to being out and about.**

Which of the following will you be more cautious of once the pandemic is over? Select all that apply.

ANSWER CHOICES	RESPONSES
ATTENDING LARGE PUBLIC GATHERINGS AND EVENTS	66%
THE CLEANLINESS OF FREQUENTLY TOUCHED SURFACES	61%
TRAVELING BY PLANE, BUS, OR TRAIN	53%
USING A PUBLIC RESTROOM	51%
SHOPPING IN STORES	48%
TAKING PUBLIC TRANSIT	36%
INVITING PEOPLE INTO YOUR HOME	29%
NONE OF THESE	7%

While much of the health concern is physical, there has also been a mental health undercurrent to this pandemic due to constant stress, anxiety, uncertainty, and isolation. A majority of respondents said isolating from friends and family has been challenging. Once the pandemic subsides, people will be eager for in-person human connection, but more likely in the form of smaller group gatherings at home rather than larger events.

Point Of View:

Health and safety at home and in communities has always been paramount. But given the surprise pandemic and the disruption that ensued, it is clear homeowners will be focused on how their homes, their surroundings, and the products they use will keep them safe from viruses and other contagious illnesses.

For a while after the pandemic, homeowners will re-orient their habits and spending on products and services to include an evaluation of health impact and asking themselves, “How will this improve my health?” or “How will this put me at risk?”

Health benefits rise up in messaging hierarchy.

For some products and services, health benefits may have only been a secondary or even tertiary benefit. In the wake of the pandemic, there are opportunities to reinvigorate marketing campaigns with health-benefit messaging as the lead message.

If you offer a consumer product that is more easily cleaned and sanitized compared to your competitors’, it’s a great time to lean into that message. In the energy space, heat pumps have long been marketed on comfort and environmental sustainability—now there are more reasons to tout airborne contaminant filtration benefits.

Avoiding the crowds by going more direct.

Fairs, concerts, sporting events, conferences, and other large gatherings are temporarily on hold, and even when they return in the future, people will be on guard, and many may avoid them all together for the sake of health. That puts a wrench in event marketing strategies and even out-of-home strategies.

But when one door closes, another opens. The next year or two may be all about addressable advertising – personalized, relevant marketing messaging delivered at the address level to individuals that meet granular targeting criteria. With the right data and segmentation strategies, this can be a powerful way to reach people that may be staying home more often.

The silver lining in the slowdown: a cleaner environment.

Thinking of health at the community level and beyond, the shutdown of all but the most essential businesses and travel has led to an environmental positive – cleaner air. A study in the journal Nature Climate Change estimates global carbon emissions decreased 17% between January and April 2020 in comparison to the same time period in 2019. The study further estimates emissions may decline up to 8% by the end of 2020, though it is expected those trends will end once the pandemic passes.

With a renewed focus on health, this temporary clearing of the air could provide an opportune moment to tout the benefits of electric vehicles or renewable energy technologies in the industrial sector and municipalities now that there is recent tangible evidence to point back to.

BOTTOM LINE:

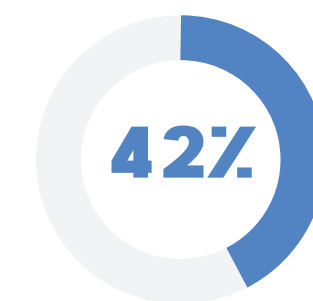
Amplify the health benefits of your product or service, even if you don’t see them as your primary benefit, as consumers will be more vigilant about safeguarding their health.

Financial concerns shift consumer spending toward necessities and preparedness while stimulus boosts saving

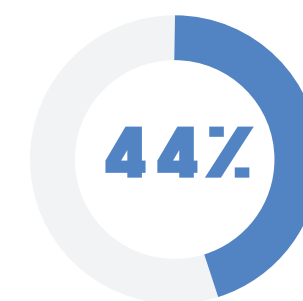
In addition to being a health crisis, the COVID-19 pandemic is also an economic crisis. By mid-May 2020, over 41 million Americans filed for unemployment. Just over one-quarter of survey respondents indicated that job or income loss has been a challenge during the pandemic.

Additionally, **4 in 10 homeowners are either very concerned or extremely concerned with their financial situation**, both in the short and long term.

Due to the COVID-19 pandemic:

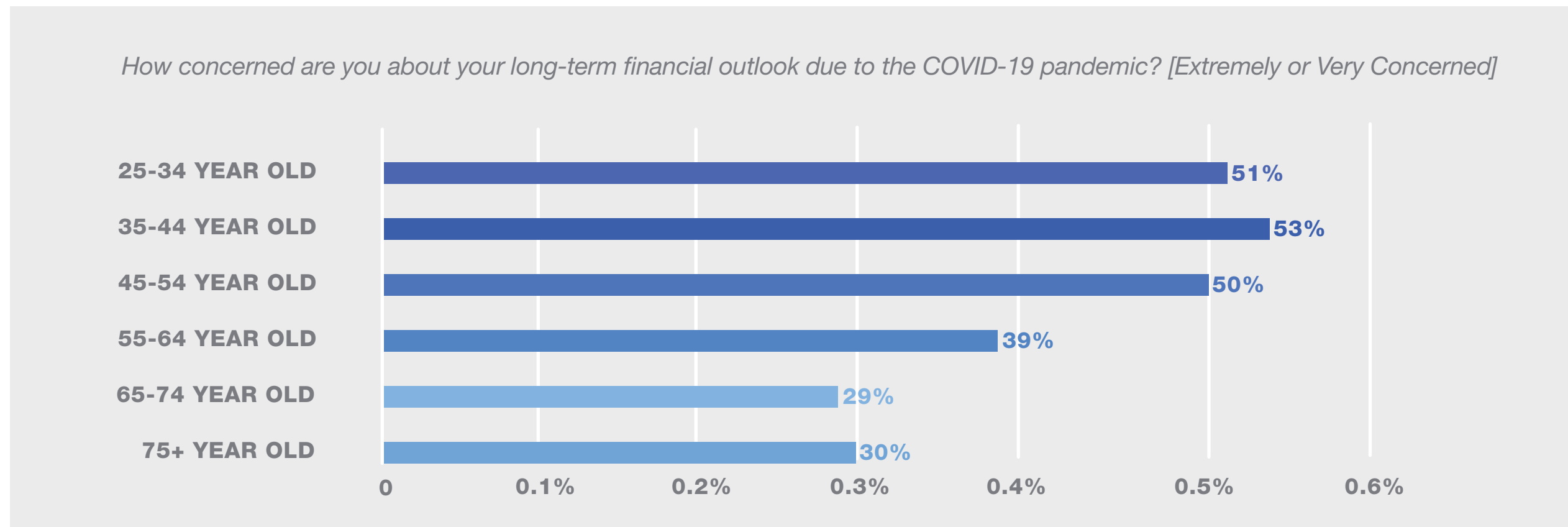
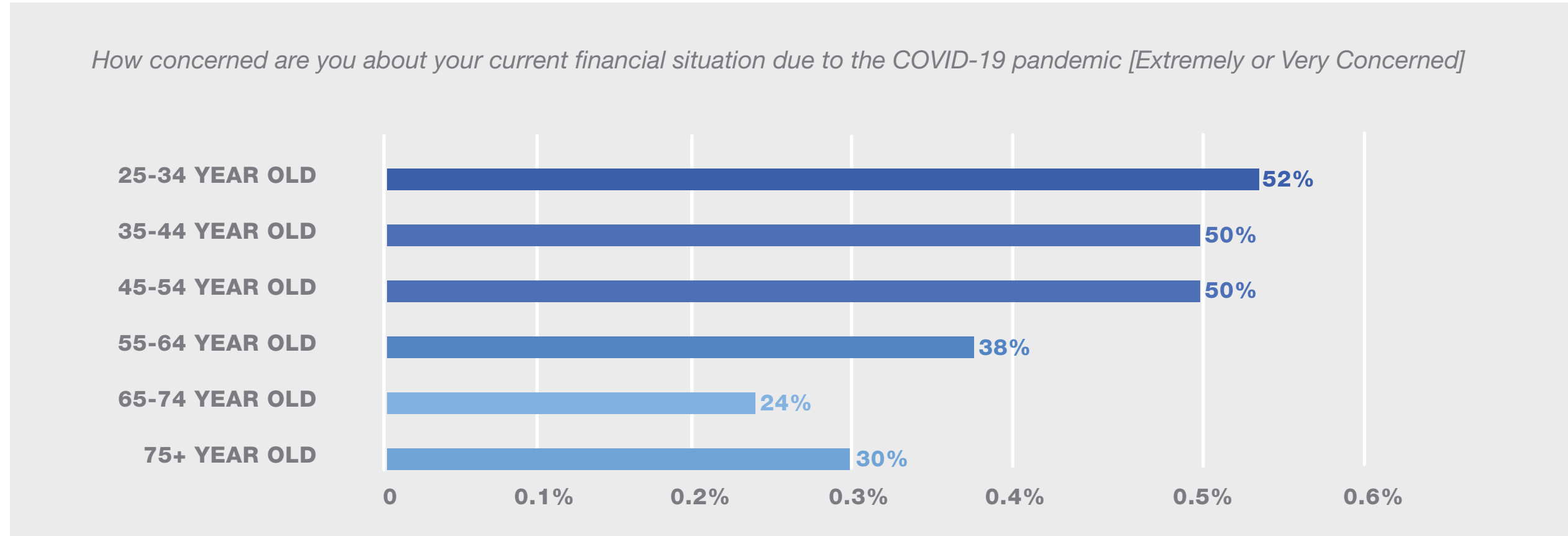


OF HOMEOWNERS ARE VERY OR EXTREMELY CONCERNED ABOUT THEIR CURRENT FINANCIAL SITUATION



OF HOMEOWNERS ARE VERY OR EXTREMELY CONCERNED ABOUT THEIR LONG-TERM FINANCIAL OUTLOOK

As this is the second major economic crisis since the Great Recession of 2007-2008, working-age homeowners are feeling more anxiety with a potentially long period of uncertainty in the economy and job market looming. Just over half of homeowners under 55 are either extremely concerned or very concerned about their short-or long-term financial outlook, whereas those that are retirement age are less likely to be concerned.



Homeowners' personal financial uncertainty influences what they plan to do with the stimulus funds provided by the US Federal government. Though stimulus checks are meant to encourage spending, homeowners are most likely to put at least some of that money into savings. This is an act of preparation by having some rainy day funds in light of continued economic obstacles.

For those that are spending their stimulus money, the focus is more on household necessities and expenses, rather than splurging on nice-to-have items, vacations, or entertainment. Homeowners aren't taking anything for granted and are planning on conservative spending in the near future.

The Federal government has provided economic stimulus checks of up to \$1,200 for individuals, \$2,400 per couple, and \$500 per child. What did you put your stimulus check toward or what do you plan to put it toward? Select all that apply.

ANSWER CHOICES	RESPONSES
SAVINGS ACCOUNT	38%
EVERDAY HOUSEHOLD EXPENSES AND NECESSITIES (E.G., FOOD, TOILETRIES, UTILITY BILLS, MORTGAGE)	36%
PAY OFF DEBT	27%
OTHER (PLEASE SPECIFY)	13%
HOME IMPROVEMENT PROJECTS	12%
SHOPPING FOR NICE-TO-HAVE ITEMS/NON-ESSENTIALS	8%
INVEST	8%
VACATION	5%
ENTERTAINMENT	5%
PREFER NOT TO SAY	3%

Beyond the stimulus payment and beyond the pandemic, consumer spending priorities will continue to shift in a more conservative fashion.

As previously mentioned, homeowners indicated to us that they plan to increase spending on products that will clean and sanitize or gear that will protect them from viruses. There will be many lessons to be learned from the COVID-19 pandemic, but perhaps the one respondents learned first is the need for better preparation and protection to keep themselves, loved ones, and neighbors safe.

People also indicate shifts in where they will shop for products for their home, with expected net increases in spending online and with local businesses, while chain retailers may be in for a rough time after stay-at-home orders are removed, as 3 in 10 say they will decrease their spending at chain stores.

With the stability of local economies at risk, consumers are intent on rallying to support their local business owners, seemingly at the expense of larger retailers. Additionally, while convenience has always influenced online shopping behaviors, the pandemic gives consumers a new reason to buy online: a low risk of infection. Health-wary consumers are expected to shift more dollars online in the wake of COVID-19. Local retailers that set up e-commerce sites during the stay-at-home period should keep those platforms up and running, while those that haven't yet should act now.

On the flip side, homeowners' future spending plans foreshadow hard times in the restaurant industry, as 40 percent of respondents say they will decrease spending toward dining out, making it the biggest net decrease in spending. With dining out seen by many as more of a luxury, plus the concern over contracting illness, this reinforces the conservative consumer spending forecast in light of financial and health concerns.

Spending more time than usual at home has encouraged homeowners to discover things to fix in their homes, leading to expected increases in the home improvement sector.

How do you think your monetary spending in these areas will change moving forward, once stay at home guidelines are lifted?

	SPENDING WILL DECREASE	SPENDING WILL STAY THE SAME	SPENDING WILL INCREASE	I DONT SPEND MONEY ON THIS	NET SPENDING CHANGE
CLEANING AND SANITIZING PRODUCTS	9%	55%	35%	1%	+26%
PERSONAL PROTECTIVE GEAR SUCH AS FACE MASKS	21%	38%	30%	11%	+9%
HOME IMPROVEMENTS	16%	58%	24%	3%	+8%
ONLINE SHOPPING	19%	50%	27%	4%	+8%
HOME CLEANING SERVICES	10%	35%	14%	41%	+4%
SHOPPING AT LOCAL BUSINESSES	26%	44%	29%	1%	+3%
DONATIONS TO CHARITABLE ORGANIZATIONS	13%	60%	14%	12%	+1%
STREAMING ENTERTAINMENT	15%	52%	15%	18%	0%



Point Of View:

The financial impacts of the COVID-19 pandemic are still in flux and could last much longer than the health risks themselves. Businesses have slowly opened back up, deliberately and with restrictions. Ultimately the speed of the turnaround and recovery of jobs will directly influence homeowner sentiment and concern about their personal financial situations.

“Essential” is subjective.

In light of expected conservative spending trends, make a case for your products’ “essential-ness.” In this age, **a premium product or service may be deemed essential despite lower-cost alternatives if it puts money back into the local community, lasts longer, is reusable, can be easily disinfected, or is better at improving health outcomes and reducing expenses.**

Preparation is key.

Planning to stock up on cleaning supplies and PPE and also putting stimulus money into savings rather than into the economy are clear signals that **homeowners are prioritizing better preparation.** If your product or service helps them become better prepared for the next health crisis, economic collapse, or even more resilient to extended utility outages, lean into that key message.

BOTTOM LINE:

Homeowners may tighten up spending on the nice-to-haves and entertainment, but they’ll spend on what’s going to make them safer, more prepared, and more financially stable.

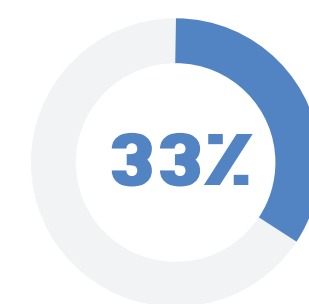


Pandemic energy expenses, discomfort, and indoor air quality drive interest in home improvements

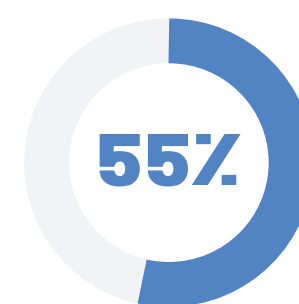
The curve-flattening stay-at-home orders suddenly redirected everyone's daily activities to their homes. Work, learning, entertainment, dining, fitness, and nearly every aspect of people's daily lives that often occurs elsewhere is now confined to their homes.

Energy that would have been used elsewhere is now the responsibility of homeowners paying the bills and yet another unforeseen and stress-inducing consequence of this pandemic.

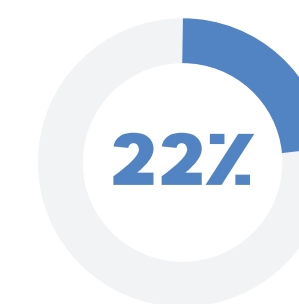
Consider these findings:



33%
OF HOMEOWNERS
ARE MORE CONCERNED
ABOUT THEIR ENERGY USE
DURING THE PANDEMIC



55%
OF HOMEOWNERS ARE
AT LEAST SOMEWHAT
CONCERNED ABOUT
UTILITY BILL AFFORDABILITY
DURING THE PANDEMIC

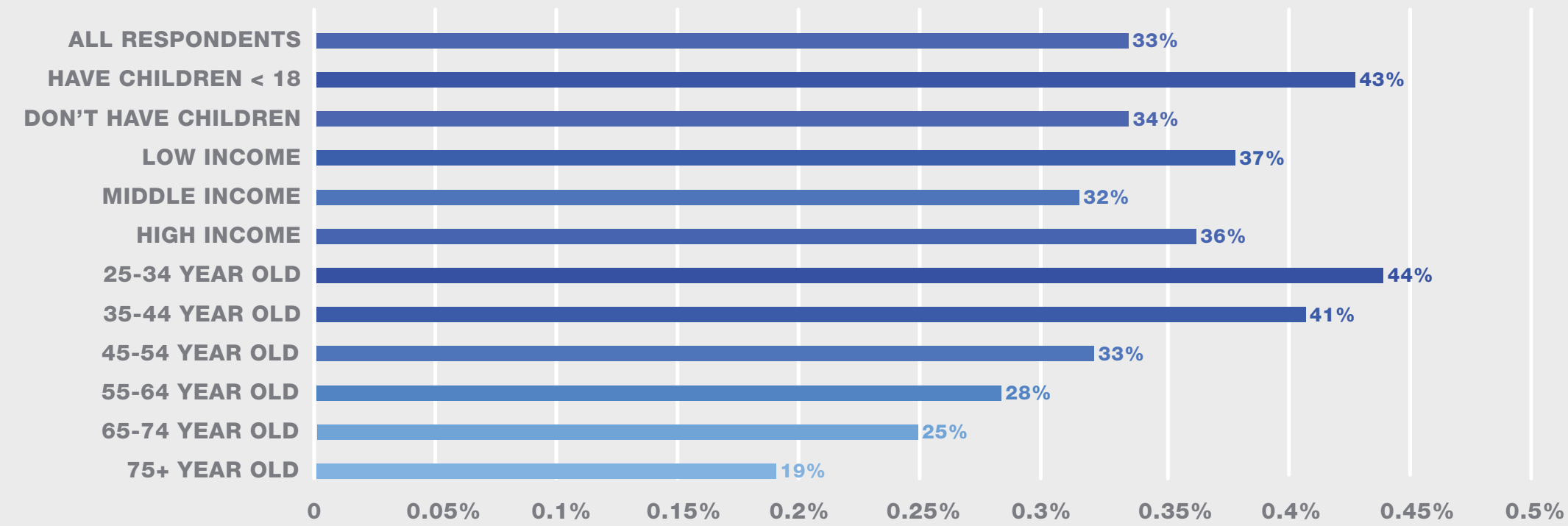


22%
OF HOMEOWNERS ARE
VERY CONCERNED ABOUT
UTILITY BILL AFFORDABILITY
DURING THE PANDEMIC

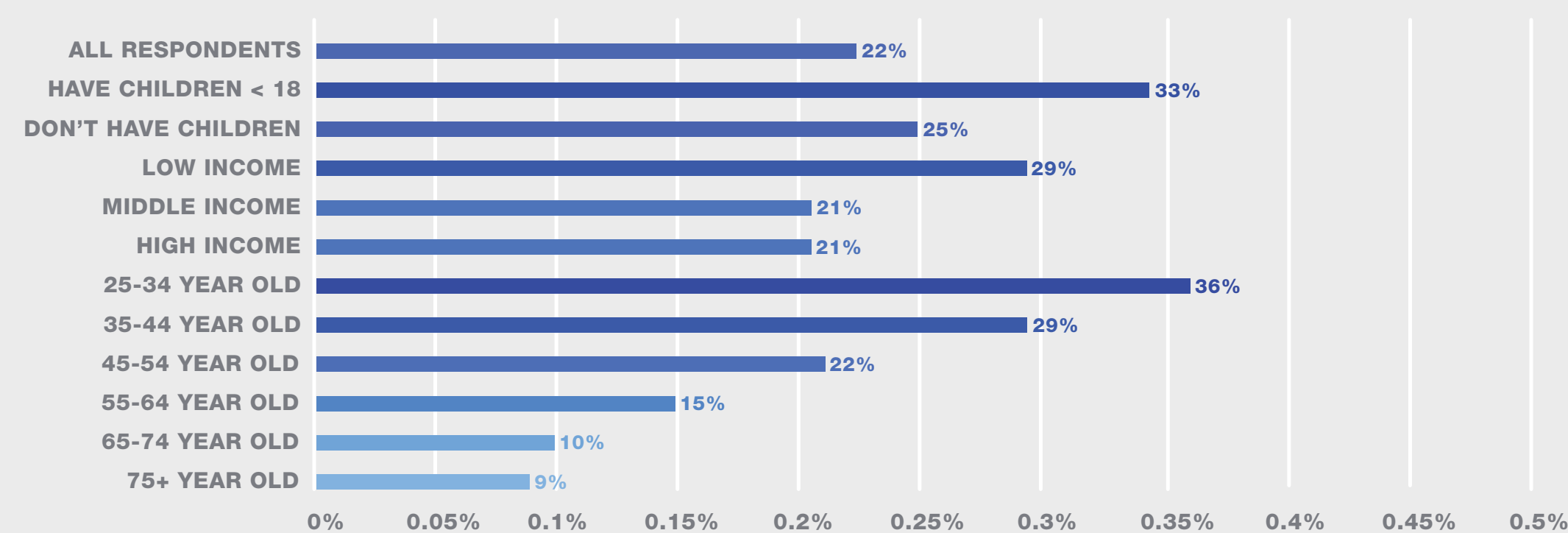
Households with children, low-income households, and younger homeowners are all more likely to be more concerned with not only their energy usage, but also utility bill affordability.

For those with kids, larger households typically have higher energy usage. For low-income households who more likely live paycheck to paycheck, increased energy consumption is a surprise expense. Younger homeowners, in addition to also falling into the parent and low-income categories, are more so than others entering unfamiliar territory by conducting their active daily lives at home, much more so than a retired senior citizen, for example.

Compared to your usual level of concern about energy use in your home, how does your level of concern compare during the COVID-19 pandemic [More concern than usual]



Compared to your usual level of concern about energy use in your home, how does your level of concern compare during the COVID-19 pandemic [More concern than usual]



As daily routines are brought home, lines have become blurred between lives at home compared to at work or in school. Parents got a closer look at how their children perform in a learning environment. Spouses got an unprecedented glimpse into each other's work lives.

And people also learned more about their homes. Sixty-two percent of homeowners became more aware of or sensitive to energy-related issues in their home, with younger homeowners (25-34), becoming more aware of issues. This time period may have brought on somewhat of a crash course on homeownership for that group.

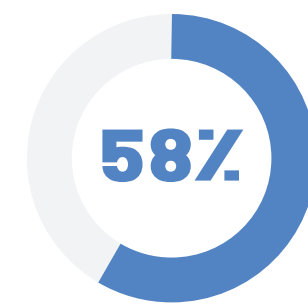
During the pandemic, have you become more sensitive to or aware of any of the following aspects of your home? Select all that apply.

ANSWER CHOICES	RESPONSES	RESPONSES
COMFORT IN HOME	38%	41%
UTILITY BILL COSTS	36%	34%
INDOOR AIR QUALITY IN YOUR HOME	27%	28%
THE IMPACT OF ENERGY USE ON THE ENVIRONMENT	13%	30%
PERFORMANCE OF YOUR HEATING/COOLING/WATER-HEATING EQUIPMENT	12%	27%
DRAFTS/AIR LEAKS	8%	16%

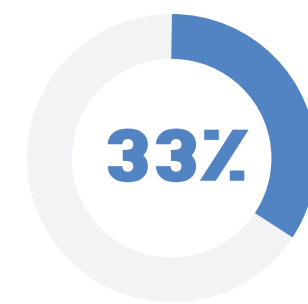
Spending nearly 24 hours a day in their homes has one-third of all homeowners thinking twice about their comfort. And perhaps influenced somewhat by the news cycle's constant discussion around airborne contaminants, a quarter of homeowners are taking notice of their own home's indoor air quality (IAQ).

Home comfort and IAQ have taken on greater importance, given their impacts on productivity. A home that isn't comfortable or has poor air quality only compounds the existing challenges faced by those working from home while, in many cases, simultaneously homeschooling.

Key data



58%
OF RESPONDENTS THAT HOMESCHOOLED A CHILD DURING THE PANDEMIC SAID IT WAS A CHALLENGE



33%
OF THOSE WORKING FROM HOME DURING THE PANDEMIC SAID IT WAS A CHALLENGE

Those that worked from home while also homeschooling a child were even more likely to cite challenges with both.

What is the most important thing your utility can offer to you personally to help you out at this time? Select one.

ANSWER CHOICES	RESPONSES
NO LATE FEES FOR NON-PAYMENT OF BILLS AS LONG AS STAY-AT-HOME GUIDELINES ARE IN EFFECT	38%
DISCOUNTS ON ENERGY-SAVING PRODUCTS THAT CAN BE DELIVERED TO YOUR HOME (E.G., LIGHT BULBS, SMART THERMOSTATS)	36%
ENERGY-SAVING TIPS	27%
A PAYMENT PLAN TO PAY OFF HIGH ENERGY BILLS OVER TIME	13%

Given the overall concern around utility bill affordability, respondents were most likely to suggest the best way their utility could help address their challenges at this time would be to offer no fees for late payment. Low-income homeowners were even more likely to select this, with 35% compared to 28% of moderate-income homeowners and 25% of high-income homeowners.

To specifically address energy usage and reducing utility bills, homeowners as a whole would prefer to engage in content with energy efficiency tips more so than purchasing an energy-saving bundle or receiving expert advice either via a virtual audit or one-on-one phone conversation.

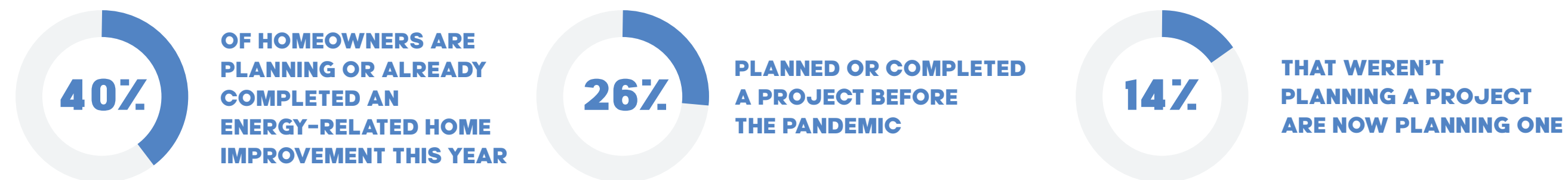
Would you be interested in any of the following to help you save energy and lower your utility bills during the pandemic? Select all that apply.

ANSWER CHOICES	RESPONSES
READ AN ARTICLE WITH ENERGY EFFICIENCY TIPS	36%
BUY AN ENERGY SAVINGS KIT WITH ITEMS YOU CAN INSTALL YOURSELF (SUCH AS LED BULBS, A WIFI/SMART THERMOSTAT, LOW-FLOW SHOWERHEAD)	22%
COMPLETE A VIRTUAL HOME ENERGY AUDIT TO LEARN WHERE YOU CAN SAVE ENERGY AND MONEY	22%
SPEAK WITH AN EXPERT OVER THE PHONE TO GET ENERGY-SAVING TIPS	14%

However, the youngest group of homeowners (25- 34-year-olds) were much more interested in a virtual home audit compared to the overall sample, with 41% of them expressing their interest. They were also more likely to be interested to speak to an expert over the phone – 28% said they would be interested. Now that they’re noticing more things about their home they hadn’t before, younger homeowners are more interested in personally engaging with a person or resource that could help them make better sense of their home and make smart decisions on how to improve it.

With homeowners now feeling the squeeze over pandemic-related high utility bills and greater awareness over comfort and IAQ, the question is whether they will do anything about those challenges. The good news is that many are – 4 in 10 are planning or have already completed an energy-related home improvement project in 2020.

KEY DATA



Though homeowners have taken greater notice of comfort and IAQ during the pandemic, **the strongest indicator that points to the likelihood of planning an energy-related home improvement project is the level of concern over utility bill affordability.**

Of homeowners who weren't already planning an energy-related home improvement project prior to the pandemic, 40 percent of those who said they were very concerned about utility bill affordability are now planning a project. In contrast, just 24 percent of those who said they were somewhat concerned and 10 percent of those not at all concerned about utility bill affordability are planning projects.

Additionally, **8 in 10 homeowners that are now planning an energy-related home improvement project are doing so because they want to reduce their energy usage.** The next most likely reason they're taking action is because they noticed something about their home during the pandemic they hadn't noticed before, which was selected by 23 percent of homeowners.

The younger the homeowner, the more likely they were either already planning an energy-related home improvement or have started planning one since the pandemic began.

When it comes to improvements that are being planned as a result of the pandemic, homeowners are wisely choosing weatherization improvements to address their challenges related to energy costs, comfort, and IAQ. Kitchen and bathroom remodels are also popular and may speak more to homeowner dissatisfaction with the look of their home more so than anything energy related, but they still represent opportunities to add on energy savings to those projects.

One in 5 homeowners have also become more interested in solar and home energy storage during the pandemic. While this interest could be a result of higher energy bills influencing homeowners to take a look at saving money with solar, there is more likely a larger trend of resilience and self-sufficiency at play. With the shutdowns of non-essential businesses forcing homeowners to become more self-sufficient, it could have triggered a desire for self-generation and less reliance on the utility as well.

What type of home improvement projects are you now considering since the start of the pandemic? Select all that apply.

ANSWER CHOICES	RESPONSES
WEATHERIZATION	38%
WINDOW REPLACEMENT	23%
BATHROOM REMODEL	21%
KITCHEN REMODEL	18%
SOLAR ON ROOF PROPERTY	17%
ROOF REPAIRS	14%
REPLACEMENT OF HEATING AND/OR COOLING SYSTEM	10%
REPLACEMENT OF WATER-HEATING SYSTEM	8%
ADDITION TO HOME	7%

Despite all the energy challenges cited by homeowners, 6 in 10 are not planning any energy-related home improvements following the conclusion of the COVID-19 pandemic.

One in 5 of those not planning a project say they already made home improvements, while the other top reasons why others aren't planning projects include prioritizing other expenses (37%), concern about financial situation (25%), and just plain not interested (25%).

Point Of View:

Now that people are being asked to run their entire lives out of the home for the time being, they've become hyper-aware of how their home operates in ways they haven't seen before and how the home impacts working and learning from home, all while trying to keep healthy.

The youngest homeowners are newly aware of home energy challenges and ready to act

Throughout this research, **the youngest homeowners reveal greater awareness of aspects of their home they didn't know before, more concern over their financial situation and bill affordability, but also a greater willingness to address issues in their homes.** In a way, this has been a crash course for them in homeownership. But they are not quite experts yet, so this is a great time to target this segment with a goal of enhancing their home energy knowledge, raise awareness of new energy technologies, and help them build a road map to make improvements over the next several years.

The COVID-19 pain points highlight home frustrations

As homeowners struggled with productivity while working from home or faced challenges keeping their children focused on completing their schoolwork, how many of them connected those pain points to the discomfort or indoor air quality they became more sensitive to? Of all those that express concern over high energy usage and energy bill affordability during the pandemic, how many just chalked it up to being home all the time rather than other potential underlying issues with their home and its energy equipment? How many wondered if their home itself could increase their chances of getting sick? This presents an opportunity for energy providers to take the guesswork off of the plates of already stressed homeowners. Proactively connecting home performance with health, well-being, and productivity, with a nod to COVID-19 frustrations, can help build trust and provide value to customers.

A moment for self-reliance and resilience

Self-reliance became another theme of the pandemic as people's worlds suddenly became smaller and many resources were temporarily unavailable. That aspect, coupled with the reality of higher energy usage in homes leading to higher utility costs, could influence the fact that nearly 20 percent of homeowners became more interested in solar and energy storage during the pandemic. The desire to rely less on the utility through self-generation has always been a prime driver for the solar and storage industries, and now the pandemic makes it even more timely. Though uncertain financial situations may result in a cloudier forecast for residential solar growth in the immediate future, it could at least be an opportunity to provide greater education around solar options, including community solar.

BOTTOM LINE:

This moment has brought stress and uncertainty for many, but it has also been enlightening for others and is an opportunity for you to help them to think about their homes and energy in a new, positive light.

Homeowners with prior planned improvements are determined to get them done – but contractors should take precaution

Not even a global health crisis can stop internet memes, and one of the most circulated ones throughout the COVID-19 pandemic has people compare “My Plans:” with what “2020:” actually had in store.

Vacations were postponed. Graduations went to non-traditional ceremonies. And summer music festivals are skipping 2020 and planning for 2021 (hopefully). With all the uncertainty and unexpected consequences resulting from the sudden onset of COVID-19, would the disruption interfere with homeowners’ plans to make energy-related improvements?

Just like a pandemic can’t stop the memes, it also doesn’t dampen the determination of homeowners to improve the way their homes use energy.

Of the 26 percent of homeowners that had planned an energy-related project prior to COVID-19, three-quarters of them have either already completed that project or plan to as soon as the pandemic is over with.

What is the status of energy-related home improvement projects that had been planned prior to the pandemic?

ANSWER CHOICES	RESPONSES
I PLAN TO COMPLETE THEM SOON AFTER THE STAY-AT-HOME GUIDELINES ARE LIFTED	47%
I HAVE COMPLETED THEM	26%
EVEN ONCE STAY-AT-HOME GUIDELINES ARE LIFTED, I WILL DELAY ANY ENERGY-RELATED HOME IMPROVEMENT PROJECTS.	21%
I AM NO LONGER CONSIDERING ENERGY-RELATED HOME IMPROVEMENTS	5%

Perhaps it is because of the pandemic and the already cited concerns over energy usage, bill affordability, comfort, and IAQ that homeowners are even more determined to follow through on their plans.

One in 5 homeowners do plan to delay their projects for the time being, but even still not for long, as 46 percent of those homeowners say they’re still trying to complete their project by the end of the year. 16 percent of those delaying projects admit they don’t have a timetable in mind.

Just five percent of homeowners with planned home energy projects are outright canceling those projects, which is great news for contractors ready to get back to work and utilities looking to help customers reduce their energy usage.

For what reasons are you putting off those planned home improvements?

ANSWER CHOICES	RESPONSES
I'M CONCERNED ABOUT MY FINANCIAL SITUATION	52%
I'M PRIORITIZING OTHER EXPENSES/SPENDING	41%
I BELIEVE BRINGING CONTRACTORS INTO MY HOME WOULD INCREASE THE RISK OF SPREADING VIRUSES	37%
I'M WORRIED THE PANDEMIC WON'T END IN 2020	28%
THE TIMING DIDN'T WORK OUT	11%
A CONTRACTOR IS NO LONGER AVAILABLE TO DO THE WORK	9%
I NO LONGER HAVE THE TIME TO PLAN A PROJECT	5%

Financial concerns, rather than health concerns, are the primary reason for project delays and cancellation, though enough homeowners expressed concern about bringing contractors into their home to warrant extra precautions to be taken by contractors.

One in 5 of all homeowners say they are too concerned about having contractors in their home no matter what precautions they take to stop the spread of viruses and other illnesses. However, **the majority of homeowners would feel comfortable with contractors working in their homes with precautions taken**, most notably the continued use of personal protective equipment and practicing social distancing.

Which of the following protective measures would need to happen in order to make you comfortable with a contractor doing work in your home in the age of COVID-19? Select all that apply

ANSWER CHOICES	RESPONSES
CONTRACTORS WEAR FACE MASKS AND GLOVES AT ALL TIMES WHILE IN YOUR HOME	53%
CONTRACTORS REMAIN AT LEAST 6 FT. APART FROM YOU	46%
CONTRACTORS DISINFECT EQUIPMENT USED AND ANY SURFACE THEY TOUCHED IN YOUR HOME	44%
ALL PAPERWORK COMPLETED, SIGNED, AND SHARED WITH YOU ELECTRONICALLY	34%
CONTRACTORS ARE TEMPERATURE-TESTED ON THE DAY THEY WILL BE WORKING IN YOUR HOME	30%
CONTRACTORS HAVE PHONE OR VIDEO CONSULTATIONS WITH YOU PRIOR TO DOING WORK IN YOUR HOME IN ORDER TO MINIMIZE IN-PERSON CONVERSATIONS	23%
I AM TOO CONCERNED ABOUT HAVING A CONTRACTOR IN MY HOME, NO MATTER WHAT PRECAUTIONS THEY TAKE	22%
SMALLER CONTRACTOR CREWS, EVEN IF IT MEANS THE WORK MAY TAKE LONGER TO COMPLETE	21%
I TRUST CONTRACTORS WILL TAKE APPROPRIATE PRECAUTIONS AND DONT REQUIRE THAT THEY NEED TO DO ANY OF THE ABOVE.	18%

Fewer homeowners would be open to smaller contractor crews that could minimize chances of contamination, which leads us to conclude that homeowners are prioritizing faster project completion times over potentially increasing their risk of contracting the virus due to having more people work in their home.

Point Of View:

Concerns over energy usage, bill affordability, comfort, and IAQ have either come to light during the pandemic or made worse by the pandemic. As a result, homeowners that planned home improvements prior to the pandemic are now even more determined to follow through on their plans, rather than be deterred.

However, plans do change, and the pandemic and economic uncertainty is still lingering, so preparations should be made to address known pain points before the temptation to put off an already planned project becomes too great to ignore. And for those that have already decided to delay or cancel a project, there is time to make them feel more confident about re-starting their project with financial incentives or through contractor precautions.

Give rebate and incentive programs a healthy boost

In an ideal world, everyone would know they could access savings on energy efficiency improvements. But many people still aren't aware and don't know to look for them. Rather than decreasing incentive program budgets, now is the time to stay the course or even increase them, as homeowners are telling us that for the time being they're still making their improvements. The opportunity to save hundreds or thousands of dollars up front on an improvement may even be enough to convince those that are delaying their projects because of their financial situation to restart their project, especially if their project leads to utility bill savings upon completion.

Contractor assurances ease concerns over virus spread

While the majority of homeowners are not so concerned about contractors bringing illnesses into their home that they would avoid them altogether, they still want precautions to be taken to put them at ease. While wearing masks, gloves, and keeping distance is the minimum most homeowners would look for, there is opportunity for contractors to create a competitive advantage or earn the trust of a homeowner by going above and beyond. Digitizing the paperwork process, virtual walk-throughs, and transparency around temperature checks should all be considered as part of a health and safety regimen.

BOTTOM LINE:

Though homeowners aren't letting COVID-19 get in the way of completing planned improvements, marketing incentive programs and talking about contractor safety protocols in messaging can ease potential barriers.

Behaviors and services that offer connection, convenience, and flexibility will be prioritized in the wake of the pandemic

If disruption was the theme in the early stages of the COVID-19 pandemic in the US, then what soon followed would be classified as improvisation and adaptation in an effort to try to continue life as normal as possible.

Americans were introduced to new concepts and phrases such as “social distancing” and “flattening the curve.” Zoom became a breakout star in the virtual meeting space. People left their grocery shopping up to others. And “curbside pickup” became the new way people dined out and shopped favorite stores.

Which of these behaviors and concepts – many of them new to people – are “sticky”? Meaning, what would they continue to utilize once the pandemic ends and the world returns to normal?

*Which of these would you like to continue to do in the future even after stay-at-home guidelines are lifted?
[Base: Those that did these activities during the pandemic]*

ANSWER CHOICES	PERCENTAGE	SAMPLE SIZE
USE A GROCERY DELIVERY SERVICE (SUCH AS INSTACART, WALMART GROCERY, AMAZON FRESH, PEAPOD, FRESHDIRECT)	61%	240
DONATE TO A LOCAL NON-PROFIT	60%	119
USE VIRTUAL MEETING TECHNOLOGY (SUCH AS ZOOM, GOOGLE HANGOUTS, SKYPE, MICROSOFT TEAMS)	57%	308
WORK FROM HOME	55%	229
VOTE IN AN ELECTION BY MAIL	52%	63
ORDER TAKEOUT OR DELIVERY FROM A RESTAURANT YOU USUALLY VISIT IN PERSON	50%	350
HAVE A DOCTOR'S APPOINTMENT CONDUCTED OVER THE PHONE OR BY VIDEO	50%	141
PRACTICE SOCIAL DISTANCING (STAYING 6 FT AWAY FROM OTHERS WHILE OUTSIDE THE HOME)	49%	530
CONTINUE A SUBSCRIPTION WITH A STREAMING ENTERTAINMENT PROVIDER (SUCH AS DISNEY+, NETFLIX, HULU, SPOTIFY) THAT STARTED DURING THE PANDEMIC	49%	127
GIVE MYSELF A HAIRCUT OR HAD A FRIEND/FAMILY MEMBER (WHO ISN'T A PROFESSIONAL CUT MY HAIR)	39%	126
CONTACTLESS DELIVERY FROM A RESTAURANT	37%	133
HOMESCHOOL A CHILD	21%	51

Behaviors and services that offer connection, like virtual meeting software, and those that offer convenience, like grocery delivery services, are things people would like to have stick around. Whereas aspects of the pandemic that put people outside of their comfort zones – homeschooling and amateur cosmetology – are things best left behind.

In terms of getting back to life in its most normal sense, homeowners revealed what they would like to do first once the pandemic is over, and even though the Zoom trend appears to be here to stay, there’s no substitute for getting the family back together again in person.

What’s the first thing you will want to do when the quarantine period is over with? Select one.

ANSWER CHOICES	RESPONSES
VISIT WITH FAMILY	25%
EAT OUT AT A RESTAURANT	16%
GET A HAIRCUT	14%
VISIT WITH FRIENDS	11%
GO ON VACATION	6%
GO BACK TO YOUR PLACE OF WORK	5%
OTHER (PLEASE SPECIFY)	5%
GO TO THE GYM	5%
IN-STORE SHOPPING	4%
SEE A MOVIE IN THE THEATER	3%
GO TO THE SPA/GET A MASSAGE	2%
ATTEND A LIVE MUSIC EVENT	2%
ATTEND A LIVE SPORTING EVENT	1%



What's the first thing you will want to do when the quarantine period is over with? Select one.

ANSWER CHOICES	RESPONSES
VISIT WITH FAMILY	25%
EAT OUT AT A RESTAURANT	16%
GET A HAIRCUT	14%
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GO ON VACATION	6%
GO BACK TO YOUR PLACE OF WORK	5%
OTHER (PLEASE SPECIFY)	5%
GO TO THE GYM	5%
IN-STORE SHOPPING	4%
SEE A MOVIE IN THE THEATER	3%
GO TO THE SPA/GET A MASSAGE	2%
ATTEND A LIVE MUSIC EVENT	2%
ATTEND A LIVE SPORTING EVENT	1%

Point Of View:

The pandemic has left most homeowners worried about their health and the health of others, and many felt concern over their financial picture.

But it also resulted in a loss of connection to friends, family, and others interacted with in the course of daily life. It left many having a hard time dealing with not being able to do even the most basic tasks, like grocery shopping on their own terms. It also necessitated people and businesses be more flexible in their planning and alternating those plans on a nearly daily basis.

As a result of these aspects being impacted during the pandemic, coming out of the pandemic there will be a greater focus on and need for the products, services, and behaviors that add connection, convenience, and responsiveness to daily life. Though Zoom and Instacart feel like products and services of the COVID-19 moment, there's no reason why they shouldn't stick around.

Products and services that easily connect people virtually have lasting value

Being socially distanced from each other for several months has everyone craving connection. But that doesn't always mean physical, in-person connections. Despite homeowners jonesing to reconnect with family and friends at the pandemic's conclusion, they haven't necessarily been totally apart thanks to video chat technologies, in particular Zoom, which has now become a verb akin to Google. That's not going away anytime soon.

Zoom broke out in a big way by making it easy and fun to connect with family, friends, and peers. With a few clicks, client meetings go off without a hitch, and spontaneous reunions with old friends can happen. The virtual background feature lets people have fun and show off their creativity.

People gave their coworkers a peek into their own homes like never before. Others allowed their doctors to consult them virtually. Homeowners may become more comfortable with expanding their circle and bring in other professionals to help them find ways to improve their home in a more personal, tailored manner, like an interactive live virtual energy audit, for example.

A work-from-home future creates opportunity for dynamic, responsive buildings

Though work from home is the default during the pandemic, it may stick around as an option for many once the pandemic is over, as businesses are realizing that offering work-from-home flexibility for employees can pay off in higher employee satisfaction levels and operational cost savings.

The potential acceleration of work-from-home trends means that office spaces will need to become more dynamic and responsive, and quickly at that. Businesses will need to be prepared for full offices while also developing strategies to avoid energy waste during times when offices are less than 100% occupied.

Smart building technologies and real-time energy management solutions should be on the radar of any organization currently devising new flexible work-from-home policies.

BOTTOM LINE:

People are looking to regain the aspects of their lives they had to give up during the pandemic. Lean into product or service benefits that relate to connection or convenience, or provide flexibility.





CONCLUSION

COVID-19 shut down most of the country for much of Spring 2020, and even though restrictions are lifting and businesses are slowly opening up by the summer, the pandemic's impacts will be felt for quite some time on homeowners.

Homeowners continue to worry about their health and the health of others, first and foremost. They're worried about their current financial situation. They're worried about their financial future.

Despite the many challenges and high levels of anxiety, people adapted. People found new ways to come together as they craved human interaction. They tried out new services that helped them conveniently accomplish daily tasks like grocery shopping or to better collaborate with coworkers. They supported local business owners and organizations in their communities to keep economies afloat. And they will continue to once life is back to "normal" and will look for more ways to do so.

Though homeowners expect to tighten their spending in the next few months, they're going to spend where it counts. They're going to spend on better protection and preparation. They will spend to make their homes healthier, safer, more comfortable, and work harder for them in terms of saving them money.

They're going to spend on what is "essential."

The job for marketers for the foreseeable future is to make the case for being an essential brand, product, or service, and to do so by homing in on the values homeowners are prioritizing: safety, preparedness, connection, and convenience.

People may be more cautious and on the alert. People may be more anxious. People may place more scrutiny on spending. And even though it may have seemed like it at points, **life didn't stop with the COVID-19 pandemic. It only reinforced what was most important.**

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