

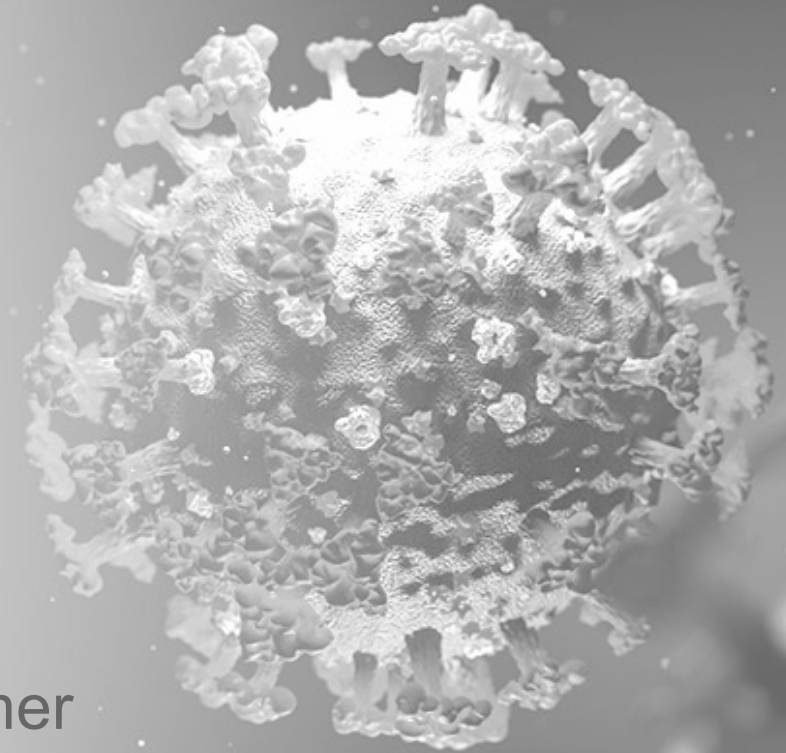


THE **VISION**COUNCIL

Welcome to The Vision Council's Member Insights Webinar Series

Researching Recovery: Exploring Evolving Consumer
Behavior and Industry Response During COVID-19

May 21, 2020





VisionWatch COVID-19 Consumer Study Methodology



- Custom Consumer Study Conducted via The Vision Council's VisionWatch Survey Program
- Questions appended to the end of the February and March 2020 monthly VisionWatch surveys
- Fielded to a demographically balanced sample over the internet

<u>Wave</u>	<u>Dates</u>	<u>Sample size</u>
February	2/10-2/27/2020	n = 10,419
March	3/10-3/26/2020	n = 10,312
April	4/8 - 4/30	n = 11,401
May (<i>mid-point</i>)	5/1 - 5/15	n = 5,028

Optical Industry Research Programs



Methodology:

- Online surveys of more than 1,700 eyecare professionals with approximately 400 completes weekly.
- The participants have the option to receive an incentive in exchange for completing the surveys.
- The surveys include questions about discrete weeks and their location's corresponding performance.
- Some survey questions are added, updated or replaced between waves to inquire about emerging topics and trends.

3/9-3/14/2020, n = 426, Wave 1
3/16-3/21/2020, n = 379, Wave 2
3/23-3/28/2020, n = 386, Wave 3
3/30-4/3/2020, n = 414, Wave 4
4/6-4/10/2020, n = 404, Wave 5
4/13-4/18/2020, n = 453, Wave 6
4/20-4/25/2020, n = 466, Wave 7
4/27-5/2/2020, n = 457, Wave 8
5/4-5/9/2020, n = 486, Wave 9
5/11-5/16/2020, n = 423, Wave 10



Methodology:

- Online surveys of various TVC Member Division company contacts including Optical Retail Division (ORD), Lab, Lens and Lens Processing & Technology (LPT) divisions.
- Survey frequency and questions vary by division.
- Some survey questions are added, updated or replaced between waves to inquire about emerging topics and trends.

Lab Division

3/19-3/22/2020, n = 50, Wave 1
4/1-4/4/2020, n = 172, Wave 2

Optical Retail Division

3/19-3/22/2020, n = 37, Wave 1
3/24-3/27/2020, n = 19, Wave 2
4/1-4/4/2020, n = 24, Wave 3
4/8-4/11/2020, n = 24, Wave 4

Member-wide Survey

4/20-4/25/2020, n = 91, Wave 1
5/18-5/24/202, n = 104, Wave 2



Current views on overall consumer feelings and actions due to COVID-19

CONSUMER SENTIMENT & BEHAVIOR

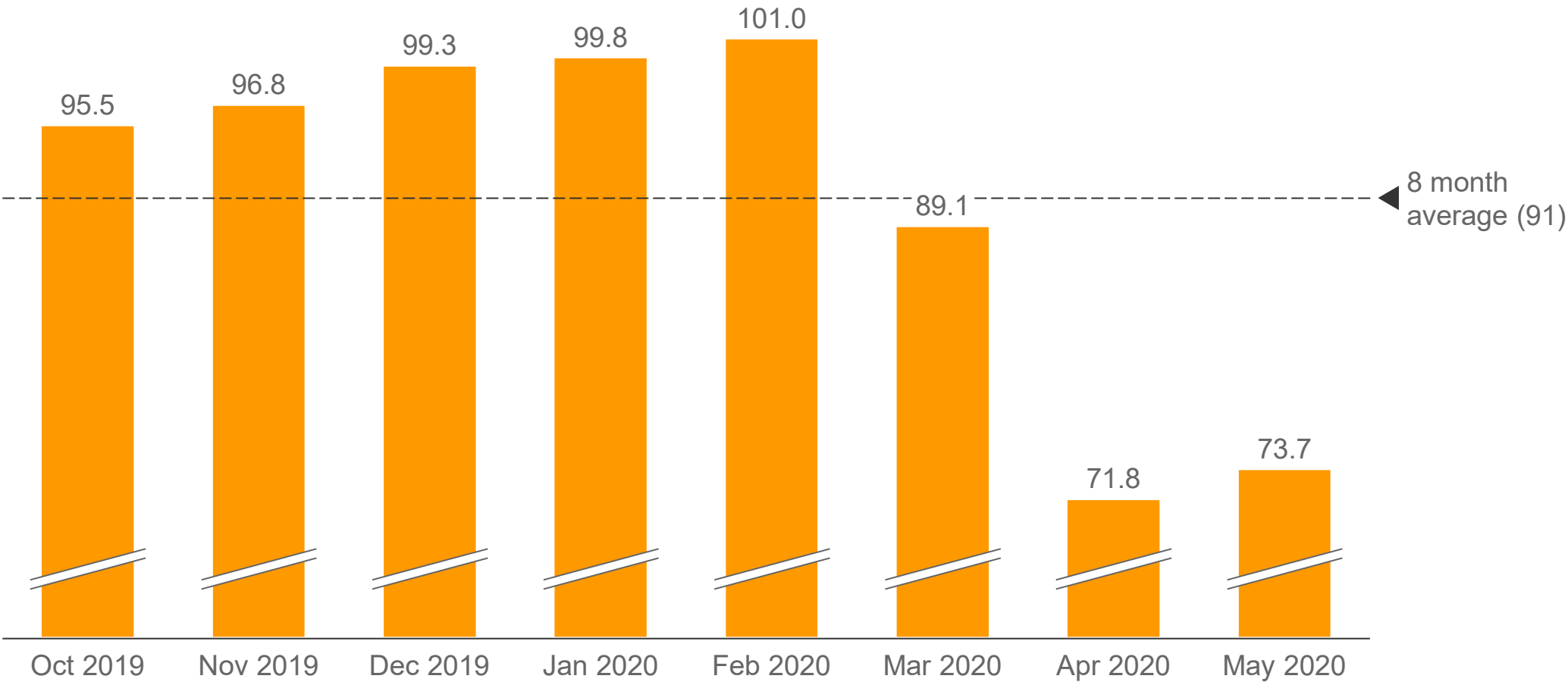


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Overall U.S. Consumer Sentiment is beginning to recover slightly

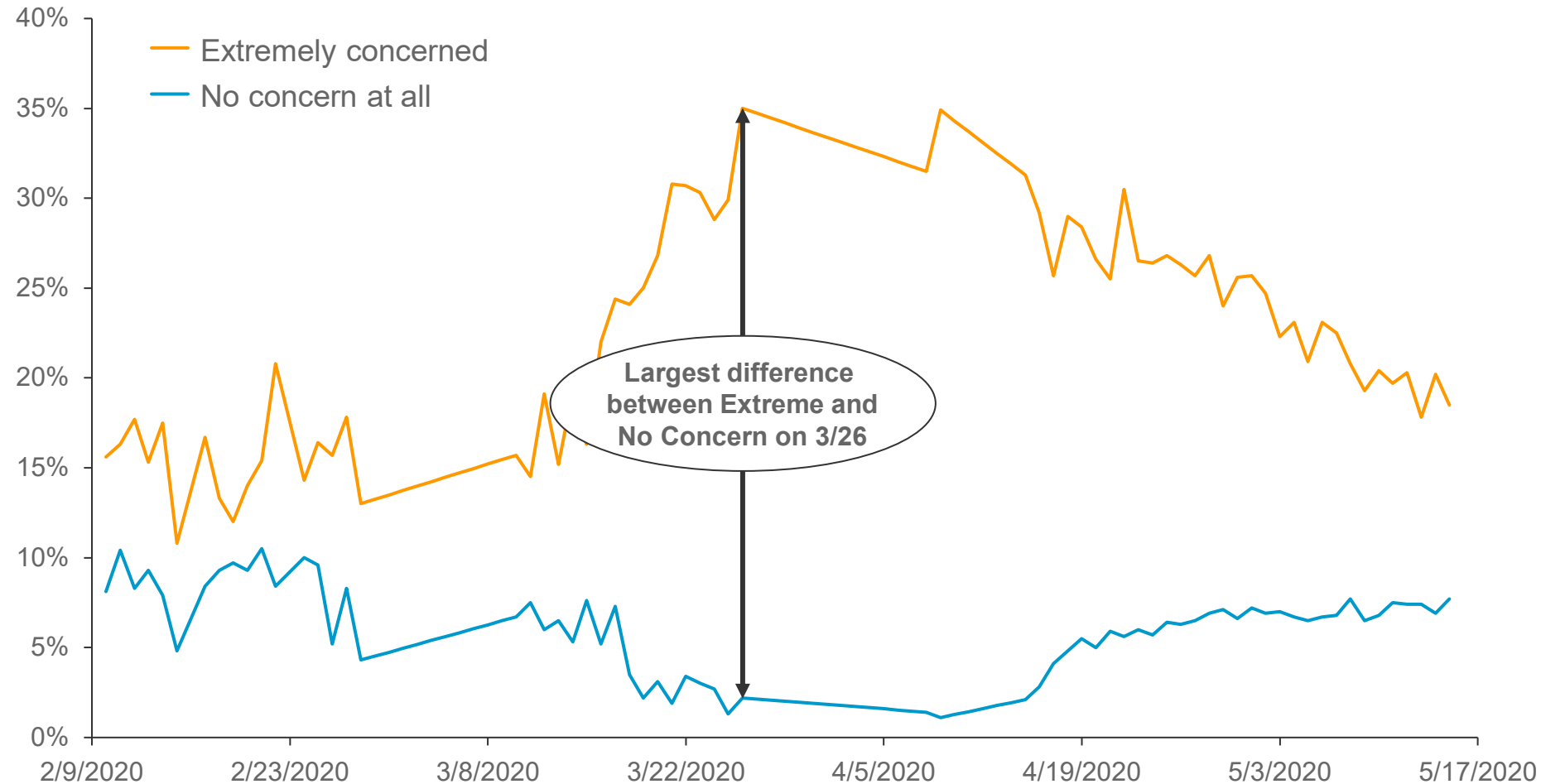
U.S. Consumer Sentiment Index
Points



Consumer concern about COVID-19 peaked at the end of March and is on the decline

On a scale of 1-10 how concerned are you over the recent global coronavirus threat and outbreak?¹

% of respondents¹



Consumer concern peaked toward the end of March and has been on the decline since then. Current levels of extreme concern are approaching mid-February levels when we started our monthly consumer sentiment tracking.

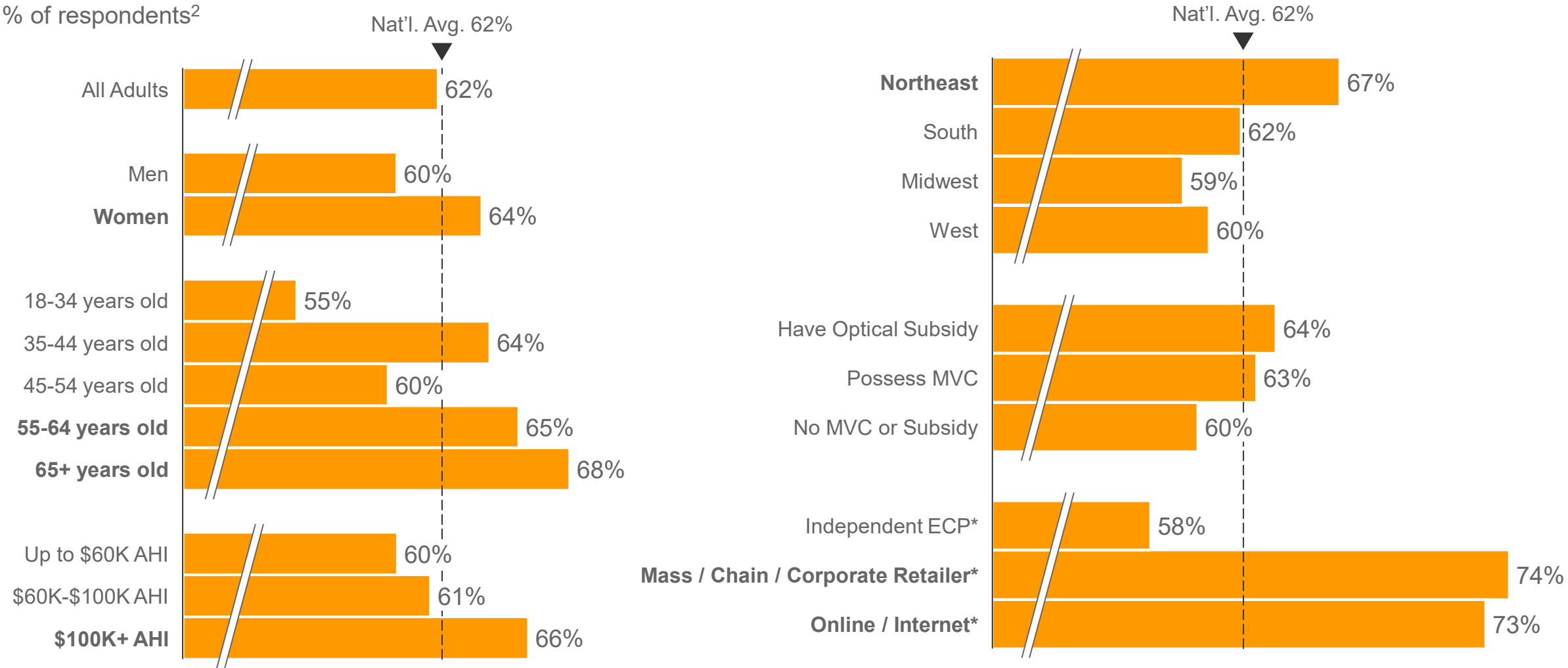
¹Respondents answering 1 "no concern at all" and 10 "extremely concerned."
Source: The Vision Council VisionWatch COVID-19 US Consumer Study



Who is most concerned about COVID-19 among eyewear consumer segments tracked in VisionWatch?

On a scale of 1-10 how concerned are you over the recent global coronavirus threat and outbreak?¹

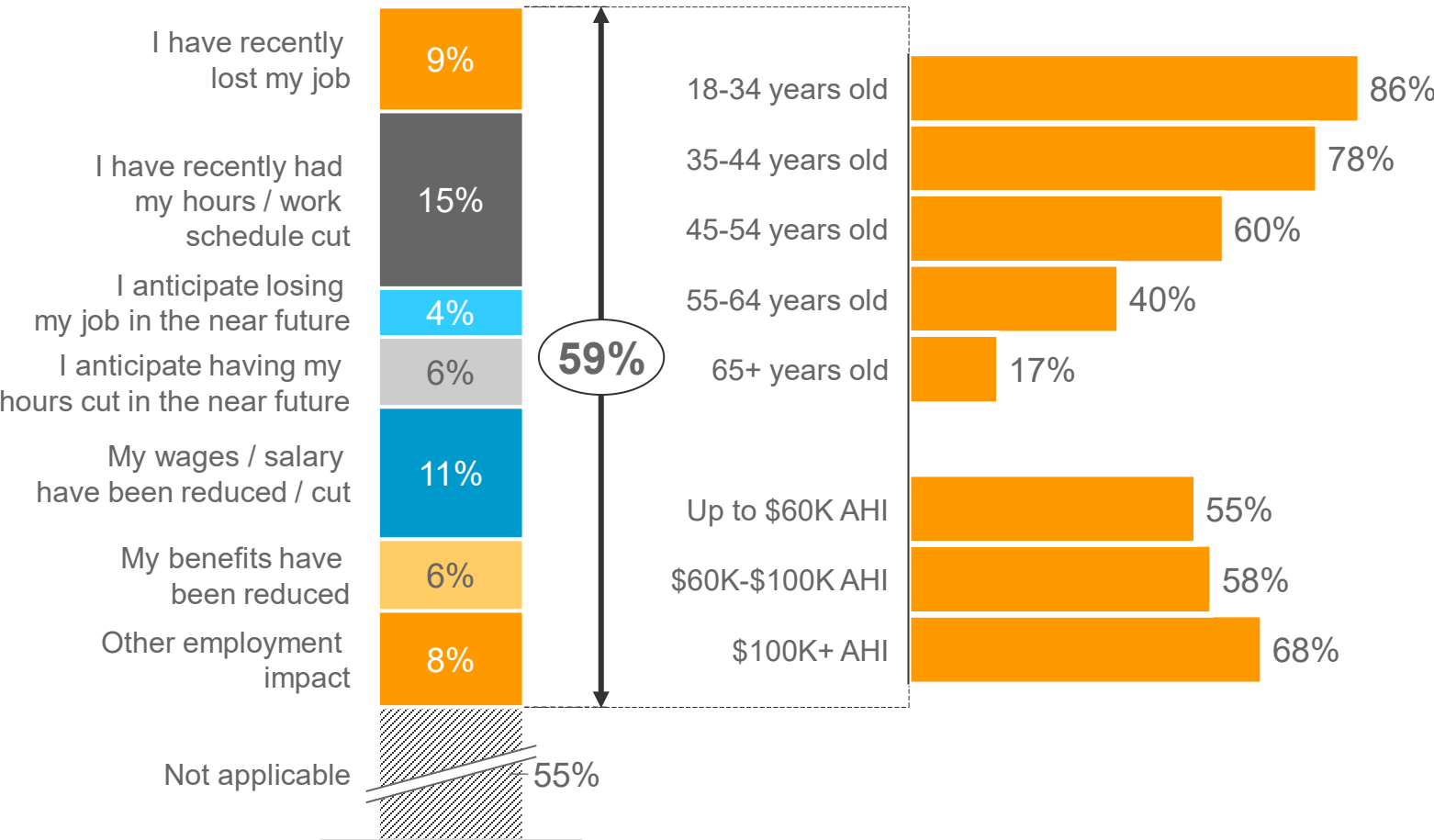
% of respondents²



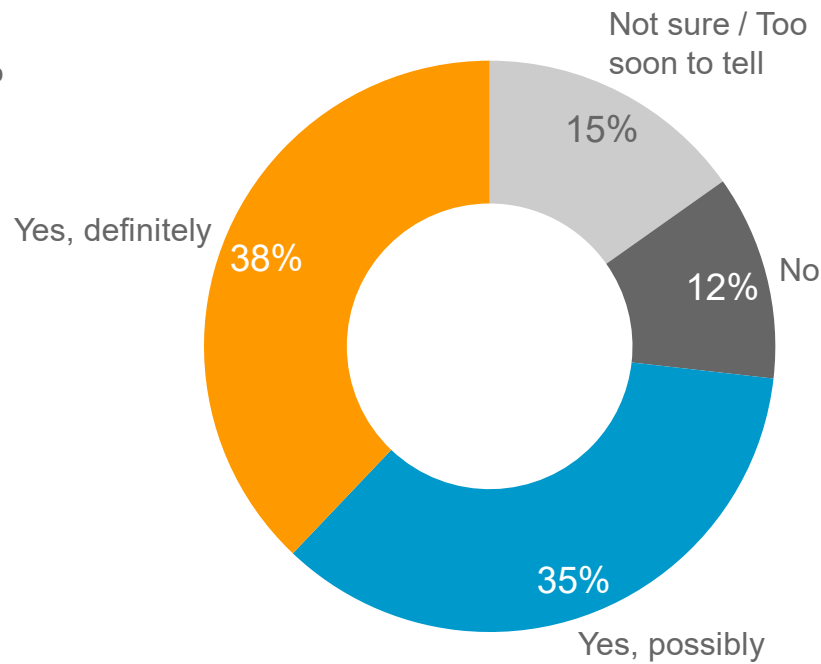


More than half of consumers have experienced or anticipate an impact on their current employment situation

How has COVID-19 impacted your employment situation?
% of respondents¹



Do you anticipate going back to your job, or getting an equivalent new one, once the COVID-19 crisis is over?
% of respondents

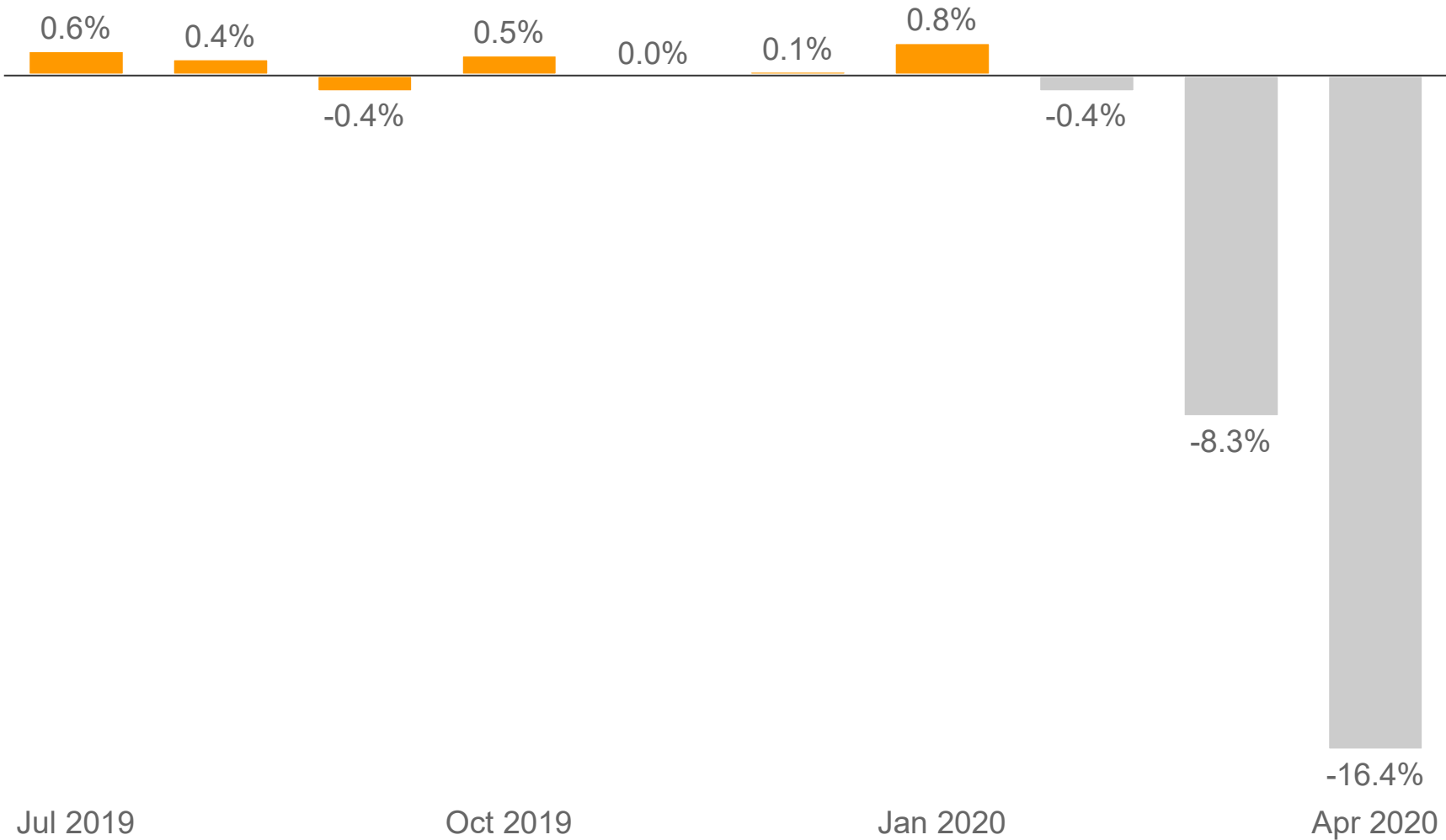


¹Figures will not sum to 100%, because of multiple selections.
Source: The Vision Council VisionWatch COVID-19 US Consumer Study



U.S. Retail Sales

U.S. Retail Sales (MoM)
%

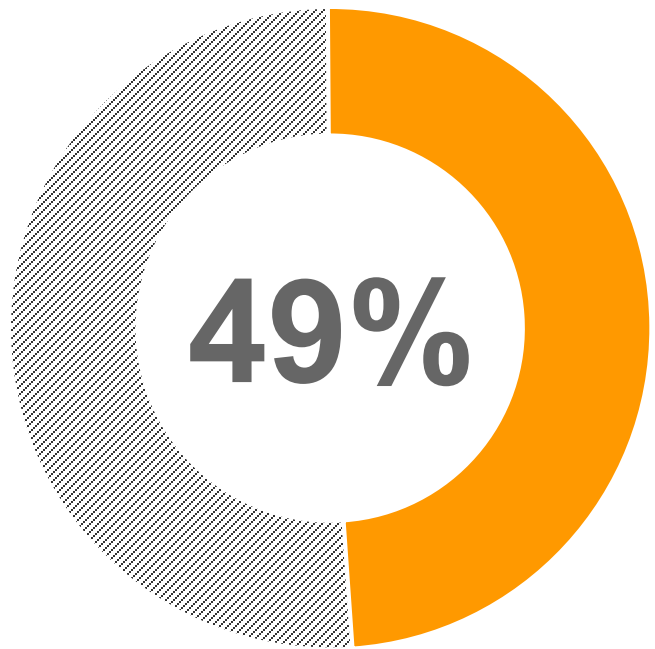


U.S. Retail Sales averaged 0.28% month-over-month from 1992 until 2020, reaching an all time high of 6.70% in October of 2001 and a record low of -16.40% in April of 2020.



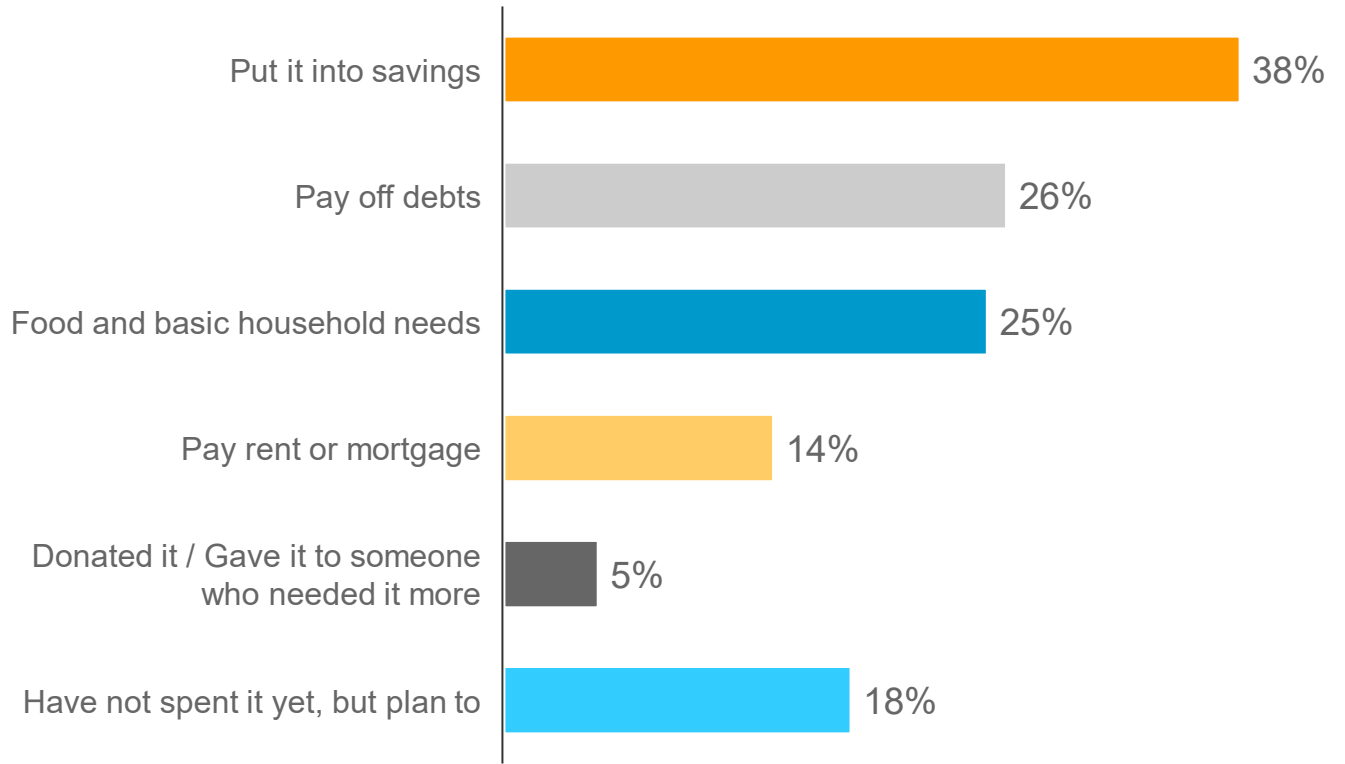
Half of Americans have received stimulus money, but many might not be putting it directly back into their local economy

Have you personally experienced the following in the last few weeks? - Received stimulus money from the government
% of respondents



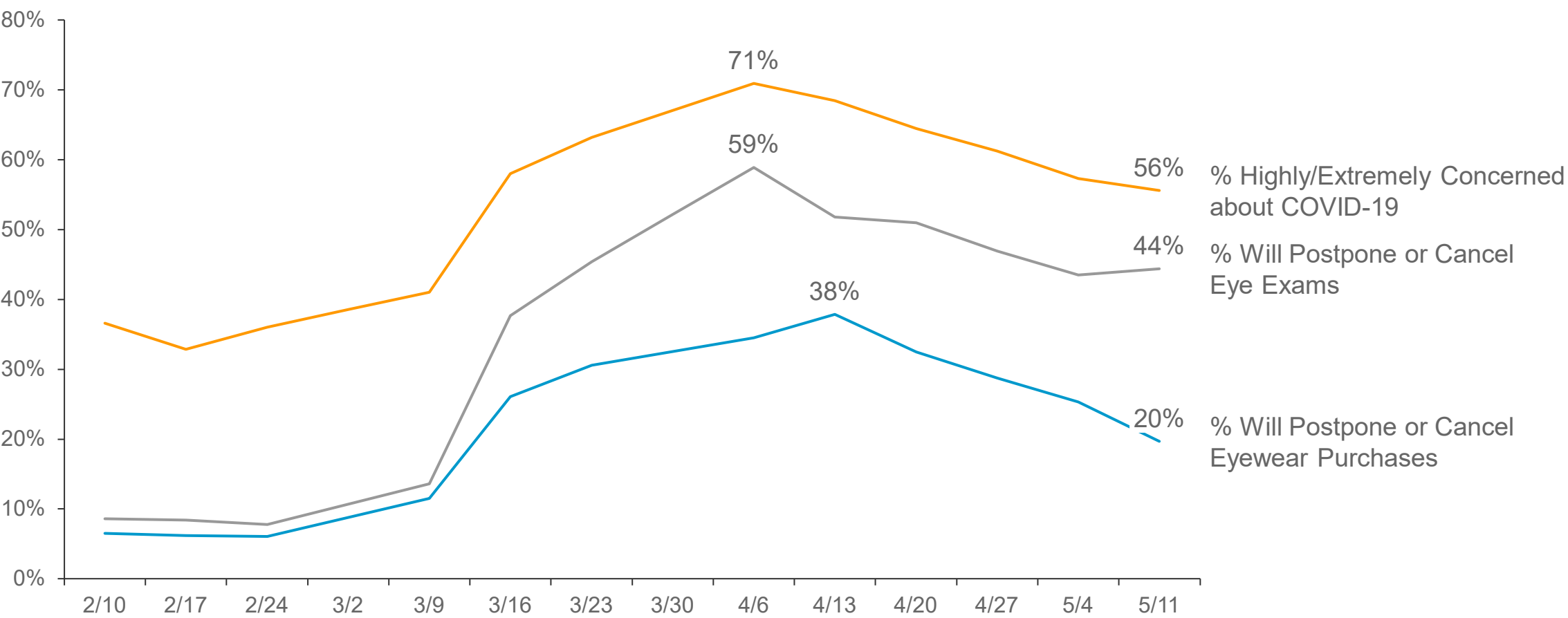
of Americans have received government stimulus money in the last few weeks

How have you spent the stimulus money you received from the government?
% of respondents



Level of concern about COVID-19 impacting consumers eye exam and eyewear purchase behavior

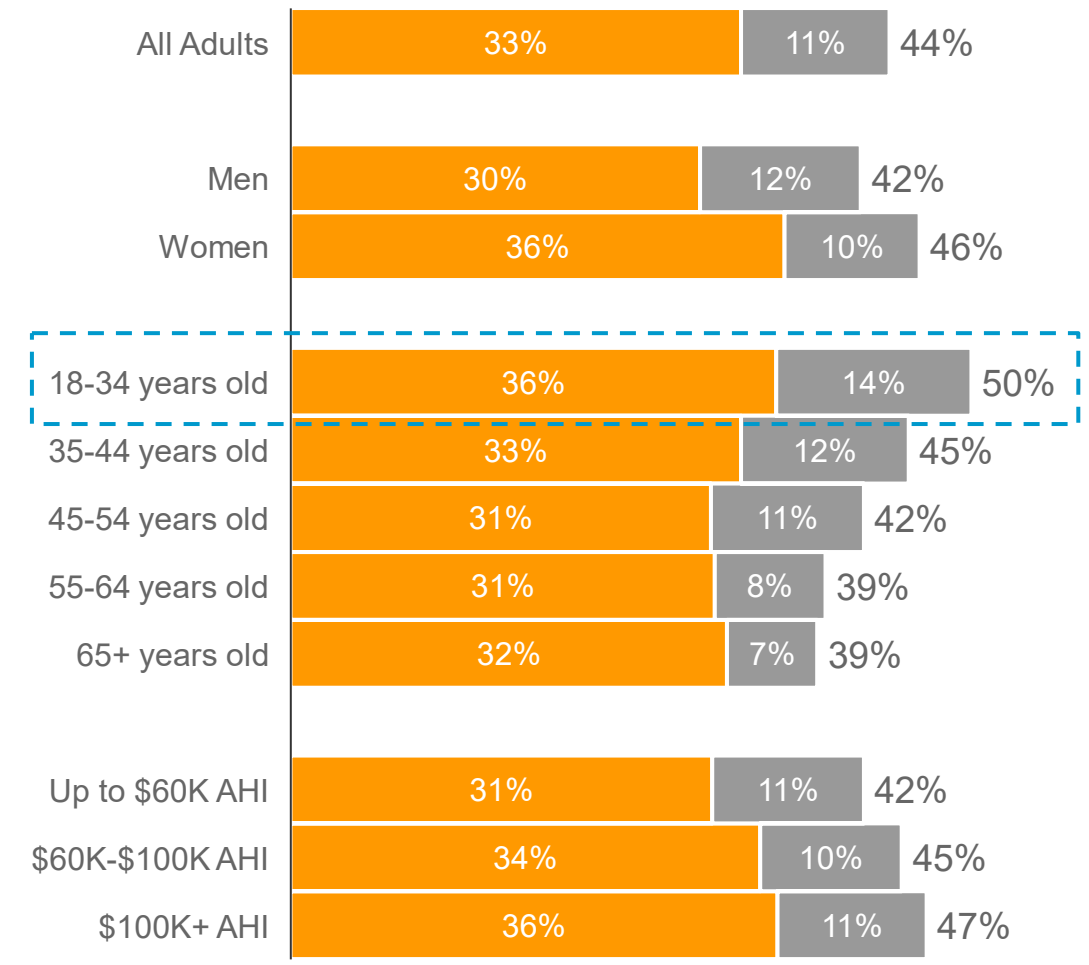
Increasing levels of concern through March lead to increases in consumer postponing or canceling eye exams and eyewear purchases. As consumer concern declined through April, so did likelihood of postponing or canceling eye exams and eyewear purchases.



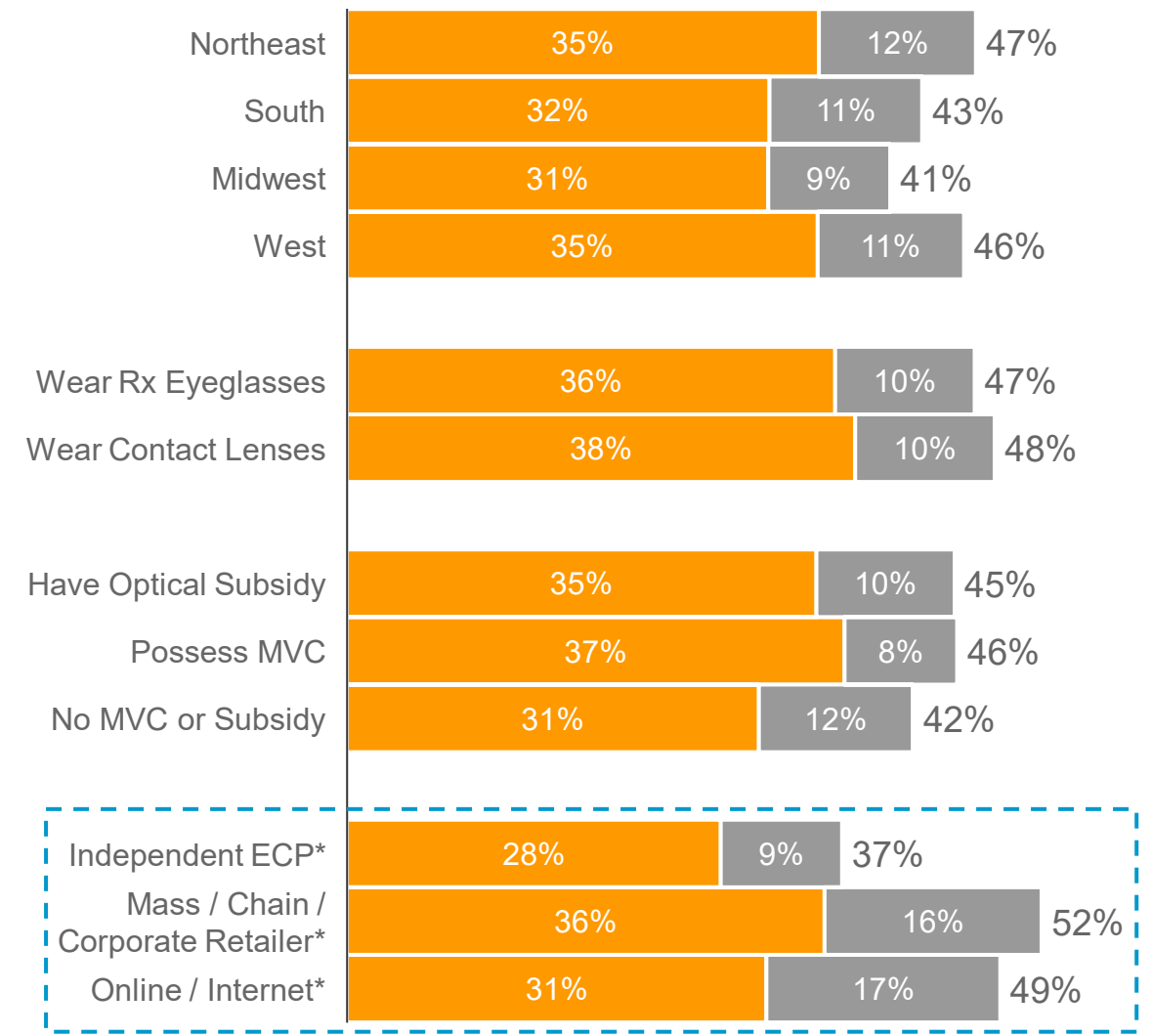
Almost half of Americans will postpone or cancel their eye exams during COVID-19

Will you postpone or cancel any eye exams or trips to the eye doctor while COVID-19 is still a threat?

% of respondents¹



Postpone Cancel



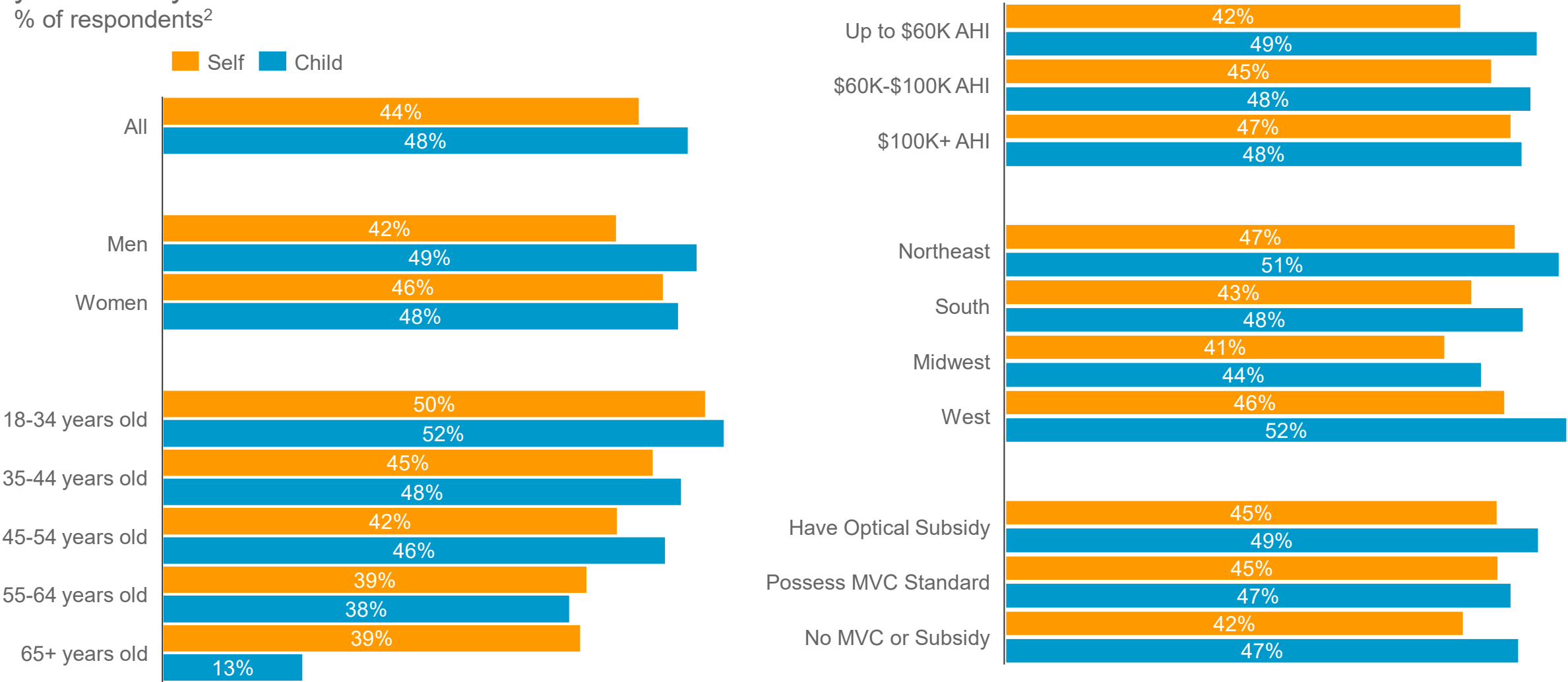
¹Figures will not sum to 100%, because other answer options removed. *By location of last Rx eyewear purchase.
Source: The Vision Council VisionWatch COVID-19 US Consumer Study



Parents report a higher likelihood to postpone/cancel their child's eye exam than their own

Will you postpone or cancel any eye exams or trips to the eye doctor for yourself or your children while COVID-19 is still a threat?¹
% of respondents²

Self Child

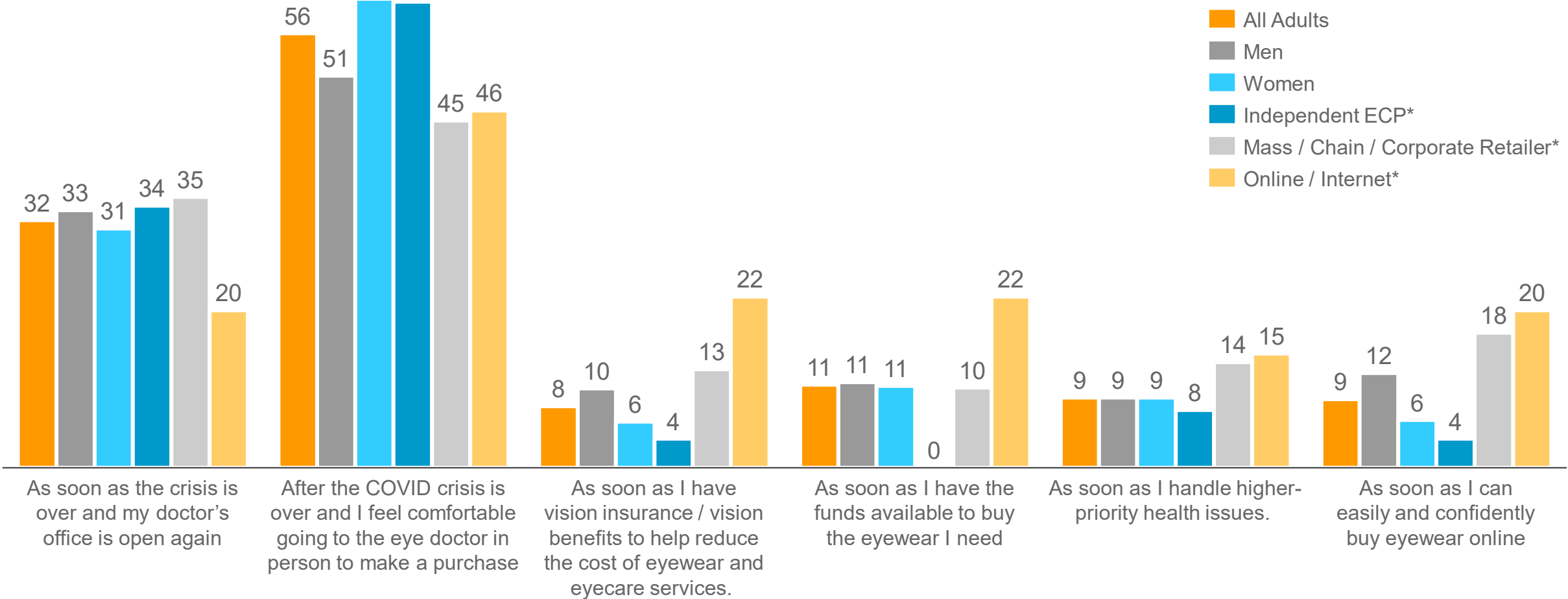




When are consumers anticipating they will come back

When do you anticipate buying eyewear in the future if you are postponing purchases during the COVID-19 crisis?

% of respondents¹



¹Figures will not sum to 100%, because of multiple selections allowed. *By location of last Rx eyewear purchase.
Source: The Vision Council VisionWatch COVID-19 US Consumer Study



Initial signs of turning the corner but still a long journey ahead

UPDATE ON THE IMPACT ON OPTICAL BUSINESS OPERATIONS



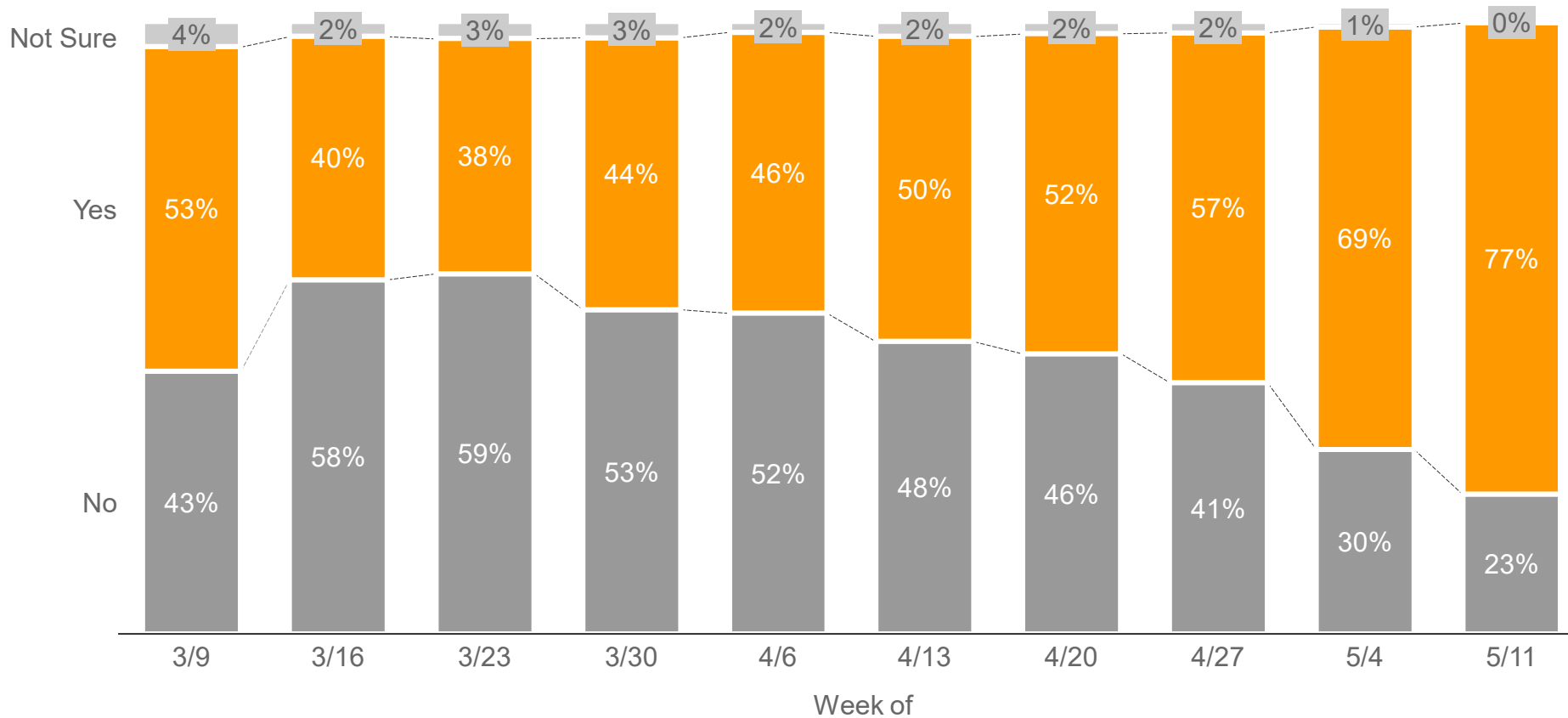
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Optometry practices and optical retailers are reopening

Are you remaining open to the public at this time?

% of respondents

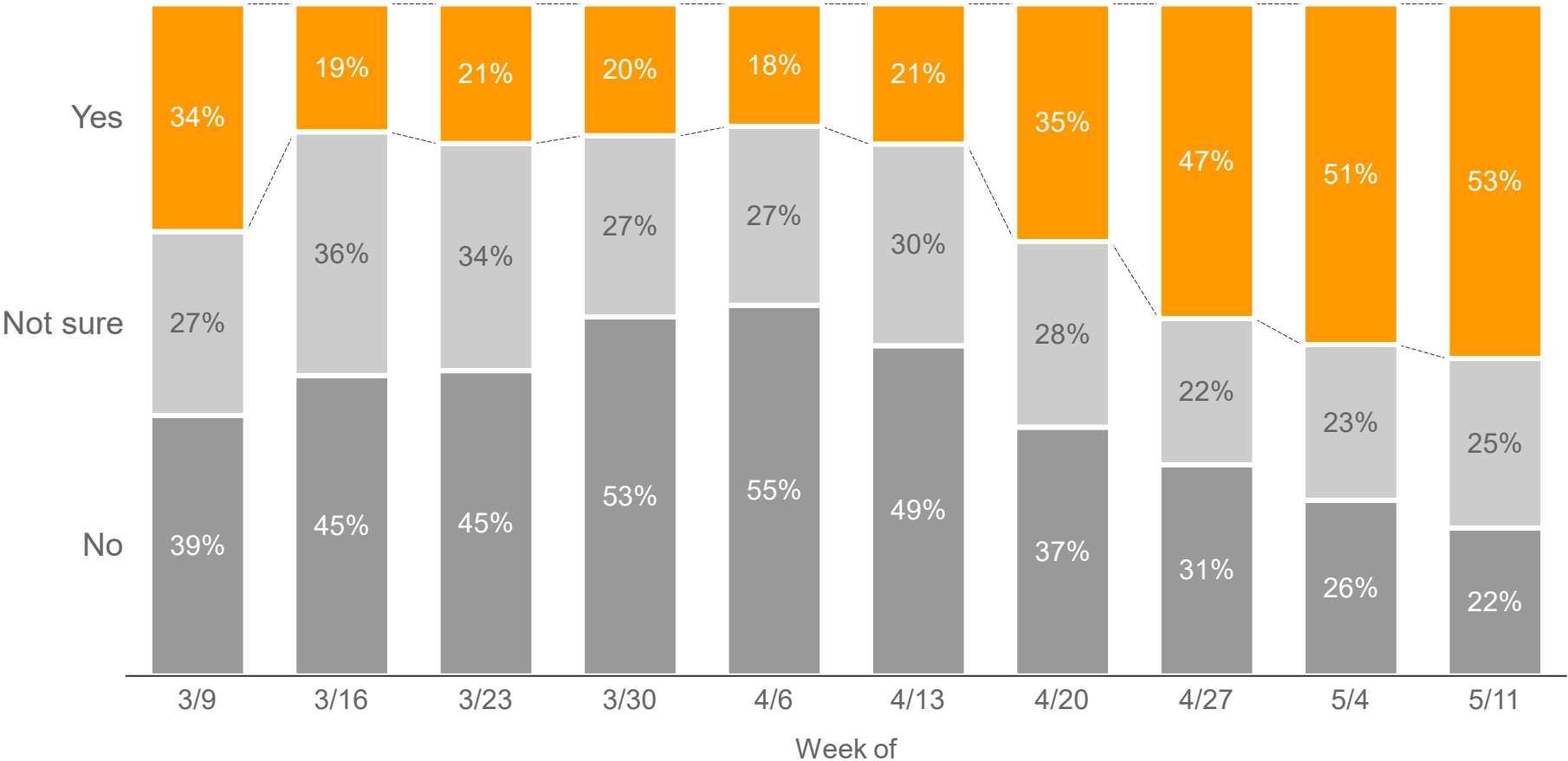


As state and local governments begin lifting restrictions on businesses, more ECPs are reporting being open to the public than during any other week since surveys began in March.



ECPs are becoming more certain of the timeline to reopen if their locations are currently closed

Do you have a timeline for when you plan to re-open your location(s)?
% of respondents

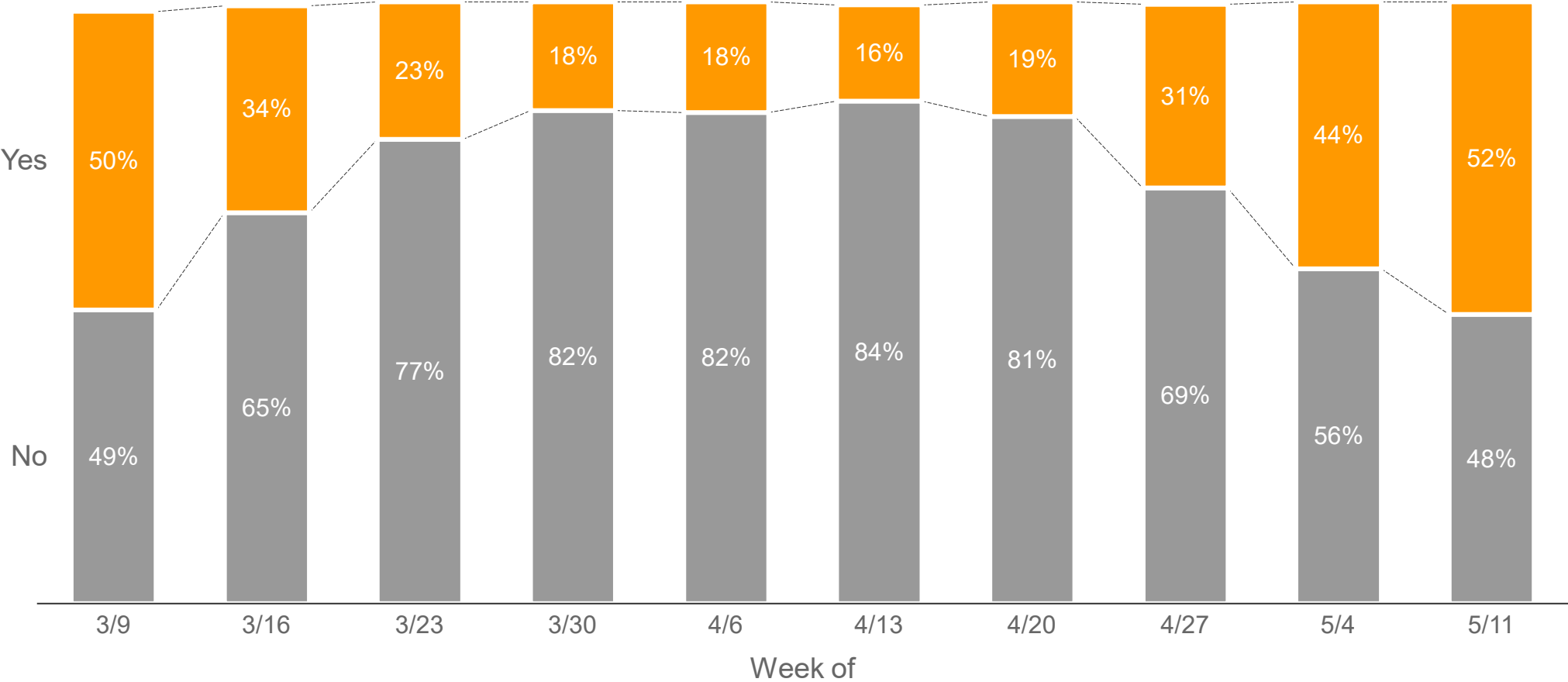


A slight majority of ECPs (53%) report that they have a timeline to re-open their practices. This has been steadily increasing over the month of April and is the highest it has been since the surveys started in the beginning of March.



Practice and store hours are beginning to return to pre-COVID schedules

Is your location currently operating at the normal hours of operation?
% of respondents¹

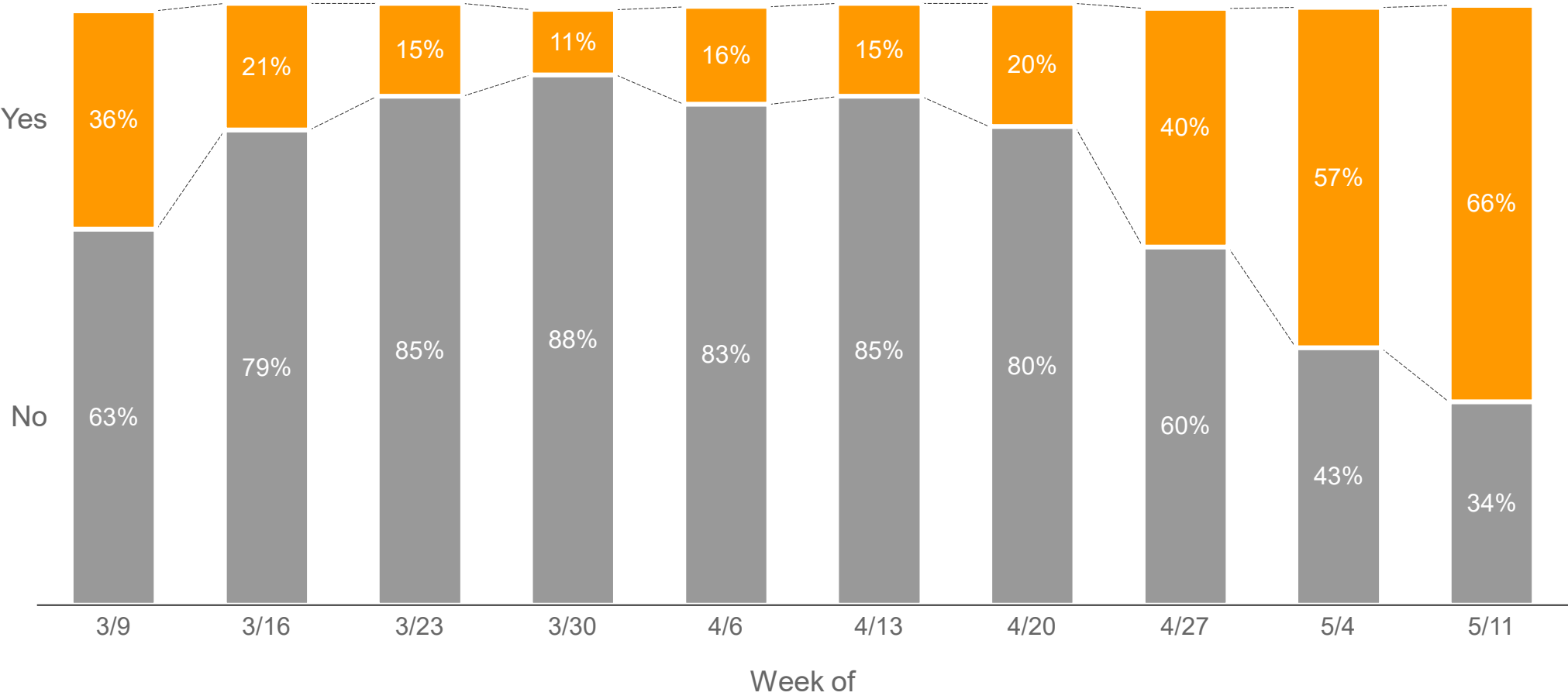


¹Figures may not sum to 100%, because "Not Sure" answer option removed.
Source: The Vision Council COVID-19 ECP Panel Study



ECPs are also beginning to return to offering their full suite of services to their patients

Are you currently offering your full suite of services?
% of respondents²

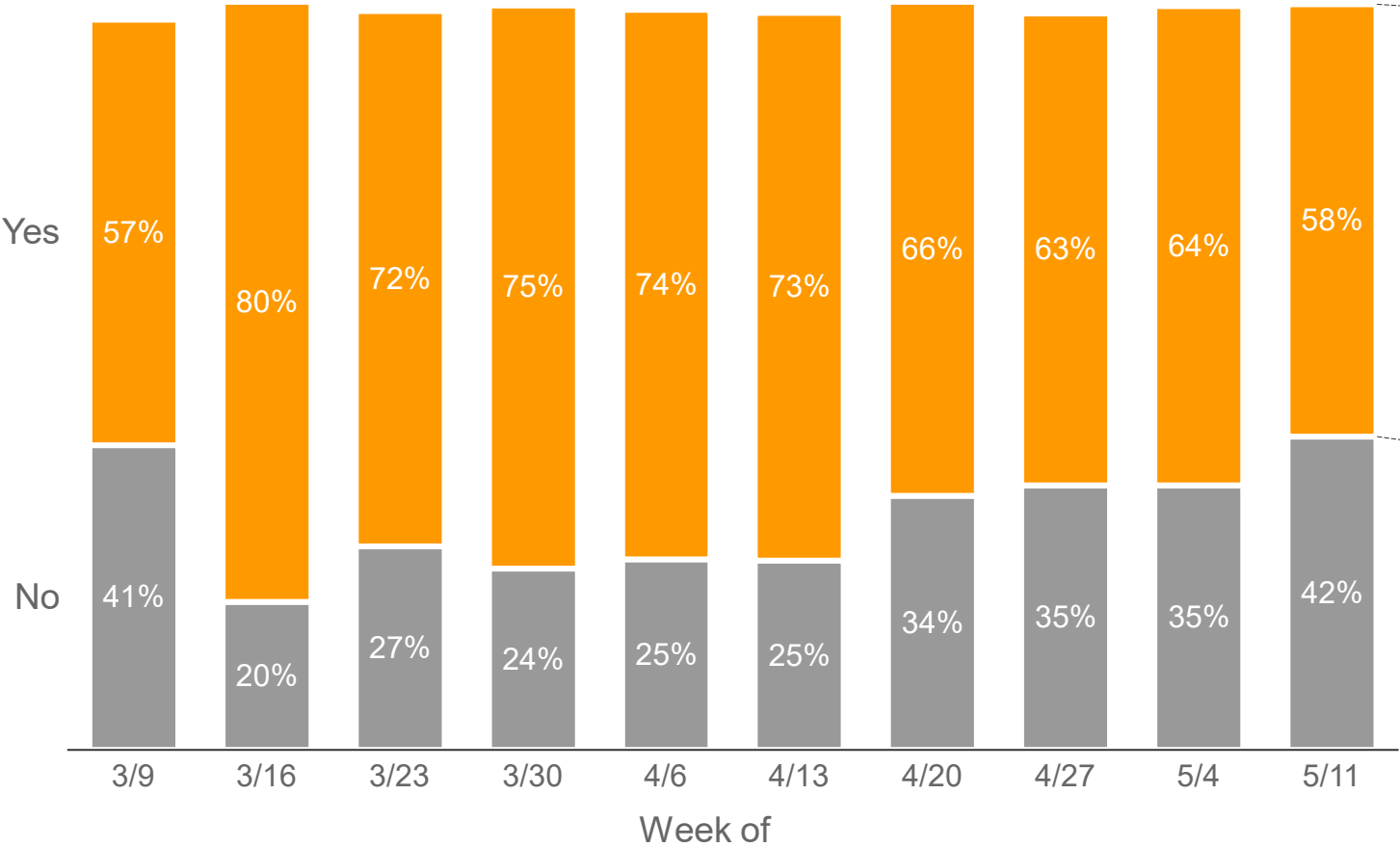


¹Figures will not sum to 100%, because “Not Sure” answer option removed.
Source: The Vision Council COVID-19 ECP Panel Study

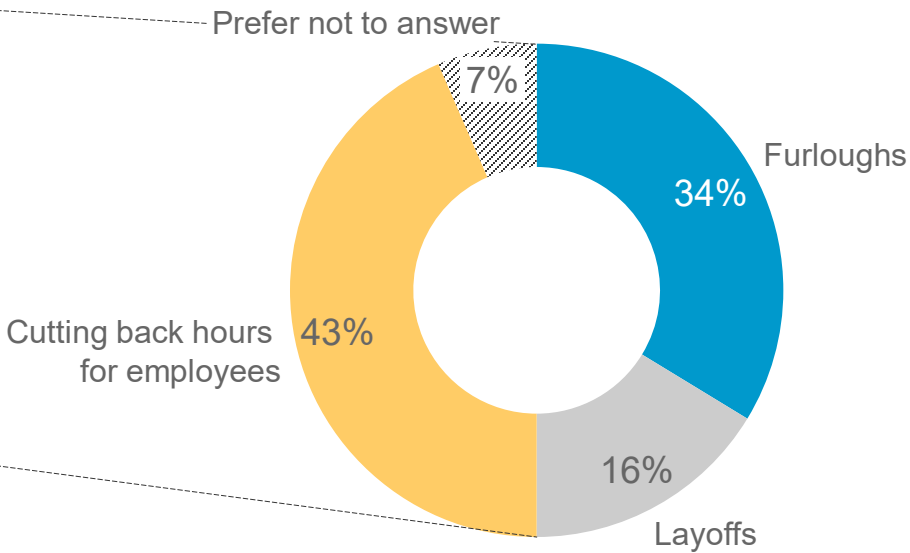


Reductions in employee headcount and staff hours continue in majority of optical practices/stores

Have you had to reduce staffing over the past week in response to the COVID-19 outbreak?¹
% of respondents¹



How are you reducing staffing at your location?
% of respondents



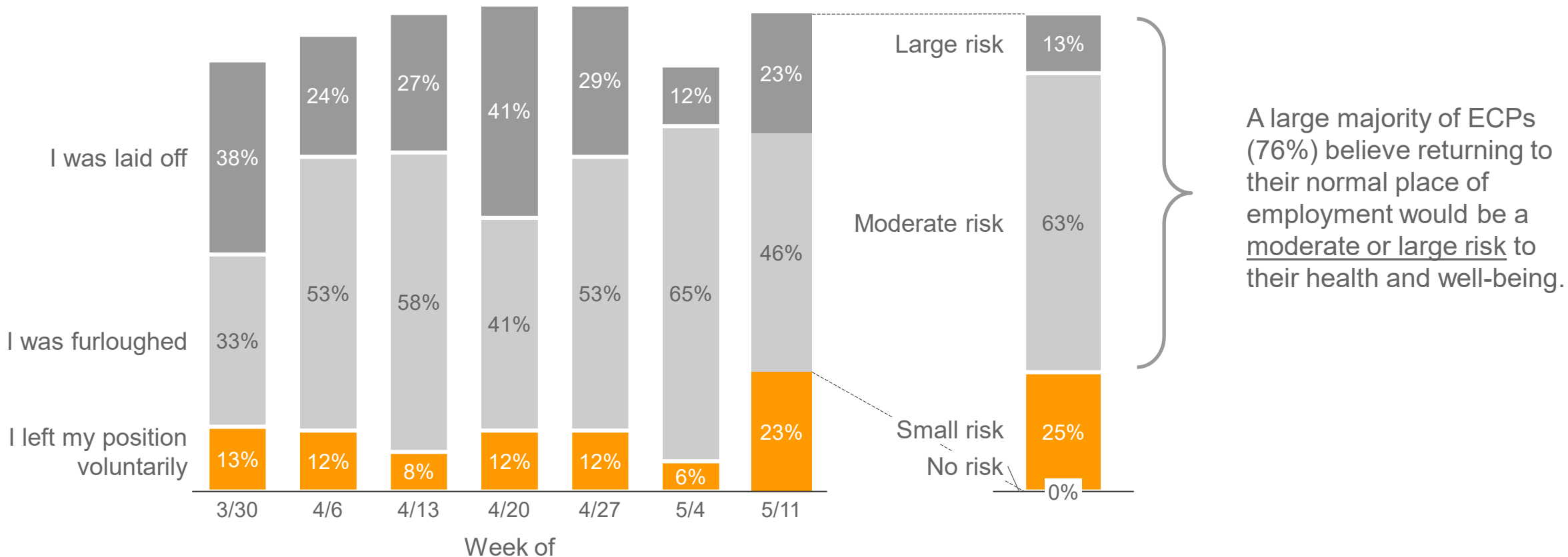
¹Figures will not sum to 100%, because "Don't know / Prefer not to answer" answer option removed.
Source: The Vision Council COVID-19 ECP Panel Study



Optical employee experiences with changes in their employment changes and feelings about returning to work

What is the reason that you are no longer active at your location?
% of respondents

How much of a risk to your health and well-being do you think returning to your normal place of employment would be?
% of respondents

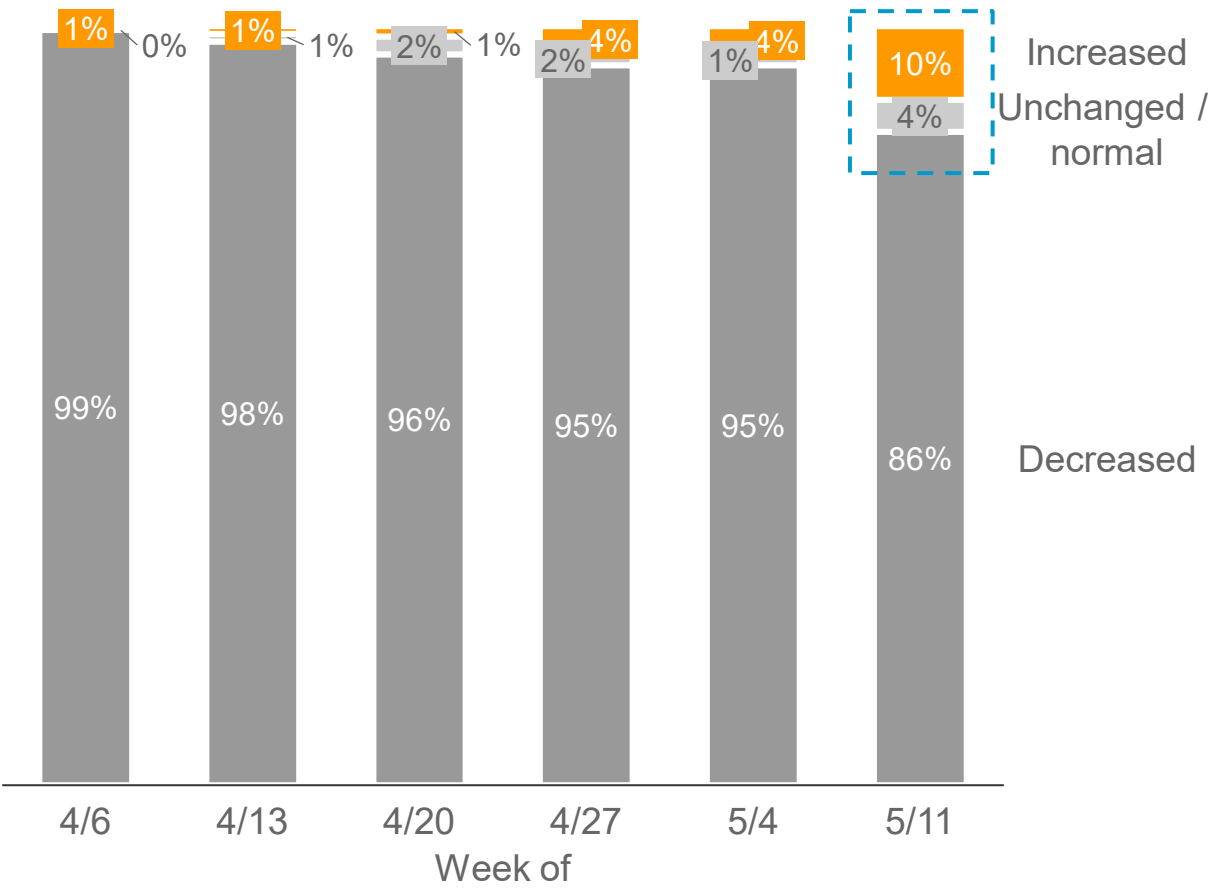




Patient volume and capture rate beginning to show slight increases

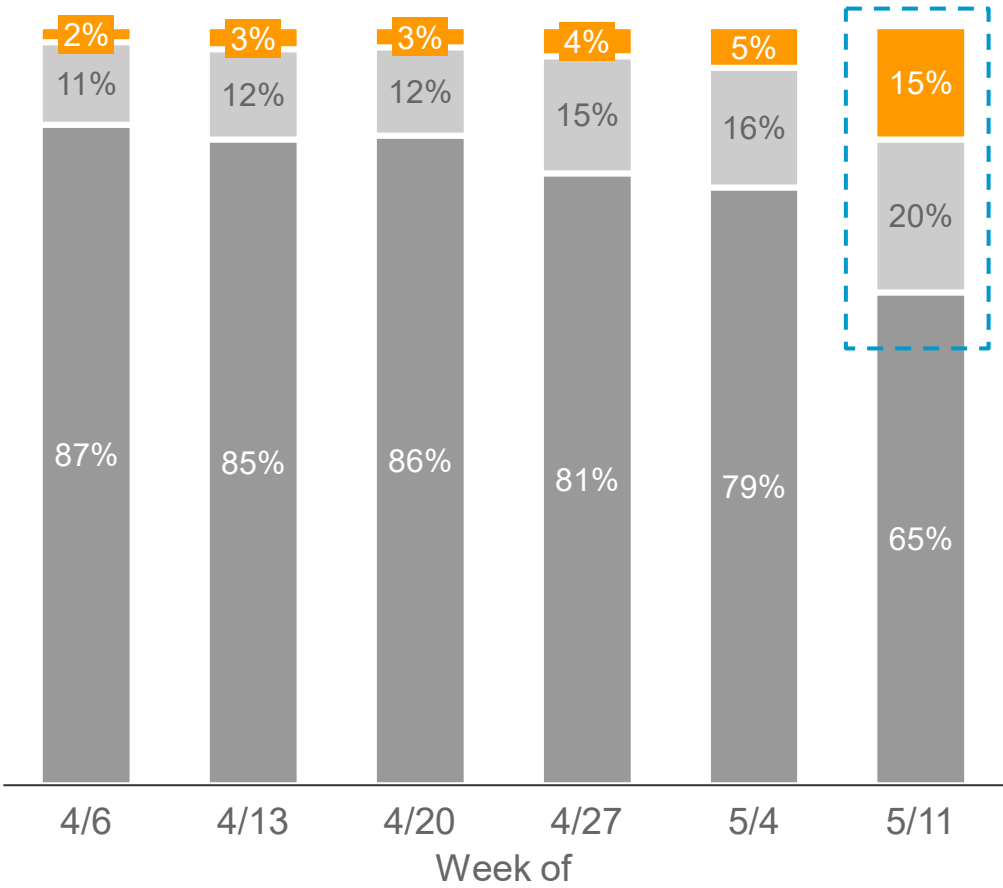
How would you describe the number of customers/ patients your location served within the last week compared to a normal week?

% of respondents²



How would you describe the capture rate at your location served within the last week compared to a normal week?

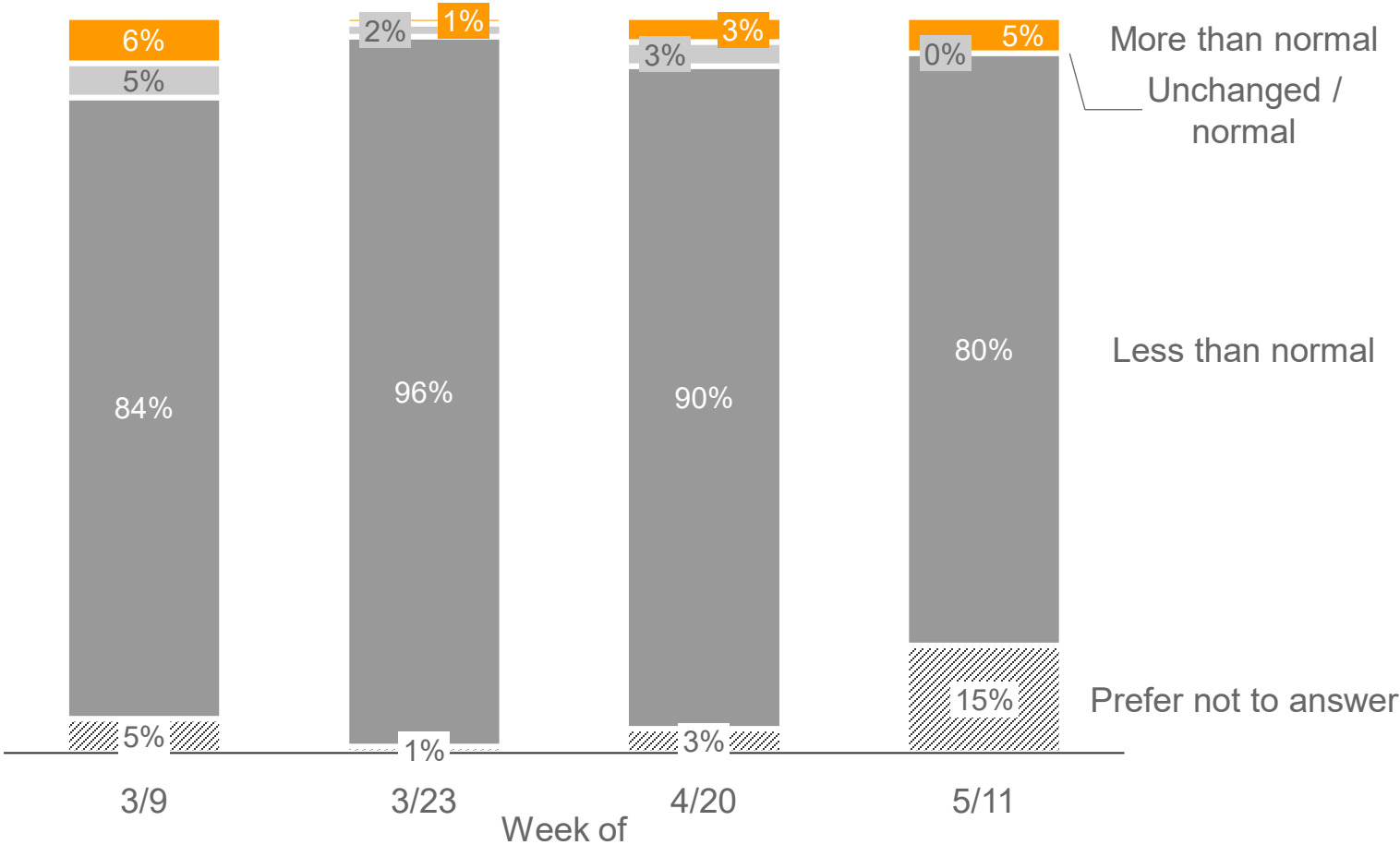
% of respondents²





Optical lab sales volume continues to be depressed

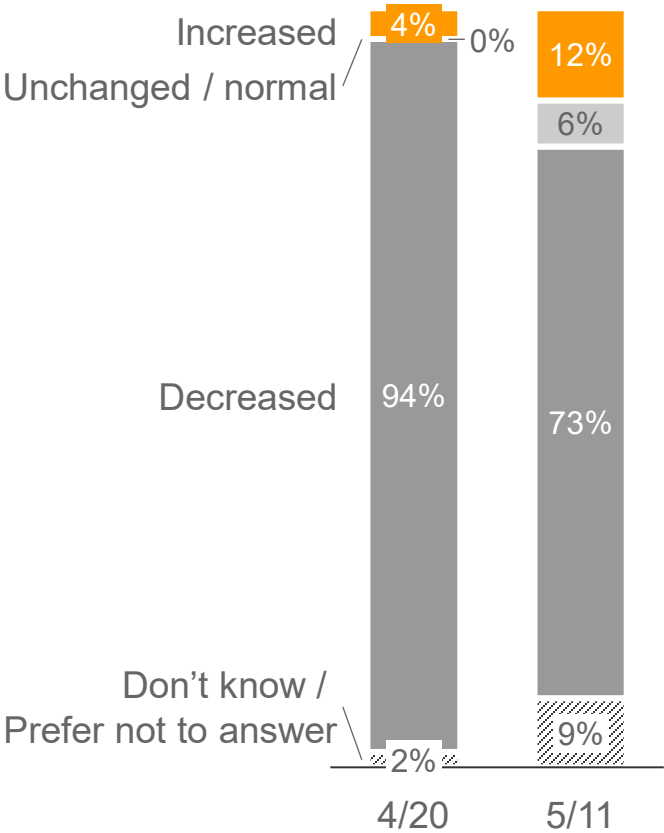
How would you describe the level of Rx lens sales activity within the last week compared to a normal week?
% of respondents



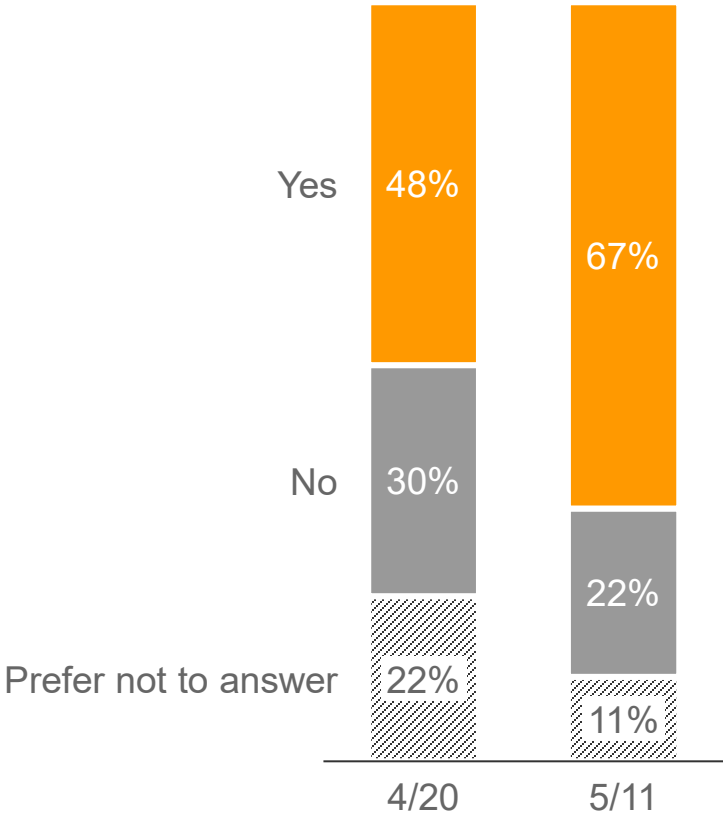


Business performance perspectives from E&A and SRD members

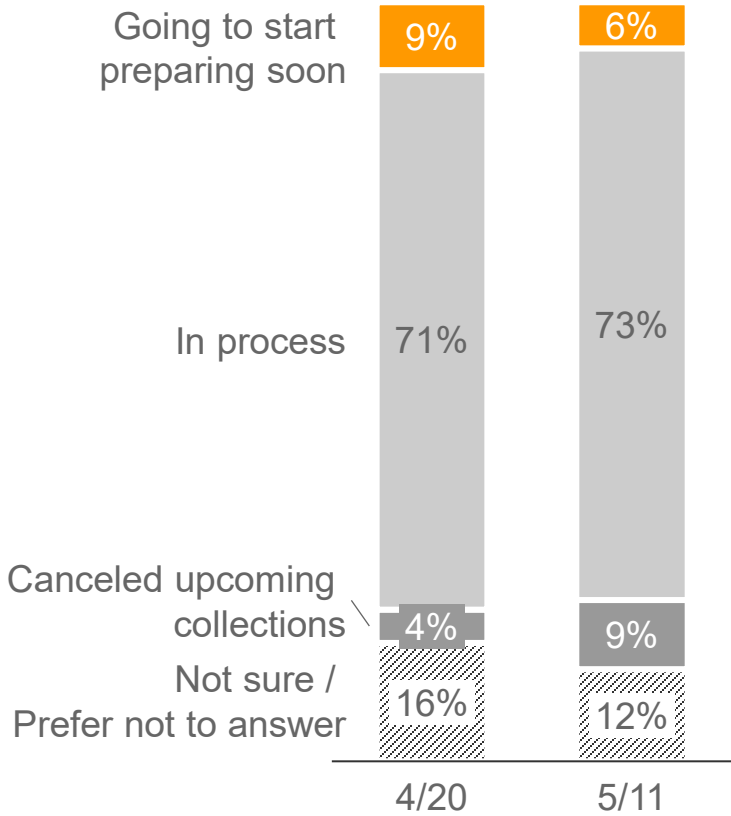
How would you describe the level of frame/accessories sales activity within the last week compared to a normal week?
% of respondents



Are you currently accepting returns of new merchandise shipments from customers?
% of respondents



Which best describes your plans for preparing new design collections for 2020?
% of respondents

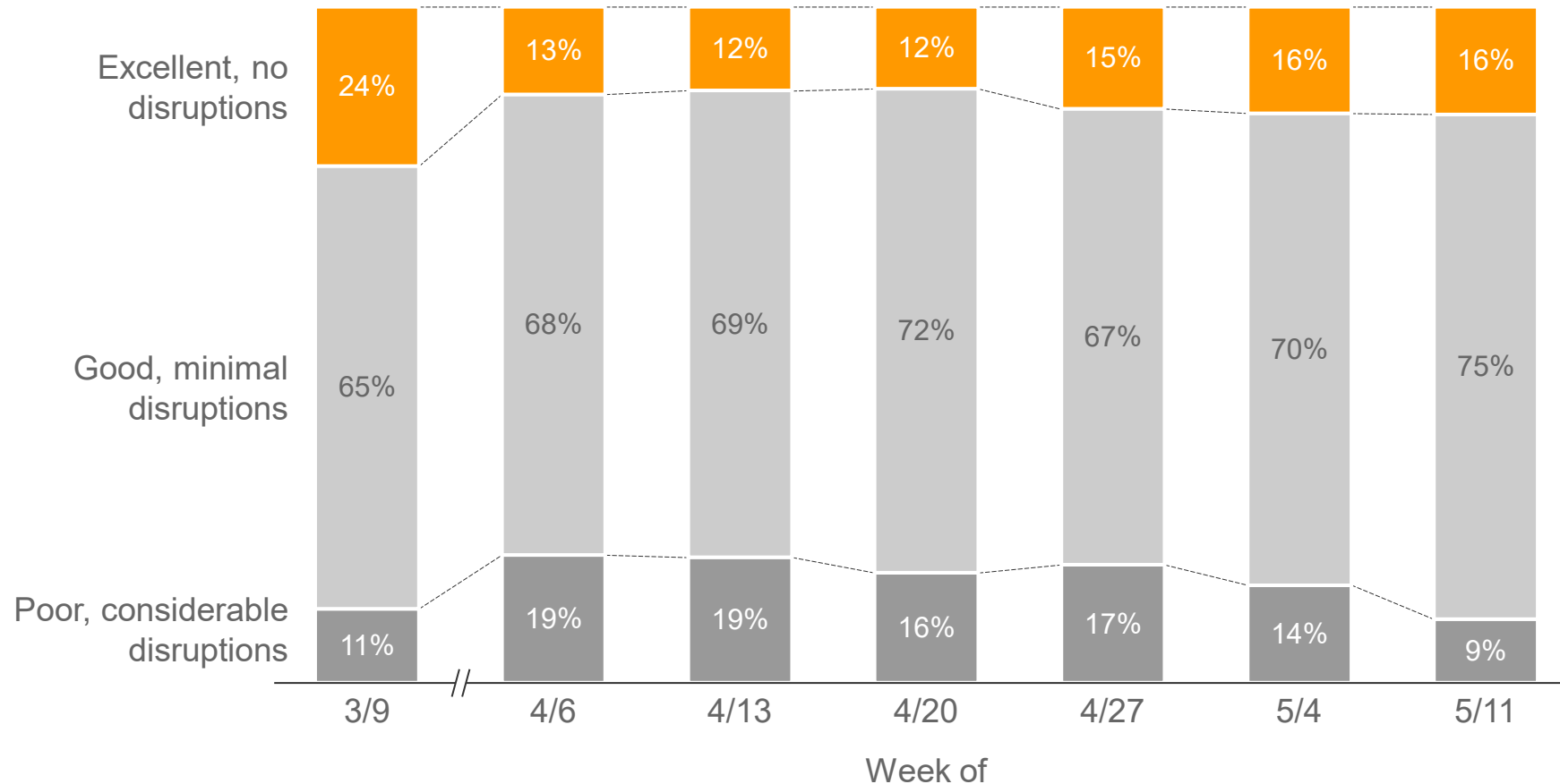




Impact on business operations – vendor performance

How would you rate your vendors' ability to keep pace with your product demands/needs last week?

% of respondents



Significant majority of ECPs (91%) reported minimal to no disruptions in their vendors' ability to supply them with their product needs over the last week, the highest percentage since the surveys began.

A black and white photograph of a woman with dark hair, smiling broadly while adjusting her thin-framed glasses with both hands. She is wearing a light-colored top with a pearl collar and a pearl bracelet on her left wrist. In the background, a whiteboard is visible with some faint, illegible writing and a pen resting on it.

Preparing for the patient journey back to brick-and-mortar

ROAD TO RECOVERY

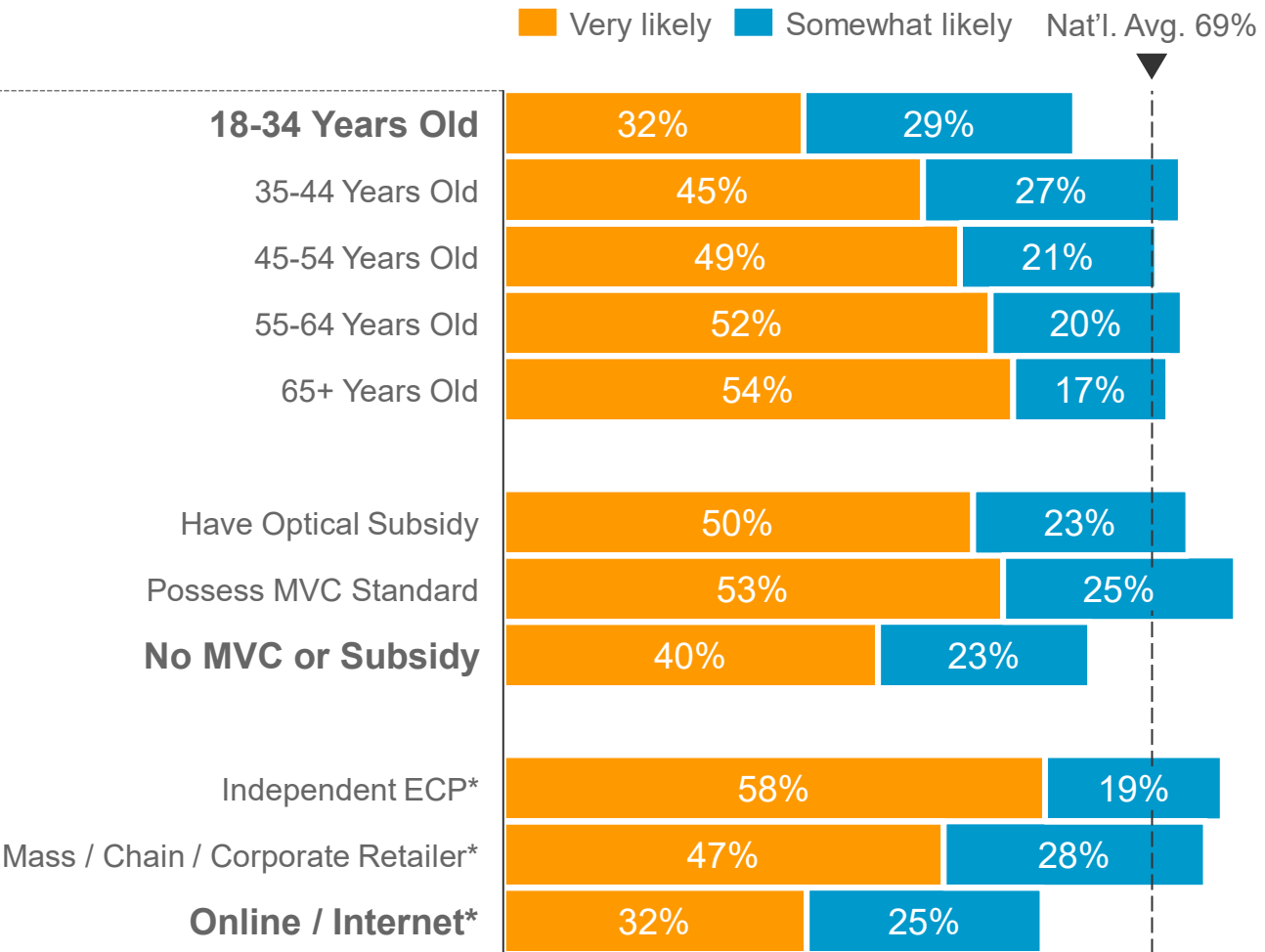
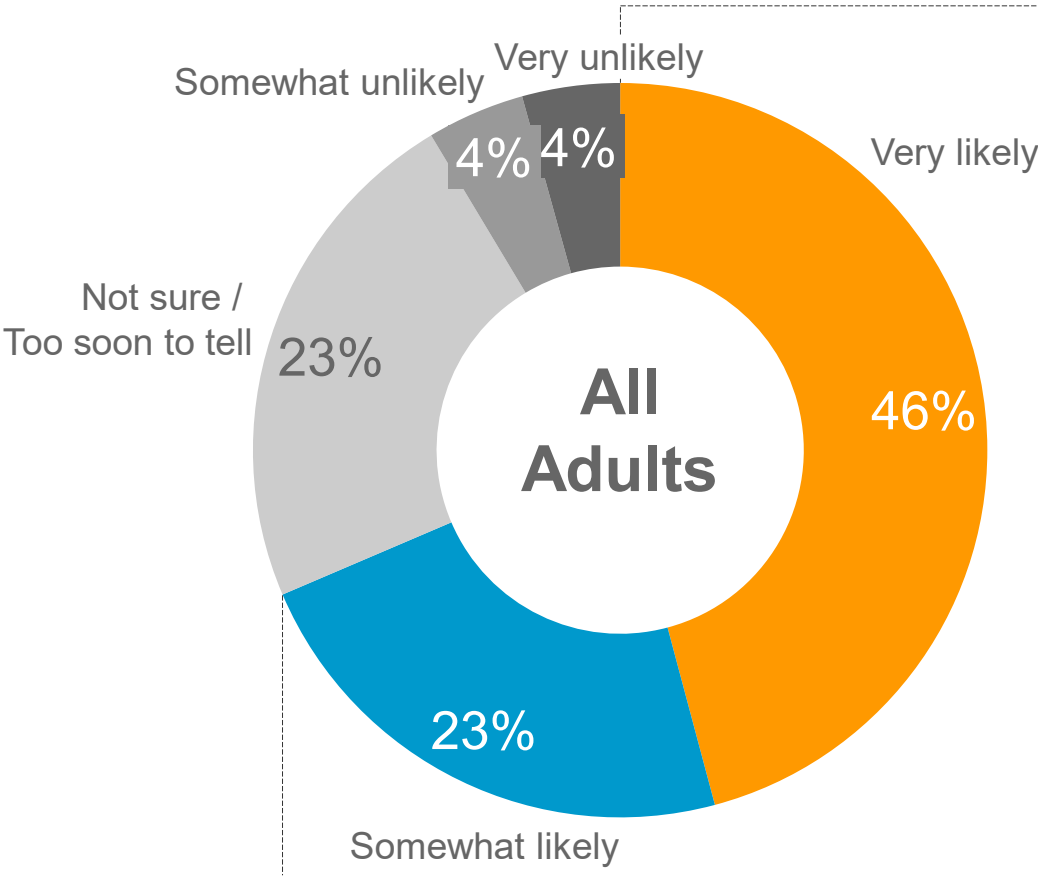


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Nearly 70% of consumers indicate that they will likely return to physical eyewear retailers after COVID-19

After the COVID-19 crisis is over, how likely are you to return to a brick and mortar physical eyewear retailer to try on and purchase eyewear?

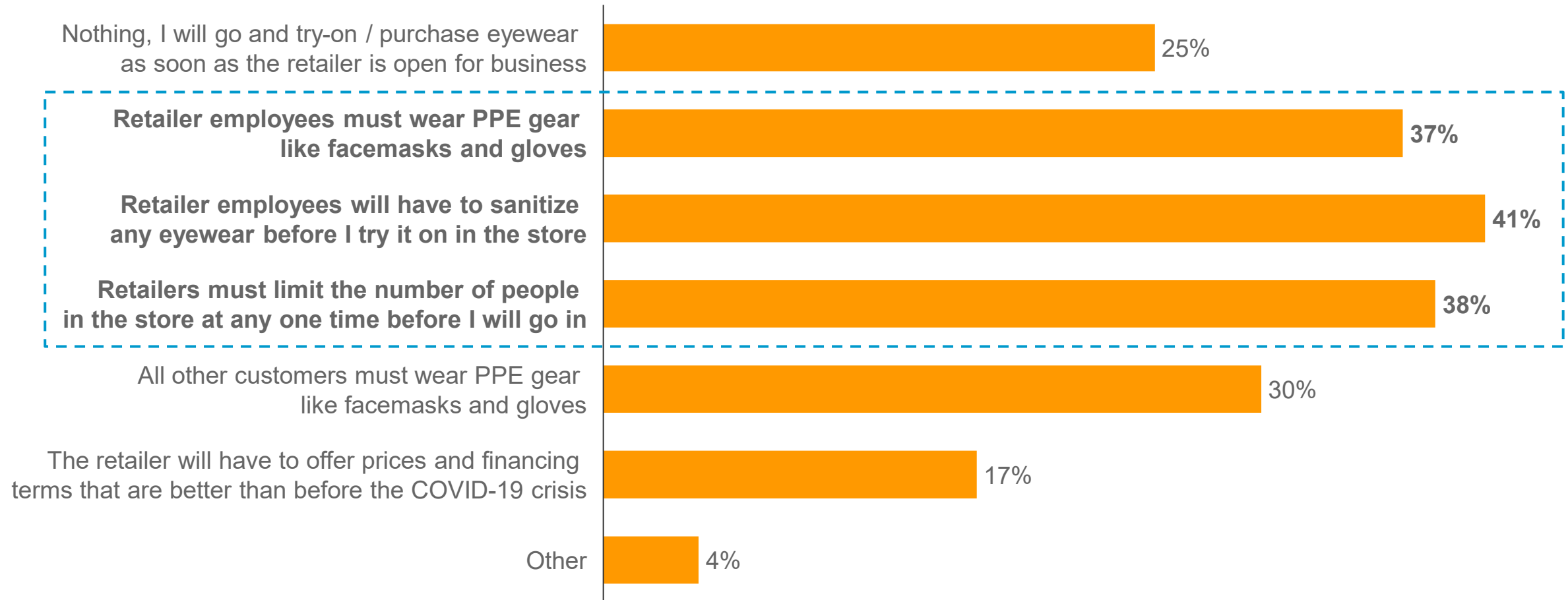
% of respondents¹



Consumers want PPE, safety precautions, sanitization and social distancing protocols to be comfortable in stores

Which of the situations below would encourage you to visit, try-on and purchase eyewear from a physical brick and mortar retailer?

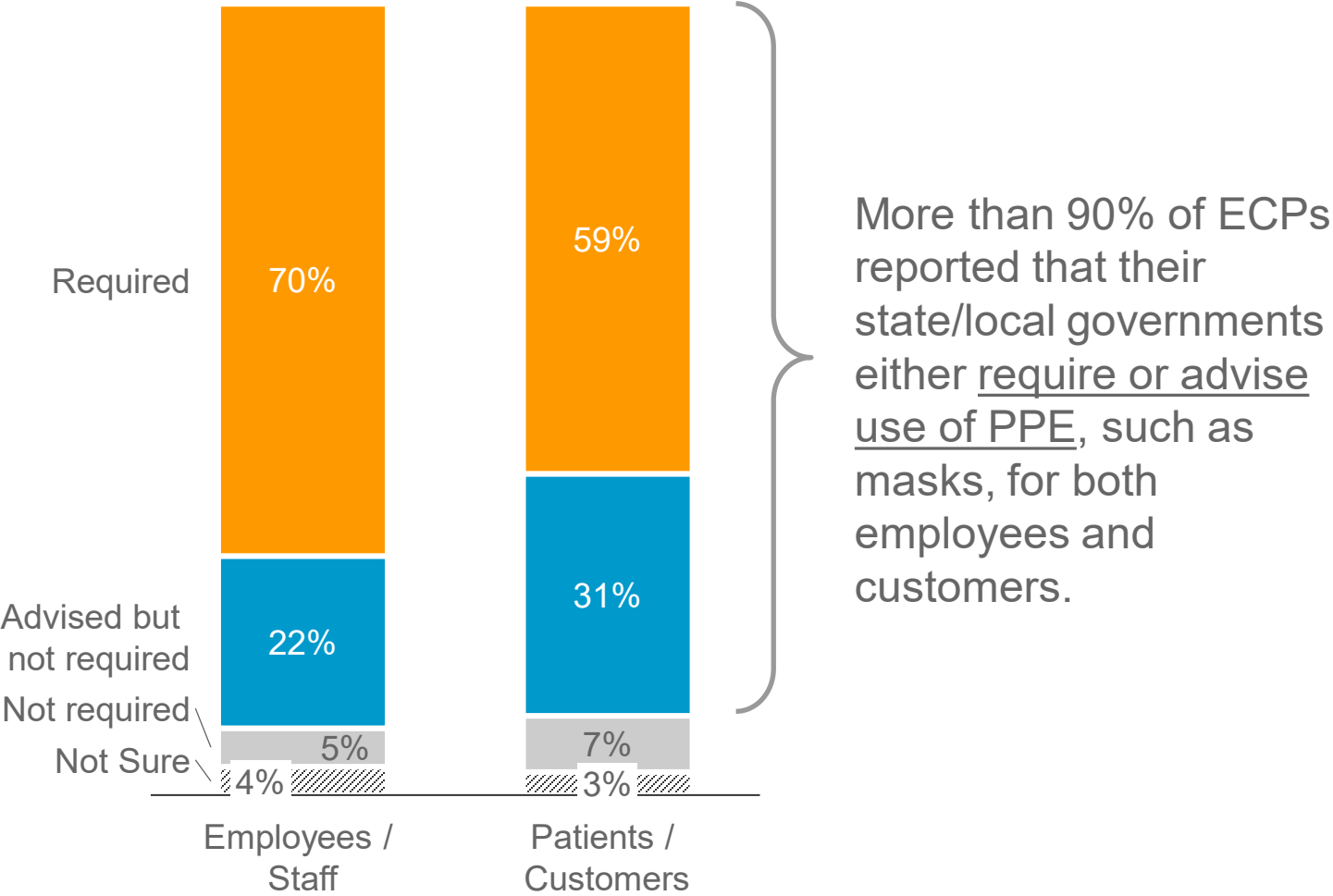
% of respondents¹





PPE requirements and advisements are the standard as optical practices begin to reopen across the country

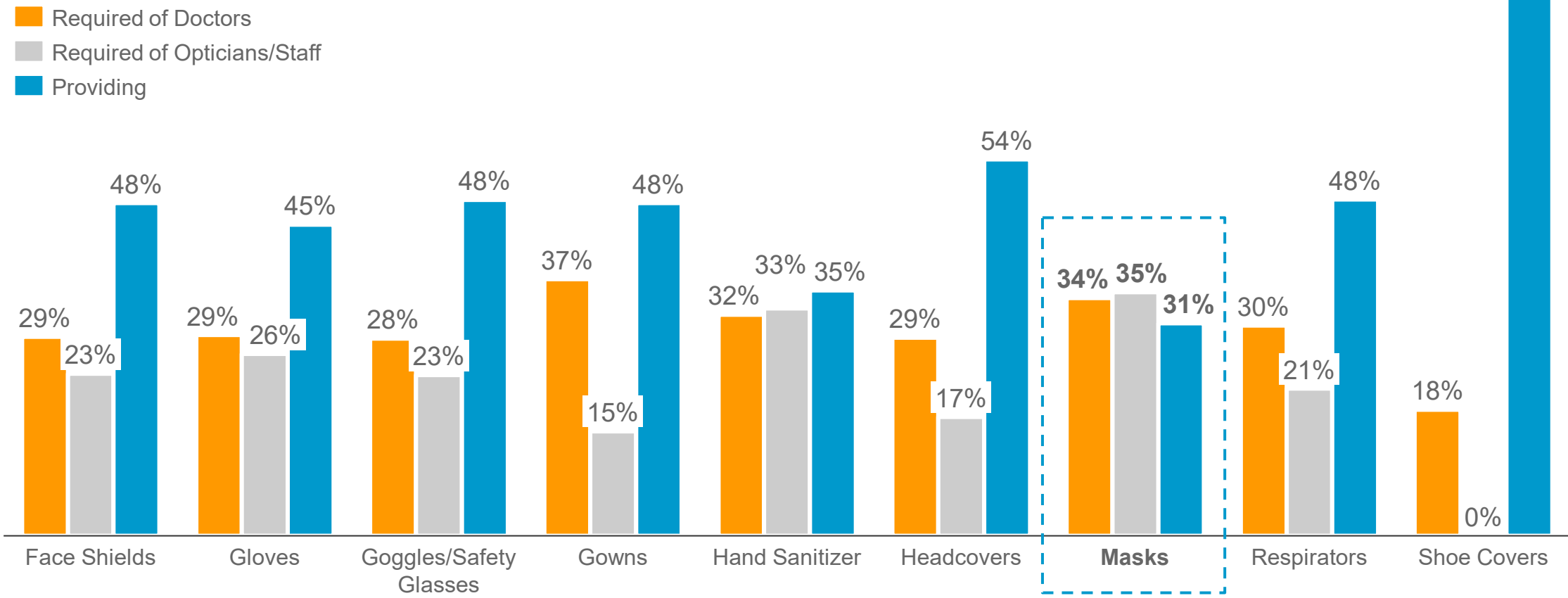
Does your state or local government require employees/staff and/or patients to wear personal protective equipment?
% of respondents²





ECPs vary in requiring and providing a range if PPE for staff

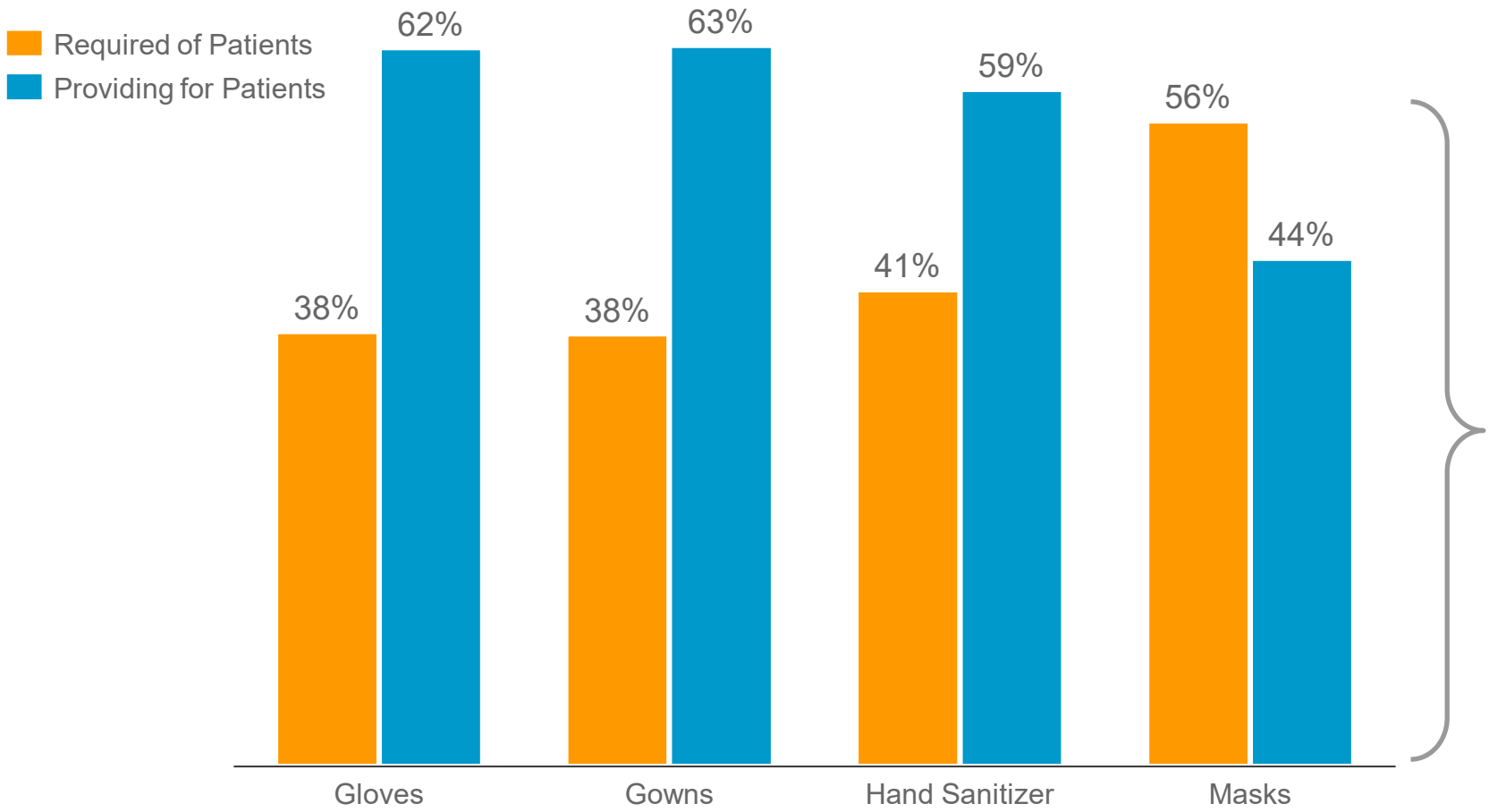
Please indicate which type(s) of personal protective equipment you are requiring and/or providing for your staff.
% of respondents





Masks are the most often required but least often provided PPE for patients

Please indicate which type(s) of personal protective equipment you are requiring and/or providing for your patients.
% of respondents



Masks are the most required PPE for patients by ECPs, but they are also the least provided.



Increased safety precautions at ECP locations

What safety precautions are you utilizing at your location?

% of respondents





Shift to alternative technologies, communications, online eyewear and new ECP services

ROAD TO RECOVERY

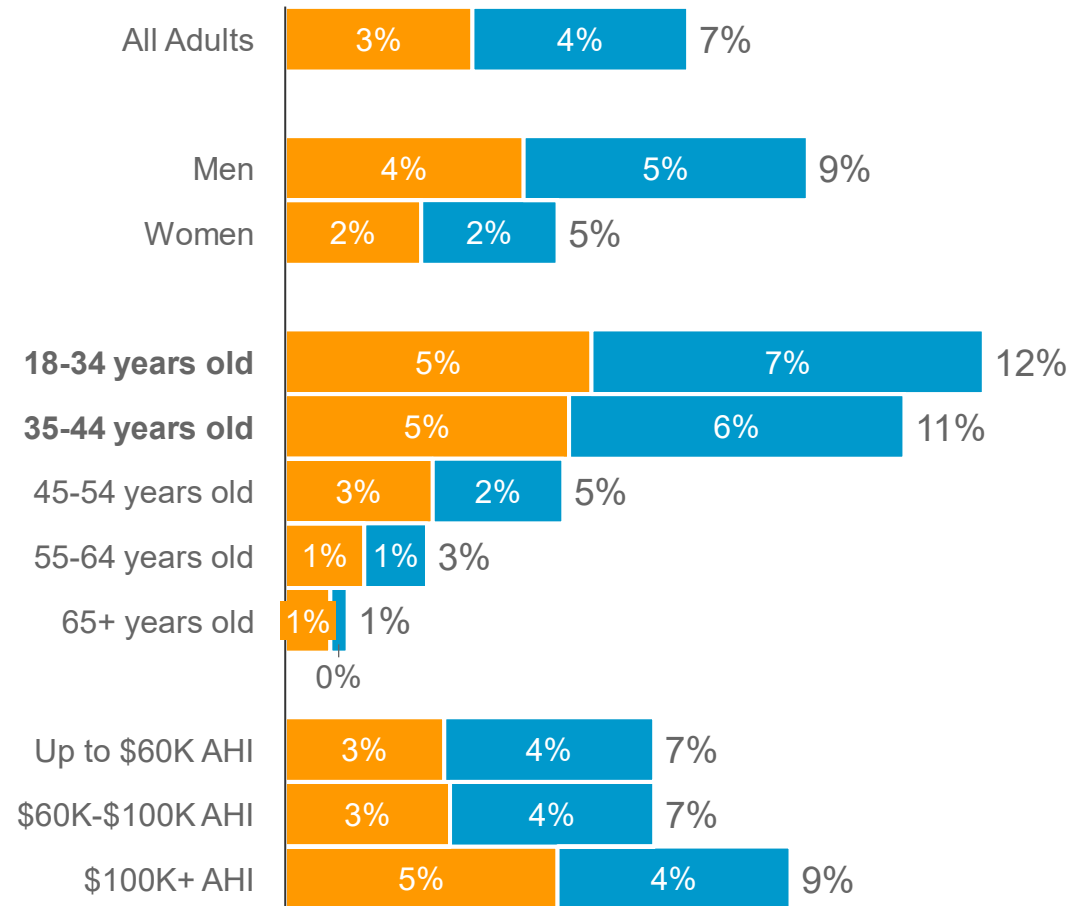


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Younger consumers, previous chain and online eyewear buyers are more open to telehealth eye exam alternatives

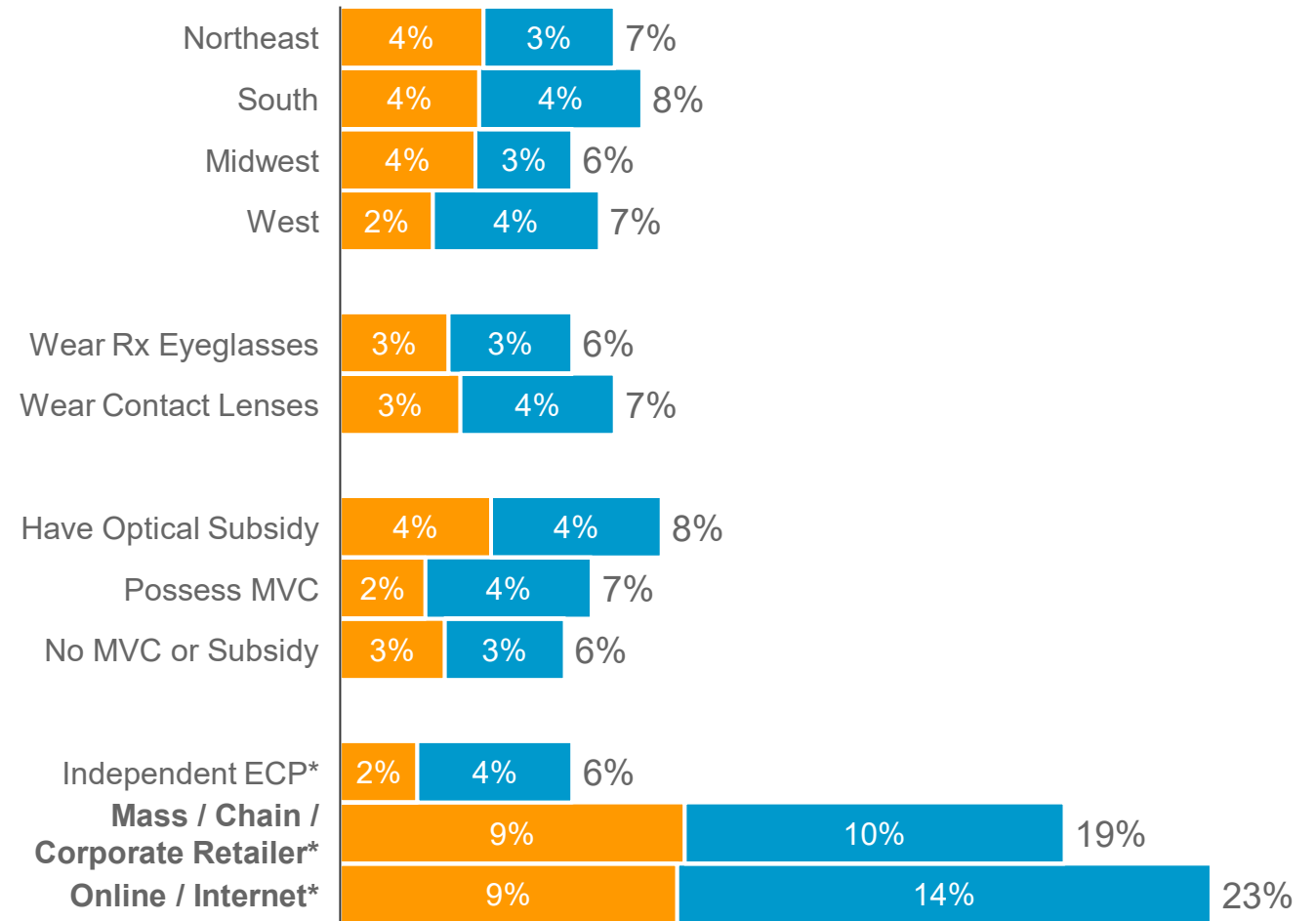
Will you postpone or cancel any eye exams or trips to the eye doctor while COVID-19 is still a threat?

% of respondents¹



"I will get a...."

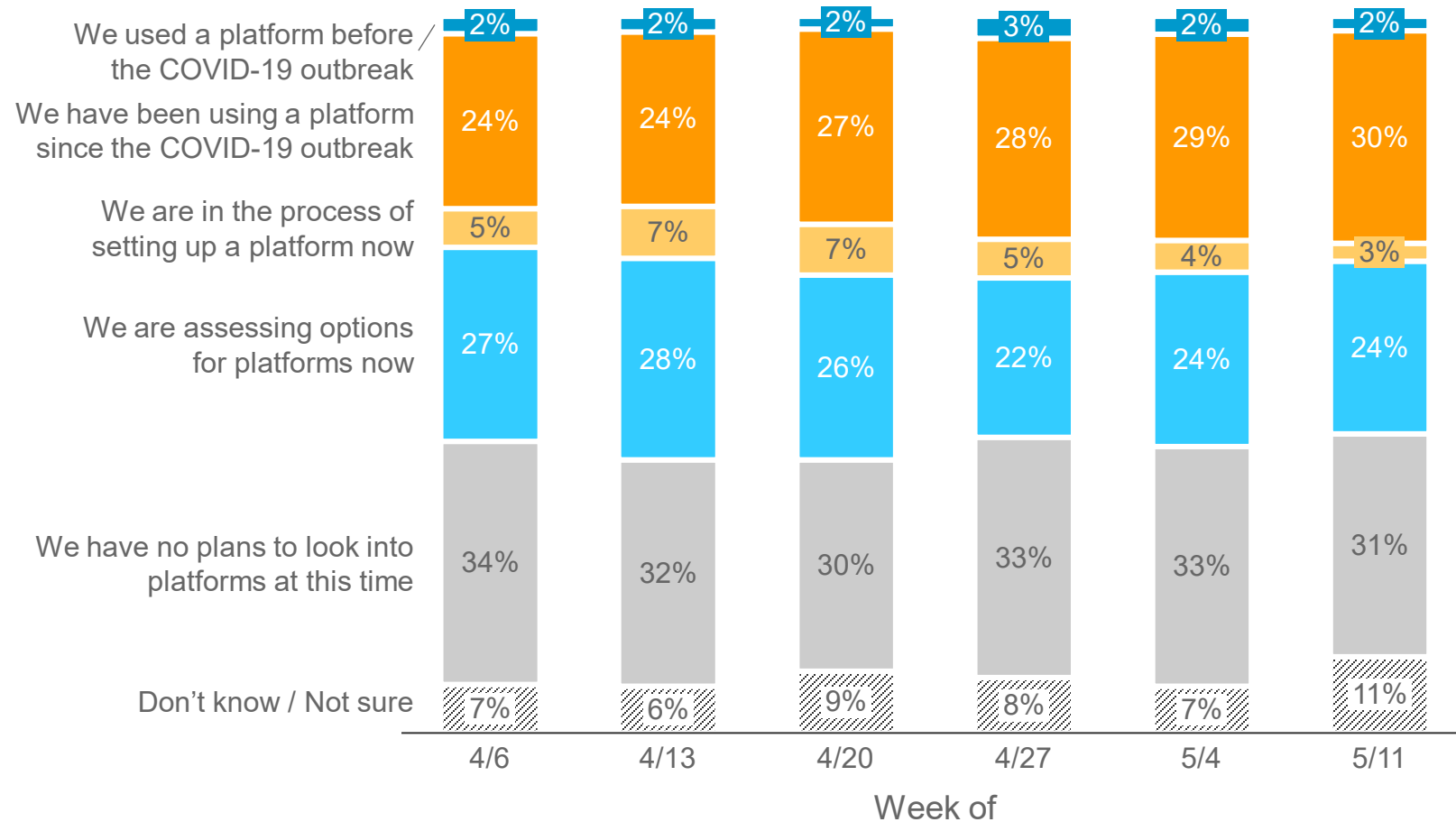
...complete telemedicine eye exam at remote location"
 ...virtual eye screening or visual acuity test via pc/mobile app"



¹Figures will not sum to 100%, because other answer options removed. *By location of last Rx eyewear purchase.
 Source: The Vision Council VisionWatch COVID-19 US Consumer Study

ECPs report consistent levels of telehealth platform evaluation and use in response to COVID-19

What best describes the use of virtual / telehealth related platforms at your location?
% of respondents

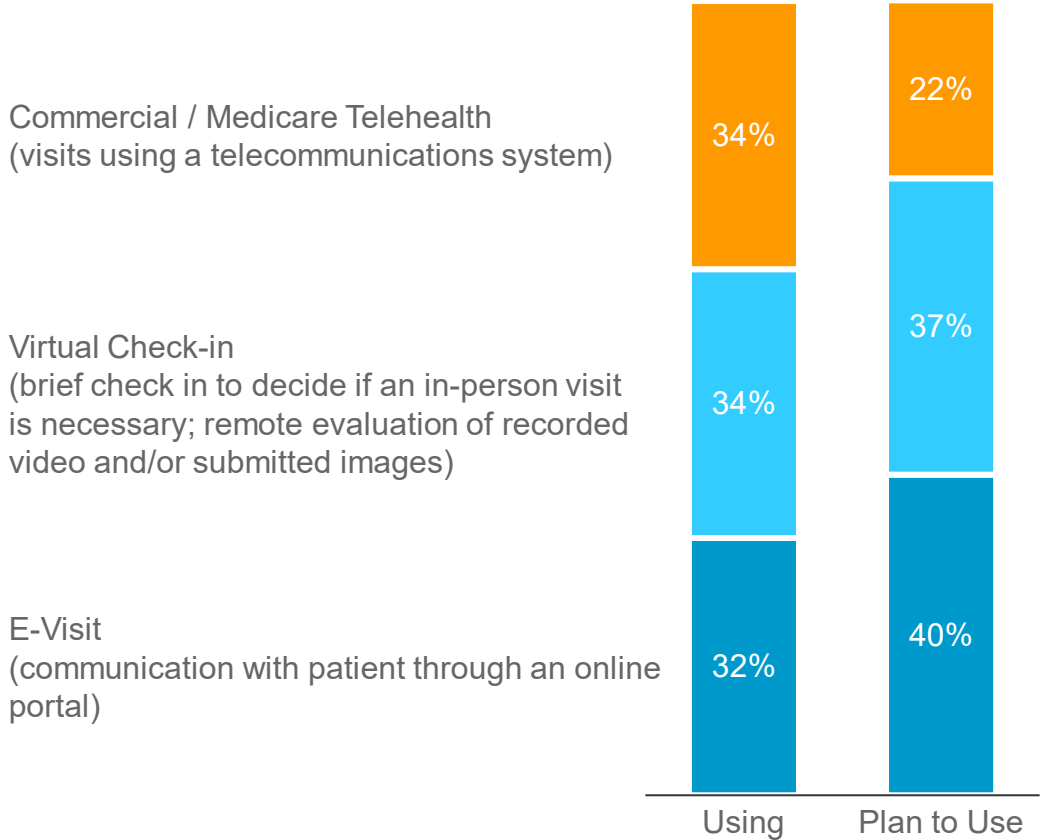


Nearly 60% of ECPs surveyed in each of the last six weeks indicate some current exploration and/or use of telehealth platforms since the start of the COVID-19 pandemic in February.

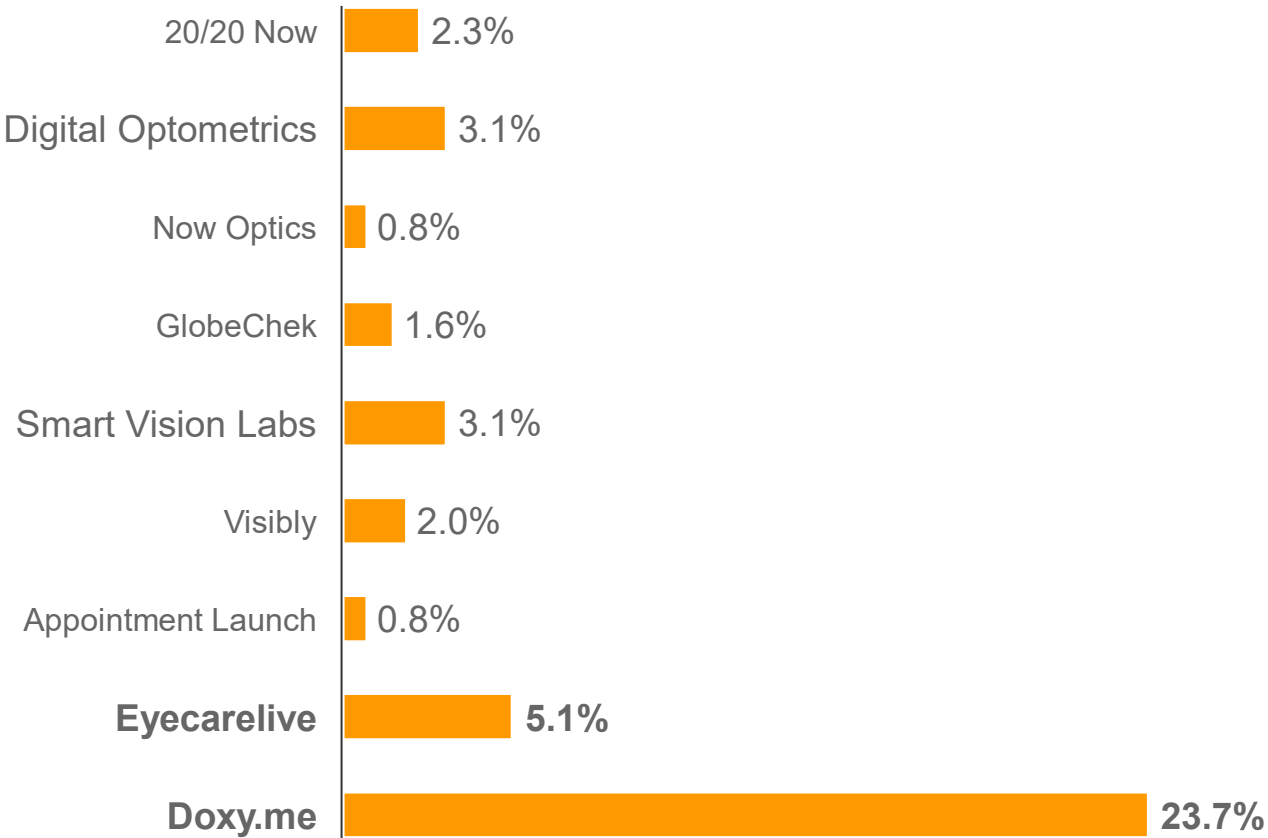


Exploring telehealth platform types and popularity among ECPs

What type of virtual / telehealth related platform are you using or do you plan to use at your location?
% of respondents



Which specific platforms is your location using or looking to use?
% of respondents¹

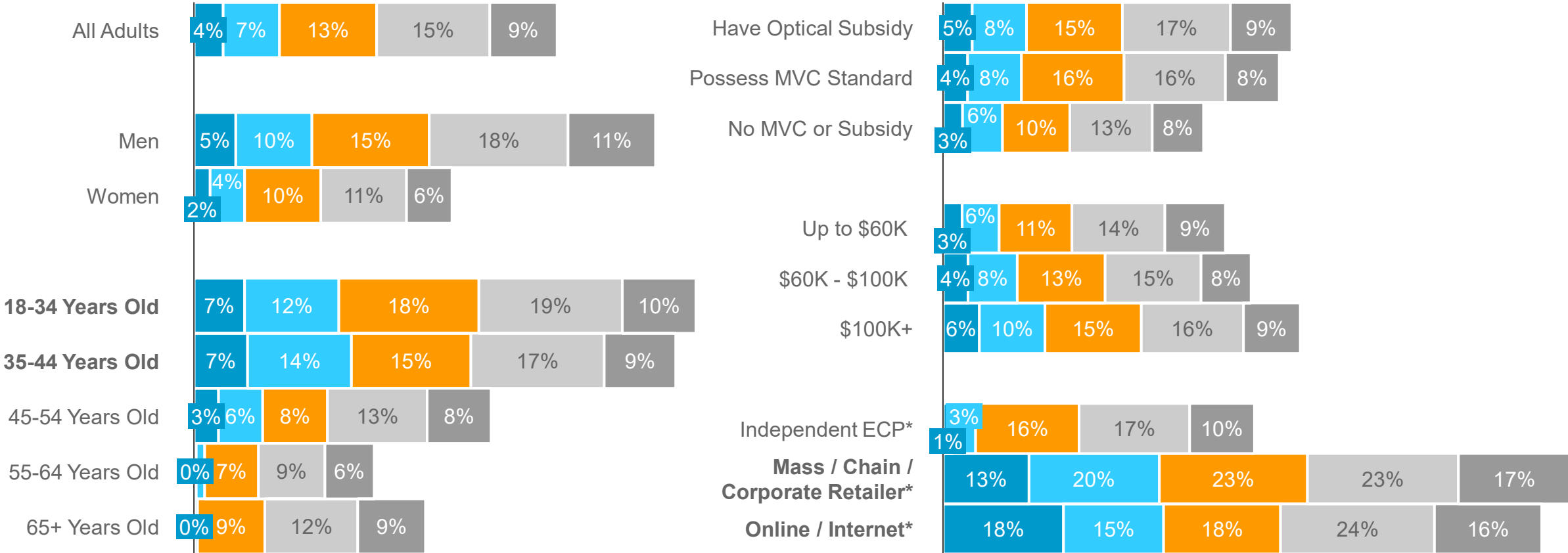


¹Figures will not sum to 100%, because "Not Sure" and "Other" answer options removed.
Source: The Vision Council COVID-19 ECP Panel Study

Newer forms of social media communications and mobile apps and are helping patients stay in touch with their ECP

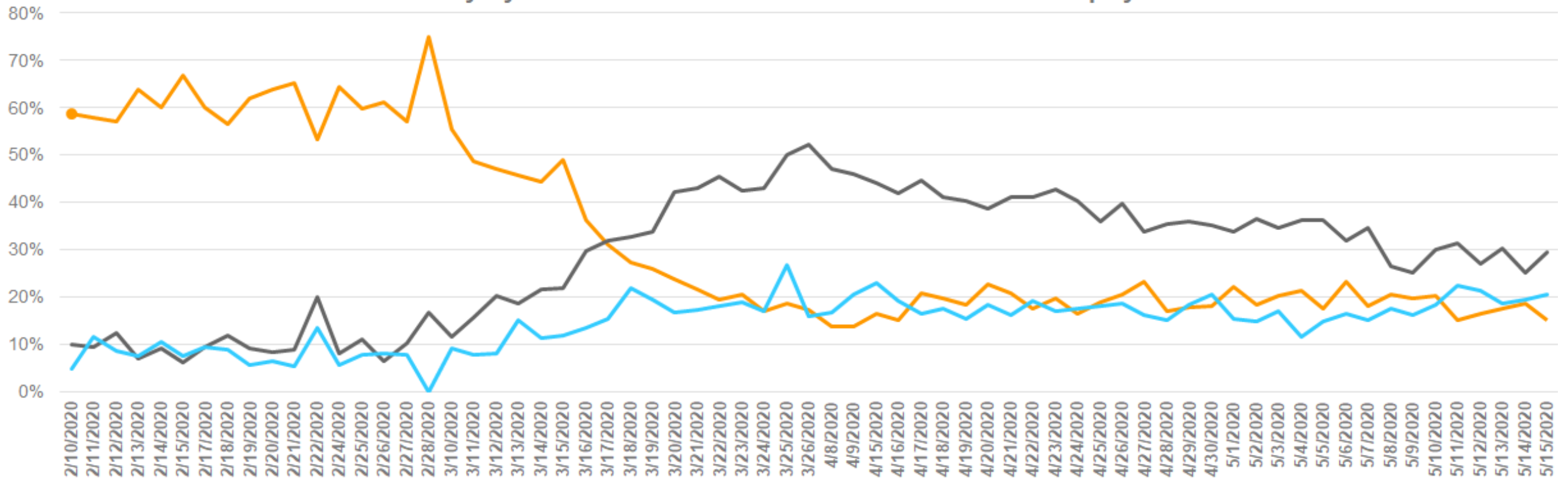
How are you currently staying connected to your eye doctor for vision / eyecare needs during the COVID-19 crisis?
 % of respondents¹

- Dedicated vision screening cell phone app (Smart Vision, Visibly, etc...)
- Social media video apps & programs (Zoom, FaceTime, Skype, etc.)
- Emails / texts / written social media messaging
- Telephone calls
- In-person visits



Going online: consumers' stated intention to buy eyewear online has double since before COVID-19

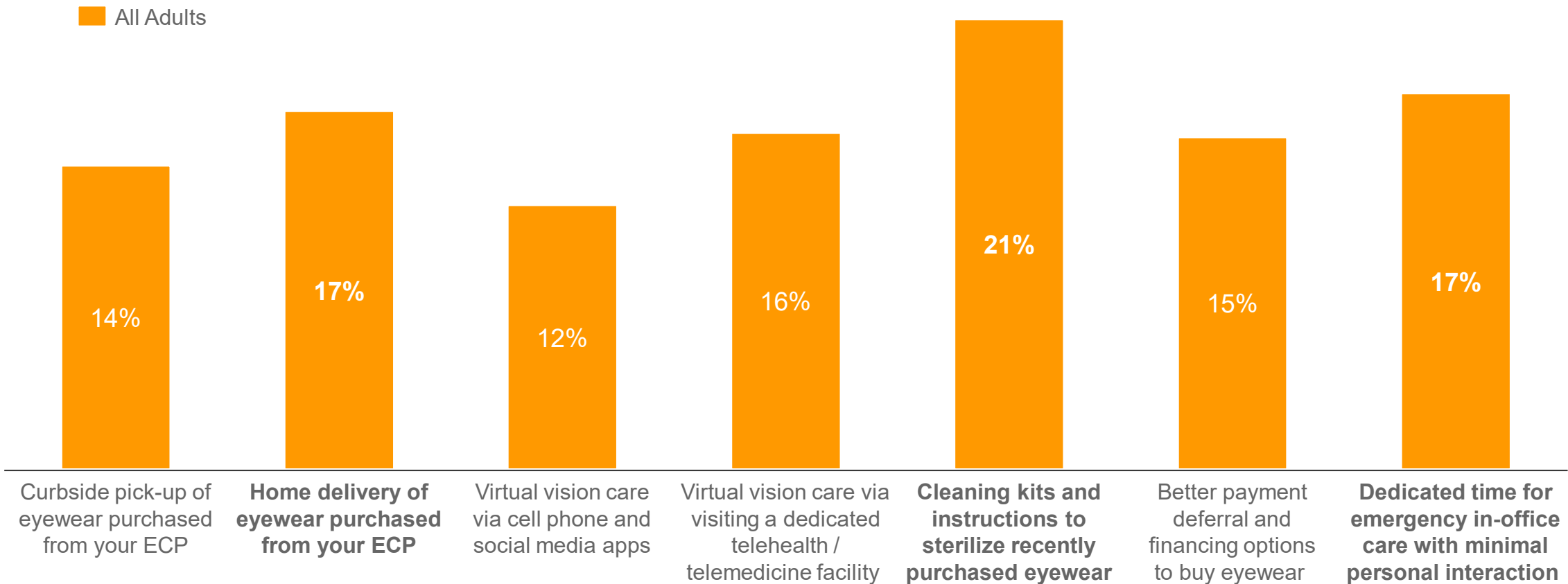
- Nothing, I will continue to purchase eyewear as I normally would.
- I will postpone or cancel my purchase until conditions are better.
- I will buy eyewear online to limit human interaction and physical contact.





Consumer interest in new “social distancing influenced” services from their ECP is growing

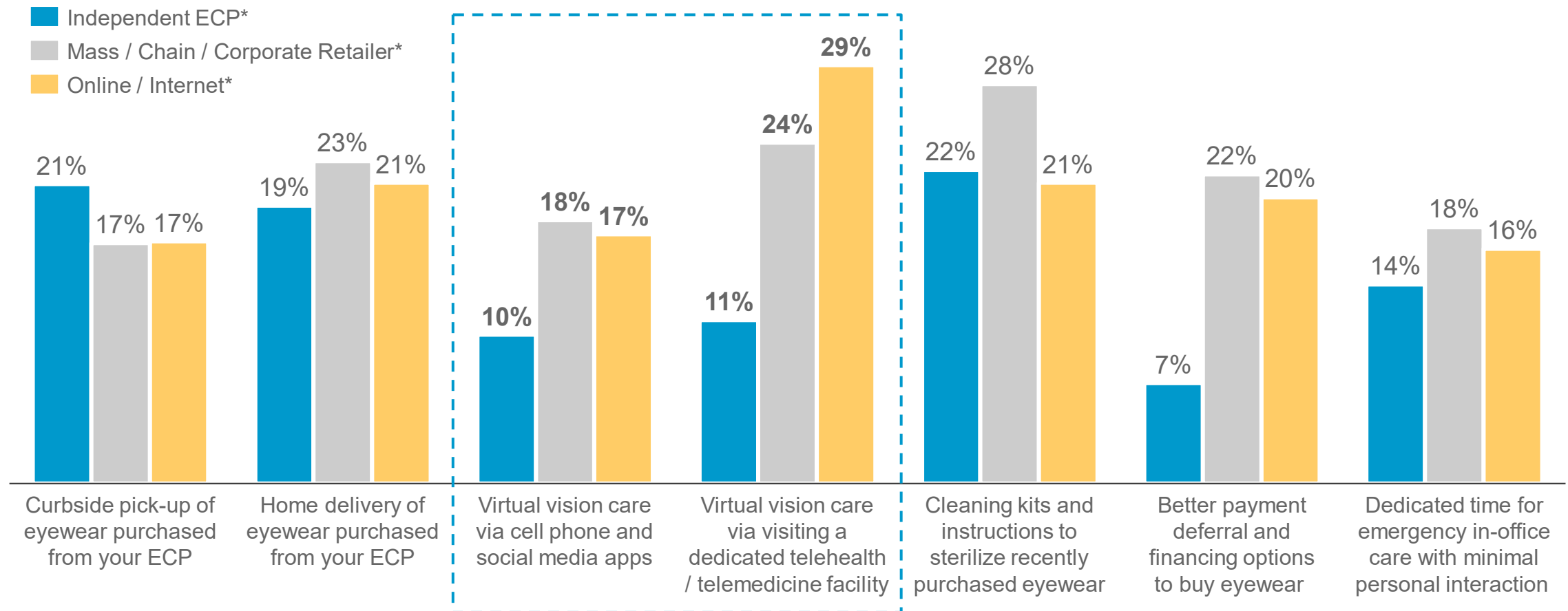
Please indicate which of the services below you would like to see your eye doctor offer AFTER the COVID-19 crisis is over?
% of respondents¹



¹Figures will not sum to 100%, because “Other” answer option removed.
Source: The Vision Council VisionWatch COVID-19 US Consumer Study

Consumer interest in new “social distancing influenced” services from their ECP is growing

Please indicate which of the services below you would like to see your eye doctor offer AFTER the COVID-19 crisis is over?
% of respondents¹



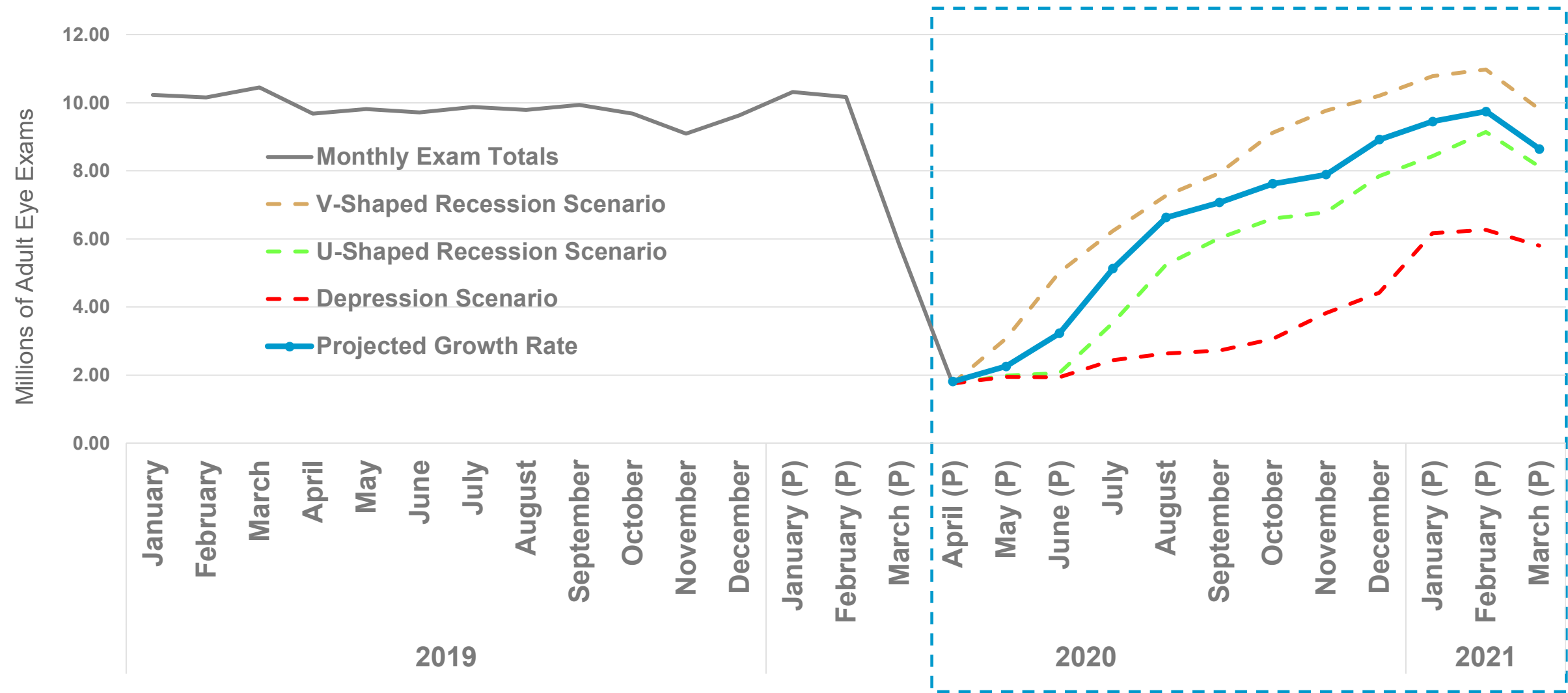
¹Figures will not sum to 100%, because “Other” answer option removed. *By location of last Rx eyewear purchase.
Source: The Vision Council VisionWatch COVID-19 US Consumer Study



VISION COUNCIL ANTICIPATED FUTURE TRENDS AND THE COVID-19 SITUATION



Monthly US Adult Eye Exams Trended and Preliminary Predicted (P)





Thank you for joining us!

For regularly updated facts and information regarding the implications of the COVID-19 pandemic on the optical industry, visit the The Vision Council's resource page at **thevisioncouncil.org/covid-19-implications**.

To help us improve this series, please direct all questions and feedback to **info@thevisioncouncil.org**.



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