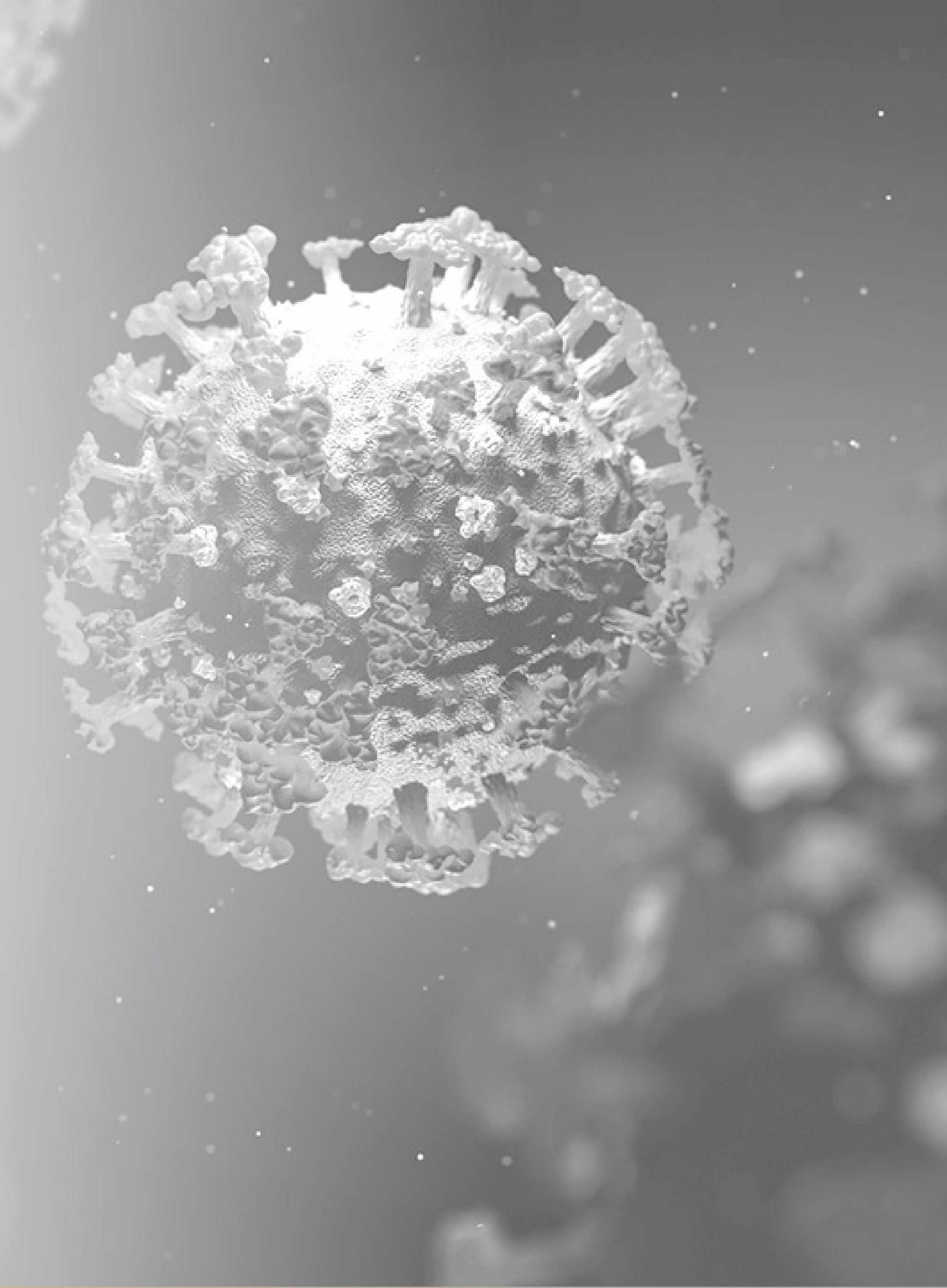


Welcome to The Vision Council's Member Insights Webinar Series

U.S. Consumer Sentiment and Market Insights During the COVID-19 Crisis

April 16, 2020

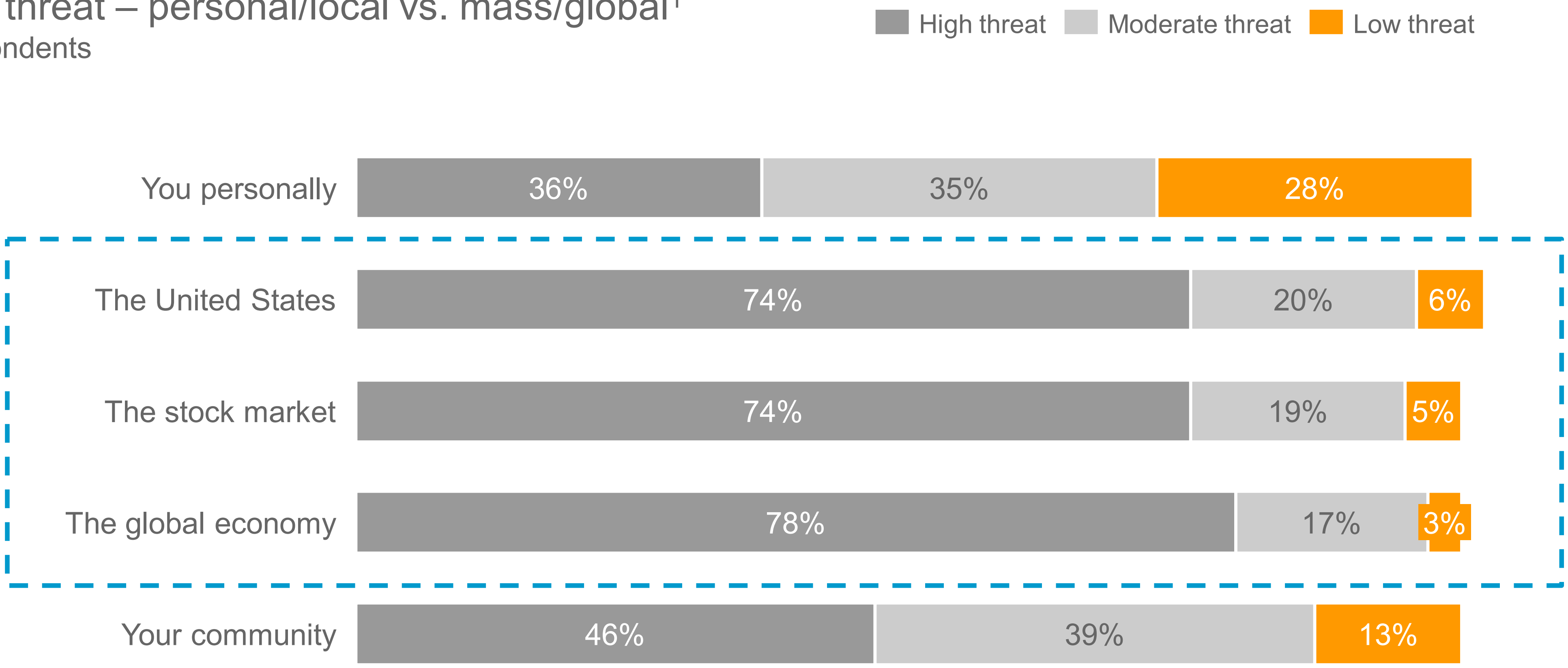
External Research

BROADER CONSUMER SENTIMENT

THE VISION COUNCIL

Americans have greater global and economic concern than personal and local community concern

Level of threat – personal/local vs. mass/global[1]
% of respondents

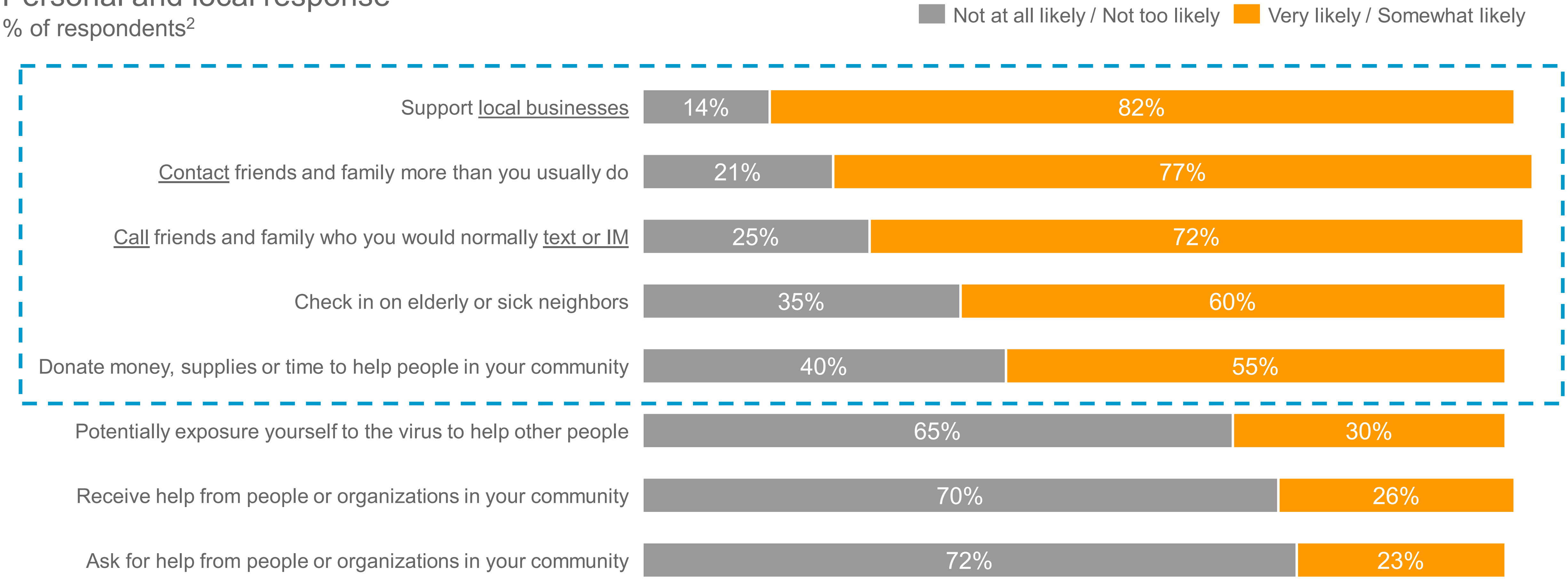


[1]Q: What level of threat do you think the coronavirus or COVID-19 poses to each of the following? Rated 1 "very low threat" to 5 "very high threat"
Source: Public Agenda/USA Today/Ipsos Hidden Common Ground Poll March 2020, 3/27-3/30/2020, n = 1,002

Majority of Americans will support local businesses and communities in response to the crisis

Personal and local response[1]

% of respondents[2]



[1]Q: How likely is it that you will do each of the following in the next two weeks or so? Rated 1 "not at all likely" to 5 "very likely"

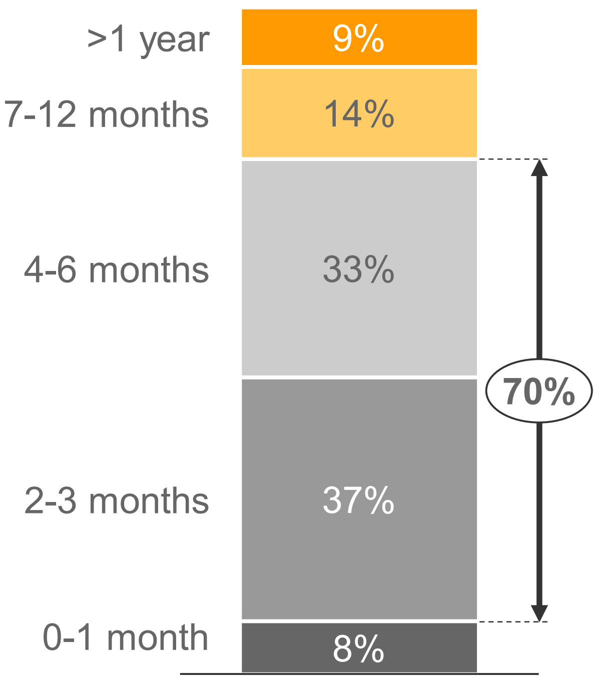
[2]Figures will not sum to 100%, because of "don't know" responses omitted.

Source: Public Agenda/USA Today/Ipsos Hidden Common Ground Poll March 2020, 3/27-3/30/2020, n = 1,002

Americans believe that their routines will be impacted for longer than 2 months

How long do you believe you need to adjust your routines … before things return back to normal in the US?[1]

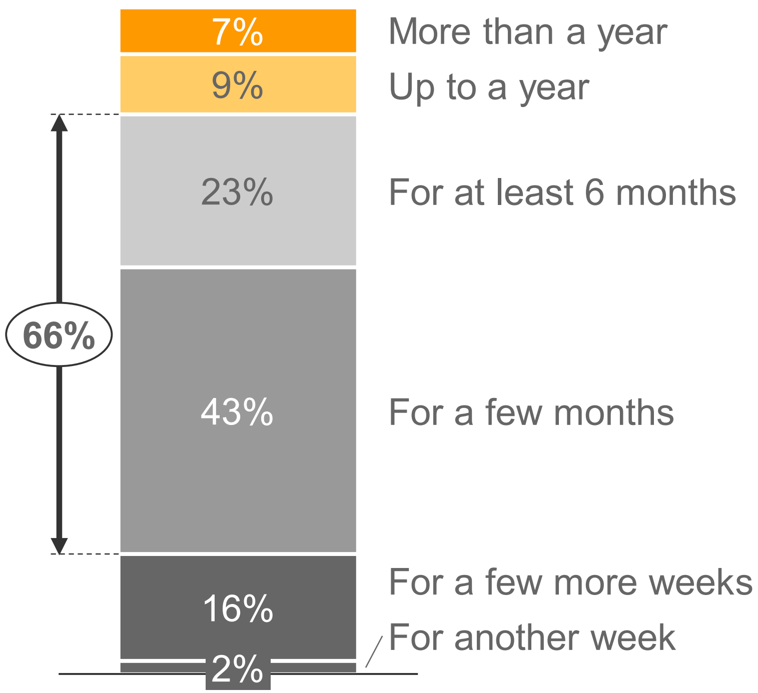
% of respondents



Majority of Americans believe it will take **2 to 6+ months** before routines return back to normal

How long are you prepared to wait before going back to your normal life…?[2]

% of respondents

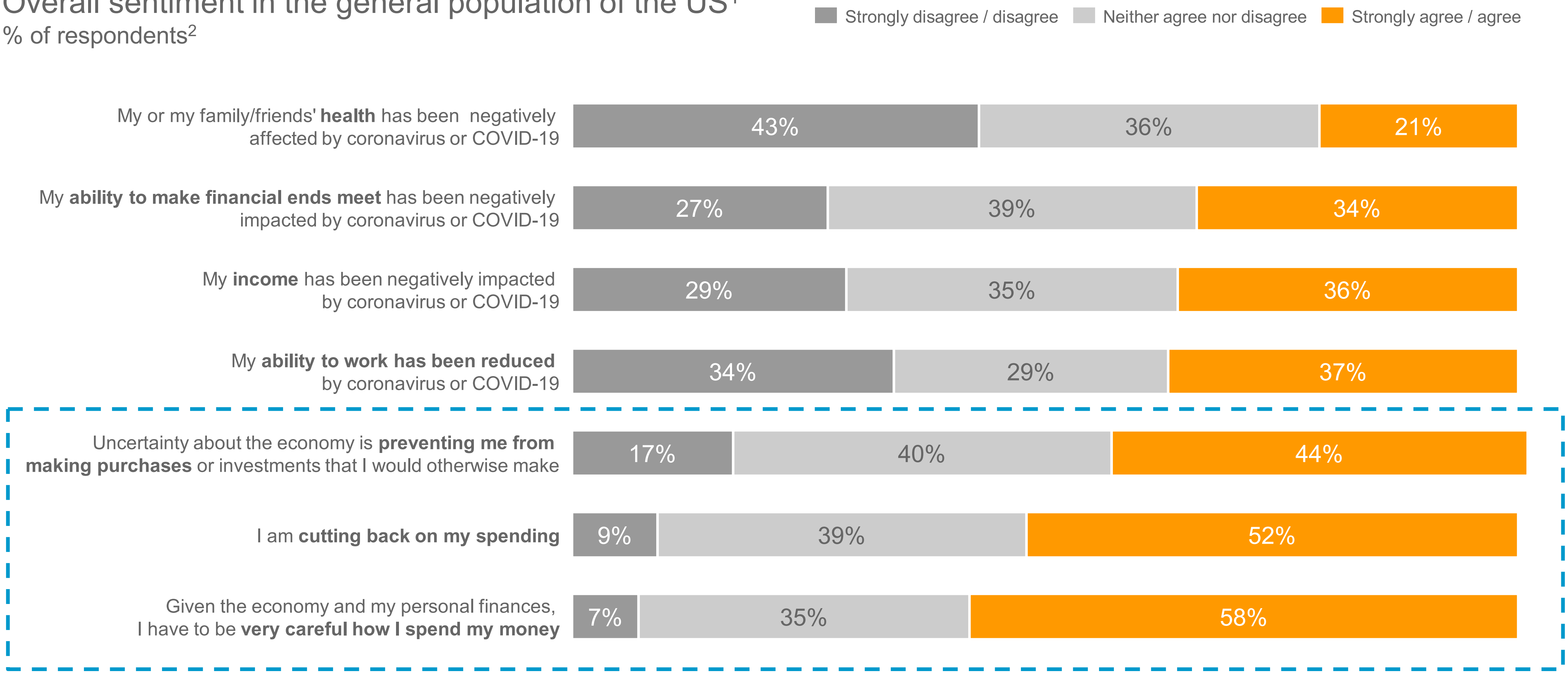


[1]Q: How long do you believe you need to adjust your routines, given the current COVID-19 situation, before things return back to normal in the US (e.g., government lifts restrictions on events/travel)?
Source: McKinsey & Company COVID-19 US Consumer Pulse Study 3/30-4/4/2020, n = 1,484

[2]Q: How long are you prepared to wait before going back to your normal life during the coronavirus crisis?
Source: Public Agenda/USA Today/Ipsos Hidden Common Ground Poll March 2020, 3/27-3/30/2020, n = 1,002

Consumers continue to cut back and spend carefully

Overall sentiment in the general population of the US[1]
% of respondents[2]



[1]Q: Please indicate how strongly you agree or disagree with each of the following statements.
[2]Figures may not sum to 100%, because of rounding.
Source: McKinsey & Company COVID-19 US Consumer Pulse Study 3/30-4/4/2020, n = 1,484; sampled and weighted to match US general population 18+ years

Americans have adopted new digital activities with telemedicine use beginning to increase

Have you used or done any of the following since COVID-19 started?[1]
% of respondents

% of new and increased users: 0 | 1 | 10 | 20 | 30 | 40 | 50+

	US overall			Generation				Income		
	Increased users	New users	Combined	Gen Z	Millennials	Gen X	Boomers	<$50K	$50K–$100K	$100K+
Online streaming	41	3	44	53	54	50	29	39	44	51
Grocery delivery	10	8	18	27	20	18	14	14	18	23
Restaurant delivery	13	5	18	29	23	17	12	13	18	24
Videoconferencing for professional use	11	7	18	21	27	21	8	9	17	31
Virtual/video chat for personal use	12	6	18	21	27	21	7	9	16	31
Playing video games	15	2	17	39	24	18	3	13	15	22
Watching e-sports	7	2	9	28	15	9	1	8	7	14
Remote learning for my children	5	8	13	8	20	22	3	9	14	18
Remote learning for myself	7	5	12	32	14	9	5	10	10	15
Online personal training/fitness	5	3	8	17	15	5	4	4	9	13
Wellness app	5	3	8	15	14	4	3	6	9	8
Telemedicine for physical health	2	4	6	4	4	9	6	5	5	8
Telemedicine for mental health	2	2	4	2	7	4	2	4	3	5
TikTok	5	3	8	33	12	5	1	7	8	9

[1]Q: Have you used or done any of the following since the COVID-19 situation started? If yes, which best describes when you have done or used each of these items? Possible answers: "just started using since COVID-19 situation started," "using more since COVID-19 situation started," "using about the same since COVID-19 situation started," "using less since COVID-19 situation started."
Source: McKinsey & Company COVID-19 US Consumer Pulse Study 3/30-4/4/2020, n = 1,484; sampled and weighted to match US general population 18+ years

Custom February, March & April 2020 Surveys

VISIONWATCH CONSUMER SENTIMENT DURING COVID-19

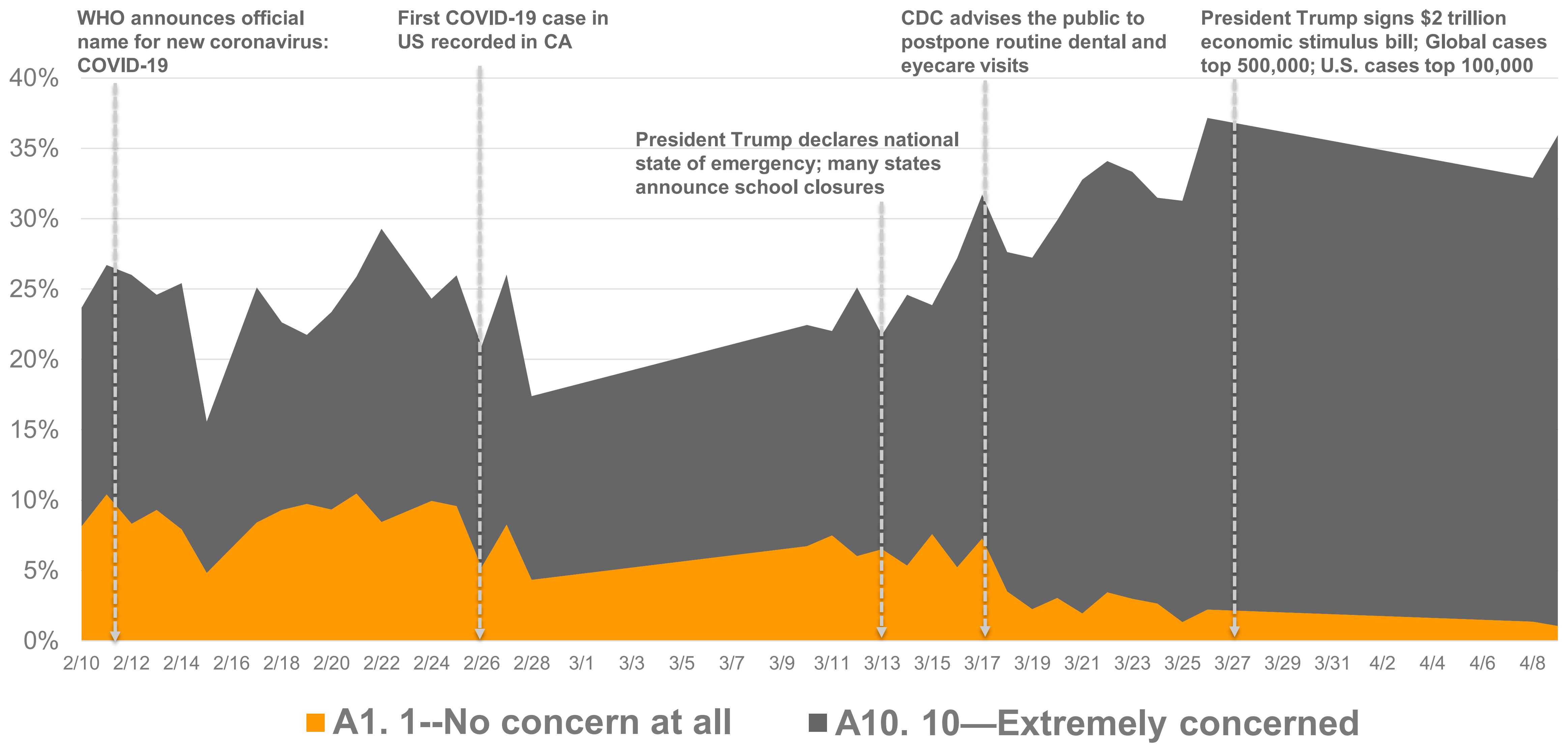
THE VISION COUNCIL

VisionWatch February 2020 & March 2020 COVID-19 Consumer Study Methodology

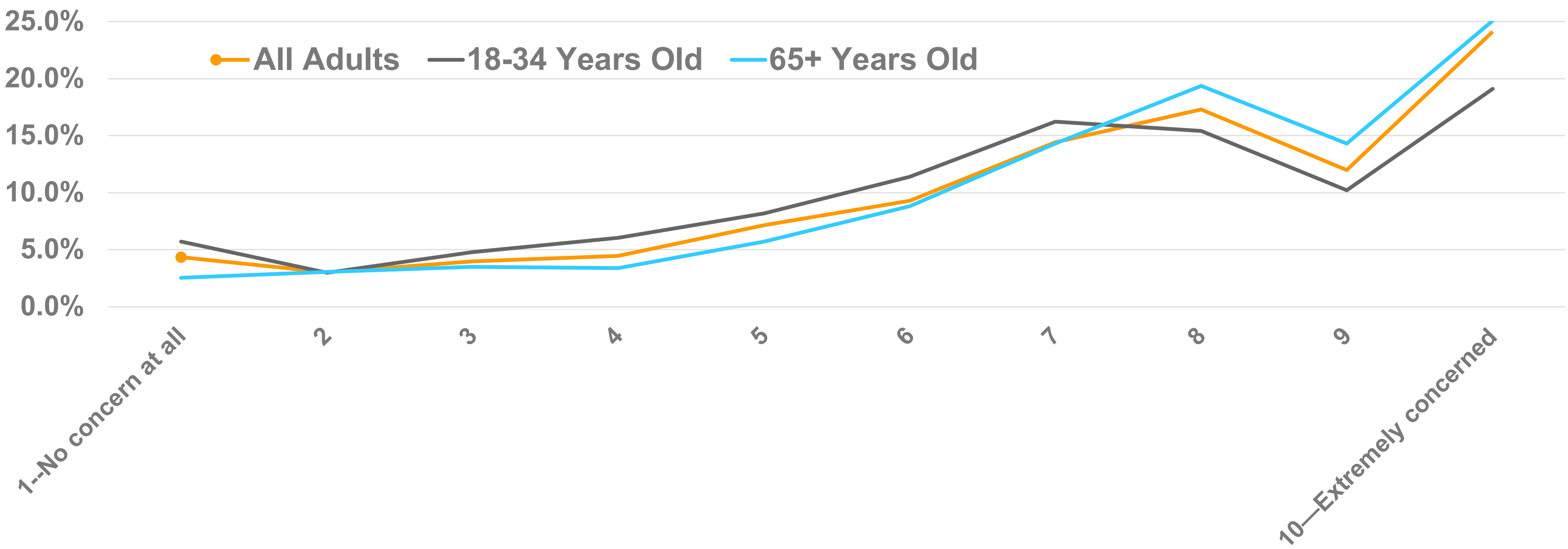
VISIONWATCH INSIGHTS

- Custom Consumer Study Conducted via The Vision Council's VisionWatch Survey Program
- Six questions appended to the end of the February and March 2020 monthly VisionWatch surveys
  - Fielded to a demographically balanced sample of 10,500 US adults over the Internet in February and 10,300 in March (Final)
  - Fielded from February 10th - February 27th and March 10th – March 26th
- 100 inaccurate responses removed from the February data file for a final working sample of 10,419 adults for February
- 122 inaccurate responses removed from the March data file for a final working sample of 10,312 adults for March

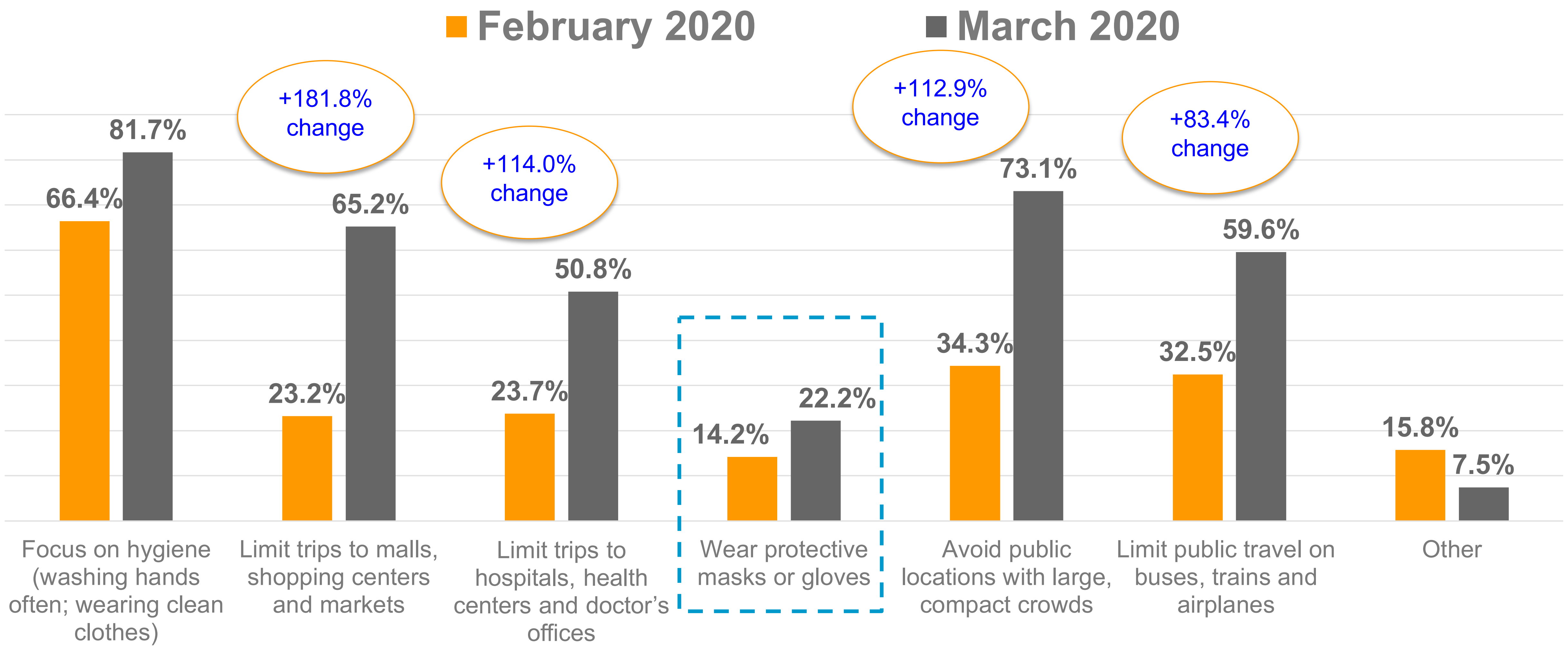
Percentage of US Adults That Are Not Concerned At All or Extremely Concerned Over the Recent Global COVID-19 Threat and Outbreak By Day



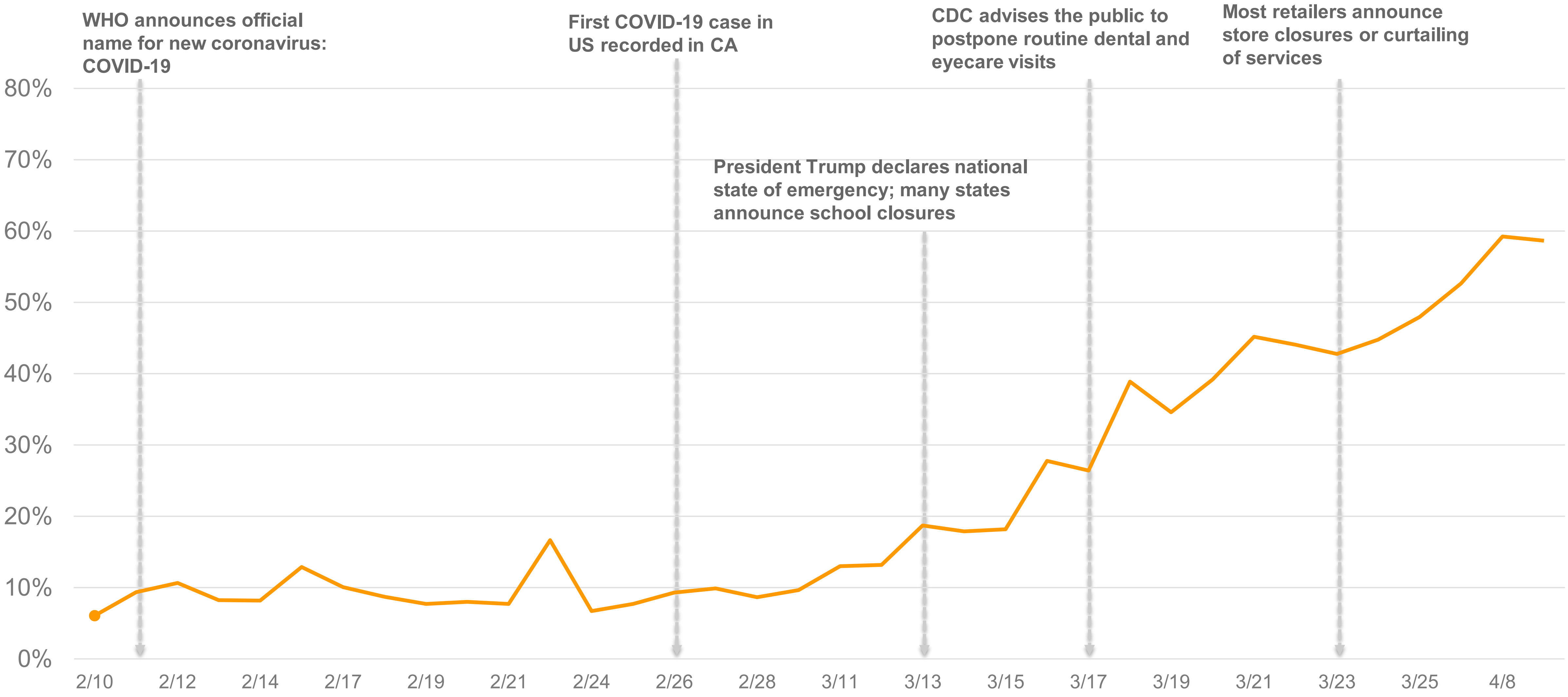
March 2020: On a scale of 1-10 how concerned are you over the recent global COVID-19 threat and outbreak?



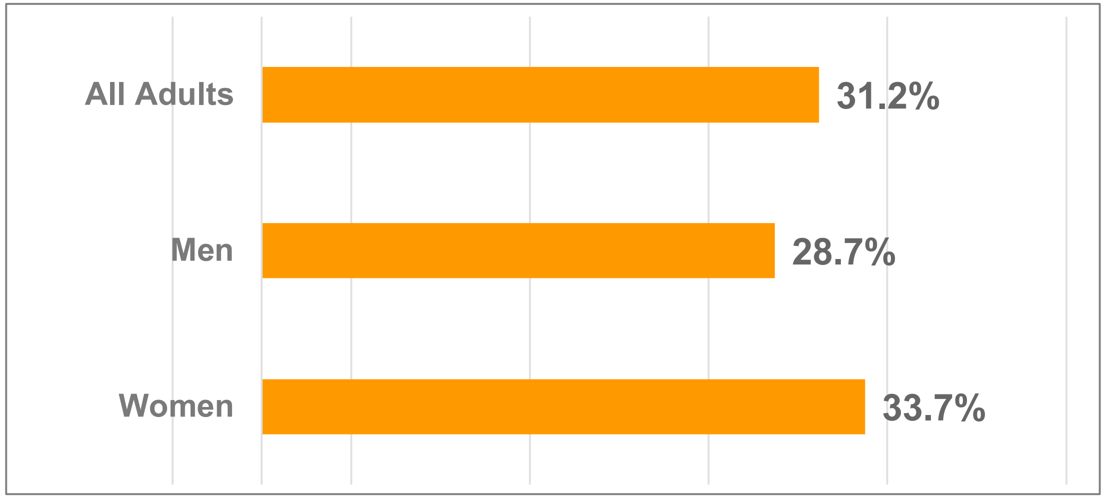
Percentage of adults that will take any of the following measures below to protect themselves and their family from being exposed to COVID-19.

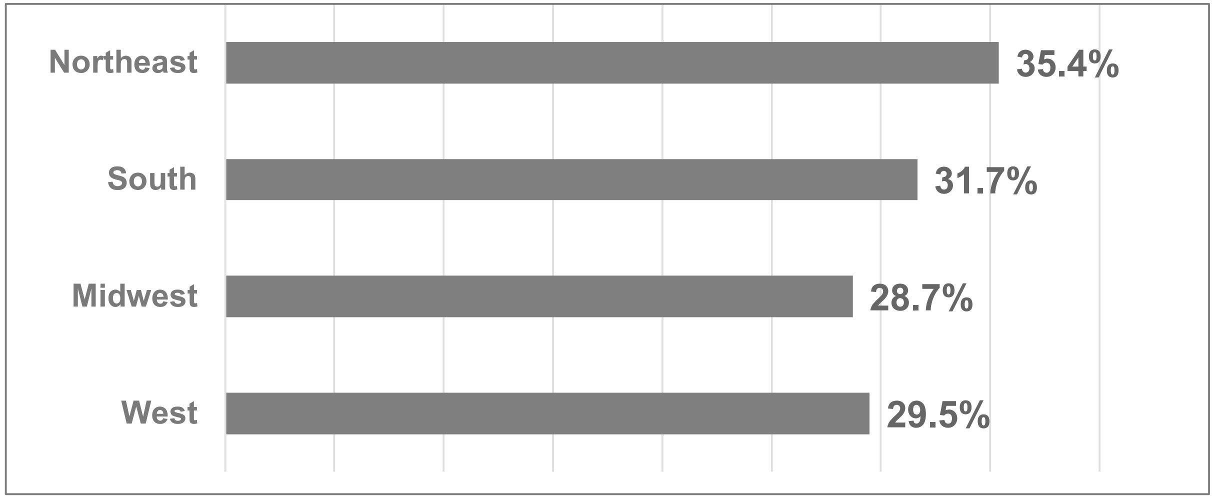


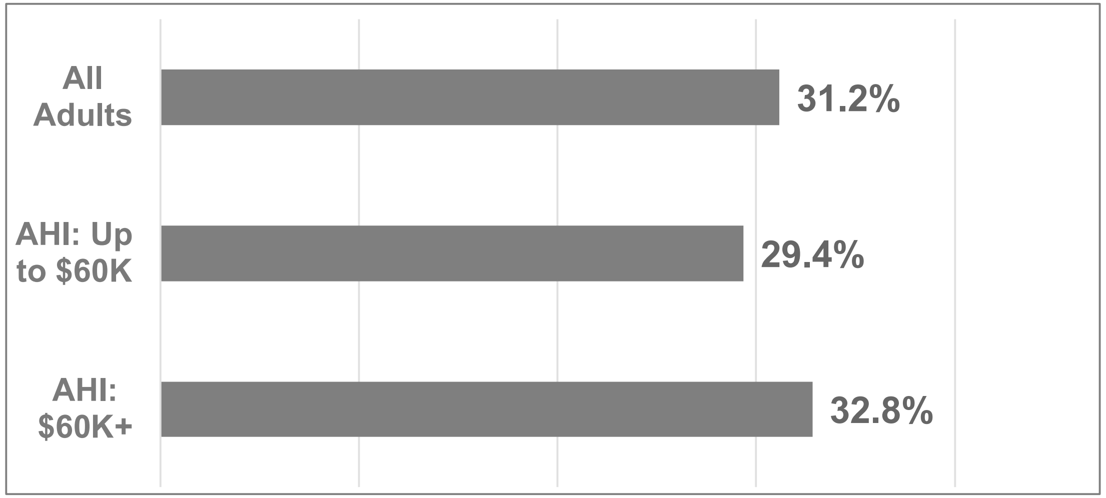
Percentage of US adults that postpone or cancel any eye exams or trips to the eye doctor while COVID-19 is still a threat By Day

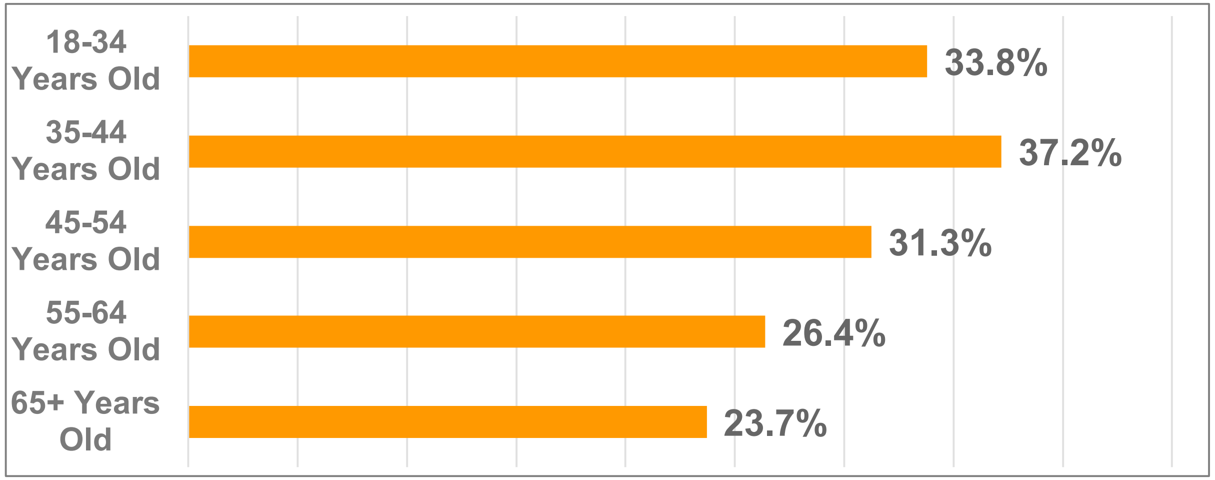


March 2020: Percentage of US adults that will postpone or cancel any eye exams or trips to the eye doctor while COVID-19 is still a threat

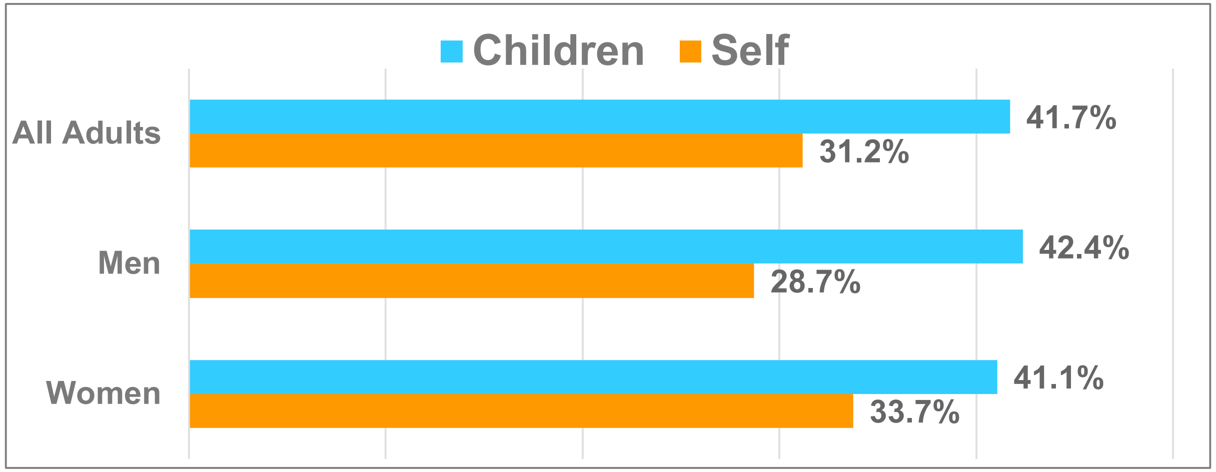


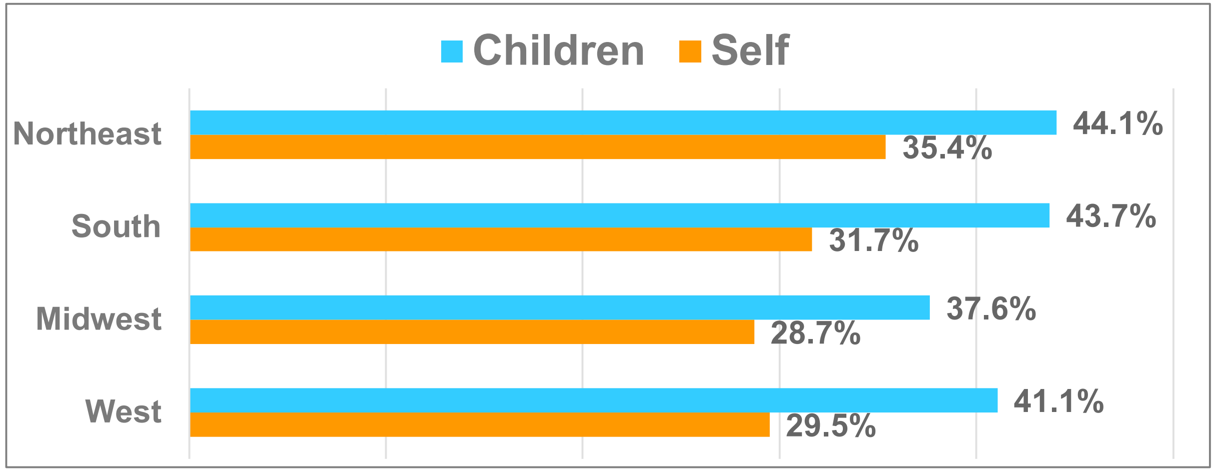


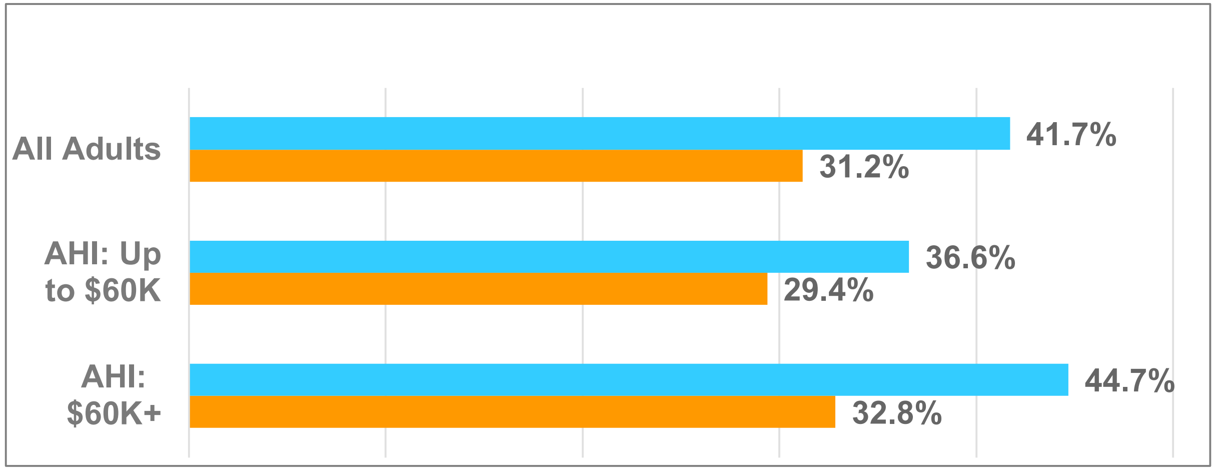


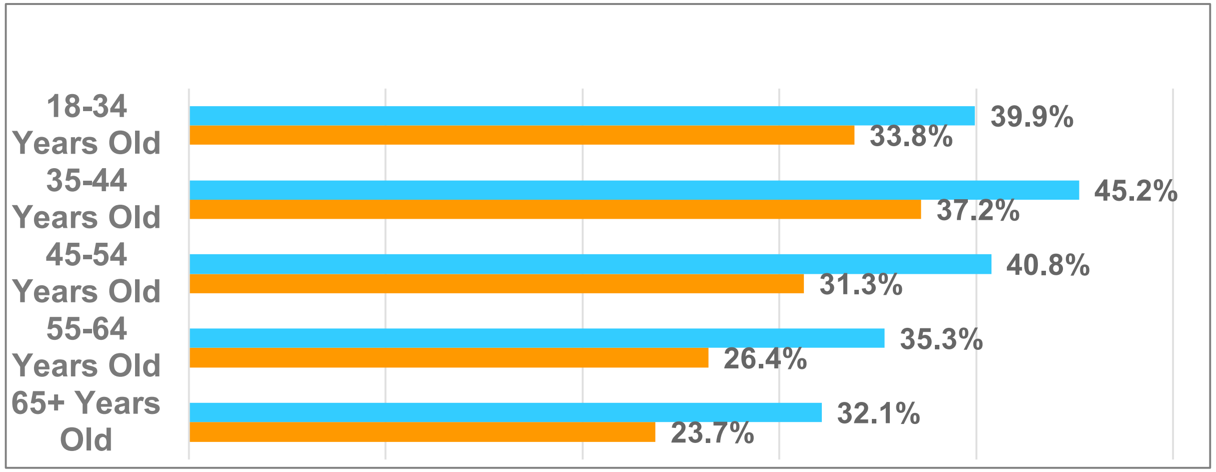


March 2020: Percentage of adults that will postpone or cancel any eye exams or trips to the eye doctor *for their children* while COVID-19 is still a threat

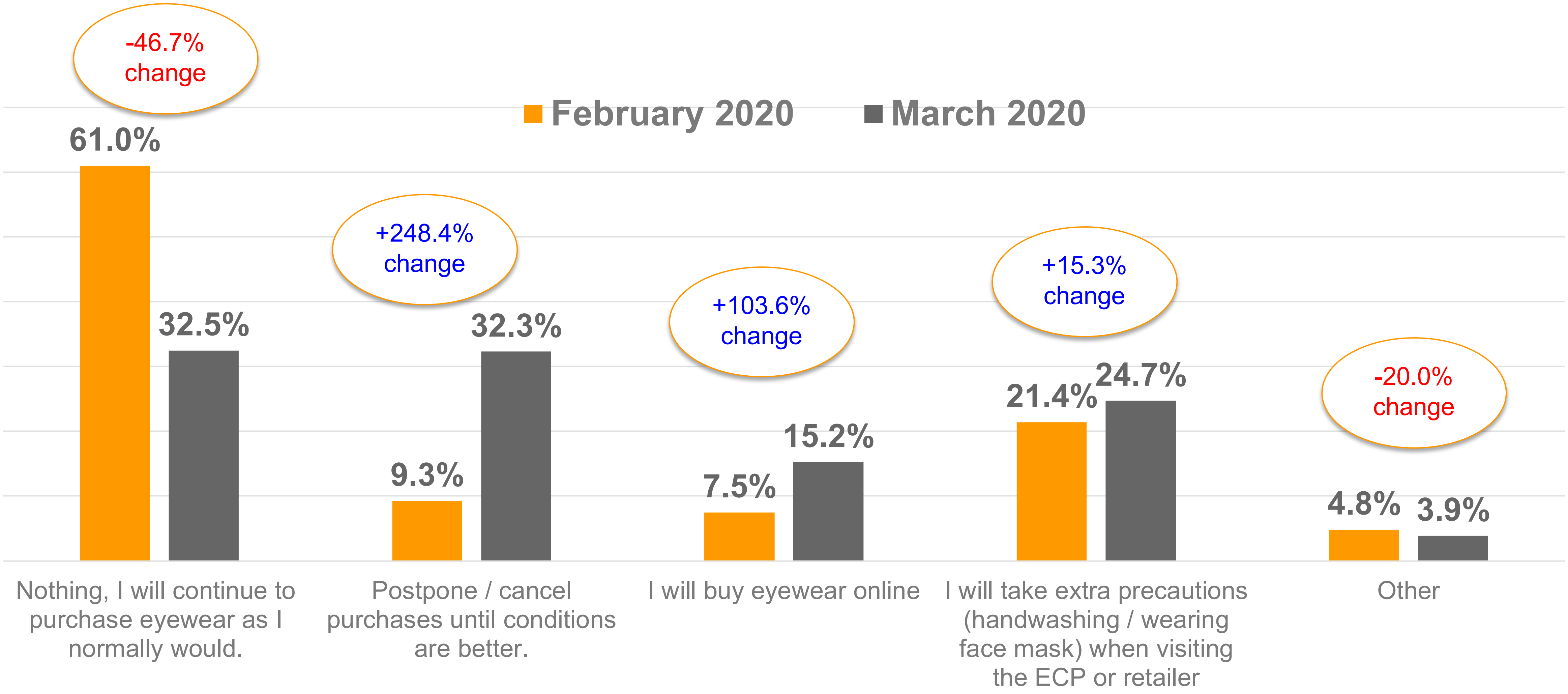




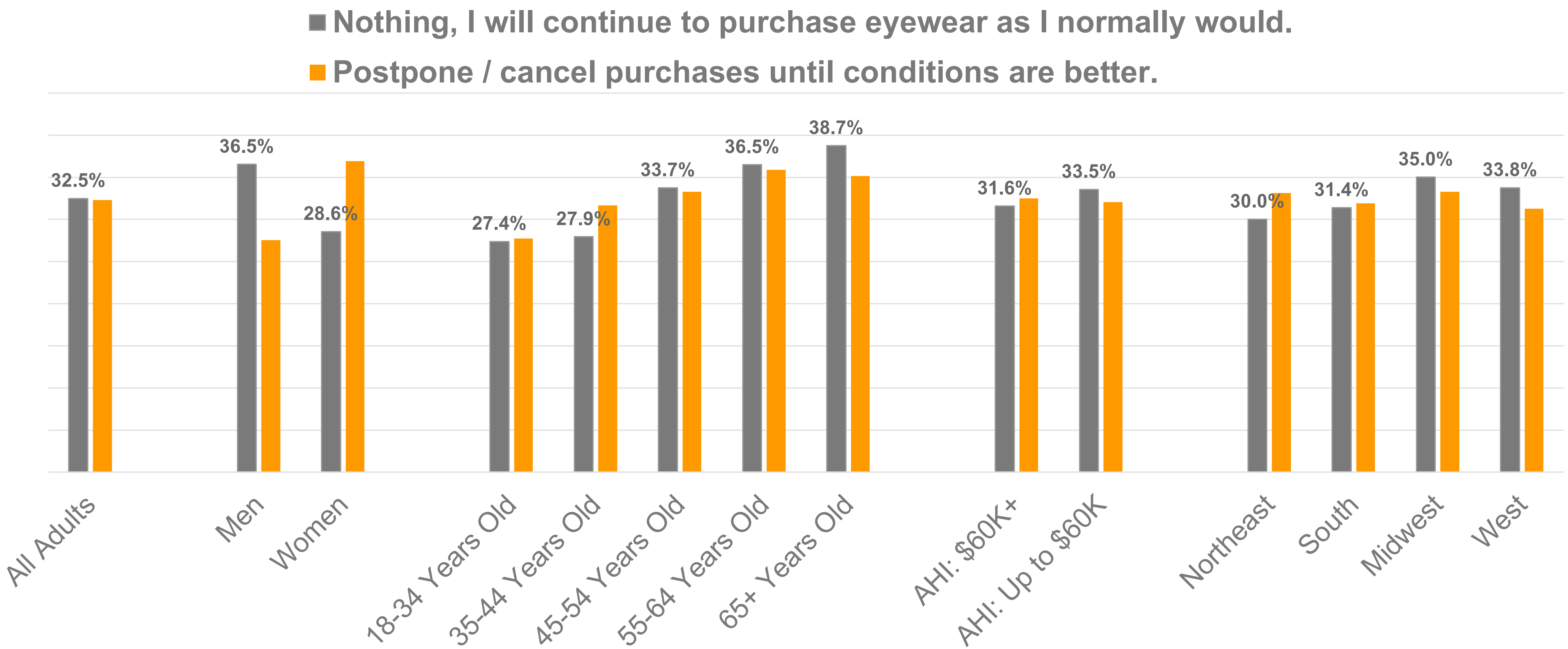




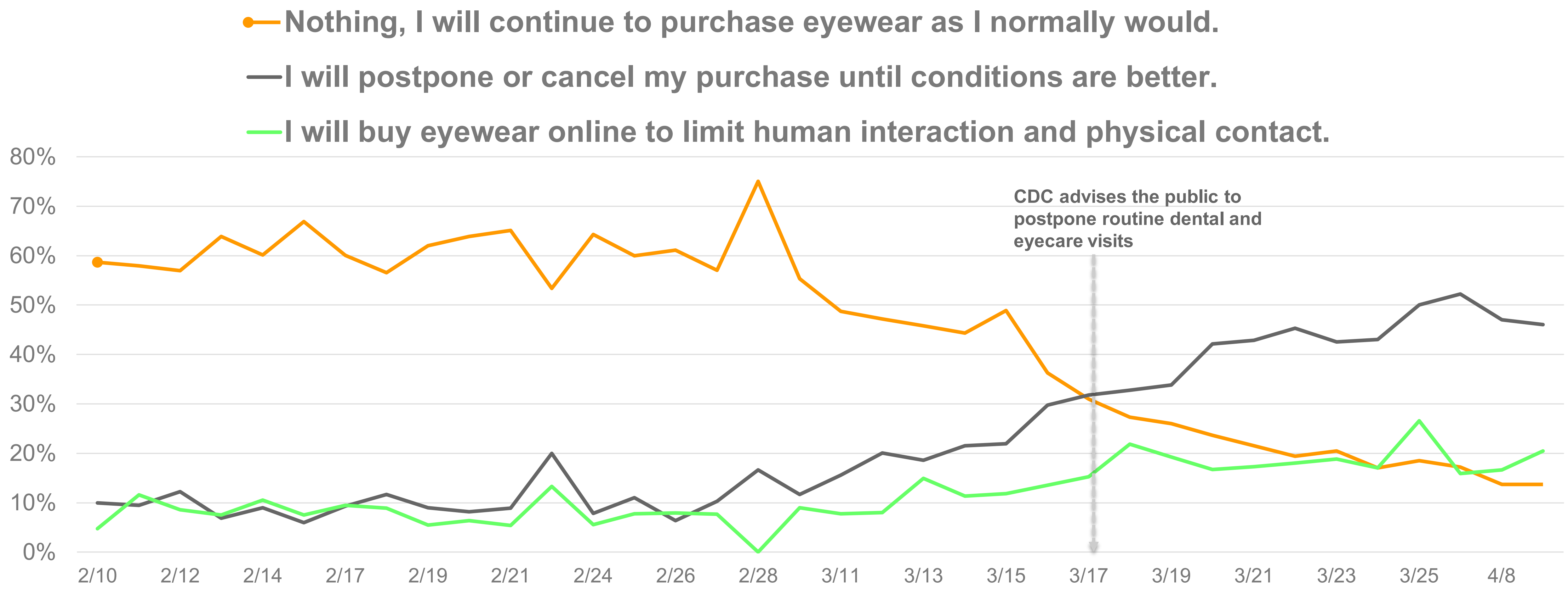
If you need new eyeglasses or contact lenses while COVID-19 is still a threat, which of the following actions are you likely to take?



March 2020: If you need new eyeglasses or contact lenses while COVID-19 is still a threat, which of the following actions are you likely to take?



Percentage of US adults that will take the following actions if they need new eyeglasses or contact lenses while COVID-19 is still a threat By Day



ECP Panel and Member Research

INDUSTRY RESEARCH

THE VISION COUNCIL

Optical Industry Research Programs

The Vision Council is conducting various Industry Research to keep informed in the midst of the rapidly evolving COVID-19 pandemic. This research includes surveys conducted with our ECP Panel and TVC Member Division company contacts.

ECP INSIGHTS

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, Wave4
  4/6-4/10/2020, n = 404, Wave 5

MEMBER INSIGHTS

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

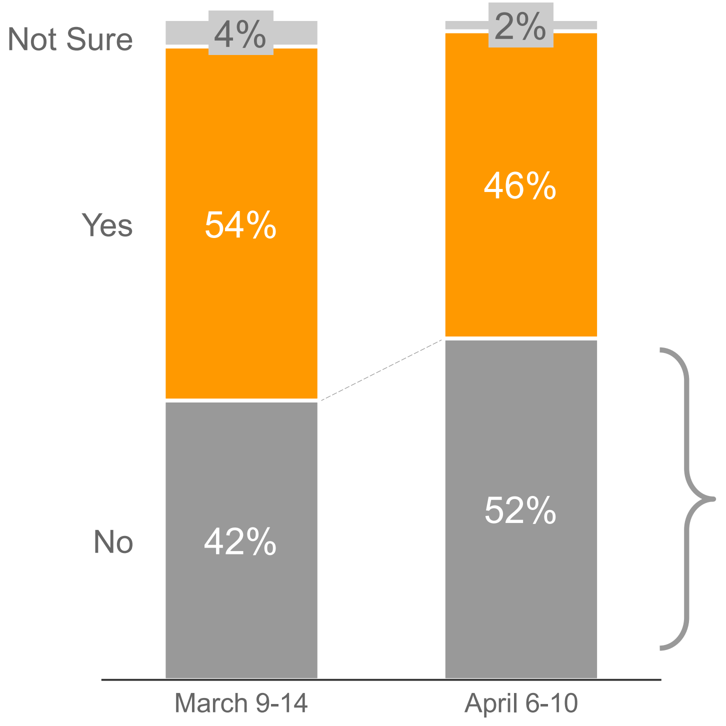
  Optical Retail Division

    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

Impact on Business Operations – Practice / Store Closures

ECP INSIGHTS

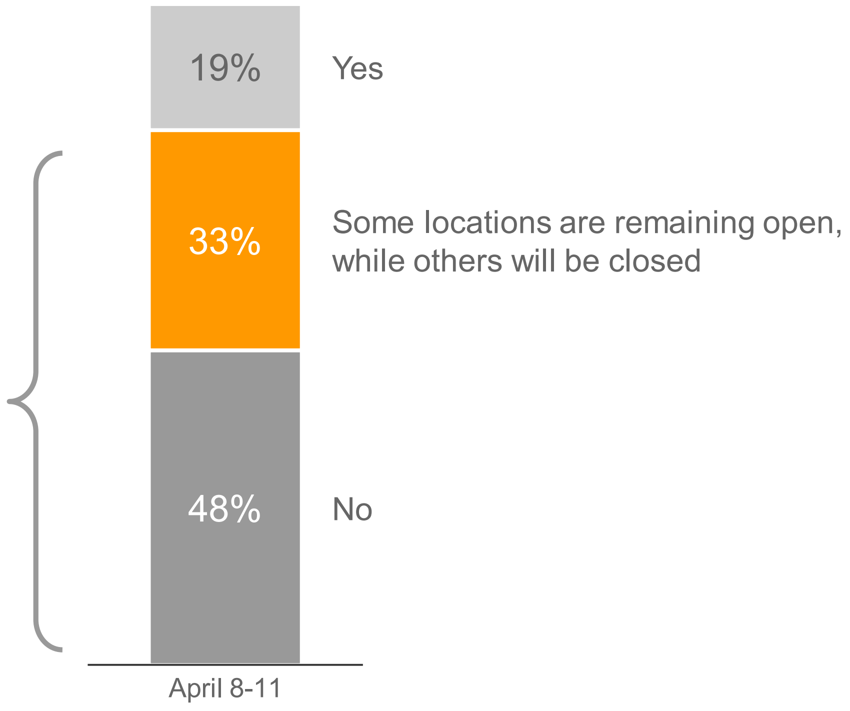
Are you remaining open to the public at this time?
% of respondents



More than half of ECPs and 81% of optical retailers reported that some, if not all, of their practices and stores are closed

MEMBER INSIGHTS
Optical Retail Division

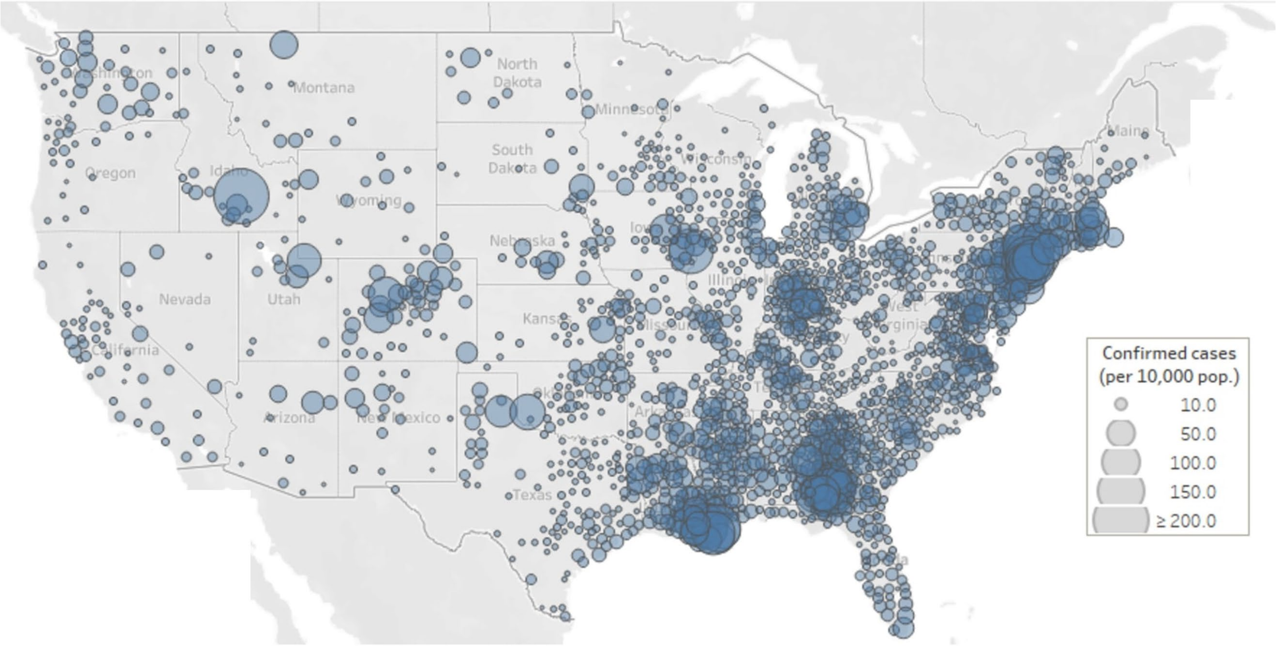
Are all of your locations remaining open currently?
% of respondents



Practice Closures by Region

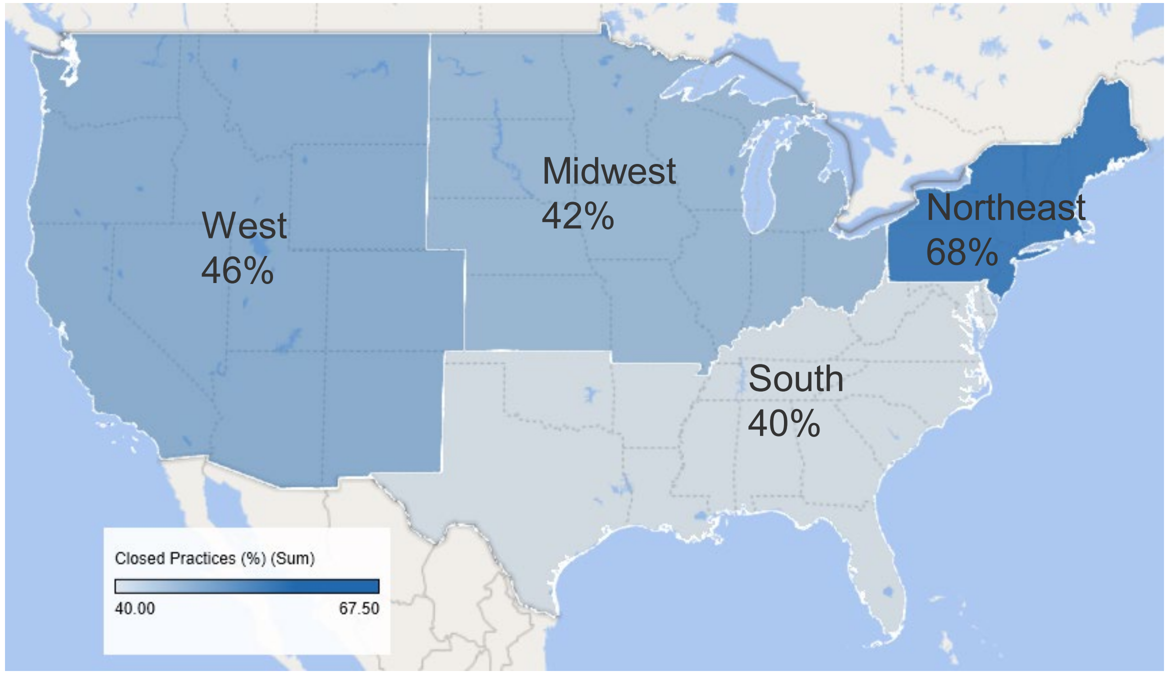
COVID-19 hot spots

Coronavirus cases, per capita, in counties with 5 or more confirmed cases.
(Per 10,000 population, as of April 14, 2020)



Practice closures by region

% answered No to "Are you remaining open to the public at this time?"



68% of ECPs in the Northeast reported that their practices are currently closed, as expected due to higher testing rates, confirmed COVID-19 cases and stronger travel and movement restrictions.

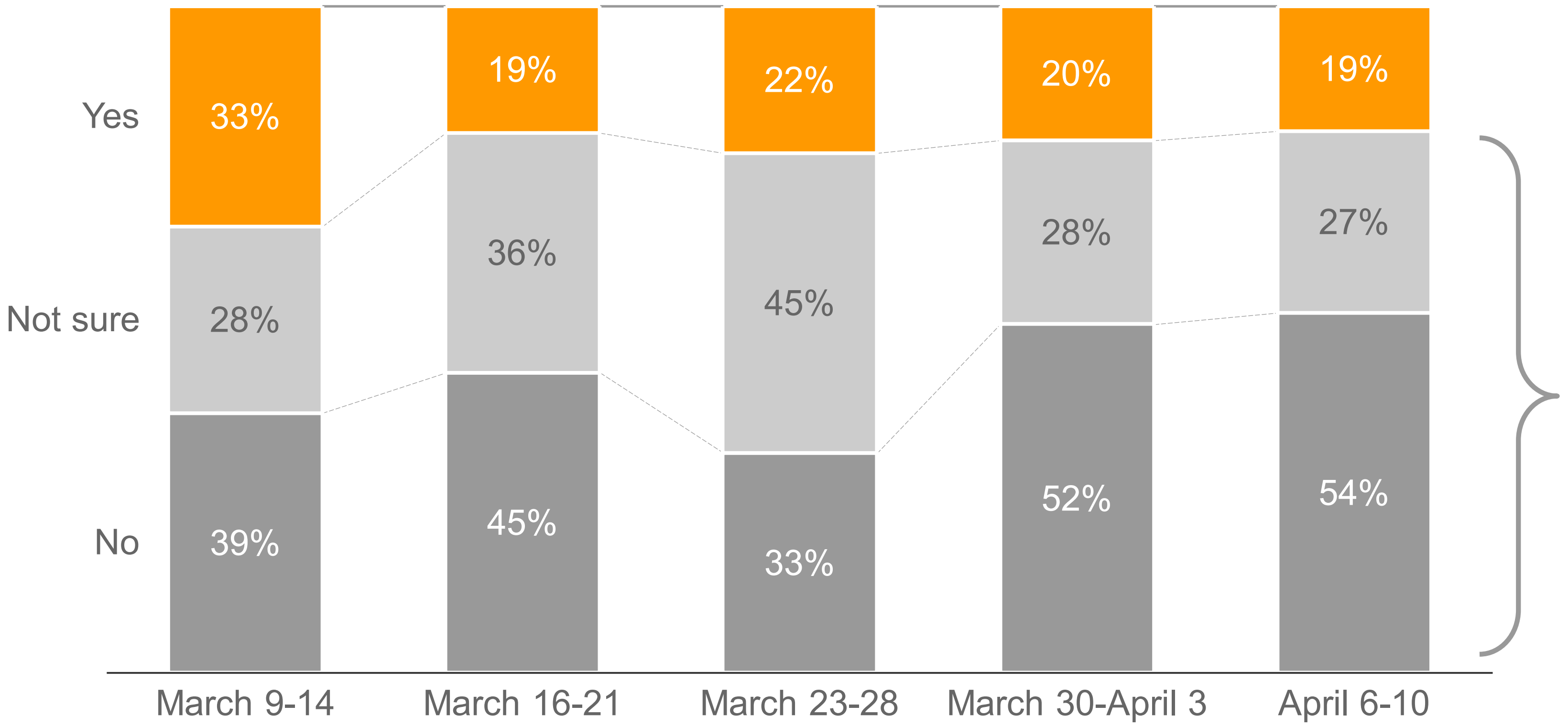
Practice closure rate in the South appears to be lagging slightly behind compared to confirmed cases which may be due to fewer local and state travel and movement guidelines / restrictions.

Source: Johns Hopkins University, as of April 14, 2020, Census 2019 population est.

ECPs are growing increasingly uncertain of the timeline to reopen their practices

ECP INSIGHTS

Do you have a timeline for when you plan to re-open your location(s)?
% of respondents[1]



More than 80% of ECPs report uncertainty in a timeline to reopen their practices in the most recent survey, up from 67% in the initial wave of the surveys

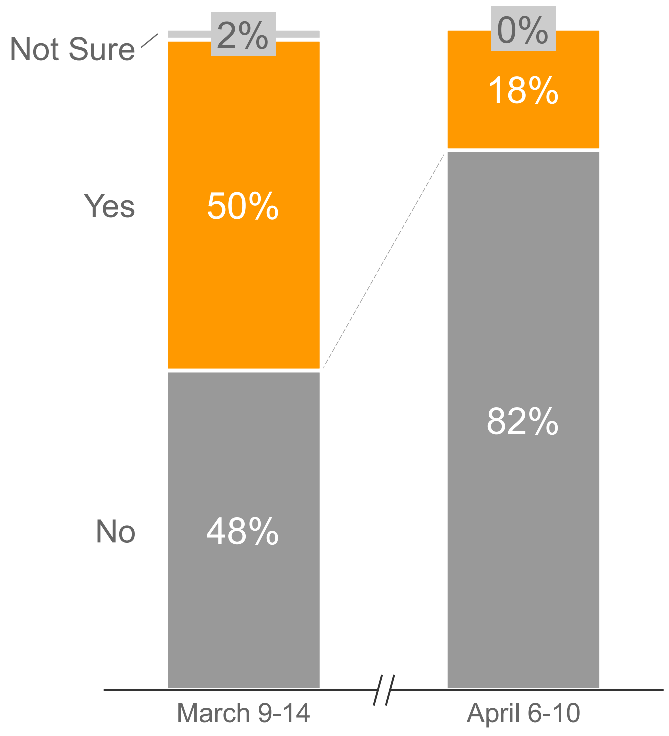
[1]Respondents who indicated that their locations were closed.

Impact on Business Operations – Reduced Hours

ECP INSIGHTS

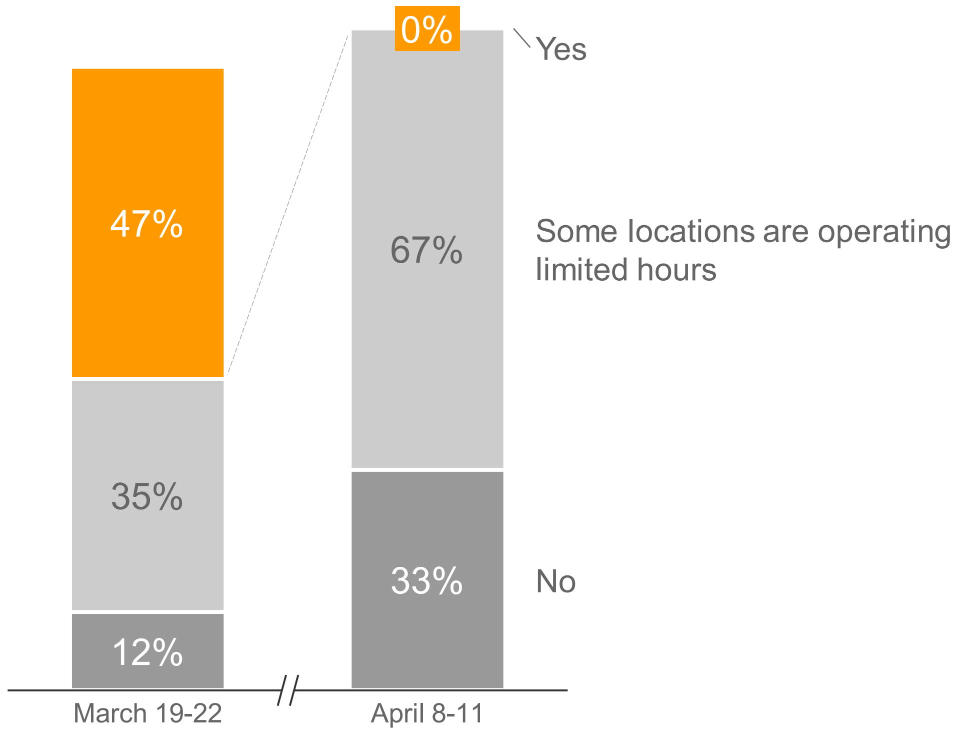
MEMBER INSIGHTS
Optical Retail Division

Is your location currently operating at the normal hours of operation?
% of respondents[1]



More than <u>80% of ECPs</u> and <u>ALL Optical Retailers</u> reported that their practices and stores are operating <u>limited hours</u> in the most recent wave of surveys

Are your locations currently operating at full hours of operation?
% of respondents

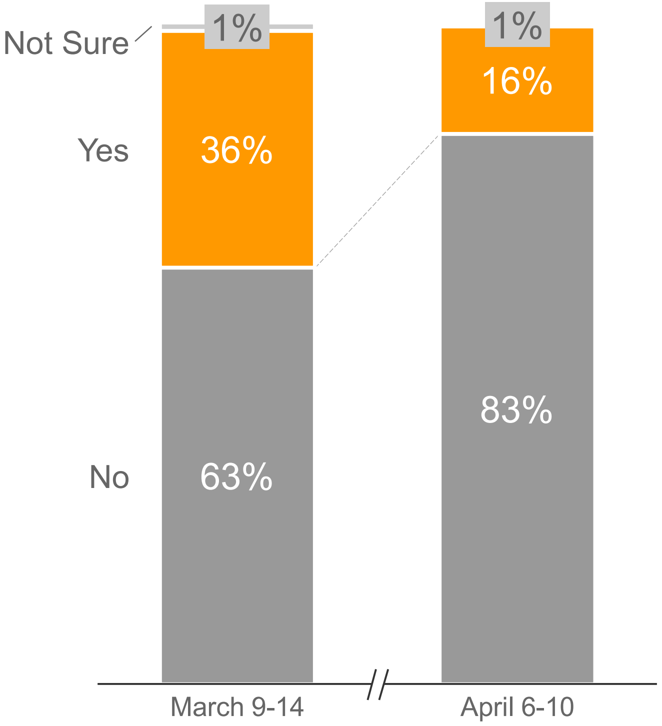


[1]Respondents who indicated that their locations were open.

Impact on Business Operations – Reduced Services

ECP INSIGHTS

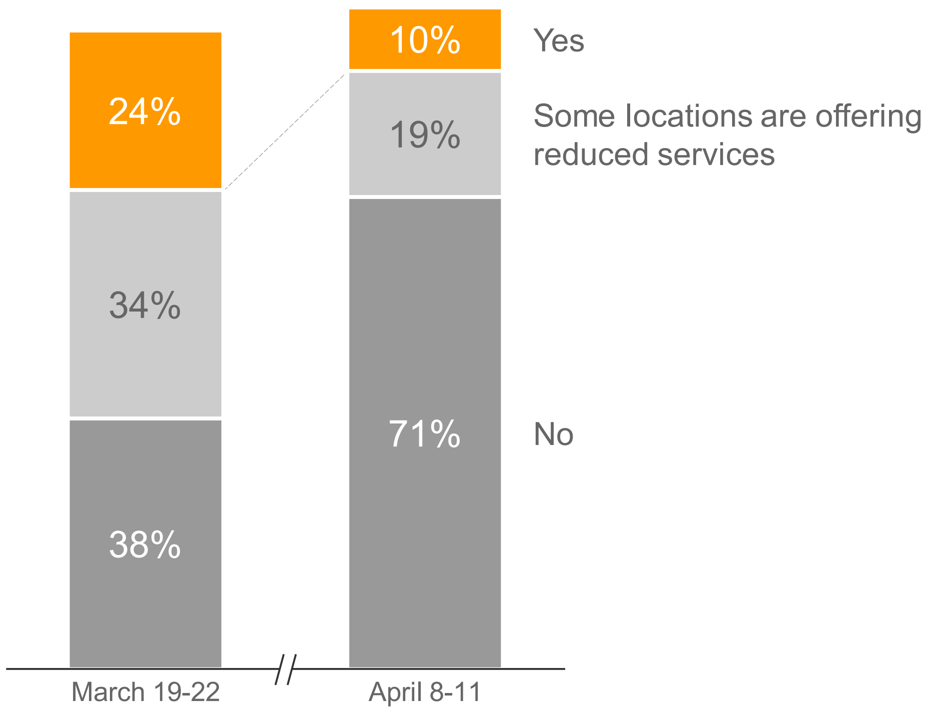
Are you currently offering your full suite of services?
% of respondents[1]



A significant majority of ECPs (83%) and Optical Retailers (90%) which remain open report reduced patient services and offerings

MEMBER INSIGHTS
Optical Retail Division

Are your locations currently offering your full suite of services?
% of respondents

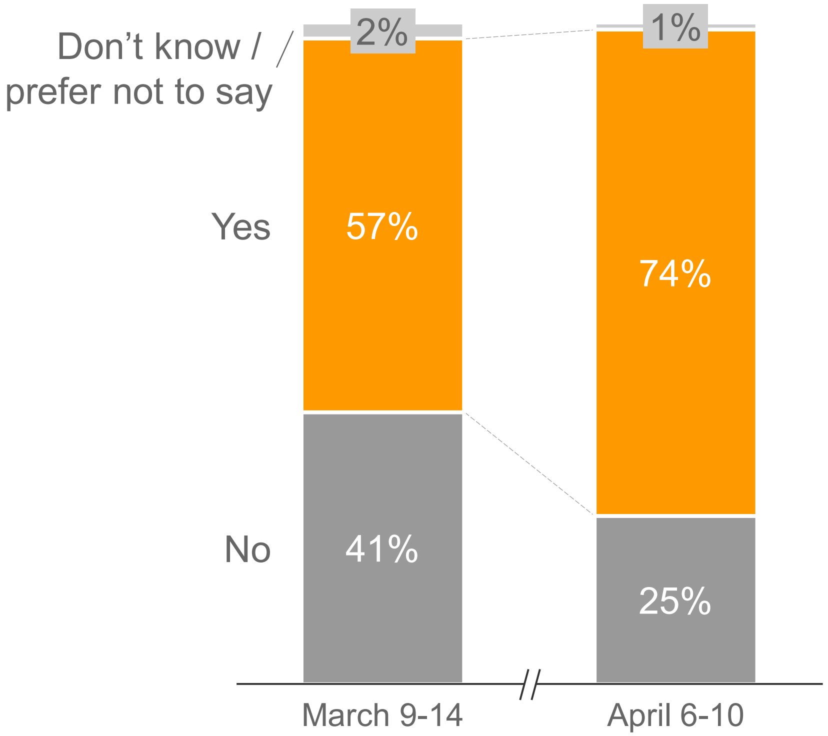


[1]Respondents who indicated that their locations were open.

Impact on Business Operations – Reduced Staffing

ECP INSIGHTS

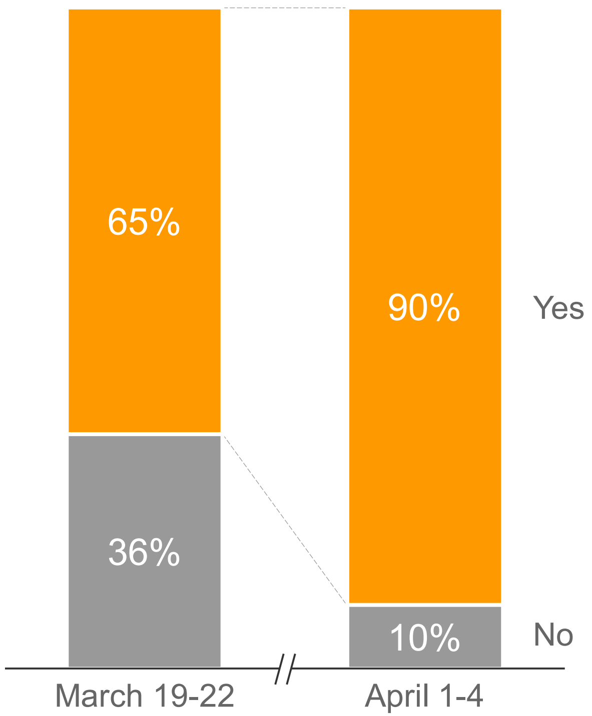
Have you had to reduce staffing over the past week in response to the COVID-19 outbreak?
% of respondents[1]



Employment across the industry continues to be hit hard as 74% of ECPs and 90% of Lab members reported a reduction in staffing

MEMBER INSIGHTS
Lab Division

Has the coronavirus or COVID-19 affected the staffing of your facility?
% of respondents



[1]Respondents who indicated that their locations were open.

Impact on Business Performance – Patient Volume, Capture Rate and Lab Sales Activity

ECP INSIGHTS

Patient Volume

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

[date prompts are shown each week]

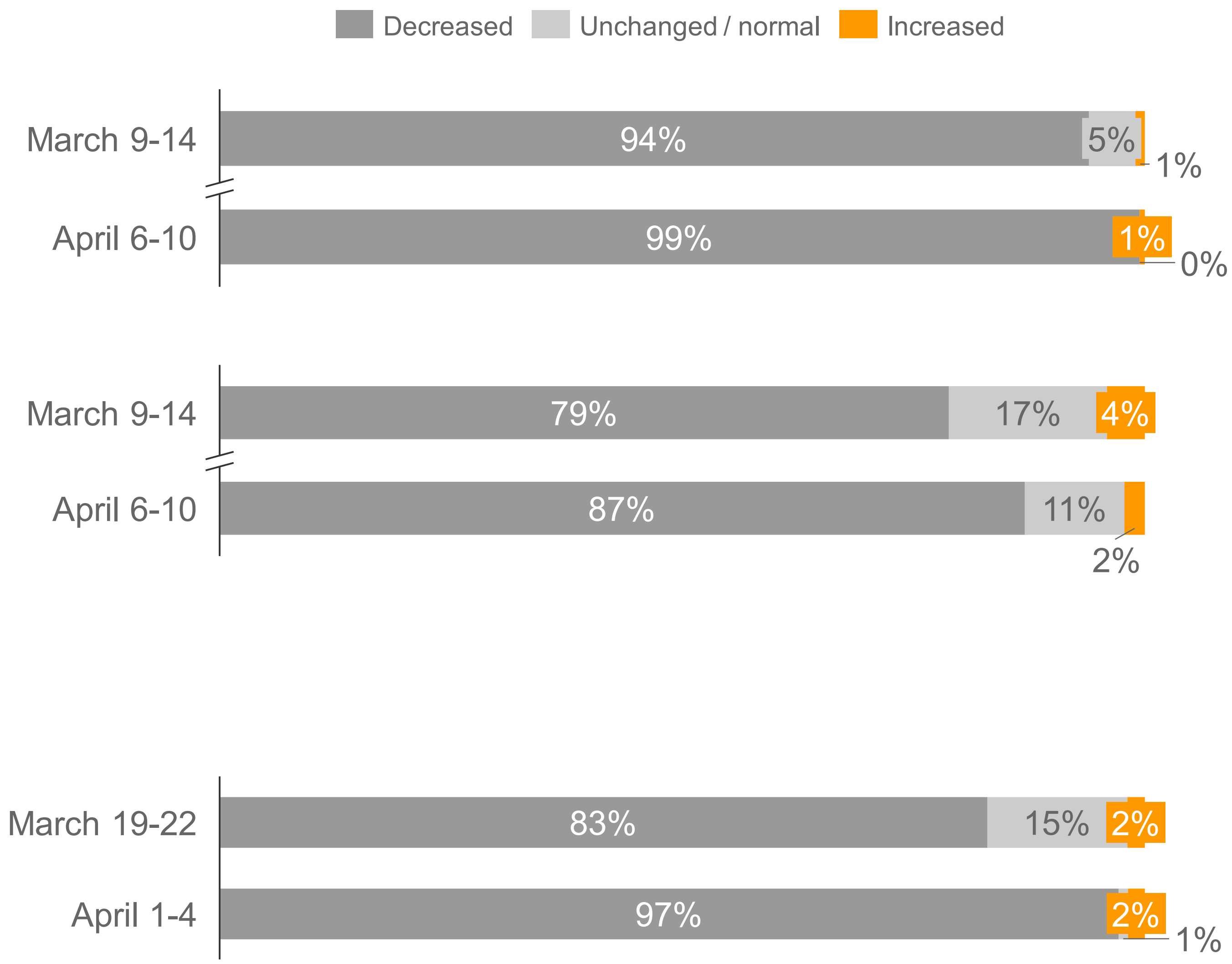
% of respondents

Capture Rate / Optical Sales

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

[date prompts are shown each week]

% of respondents



MEMBER INSIGHTS
Lab Division

Sales Activity

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

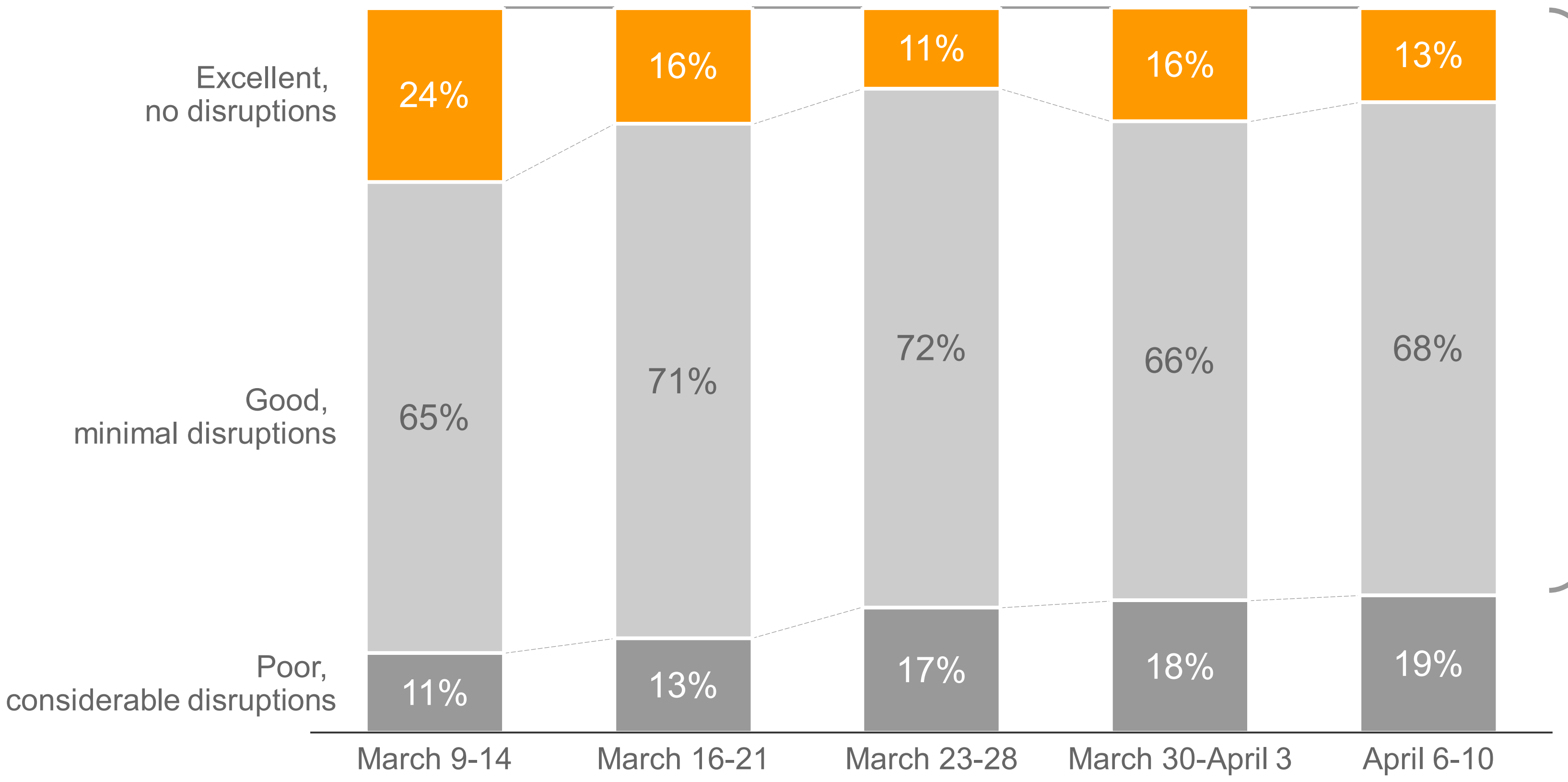
[date prompts shown each fielding]

% of respondents

Impact on Business Operations – Vendor Performance

ECP INSIGHTS

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



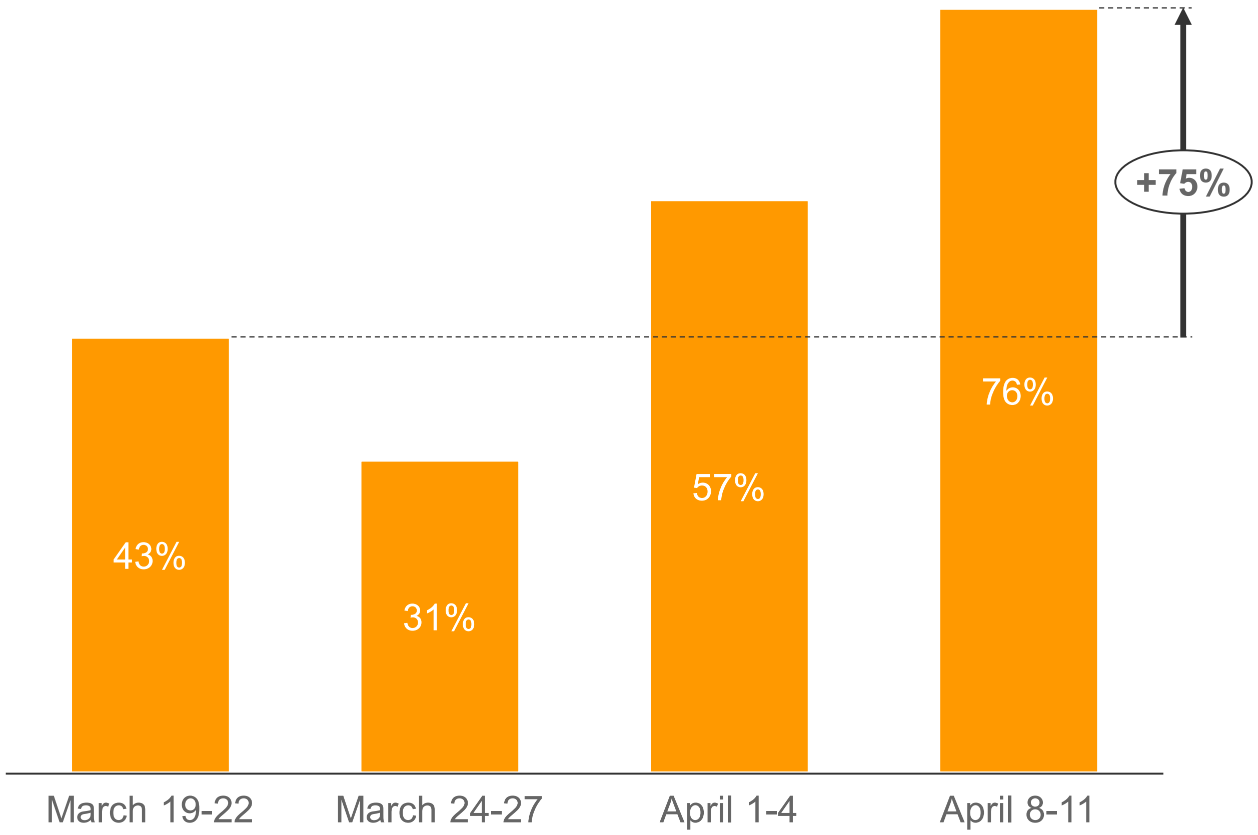
Majority of ECPs continue to report minimal to no disruptions in their vendors' ability to supply them with their product needs since the initial wave of the surveys

Impact on Retail – Supply Chain Support

MEMBER INSIGHTS
Optical Retail Division

Are suppliers/vendors contacting your company to offer supply chain support?

% of respondents

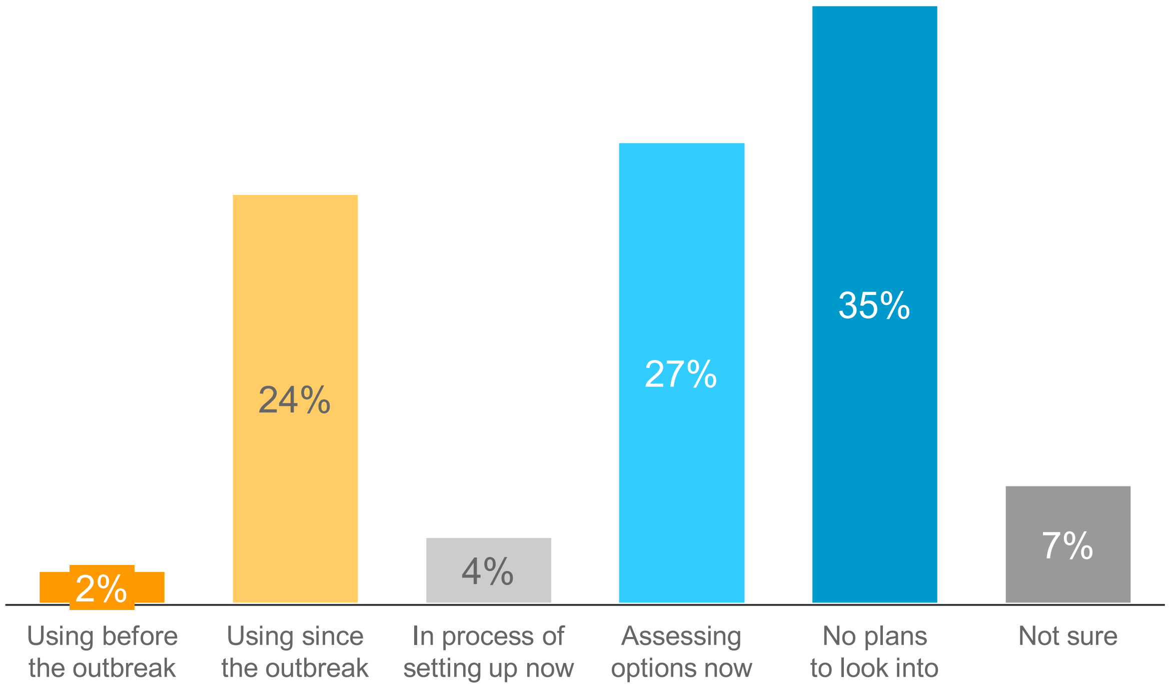


Optical Retailers indicating that they are receiving supply chain support is growing – more than 75% report support from their suppliers in the most recent survey

Telemedicine

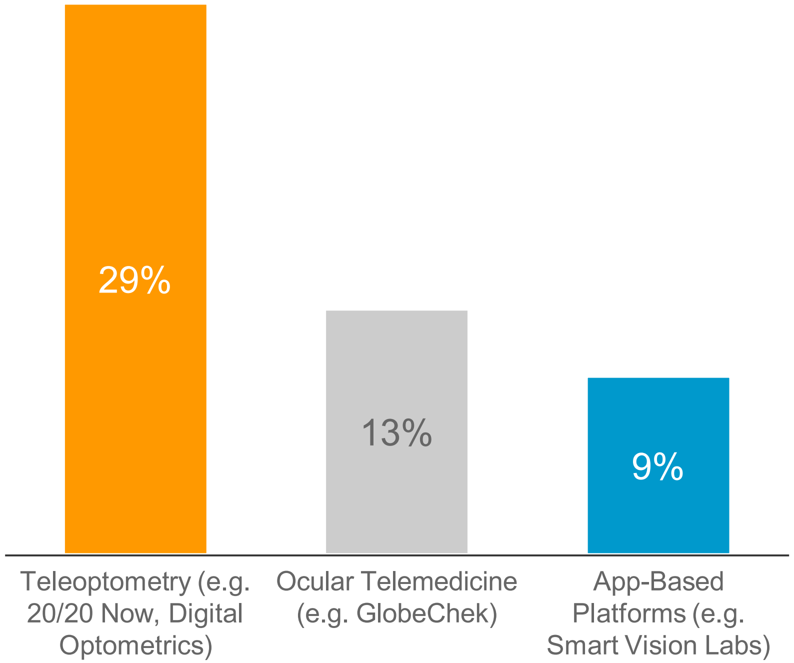
Telemedicine usage

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



Telemedicine platforms

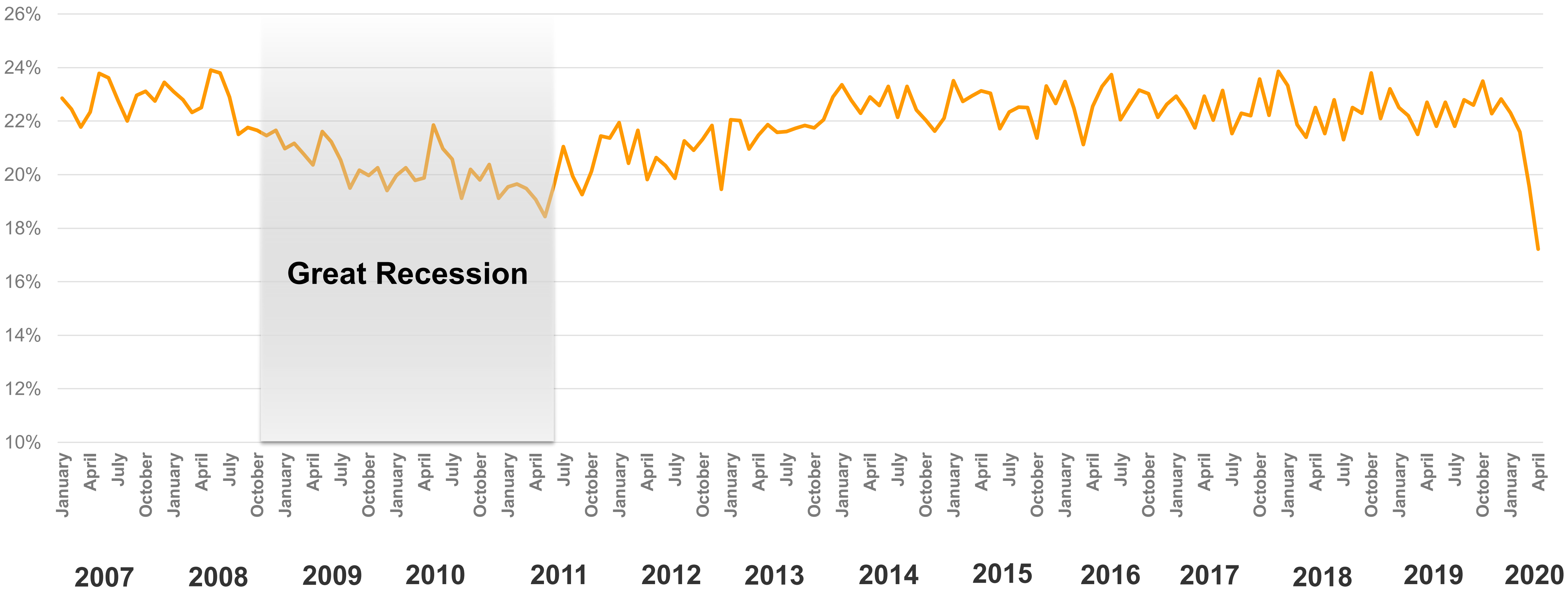
Is your practice currently looking to implement any of the following virtual / telehealth related platform? Select all that apply.



VISION COUNCIL ANTICIPATED FUTURE TRENDS AND THE COVID-19 SITUATION

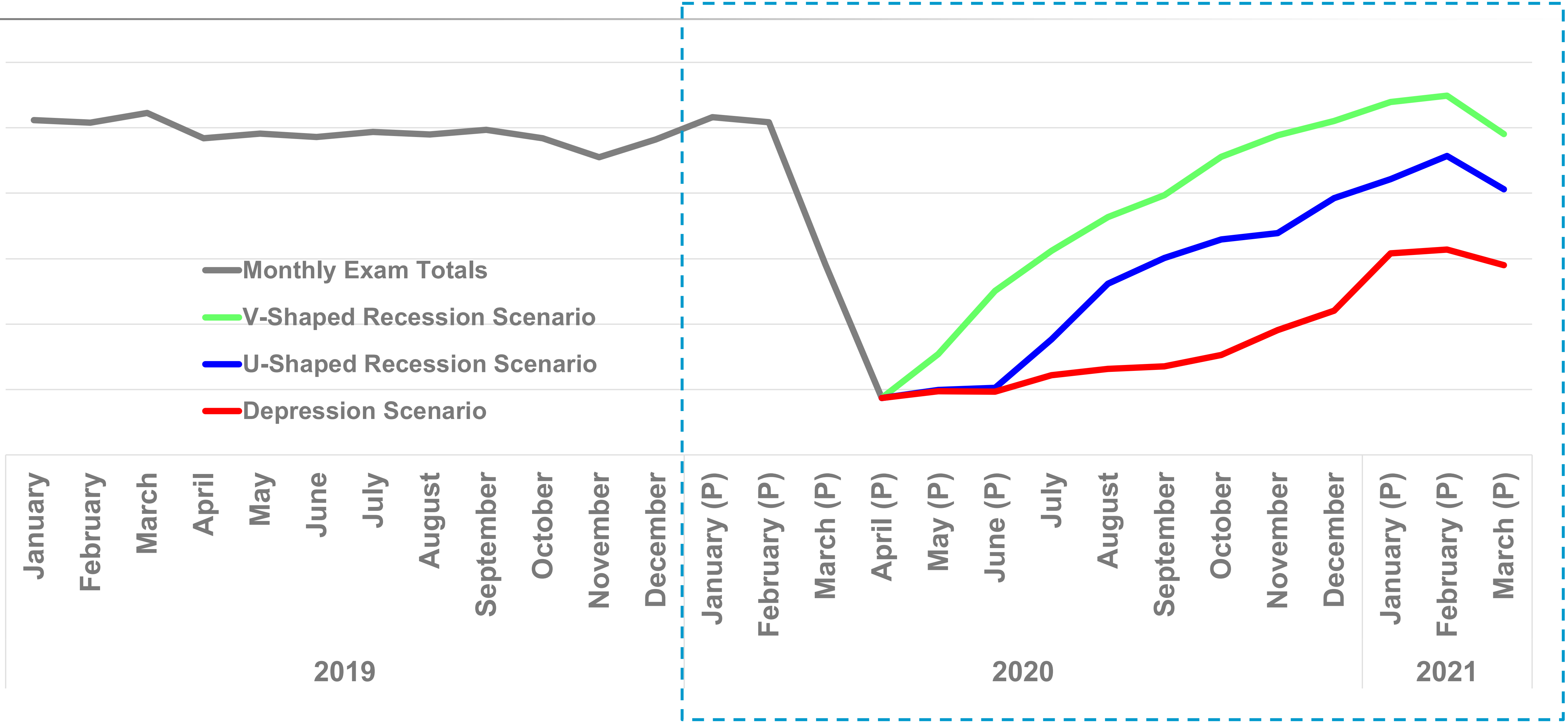
THE VISION COUNCIL

Monthly US Adult Eye Exam Intent Trended 2007-2020



When do you plan to have an eye exam in the future? Would you say…Within the next 3 months

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.**

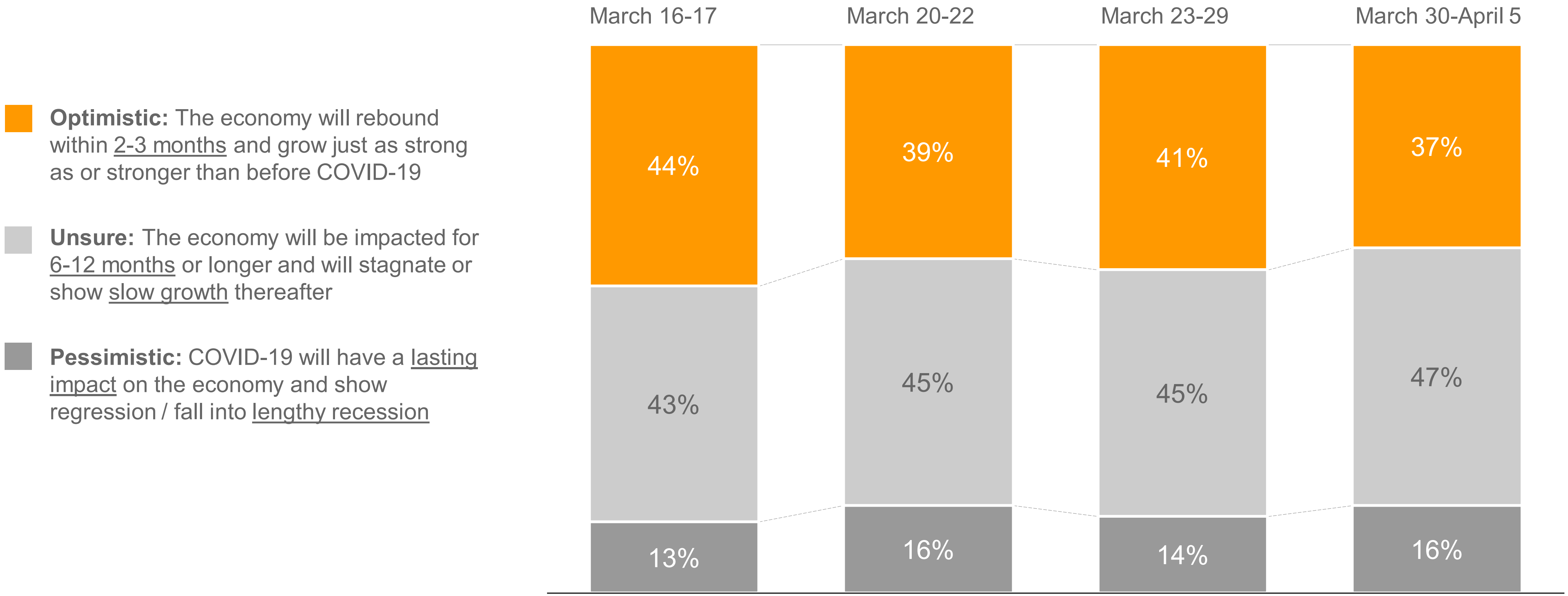
THE VISION COUNCIL

APPENDIX

Majority of Americans believe economy will be impacted for 6-12 months or longer

Confidence in own country's economic recovery after COVID-19[1]

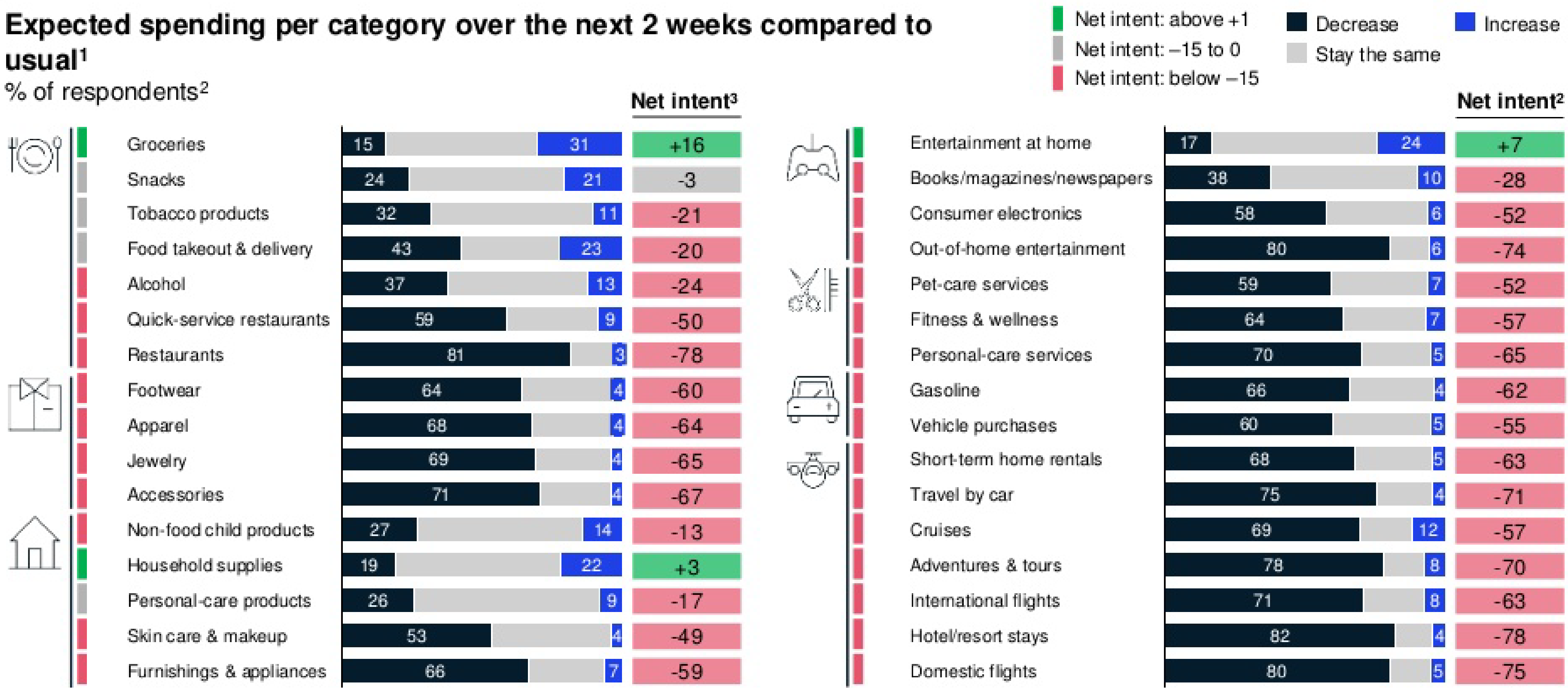
% of respondents



[1]Q: How is your overall confidence level on economic conditions after the COVID-19 situation? Rated from 1 "very optimistic" to 6 "very pessimistic."

Source: McKinsey & Company COVID-19 US Consumer Pulse Study 3/30-4/4/2020, n = 1,484; 3/23-3/29/2020, n = 1,119; 3/20-3/22/2020, n = 1,073; 3/16-3/17/2020, n = 1,042; sampled and weighted to match US general population 18+ years

Reductions in spending expectations continue across almost all categories



[1]Q: Over the next two weeks, do you expect that you will spend more, about the same, or less money on these categories than usual?
[2]Figures may not sum up to 100%, because of rounding.
[3]Net intent is calculated by subtracting the % of respondents stating they expect to decrease spending from the % of respondents stating they expect to increase spending.
Source: McKinsey & Company COVID-19 US Consumer Pulse Study 3/30-4/4/2020, n = 1,484 sampled and weighted to match US general population 18+ years