

COVID-19 Concerns May Boost Ecommerce as Consumers Avoid Stores

How stock shortages and supply chain issues impact digital advertisers

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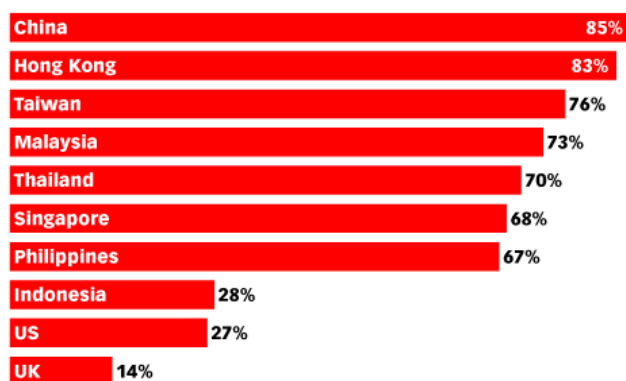
Jasmine Enberg

Across many countries where the newest strain of the coronavirus (COVID-19) has **made an impact**, isolation and **social distancing measures** have been put in place. Workers in some infected countries have been asked to work from home, cities have been placed under lockdown and schools have been shut down. People in those countries have also begun avoiding public, crowded places.

New research shows that the degree to which they have done so depends on the severity of the outbreak in each country. According to a March 2020 **YouGov** survey, 85% of internet users in China and 83% of those in Hong Kong said they had avoided crowded public places in the past two weeks. Just more than a quarter (27%) of those in the US and 14% in the UK said the same.

Internet Users in Select Countries Who Have Avoided Crowded Public Places to Protect Themselves from the Coronavirus, by Country, March 2020

% of respondents in each group



Note: ages 18+; in the past 2 weeks

Source: YouGov, March 3, 2020

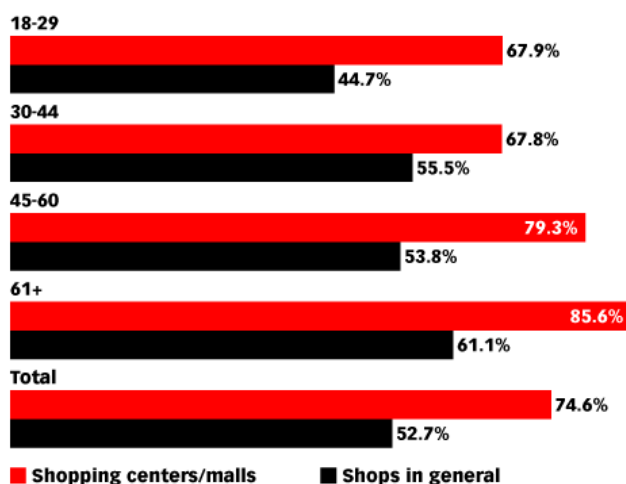
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A February 2020 [Coresight Research](#) survey also showed that 27.5% of US internet users were avoiding public places, on par with YouGov's findings. But it also indicated that 58.0% would do so if the coronavirus outbreak worsens in the US. Shopping centers/malls were expected to be the most-avoided places, but more than half of respondents said they would also avoid shops in general.

US Internet Users Who Are Likely to Avoid Stores if the Coronavirus Outbreak Worsens in the US, by Age, Feb 2020

% of respondents in each group



Note: n=1,121

Source: Coresight Research, "Coronavirus Briefing: Flash Report," Feb 28, 2020

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More than eight in 10 (85.6%) respondents ages 60 and older said they were likely to avoid shopping centers and malls. That's not surprising given that COVID-19 has hit older people the hardest, but it may have an unintended consequence on their shopping habits.

"Since older individuals are the ones for whom the virus has been most fatal, they may be especially likely to alter their behavior," said eMarketer analyst Mark Dolliver. "This could mean more adoption of ecommerce, an area where they've been laggards. People whose attitude has been 'I'd rather die than buy online' may rethink this if they feel going to crowded, germy stores truly could kill them."

Ecommerce activity, particularly related to health and grocery, is booming in the US in general. According to data from ecommerce ad tech provider [Pacvue](#), there have been surges in Amazon searches for products like hand sanitizer and antibacterial soap. Digital shoppers are also willing to convert on products that they need with longer delivery windows in order to avoiding going to stores, where inventory may be limited anyway.

That's proving to be a benefit and a challenge to digital retailers like Amazon. The click frenzy is likely to bring in more paid search dollars, but as supply chain issues mount, third-party sellers are looking for ways to limit the impact, including by reducing their ad spending.

"The intersection of merchandising and advertising has long made media-buying on Amazon complicated: You can't just "set and forget" a campaign if you risk running out of stock or if your pricing isn't competitive enough to convince shoppers to convert," said eMarketer analyst Nicole Perrin. "But the combination of supply shocks and demand shocks due to the novel coronavirus means the situation is more complex and faster-moving than ever before. Advertisers need to be on top of their own supply chains as well as the latest news driving consumer behaviors."