

Each week, the U.S. Chamber Foundation's Path Forward event explores some aspect of returning to work—from the science of epidemiology and testing to the practical implications of childcare and transportation. In today's episode, we stepped into the psychological realm and spoke to academics and experts specializing in consumer behavior and attitudes:

- Dr. Joshua Ackerman, Assistant Professor of Psychology, University of Michigan
- Kelsey Robinson, Partner, McKinsey & Company, San Francisco
- Rich Thau, Co-Founder and President, Engagious

Government leaders and public health officials will make decisions and issue guidance on when we return to work, but truly regaining some semblance of normalcy will be determined by how people feel and what motivates them to act or not act.

The consumers will ultimately decide.

People must feel safe to venture back out into workplaces, entertainment venues, and places of worship. They must have confidence that our economy and their own finances will eventually recover to help drive the demand needed to restore growth.

Right now, confidence isn't very high. Besides GDP falling by 4.8% last quarter, consumer spending fell at an annual rate of 7.6%. This morning we learned an additional 3.8 million people filed for unemployment.

According to <u>survey data from McKinsey</u>, more than a third of Americans said their incomes or ability to work was affected by the coronavirus, and more than half said they were being very careful in how they spend their money.

But McKinsey also found 35% of Americans expected an economic "rebound within two to three months." That shows hope—and business can bolster those hopes by reopening in a safe and sustainable way.

Our guest panelists underscored that businesses play an important role in reassuring the public and instilling the confidence needed to return to work—and life.

Here are some key takeaways from today's conversation:

- Consumers want physical, visual assurances that places of business are safe. These might include placing hand sanitizer in a prominent place, having employees cleaning, showing a visible plan of action to protect customers and employees, and a certification from local health officials that the business is abiding by recommendations.
- 2. Consumers maintain considerable optimism and pent-up demand for goods or services that have become limited or unavailable in the pandemic. When we reopen, businesses must seize that opportunity.
- 3. Some customer expectations may significantly, and permanently, change (e.g. greater demand for online and contact-free services). We must not limit our thinking to "returning to normal" but instead look ahead to a "new normal" and be ready to meet new demands and expectations in the post-COVID environment.

The most important conclusion is this: The human spirit is indomitable. People are adaptive. I am optimistic that ingenuity, industriousness, and resilience will win the day.

You can watch today's episode here.

-Suzanne Clark, President, U.S. Chamber of Commerce