



# MAJOR DIFFERENCES BETWEEN THE 2008 AND THE COVID-19 RECESSION IN THE U.S.

GREAT RECESSION 2008 - 2010

COVID-19 RECESSION



## THE IMPACT TO THE ECONOMY WAS SUDDEN AND SEVERE

**37.1 M**

filed for unemployment over two years. The highest spike was 15.3 Million.<sup>0</sup>

**26.5 M**

filed for unemployment in five weeks.



## OUR EVERYDAY LIFESTYLE HAS BEEN DRASTICALLY DISRUPTED

In 2008 and 2009, U.S. Passenger airlines reported net loss<sup>1</sup> of **\$14 Billion** and travel demand fell 6%.<sup>2</sup>

The airline industry expects to surrender **\$314 billion** in ticket sales and air travel dropped by 95%.<sup>3</sup>



## TECHNOLOGY HAS ALTERED THE RETAIL LANDSCAPE

**83%**

Today, most consumers are using or willing to use online grocery shopping.<sup>11</sup>

**\$3.75 B**

In 2008, we spent online on consumer packaged goods, <1% of all food and beverage sales.<sup>5</sup>

**\$70 B**

spent online on consumer packaged goods, and over \$435B on e-commerce overall.<sup>6</sup>

**Mobile wallets were not available.**

**58% of Americans** are using or willing to use a mobile wallet.<sup>11</sup>

**\$2 B**

in mobile commerce sales in 2010.<sup>7</sup>

**\$208.13 B**

in mobile commerce sales in 2018.<sup>8</sup>



## OUR VIDEO CONTENT UNIVERSE HAS EXPANDED

**Netflix** introduced streaming services in 2007 and **subscribers had access to 1,000 titles.**

**Hulu** launched in 2008 and **had over 1,000 show titles by the end of the year.**

GDP contracted by **4.2%** between Q4 2007 and Q2 2009.

IMF predicts GDP will contract by **5.9%** in 2020.

**\$2.8 T**

in stimulus packages over 3 years from 2007 - 2010, paid to large businesses and banks.

**\$2 T**

In March, the government approved a stimulus package, which was partially paid to Americans and small businesses.

**No one** was living with travel restrictions.

In April, **nine-in-ten people** worldwide were living with travel restrictions.<sup>4</sup>

- Schools are canceled or moved online
- Child care is limited
- Dating and other social interactions are 100% virtual
- Live sports and concerts are canceled
- TV productions are paused or reimagined
- Movies shut down or delayed
- Conferences have been canceled, postponed or virtual
- Hospitals and doctors offices are taking emergency-only cases
- Healthcare is moving online

**17%**

In 2009, 17% of Americans owned a smartphone.<sup>7</sup>

**81%**

Today, most Americans own a smartphone with the highest penetration, 96%, among those aged 18 - 29.<sup>4</sup>

**One in five** are "smartphone only" internet users.<sup>4</sup>

**48%**

are using or willing to use augmented reality to shop in the future.<sup>11</sup>

Today, Americans have access to **+646M unique program titles** across linear TV and streaming.<sup>10</sup>

**60%**

increase in TV Viewership due to stay at home orders.<sup>9</sup>

**91%**

of survey respondents said they subscribe to a streaming video service and 30% subscribe to 3 or more.<sup>10</sup>



## STRATEGIES FOR SUCCESS

- Re-establish your brand relationship. Refresh your narrative, tone and placement to fit with today's situation.
- Make health safety a priority. Consumers are re-ranking their priorities and values, dropping those businesses that don't.
- Prepare for pivots in pricing, as wallets adjust to limited income.
- Consider how new lifestyle changes will impact demand for your product or service.
- Keep supply chains flexible and nimble.

Sources:

<sup>0</sup> U.S. Bureau of Labor Statistics; National Bureau of Economic Research

<sup>1</sup> Net loss before extraordinary income and charges;

<sup>2</sup> Travel demand fell 6% over six quarters by Q1 2009

<sup>3</sup> <https://www.bloomberg.com/news/articles/2020-04-14/airline-industry-now-sees-314-billion-in-lost-2020-ticket-sales>

<sup>4</sup> Pew Research Fact Tank, April 2020; Pew Research Mobile Fact Sheet June 2019

<sup>5</sup> Nielsen Online Grocery Report 2008

<sup>6</sup> Total Consumer Report 2019

<sup>7</sup> [www.nielsen.com/us/en/insights/article/2009/with-smartphone-adoption-on-the-rise-opportunity-for-marketers-is-calling/](http://www.nielsen.com/us/en/insights/article/2009/with-smartphone-adoption-on-the-rise-opportunity-for-marketers-is-calling/)

<sup>8</sup> E-Marketer Mobile Trends 2019

<sup>9</sup> <https://www.nielsen.com/us/en/insights/article/2020/streaming-consumption-rises-in-u-s-markets-with-early-stay-at-home-orders-during-covid-19/>

<sup>10</sup> <https://www.nielsen.com/us/en/client-learning/tv/nielsen-total-audience-report-february-2020/>

<sup>11</sup> <https://www.pewresearch.org/internet/fact-sheet/mobile/>

<sup>11</sup> Q1 2019 Nielsen Global Technology Survey