Four Steps to Outthink COVID

Times of change divide the disrupted from the disruptors … the Thinkers from the Outthinkers.

Over the past two decades, we have helped companies outthink their competition and challenges. Along the way, we refined a strategic process (The Outthinker Process) that efficiently enables business leaders like you to step outside of conventional thinking to redesign their business models and strategies. It has proven effective for small businesses, middle market companies, and large enterprises including ABC, CVS Health, Microsoft, United Technologies, and Walmart. The process has generated over $2.5 billion in incremental revenue, accelerated growth rates by 50% on average, and created a sense of possibility for those who applied it.

At this moment, what we need more than ever is a sense of hope. So, we re-engineered the process specifically for this moment of unprecedented change invoked by the COVID-19 pandemic. We distilled insights and advice from personal interviews with some of today's foremost strategic thought leaders – from Renee Mauborgne (Blue Ocean Strategy), Rita McGrath (Columbia Business School), and Efosa Ojomo (HBS co-author with Clayton Christensen) to Bharat Anand (HBS), Alex Osterwalder (Strategyzer), and Scott Anthony (Innosight) – into a succinct set of steps you can follow to make sense of the future then design a strategy to help your business thrive through the crisis.

The Theory: Thinkers v. Outthinkers

Times of change separate Thinkers from Outthinkers. Outthinkers adopt the emerging concepts, or "language tools," appropriate for the new game. Some examples:

- In 1913, just after the rules of American football changed to allow a forward pass, Notre Dame embraced the new strategies that a forward pass allowed and, in a now famous upset, beat Army 35-13.
- In 1979, the NBA introduced the "three-point shot." Teams that adapted to a shooting game, from one dominated by tall players shooting layups, started wining.
- Before the concept of "inventory turns" was introduced, fast-growing companies found they ran out of cash even if they were profitable. Those who started managing "inventory turns" figured out how to grow without burning through cash.
- In the 1980s, when Michael Porter introduced the concept of "competitive advantage," companies that began focusing on building "competitive advantage" outperformed those slow to embrace the approach.
- Before 1997, business leaders were perplexed by the growing pattern of smaller companies with fewer competitive advantages beating out larger firms. Clayton Christensen introduced the concept of "disruption" and companies that embraced his theory learned to more effectively protect themselves against disruption.

Changes in rules and technologies do not create winners and losers. What matters is the speed with which companies embrace the emerging winning concepts around those technologies. Yahoo! could have purchased Google for $1 million in 1998 but failed to understand the potential of Google's search model. Blockbuster could have purchased Netflix in the early 2000s for $50M but failed to recognize the potential of its business model. Kodak developed the digital camera in 1975 but chose not to develop it because it failed to see the potential of digital photography. Nokia dominated mobile phones in the 1990s but failed to see the future was in data rather than voice. IBM dominated computing in the early 1990s but failed to see the growing potential of personal computers. BlackBerry dominated the corporate mobile phone market in the early 2000s but failed to recognize that mobile phones were becoming a consumer product.

In all of these cases, Thinkers had advantages they could have leveraged to own the next game but held on to outdated concepts.

When the rules change, the winning concepts change. Today, the rules are changing at a pace rarely seen in history. The question is, do you want to be a Thinker or Outthinker?

The Process

We have found that by following four steps, you can quickly apply emerging strategic concepts to your business strategy, rethink your business model, and redesign your business to be fit for the future. We have customized these specifically for the COVID-19 crisis. The entire process should take 3.5 hours to complete. You can do it one sitting or spread over several thinking sessions.

1. **Imagine (30 minutes):** Think through potential future scenarios
2. **Dissect (30 minutes):** Break down your business model to assess which parts you may want to change
3. **Expand (90 minutes):** Expand your strategic options by ideating potential strategies
4. **Analyze (60 minutes):** Assess and prioritize your options

Step 1: Imagine

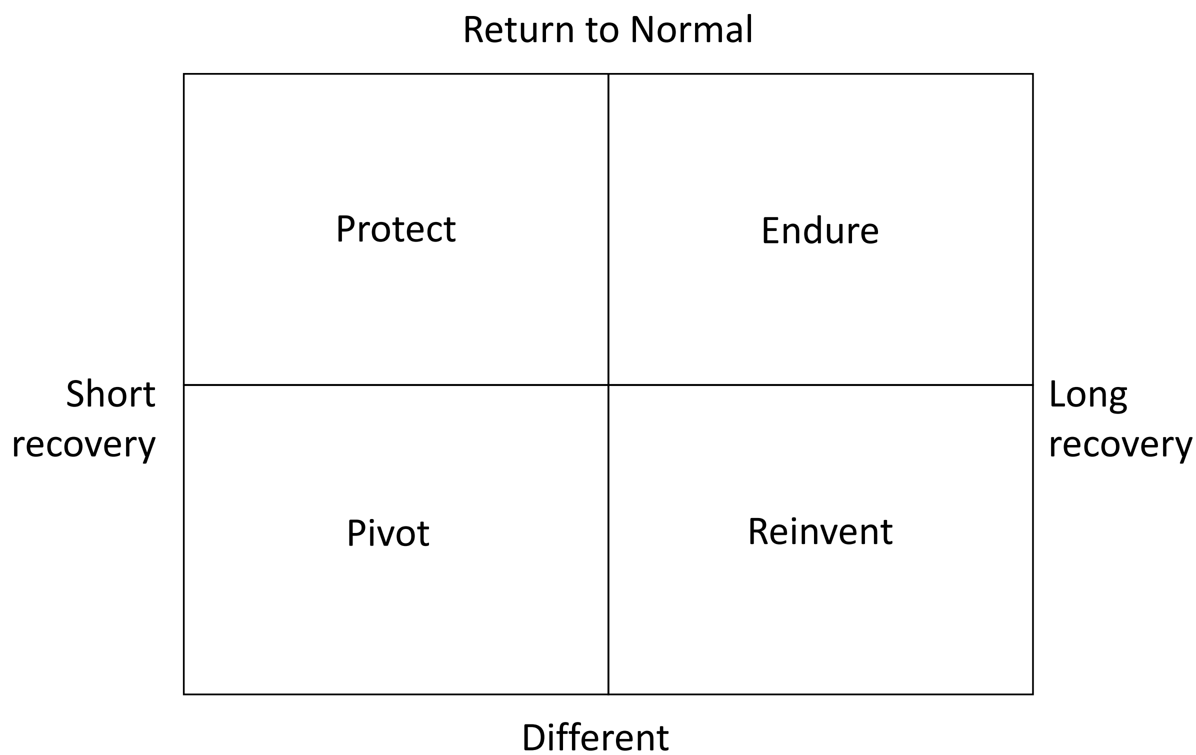
COVID-19 has introduced such uncertainty into our businesses that traditional strategic visioning techniques are often irrelevant. We cannot know yet, for example, when or whether people will return to shopping malls, cruise ships, hotels, airplanes, concerts, sports events, conferences, or anywhere we used to see large groups converge in the same way as before. As futurist Amy Webb advises, we cannot predict the future, but we can put our companies into a state of readiness. Thinking through the potential futures allows you and your team to shift from a state of fear to one of curiosity and determination.

There are four generic scenarios to consider defined by two variables:

- **Length of recovery:** Will recovery be short or long?

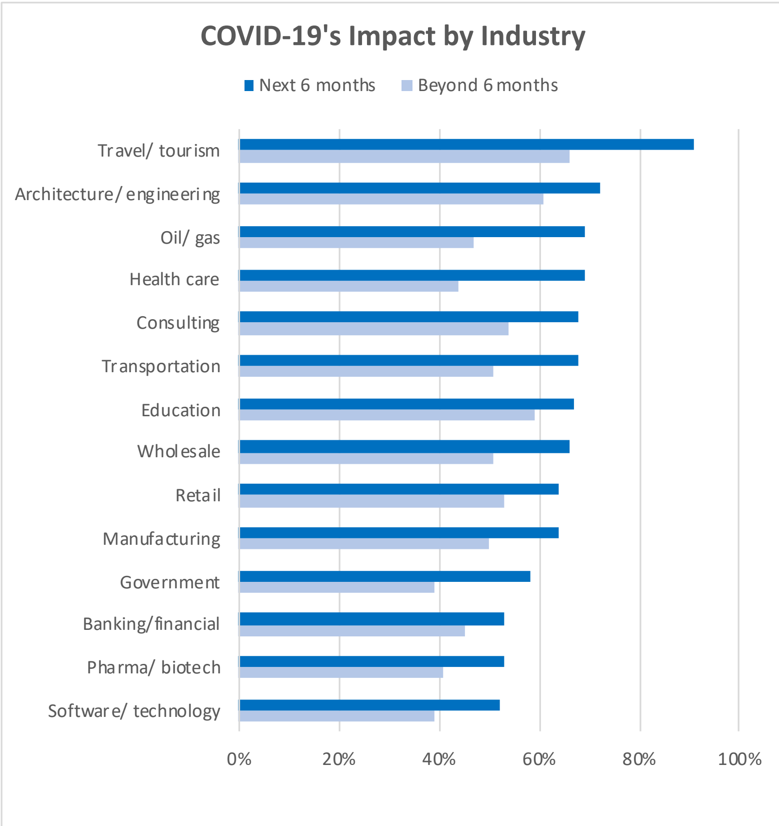
- **State of your "new normal":** Will you return to business as usual or to something different (e.g., different customer behavior, competition, technology, regulatory environment)?

Future COVID Scenarios

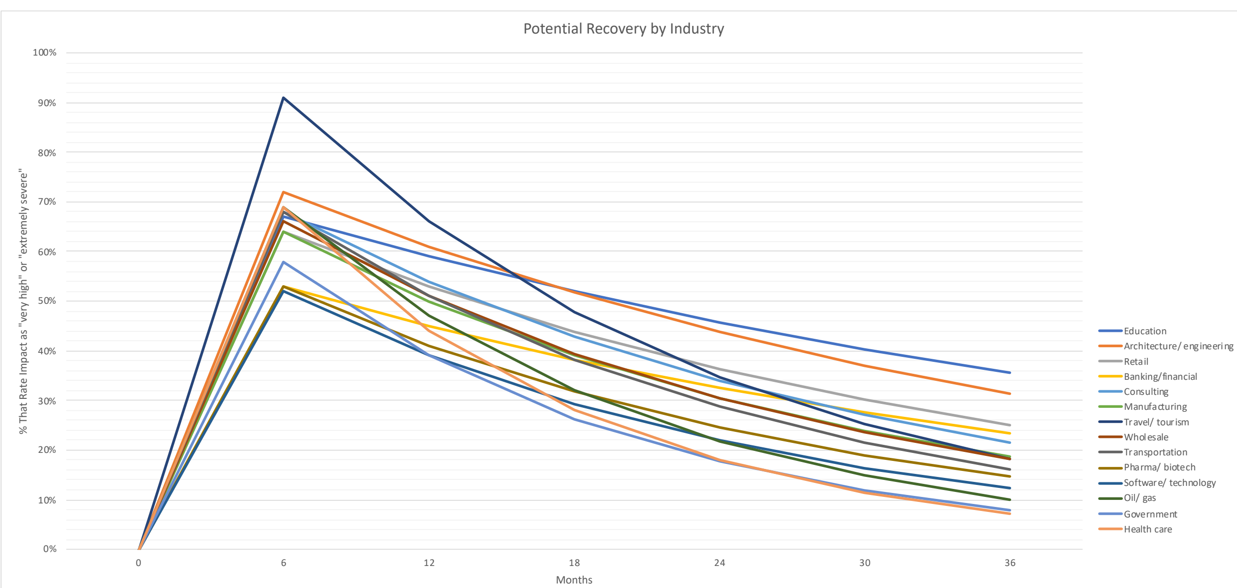


Industries will be impacted to different degrees and experience different lengths of time to reach their "new normal." A Spring 2020 global survey asked 460 executives to rate the severity of COVID-19 on their organizations over the next six months and beyond six months. The graph below shows the percentage of respondents who rated COVID-19's impact on their organizations as "very high" or "extremely severe" across industries.[1]

[1] Source: Michael Watkins and Michael Yaziji's Spring 2020 survey of 460 global executives on both organizational and personal challenges, published in MIT Sloan Management Review on May 20, 2020



This gives us an indication of how severely industries are being impacted and how quickly executives in those industries think things will improve. While we cannot know with certainty what recovery might look like, we can roughly project how different industries may be impacted over coming years:



Of course, how recovery will play out depends on numerous factors we have not incorporated here. For example, industries with low profit margins – particularly architecture/engineering, retail, wholesale, and transportation – may not have the profits to endure a prolonged recovery. Hertz, for example, recently ran out of cash flow and declared bankruptcy. Industries in which a substantial amount of costs are fixed will struggle to scale down and maintain profitably – for example, transportation, retail, traditional education, software/technology – and are similarly at risk for being unable to make it through to recovery. See Appendix A for a table of key financial metrics for your industry.

There is a common misconception that the companies that fare best through recessions are those that sell essential goods (food, medicine, etc.). But actually, what matters more is the strength of your financials: do you have a profitable business model, a strong balance sheet, and are your cost-cutting initiatives strategically improving efficiency rather than simply cutting across the board? These healthier companies then seize opportunities to acquire market share or competitors as their peers begin to stumble.

Action Steps

Think through each of the four scenarios – Protect, Endure, Pivot, and Reinvent – and ask:

1. Which scenario do we think we are more likely to face?
2. What will business look like in each scenario considering customer behavior, competition, technology, economics, and regulation?
3. What leading indicators should we be tracking to know which scenario is unfolding (e.g., how quickly customers return as the economy opens, what portion of customers prefer digital offerings, competitors closing their doors)?
4. For each scenario, what is our vision? What do we want to be true about our company and employees?

Step 2: Dissect

The next step is to think expansively about how your business model may be impacted. There is a tendency to focus myopically on just a few elements of your business model (e.g., just product or how to deliver the product). But often opportunities and threats emerge in unexpected areas. It helps to briefly think through eight areas we call the 8Ps:

Element of business model	**Description**	**Questions to ask**
Positioning	Who your core customer is and what your brand means to them	Will we need to or have an opportunity to serve a different core customer? Will we want to be known for different brand attributes (e.g., socially responsible, well run)?
Product	What value proposition your product/ service delivers and what makes your product/service superior to the other options	Will customers be looking for different product attributes (e.g., safety, virus free)?
Pricing	The basis of pricing (e.g., per hour, per unit, membership)	Will customers prefer new ways of pricing (e.g., because they will be more price sensitive)?
Placement	The channels through which you deliver your product/service (e.g., online, in person, through partners)	Will the channels that customers prefer change (e.g., will they find they prefer remote/digital delivery)?
Promotion	How you market and sell your offering (e.g., move customers through your awareness, consideration, trial, and loyalty funnel)	Will marketing tactics need to change (e.g., because people are spending less time convening in physical spaces)?
Processes	They key processes and operations you use to deliver your offer (e.g., financial management, sourcing, data management/IT)	Do some key processes become more important than others? Do we need to master new processes?
Physical experience	Your customers' physical experience when they interact with you, including the customer journey	Will customers prefer different physical spaces (e.g., to create a sense of safety)?
People	YOUR people (e.g., who you hire, how you organize, how you incentivize, your cultural values, and capabilities)	Do we need to build new capabilities? Do we need new profiles of workers?

Action Steps

Think through each of the eight business model areas and ask:

1. What is likely to change?
2. What new opportunities may emerge?
3. Which areas are most important for us to rethink now?

Step 3: Expand

Having dissected your business model, it's now time to brainstorm new business model innovations and strategies you might consider. We work with a set of 36 strategic patterns that help people ideate creative, new strategies. Based on our analysis, there are 10 patterns that are particularly potent to apply now. Five of them are patterns we have seen emerging over the past decade as businesses have shifted toward digital business models. The trends toward digital models has been underway for several years and COVID-19 has accelerated this. The second set of five are patterns that companies that have thrived through crisis seem to apply often.

The first five patterns will help you seize the acceleration toward digital business models.

Pattern	Description	Brainstorming questions
Move early to the next battleground	Play for tomorrow rather than today. Elon Musk applies this often, moving early to the next battleground in space flight, electric vehicles, ground transport, internet delivery, etc.	Where is the next battleground and what can we do to move there now?
Coordinate the uncoordinated	Power used to come from control, but increasingly it comes from coordination. Platform business models like Airbnb and Uber are examples of this. P2P models, communities, and blockchains are other examples.	What is uncoordinated that we would like to coordinate?
Be good	Businesses that engineer strategies in which their growth is good not just for shareholders and customers but for communities, societies and the world win because they remove resistance to their growth. Social businesses such as Toms Shoes and Warby Parker leverage this. Large enterprises are starting to adopt similar approaches.	How is our growth and success good for the world? How can we better align our growth as good?

Force a two-front battle	Successful companies less often define themselves by their industry but rather by something else that has them behave differently. For example, Starbucks is not in the business of serving coffee but in the business of serving the workers who serve the coffee. Amazon does not see itself as being in the ecommerce business, which made launching Amazon Web Services a natural business to launch.	What business are we really in (not defined by our industry)? What does that kind of company do differently?
Create something out of nothing	Creating new customers, categories, occasions, industry players, and needs. For example, Gatorade created the energy drink category and AirAsia become the second-largest discount airline in the world by creating new customers (railroad customers who were not considered target airline customers by their competitors).	What would we like to add to the game (customers, categories, occasions, needs)? For customers: what is holding back non-consumption (money, access, know-how, or time)?

These brainstorming questions should help you generate numerous new strategic options. Then, turn to the next set of five patterns which have historically proven particularly powerful for companies that have successfully emerged stronger out of a downturn.

Pattern	**Description**	**Brainstorming questions**
Lock up resource	You have preferred access to a unique resource or capability (tangible or intangible) which you can now monetize in a new way. For example, Slack was originally a gaming company that failed. The team built a new business around an internal team management	What unique inputs (tangible or intangible) do we have? How can we turn that into a new business or advantage?

	tool the company had created for its own products.	
Partner with someone unexpected	By thinking about who else benefits if you win, you start seeing new, unusual partnering opportunities. For example, when Honda first entered India, it partnered with a bicycle company which had thousands of bike dealers that would benefit from starting to selling motorcycles.	Who else benefits if we win? How could we partner with them?
Beat the grass to startle the snake	Rather than leap into the “grass,” lightly beat the grass to see if a snake is there. Conduct low-cost experiments first to assess if there is an opportunity before committing. For example, when HP was thinking of launching the first electronic calculator, market research indicated it would fail. So they produced just 1,000 and soon found they were selling 1,000 per day.	What small-scale, frugal experiment can we conduct to better understand how the market and customers will respond?
Sacrifice one front to win elsewhere or later	Rather than view a retreat as defeat, retreat strategically, then move your resources to a battle you can win. When Qualcomm exited the infrastructure and hardware business to focus only on IP, their revenue growth exploded.	What front (customer segment, market, product/ service) should we consider exiting? If we did this, where would we direct those resources and management bandwidth?
Seize opportunity out of trouble	Times of crisis often create a herd mentality resulting in players “running away” irrationally. If you spot where this is happening, you can move into the gap and seize an advantage. Warren Buffett looks for such	Where might people be “running away” irrationally? What would it entail for us to move in?

	situations and invests where others are irrationally exiting.	

Action Steps

1. Read through each strategic pattern and brainstorm as many ideas as you can for how to apply the pattern to your business (spend at least seven minutes per pattern).
2. Move on to the next pattern.
3. Write down every idea that is generated regardless of how inconceivable it seems.

Step 4: Analyze

The final step is to analyze and select which strategic options you generated you will prioritize. In normal times, this involves sorting your ideas, prioritizing them, and then fixing in on 3 to 7 strategic priorities.

But these are not normal times.

In normal times, a strategy's primary function is to create clarity and direction. In times of great uncertainty, your strategy's goal should be to create readiness and options. A metaphor I like to use to explain the difference is soccer. Instead of seeing yourself as a forward attacker, moving toward the goal, today you want to be more like the goalie, on your toes, ready to leap.

Specifically, instead of picking 3 to 7 strategic priorities to focus on for the next few years, you want to identify a few number of priorities you are reasonably confident in, and a handful of potential "pivots" you are planting the seeds of that could bear fruit depending on how the environment evolves.

First, assess each idea across two dimensions:

1. **Ease and certainty:** Is the idea easy to execute and/or does it carry low uncertainty? Or is the idea difficult to execute and/or does it carry high uncertainty? For a restaurant to put tables further apart and place barriers between them is a relatively easy thing to do that carries little uncertainty. For that same restaurant to shut down its dining room and move entirely to home delivery is more difficult and carries greater uncertainty.
2. **Impact:** If you did successfully execute the idea, would it have a high or low impact on your business? Placing tables further apart will generate some revenue but would also decrease a restaurant's capacity, so while it's an idea that the restaurant probably needs to do in the near-term, it is unlikely to be a high-impact idea. If a restaurant's home-delivery business really took off and enabled it to reach a broader market of diners, it could be high impact.

As the graph below shows, this gives you four types of ideas.

Analyzing your options

	Difficult and/or uncertain	Easy and/or certain
High impact	Crazy ideas	Winning moves
Low impact	Wastes of time	Tactics

- **Wastes of Time:** Dump these ideas, and if you are already working on them … stop. Redirect the money, time, and resources you are investing in them and invest them elsewhere.
- **Tactics:** You likely will have a nice list of tactics that you should consider doing but will not lead to the breakthrough you are after. Collect these and every week or month review the list, pick a few, and go execute them.
- **Winning Moves:** These are easy and certain high-impact ideas that you should seriously consider pursuing assertively now. However, you are unlikely to have the time and resources to pursue all of these, so be selective.
- **Crazy Ideas:** These are where, in our experience, your biggest opportunities are most likely to come from. Select a manageable number of these. However, unlike other priorities that you can advance on with confidence, you will want to act on Crazy Ideas differently. You will want to conduct small, frugal experiments to explore their potential and clarify their uncertainties. You will want to monitor the market signals that will tell you whether the idea is ripe for pursuing. The restaurant considering moving to a pure delivery model, for example, might save the time building a website for ordering and

hiring drivers and instead email their most loyal customers a menu and invite them to call in their orders with one of the wait staff delivering the food. Though they are likely to lose money on each order, the learning they get from doing so may be worth the investment.

Finally, you want to pick a set of priorities to pursue now. These will come primarily, or exclusively, from your Winning Moves and Crazy Ideas. Add ideas to your chosen priority list until three conditions are met:

1. The collective payoff of the ideas exceeds the financial goals you have for your company.
2. You have created redundancy in your strategy so if one strategy fails, another will succeed.
3. You do not exceed your bandwidth (the amount of time your team has to work on the ideas) and resources.

By creatively minimizing the costs to pursue your ideas, particularly the Crazy ones, you will be able to prioritize more opportunities, thereby expanding your options and putting your company in a state of readiness, like that goalkeeper ready to jump in any direction the ball may come from.

Action Steps

1. Assess each of your ideas, sorting them into four categories: Wastes of Time, Tactics, Winning Moves, and Crazy Ideas.
2. Abandon the Wastes of Time and create a backlog of Tactics you will turn to later.
3. Select your priorities from your Winning Moves and Crazy Ideas.

Those priorities are your strategy.

You have outthought COVID-19.

APPENDIX A: FINANCIAL METRICS BY INDUSTRY

Industry Name	***Gross Margin***	***Net Margin***	***EBITDA/ Sales***	***EBITDASG&A /Sales***	***EBITDAR&D/ Sales***	***COGS/Sales***	***R&D/ Sales***	***SG&A/ Sales***	***Lease Expense /Sales***
Advertising	25.81%	3.30%	15.09%	25.04%	15.49%	74.19%	0.41%	9.96%	5.98%
Aerospace/Defense	20.33%	7.25%	14.82%	21.86%	18.43%	79.67%	3.61%	7.05%	0.68%
Air Transport	30.32%	7.49%	15.38%	19.11%	15.49%	69.68%	0.11%	3.73%	5.92%
Apparel	49.52%	5.87%	13.12%	51.32%	13.27%	50.48%	0.15%	38.20%	4.50%
Auto & Truck	10.49%	3.04%	8.18%	14.84%	13.31%	89.51%	5.12%	6.66%	0.31%
Auto Parts	15.77%	3.05%	11.57%	18.14%	14.54%	84.23%	2.96%	6.56%	0.75%
Bank (Money Center)	100.00%	30.63%	0.00%	52.11%	0.00%	0.00%	0.00%	52.11%	2.88%
Banks (Regional)	99.86%	30.50%	0.00%	48.82%	0.00%	0.14%	0.00%	48.82%	2.51%
Beverage (Alcoholic)	46.60%	7.94%	27.84%	51.35%	27.84%	53.40%	0.00%	23.51%	0.70%
Beverage (Soft)	56.31%	18.50%	22.61%	57.89%	23.17%	43.69%	0.56%	35.28%	0.72%
Broadcasting	47.68%	29.83%	27.01%	46.57%	27.01%	52.32%	0.00%	19.56%	3.18%
Brokerage & Investment Banking	68.04%	17.62%	0.55%	39.40%	0.58%	31.96%	0.03%	38.85%	2.69%
Building Materials	26.73%	4.30%	12.27%	28.73%	13.04%	73.27%	0.77%	16.46%	1.05%
Business & Consumer Services	35.66%	3.83%	14.84%	35.69%	15.16%	64.34%	0.32%	20.85%	1.76%
Cable TV	61.71%	8.55%	30.17%	58.14%	30.30%	38.29%	0.14%	27.97%	0.99%
Chemical (Basic)	15.86%	3.85%	18.28%	23.85%	19.57%	84.14%	1.29%	5.58%	1.48%
Chemical (Diversified)	21.61%	4.31%	20.79%	29.72%	22.73%	78.39%	1.93%	8.92%	1.12%
Chemical (Specialty)	31.16%	4.76%	19.16%	33.43%	22.03%	68.84%	2.87%	14.27%	1.38%
Coal & Related Energy	22.84%	4.94%	20.20%	25.16%	20.42%	77.16%	0.23%	4.96%	1.89%
Computer Services	24.64%	4.34%	11.03%	25.13%	12.97%	75.36%	1.94%	14.10%	1.41%
Computers/Peripherals	33.34%	12.83%	20.54%	32.42%	26.59%	66.66%	6.05%	11.88%	0.58%
Construction Supplies	22.52%	8.15%	14.76%	22.90%	17.11%	77.48%	2.35%	8.14%	0.67%
Diversified	20.82%	7.72%	12.27%	18.91%	14.22%	79.18%	1.95%	6.64%	0.97%
Drugs (Biotechnology)	66.86%	-0.84%	21.06%	51.35%	67.64%	33.14%	46.58%	30.29%	1.04%
Drugs (Pharmaceutical)	70.26%	18.38%	32.04%	58.34%	50.76%	29.74%	18.72%	26.30%	0.65%
Education	41.63%	9.59%	13.81%	43.96%	14.99%	58.37%	1.18%	30.15%	3.70%
Electrical Equipment	35.25%	8.89%	17.21%	36.84%	19.92%	64.75%	2.71%	19.63%	1.19%
Electronics (Consumer & Office)	33.41%	-3.14%	3.36%	28.60%	12.38%	66.59%	9.02%	25.24%	0.89%
Electronics (General)	27.56%	5.70%	14.22%	27.22%	19.53%	72.44%	5.31%	13.00%	0.87%
Engineering/Construction	11.78%	1.00%	6.27%	13.65%	6.28%	88.22%	0.02%	7.39%	1.93%
Entertainment	40.90%	11.73%	18.39%	37.25%	22.16%	59.10%	3.77%	18.86%	2.17%
Environmental & Waste Services	32.58%	5.83%	20.24%	32.76%	20.26%	67.42%	0.01%	12.51%	2.19%
Farming/Agriculture	11.36%	2.47%	7.94%	13.73%	9.40%	88.64%	1.46%	5.79%	0.53%
Financial Svcs. (Non-bank & Insurance	78.28%	26.94%	10.66%	42.40%	11.09%	21.72%	0.42%	31.73%	1.14%
Food Processing	26.47%	1.31%	15.58%	29.47%	16.17%	73.53%	0.60%	13.90%	0.87%
Food Wholesalers	15.96%	1.11%	3.78%	16.93%	3.78%	84.04%	0.00%	13.14%	0.42%
Furn/Home Furnishings	24.85%	5.15%	10.90%	27.98%	12.58%	75.15%	1.68%	17.08%	1.63%
Green & Renewable Energy	59.29%	-11.39%	49.29%	63.72%	50.05%	40.71%	0.75%	14.43%	1.77%
Healthcare Products	57.83%	9.27%	22.21%	55.05%	30.58%	42.17%	8.37%	32.84%	0.88%
Healthcare Support Services	14.34%	1.78%	4.62%	13.81%	4.63%	85.66%	0.02%	9.19%	0.44%
Heathcare Information and Technology	47.65%	8.90%	18.75%	44.96%	24.95%	52.35%	6.20%	26.21%	1.27%
Homebuilding	20.32%	7.52%	10.80%	20.92%	10.80%	79.68%	0.00%	10.12%	0.39%
Hospitals/Healthcare Facilities	36.45%	2.51%	15.05%	18.71%	15.05%	63.55%	0.00%	3.66%	1.97%
Hotel/Gaming	53.34%	9.88%	27.88%	46.62%	28.11%	46.66%	0.23%	18.74%	1.28%
Household Products	50.94%	4.73%	21.05%	53.99%	23.02%	49.06%	1.97%	32.94%	1.12%
Information Services	55.53%	19.13%	31.90%	54.35%	34.05%	44.47%	2.15%	22.45%	1.50%

Industry Name	***Gross Margin***	***Net Margin***	***EBITDA/ Sales***	***EBITDASG&A /Sales***	***EBITDAR&D/ Sales***	***COGS/Sales***	***R&D/ Sales***	***SG&A/ Sales***	***Lease Expense /Sales***
Insurance (General)	29.64%	6.26%	13.95%	26.59%	13.96%	70.36%	0.01%	12.64%	0.88%
Insurance (Life)	31.12%	8.96%	12.19%	22.14%	12.19%	68.88%	0.00%	9.95%	0.37%
Insurance (Prop/Cas.)	28.79%	7.32%	10.54%	22.85%	10.54%	71.21%	0.00%	12.31%	0.55%
Investments & Asset Management	69.36%	21.06%	18.70%	52.08%	19.23%	30.64%	0.52%	33.38%	1.54%
Machinery	34.84%	9.62%	17.52%	36.87%	19.63%	65.16%	2.10%	19.35%	1.01%
Metals & Mining	24.10%	2.01%	33.66%	38.37%	33.82%	75.90%	0.16%	4.71%	0.64%
Office Equipment & Services	37.24%	4.91%	11.90%	38.14%	14.06%	62.76%	2.16%	26.25%	1.66%
Oil/Gas (Integrated)	35.73%	6.76%	19.41%	29.18%	19.78%	64.27%	0.37%	9.77%	0.87%
Oil/Gas (Production and Exploration)	58.64%	8.51%	51.42%	59.92%	51.47%	41.36%	0.06%	8.50%	1.05%
Oil/Gas Distribution	40.59%	4.27%	30.63%	37.66%	30.63%	59.41%	0.00%	7.03%	1.32%
Oilfield Svcs/Equip.	10.82%	-2.60%	8.30%	12.48%	8.69%	89.18%	0.39%	4.18%	1.13%
Packaging & Container	23.20%	4.66%	15.92%	25.97%	16.36%	76.80%	0.43%	10.05%	1.14%
Paper/Forest Products	16.41%	0.85%	12.42%	20.81%	12.54%	83.59%	0.12%	8.39%	0.50%
Power	40.63%	6.41%	31.74%	34.16%	31.75%	59.37%	0.00%	2.42%	1.78%
Precious Metals	43.22%	19.37%	30.45%	37.89%	31.77%	56.78%	1.32%	7.44%	0.74%
Publishing & Newspapers	39.45%	-1.64%	11.24%	38.92%	11.45%	60.55%	0.21%	27.68%	1.67%
R.E.I.T.	58.33%	15.17%	49.64%	59.02%	49.65%	41.67%	0.01%	9.39%	2.71%
Real Estate (Development)	29.78%	6.65%	13.78%	23.97%	13.78%	70.22%	0.00%	10.19%	0.53%
Real Estate (General/Diversified)	74.76%	19.75%	47.19%	93.85%	47.19%	25.24%	0.00%	46.66%	1.66%
Real Estate (Operations & Services)	37.14%	3.59%	8.32%	36.74%	8.45%	62.86%	0.12%	28.42%	1.74%
Recreation	38.02%	1.15%	13.05%	37.36%	15.99%	61.98%	2.94%	24.31%	1.78%
Reinsurance	21.12%	3.95%	6.02%	6.36%	6.02%	78.88%	0.00%	0.33%	0.26%
Restaurant/Dining	30.49%	10.57%	20.30%	30.19%	20.31%	69.51%	0.00%	9.88%	5.42%
Retail (Automotive)	21.63%	3.55%	6.69%	22.00%	6.69%	78.37%	0.00%	15.31%	1.66%
Retail (Building Supply)	34.00%	6.45%	13.14%	34.43%	13.16%	66.00%	0.03%	21.30%	1.61%
Retail (Distributors)	29.27%	4.51%	9.18%	28.35%	9.19%	70.73%	0.01%	19.17%	1.47%
Retail (General)	24.79%	2.44%	6.42%	26.55%	6.42%	75.21%	0.00%	20.13%	0.87%
Retail (Grocery and Food)	23.38%	1.44%	4.60%	23.60%	4.60%	76.62%	0.00%	19.00%	0.84%
Retail (Online)	45.25%	4.57%	11.38%	38.63%	21.86%	54.75%	10.48%	27.24%	1.23%
Retail (Special Lines)	30.40%	3.31%	8.01%	32.22%	8.11%	69.60%	0.10%	24.21%	4.59%
Rubber& Tires	20.66%	1.26%	12.27%	27.52%	15.03%	79.34%	2.76%	15.25%	2.12%
Semiconductor	56.04%	19.42%	41.03%	50.62%	59.63%	43.96%	18.60%	9.58%	0.61%
Semiconductor Equip	42.82%	15.92%	25.66%	36.71%	37.63%	57.18%	11.97%	11.06%	0.60%
Shipbuilding & Marine	23.00%	2.52%	14.93%	24.23%	14.93%	77.00%	0.00%	9.30%	5.73%
Shoe	45.22%	10.48%	13.21%	45.76%	13.31%	54.78%	0.10%	32.55%	2.47%
Software (Entertainment)	64.46%	20.53%	29.20%	53.55%	46.31%	35.54%	17.11%	24.35%	0.98%
Software (Internet)	62.64%	2.07%	18.71%	54.66%	32.72%	37.36%	14.00%	35.95%	2.23%
Software (System & Application)	71.37%	19.54%	28.18%	59.41%	45.42%	28.63%	17.25%	31.24%	1.60%
Steel	16.28%	5.98%	13.01%	19.83%	13.10%	83.72%	0.09%	6.82%	0.54%
Telecom (Wireless)	57.96%	0.79%	30.07%	57.81%	30.26%	42.04%	0.19%	27.75%	7.25%
Telecom. Equipment	55.74%	12.55%	23.70%	45.68%	36.69%	44.26%	12.99%	21.98%	1.00%
Telecom. Services	55.71%	4.27%	33.93%	55.68%	34.33%	44.29%	0.41%	21.75%	3.03%
Tobacco	59.95%	16.84%	41.57%	62.02%	42.74%	40.05%	1.17%	20.45%	0.79%
Transportation	18.49%	3.79%	8.82%	10.82%	8.84%	81.51%	0.02%	2.00%	2.75%
Transportation (Railroads)	51.19%	26.24%	47.87%	47.85%	47.87%	48.81%	0.00%	-0.02%	2.47%
Trucking	23.22%	-8.55%	8.13%	24.16%	14.17%	76.78%	6.05%	16.03%	3.96%
Utility (General)	35.61%	10.58%	27.64%	27.95%	27.66%	64.39%	0.02%	0.31%	0.37%
Utility (Water)	56.36%	15.94%	43.84%	48.12%	43.86%	43.64%	0.02%	4.28%	0.67%
Total Market	**36.32%**	**7.71%**	**15.64%**	**32.23%**	**18.54%**	**63.68%**	**2.90%**	**16.59%**	**1.42%**
Total Market (without financials)	**32.95%**	**6.35%**	**16.59%**	**31.45%**	**19.79%**	**67.05%**	**3.21%**	**14.87%**	**1.40%**

Source: NYU Stern data set, January 2020, accessed May 28, 2020