

COVID-19 Impact on Consumer and Business Sentiment in Vietnam

May 26th 2020

In Partnership with:





MMA IS 800+ MEMBERS STRONG GLOBALLY

MARKETERS, AGENCIES, MEDIA SELLERS, TECHNOLOGY & OPERATORS

					NBCUniversal			
								
								
								
								
								
								
								



MMA PURPOSE

WHO

The People We Serve

Prime Audience: *Chief Marketers*

By helping Marketers do Mobile better, everyone wins. MMA membership represents Marketers, Agency, Media and Technology Enablers from across the globe.

WHY

Our Reason for Being

Mission: To accelerate the transformation and innovation of marketing through mobile, driving business growth with closer and stronger consumer engagement.

WHAT

Our Strategic Priorities



Cultivating Inspiration

Aimed at the Chief Marketer; guiding best practices and driving innovation



Building Capability for Success

Fostering know-how and confidence within the Chief Marketer's organization



Demonstrating Measurement and Impact

Proving the effectiveness and impact of mobile through research providing tangible ROI measurement and other data







Advocacy

Working with partners and our members to protect the mobile marketing industry



MMA: RESHAPING THE FUTURE OF MOBILE MARKETING

 Mobile ROI Research	 Marketing Attribution Think Tank	 To Rethink Mrktg Org	 Marketer Brand Safety Council
Industry Working Groups Driving the Future of Marketing & Mobile	Guidelines & Best Practices Viewability, Location, Native	MM25 Marketer Peer Group Tackling Core Issues for Marketers	Shared Knowledge of 800+ Members Entire Mobile Ecosystem Worldwide
SMARTIES Awarding Best in Class Mobile Campaigns	CEO & CMO Summit Annual Mobile Think Tank	1,000+ Mobile Case Studies Inspiring Creative Innovation	30+ MMA Events Spread across 20 Countries



UPCOMING WEBINARS

- ≡ May 26 – Covid 19 Impact on Consumer and Business Sentiment in Vietnam (Vietnam)
- ≡ May 26 – Facebook : Social Commerce: The Next Normal?
- ≡ May 27 - McKinsey : Covid19 Perspectives & implications for consumer & retail
- ≡ May 28 - Swiggy & Zeotap Fireside chat: unpack customer intelligence
- ≡ May 29 – Winning Tet 2021 post-pandemic (Vietnam)
- ≡ May 29 - **There Is No Playbook For This.....** Creativity & Content
- ≡ June 5 - Next-Gen Creator Marketing: Influencing At Scale & New Audience Post Crisis (Vietnam)
- ≡ June 5 - **There Is No Playbook For This.....** Digitisation & Consumption



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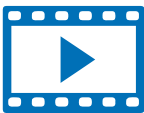





MMA PROGRAMS & INITIATIVES



Our programs and working groups consist of executives who discuss key issues for a specific industry segment, technology or business issue. The programs and working groups meet on an ongoing basis to develop and execute industry initiatives that reflect the needs of their initiative area and membership.

 Currency Measurement	 Internet of Things	 Location	 Mobile Games	 Mobile Messaging
 Mobile Native Advertising	 Mobile Programmatic	 Mobile Shopper Marketing	 Mobile Video	 Privacy



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MANAGING YOUR QUESTIONS

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#MMAWeb

Speakers



Rajiv Lamba
Global Managing Director
SurveySensum

Moderator/Host



Rohit Dadwal
Managing Director
Mobile Marketing Association
APAC



Phan Bich Tam
Country Manager
Mobile Marketing Association
Vietnam, Myanmar &
Cambodia



SurveySensum Research Coverage - Vietnam

Consumer Survey - Vietnam

Sample Size: 600

Method: Online Survey across Vietnam

Areas Covered: Hanoi, Hai Phong, Da Nang, Nha Trang, HCMC, Can Tho, Northern Provinces, Central Provinces, South Provinces

Monthly Household Income: 20 Million VND +, 6.5 million – 20 million VND, Less than 6.5 million VND

Gender: Males & Females

Age: 15+

Length of Interview: 15 minutes

FW Timeline: 28 April– 4th May

Business Survey - Vietnam

Sample Size: 66 B2B Respondents

Sectors Covered: FMCG, Telecom, e commerce, Media, Auto, Insurance, Banking, Manufacturing

Roles: CEO, VP, Directors, Senior Managers & Junior Managers

Department: Marketing, Sales, Research, Media, Innovation, Finance & Product Development

FW Timeline: 1st – 20th April

01

Methodology

Mobile online survey

Data collection

The survey was distributed via an ad banner to a significant audience base of Zalo ecosystem (90% of Vietnam internet users) across sites including Zalo, Baomoi, Zing News, Zing MP3 and Zing TV.

02



03

Target Audiences

Adults 15+, nationwide

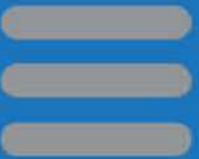
Male & Female (50% : 50%)

Sample achieved: 265

Fieldwork time

28 Apr - 4 May 2020

04



In addition to our research, this document summarizes findings from various data sources and reports



KANTAR





Our Agenda

1. Consumer Sentiment
2. Manufacturer Sentiment
3. Impact on Consumption Behaviour
4. Impact on Media Habits
5. How Brands are responding
6. Opportunities Ahead

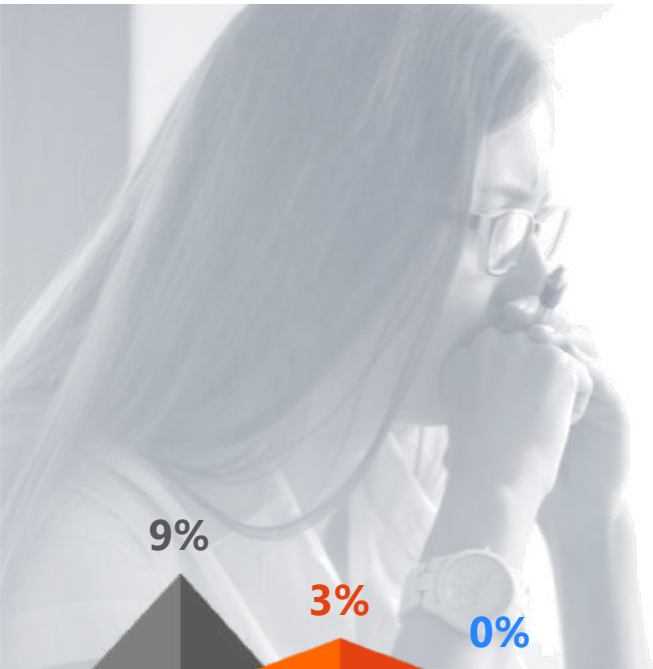


1

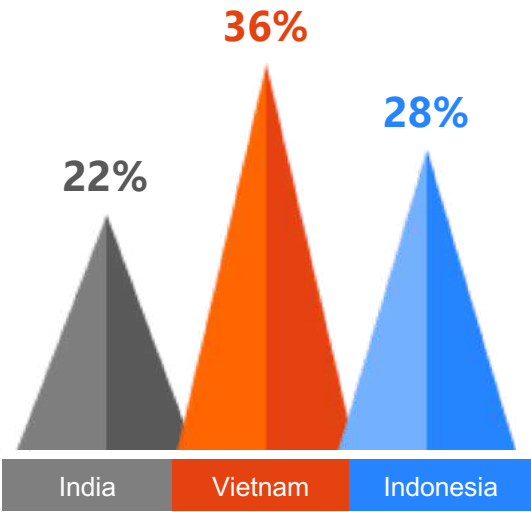
CONSUMER SENTIMENT IN VIETNAM



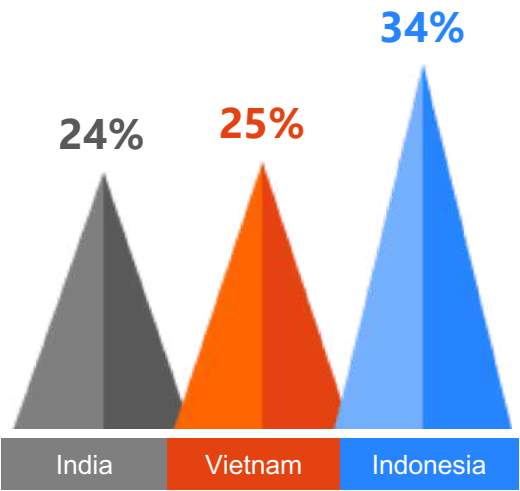
Consumers in Vietnam are less worried compared to rest of APAC



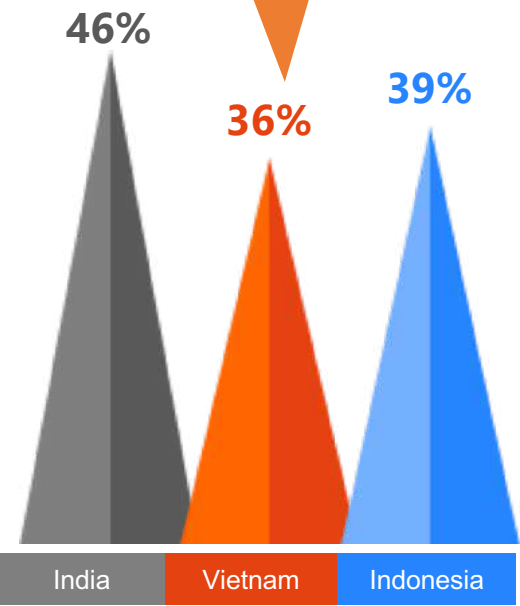
I am not worried at all



I am not worried but somewhat cautious



I am somewhat worried



I am extremely worried

*Key Differences
Upper Income: 29%
Middle Income: 36%
Lower Income: 38%

Source: SurveySensum Internal Study : APAC

|| Vietnamese consumers are also most optimistic for a recovery

Average Expected Time for things to get normal



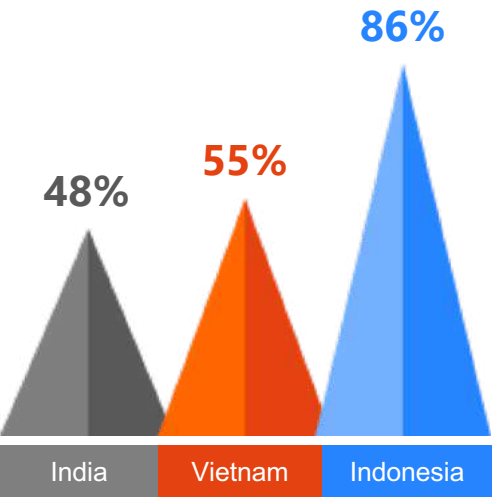
*Key Differences
Highest Among 25 to 34 y.o. : 3 months

Source: SurveySensum Internal Study

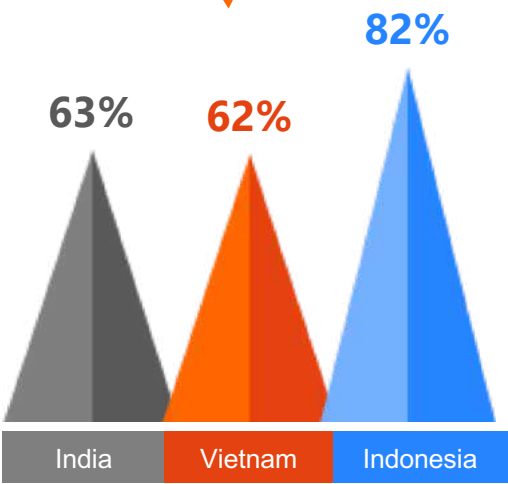


While Vietnamese consumers have lower level of concern compared to APAC, loss of Job is biggest concern for Vietnamese consumers.

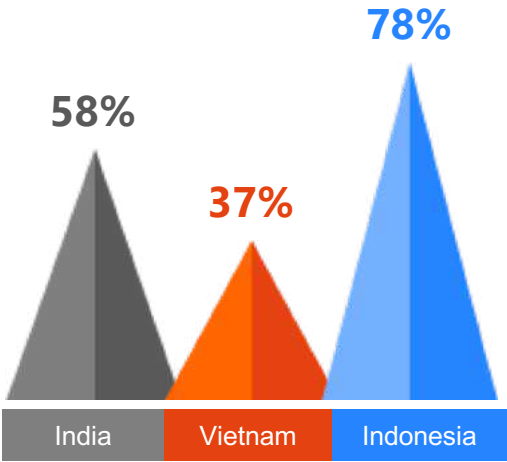
Highest Among:
25 to 34 y.o.: 68%



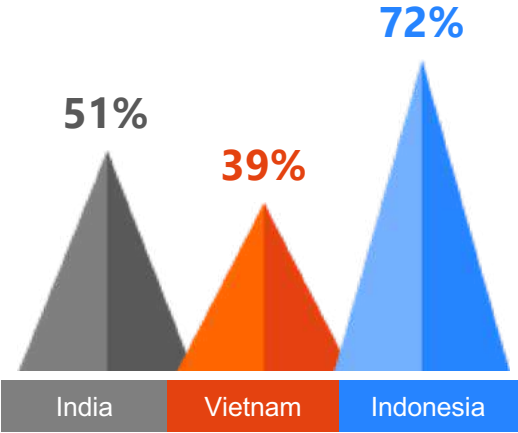
Me or my family members will catch Coronavirus



Me or my family members will lose job/ face losses in business



There will be shortage of essential supplies



I will be Socially Out-casted if I catch COVID

Source: SurveySensum Internal Study

Do you think COVID-19 impact will fade away and situation will normalize in 2 months?

☐ Yes

☐ No

Please use Poll Option on your screen to answer.



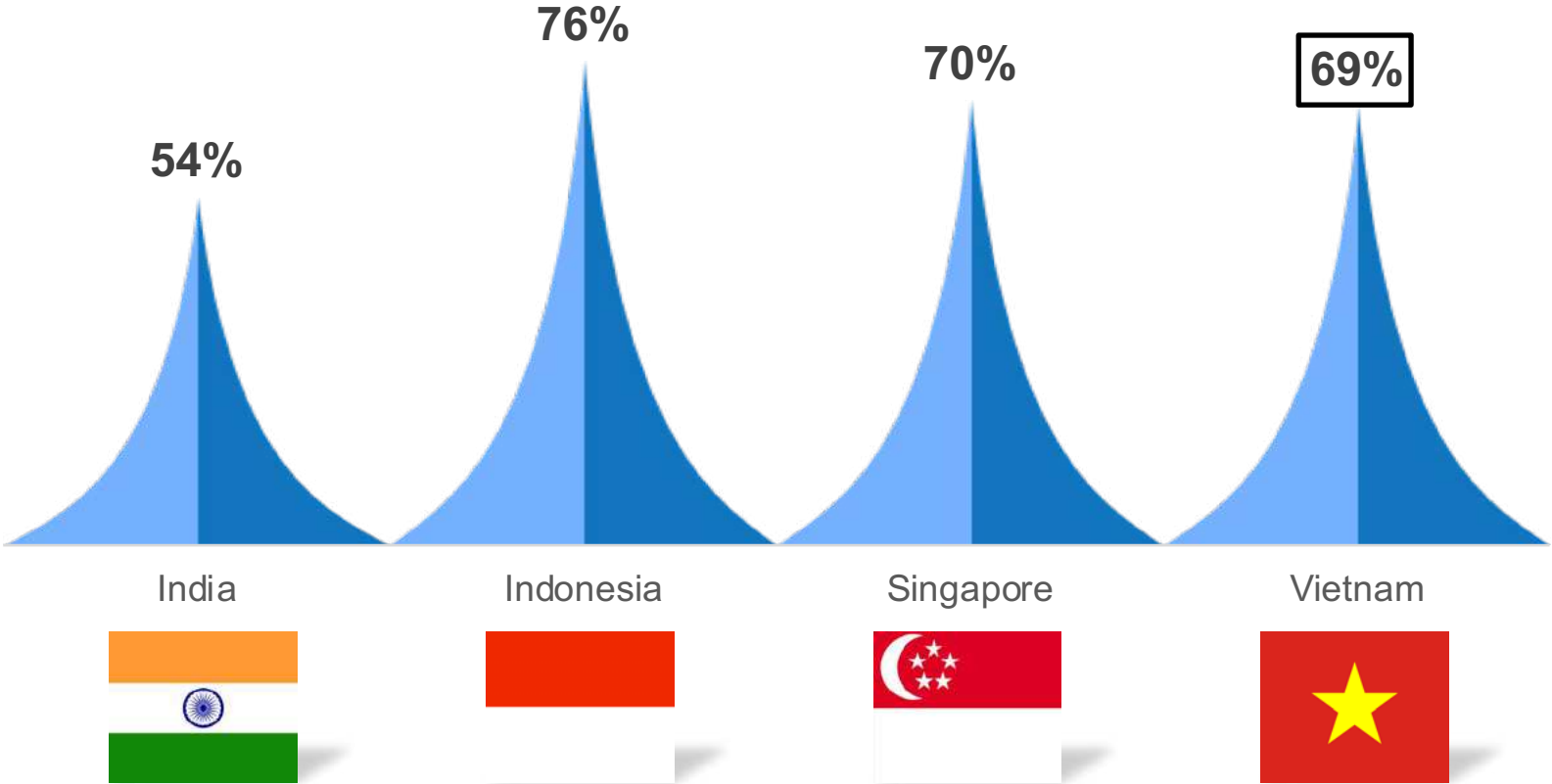
2

COVID IMPACT ON BUSINESSES IN VIETNAM



More than two-third of Business in Vietnam have felt disruption due to COVID-19

Disruption
In Daily
Business
Activities

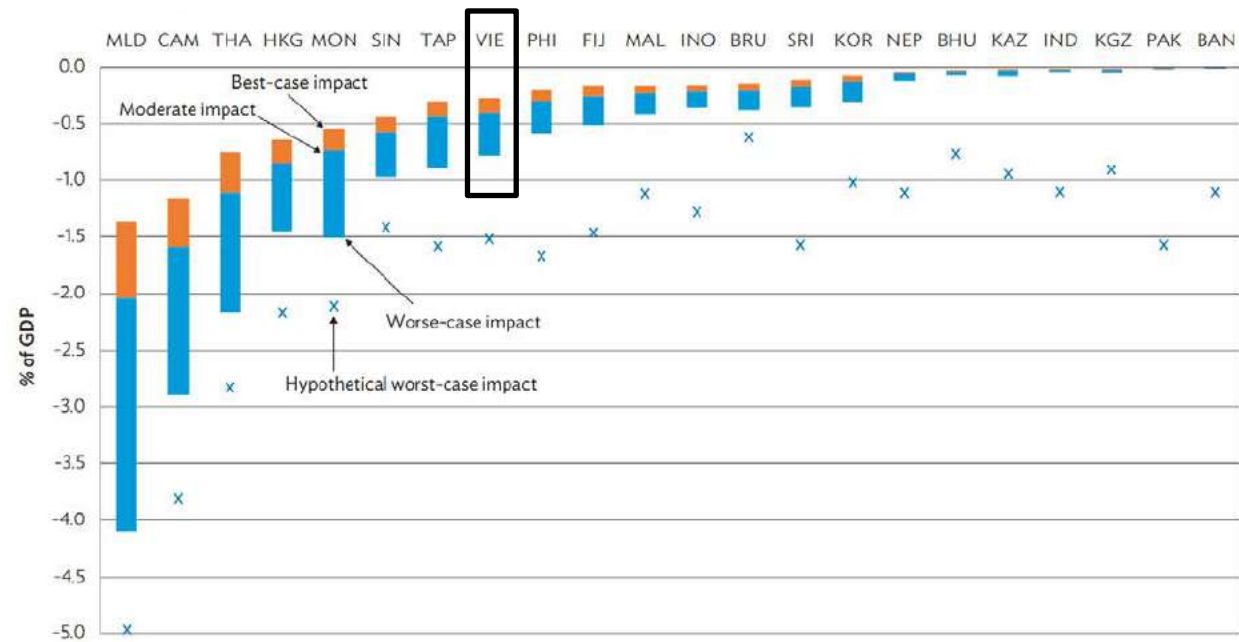


Q. How has COVID-19 disrupted your organization's day to day activities? Scale (1-5) : T2B
20

Source: SurveySensum Study on Business Respondents : APAC

Economic forecast paints a grim picture of days coming ahead for Asia. Vietnam is also expected to see stress

Impact of COVID-19 as a % of GDP of Asian Economies
By Asian Development Bank



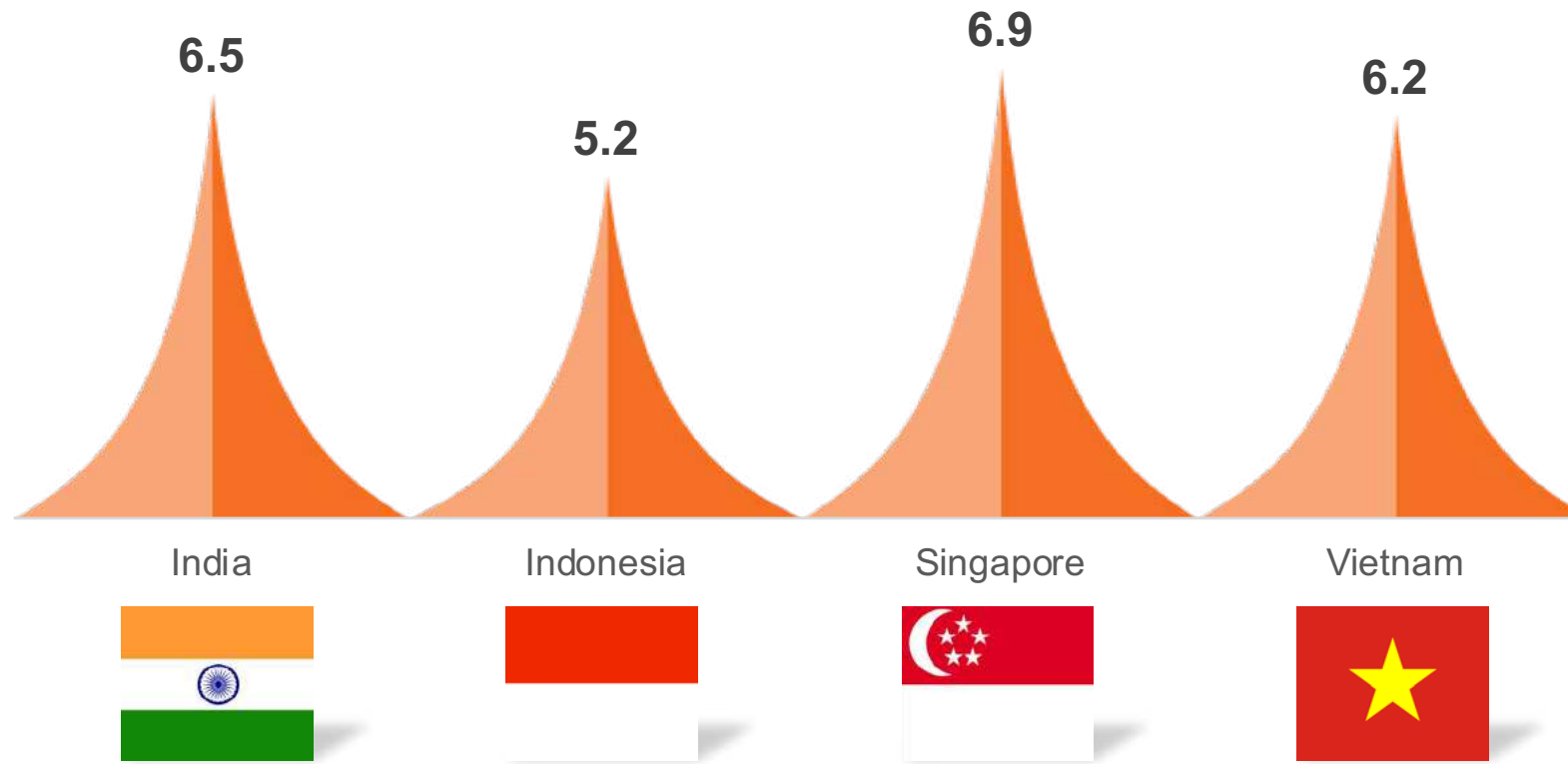
BAN = Bangladesh; BHU = Bhutan; BRU = Brunei Darussalam; CAM = Cambodia; FIJ = Fiji; HKG = Hong Kong, China; IND = India; INO = Indonesia; KAZ = Kazakhstan; KGZ = Kyrgyz Republic; LAO = Lao People's Democratic Republic; MAL = Malaysia; MLD = Maldives; MON = Mongolia; NEP = Nepal; PAK = Pakistan; PHI = Philippines; ROK = Republic of Korea; SIN = Singapore; SRI = Sri Lanka; TAP = Taipei, China; THA = Thailand; VIE = Viet Nam.

Purchasing Managers Index (PMI) -
Vietnam



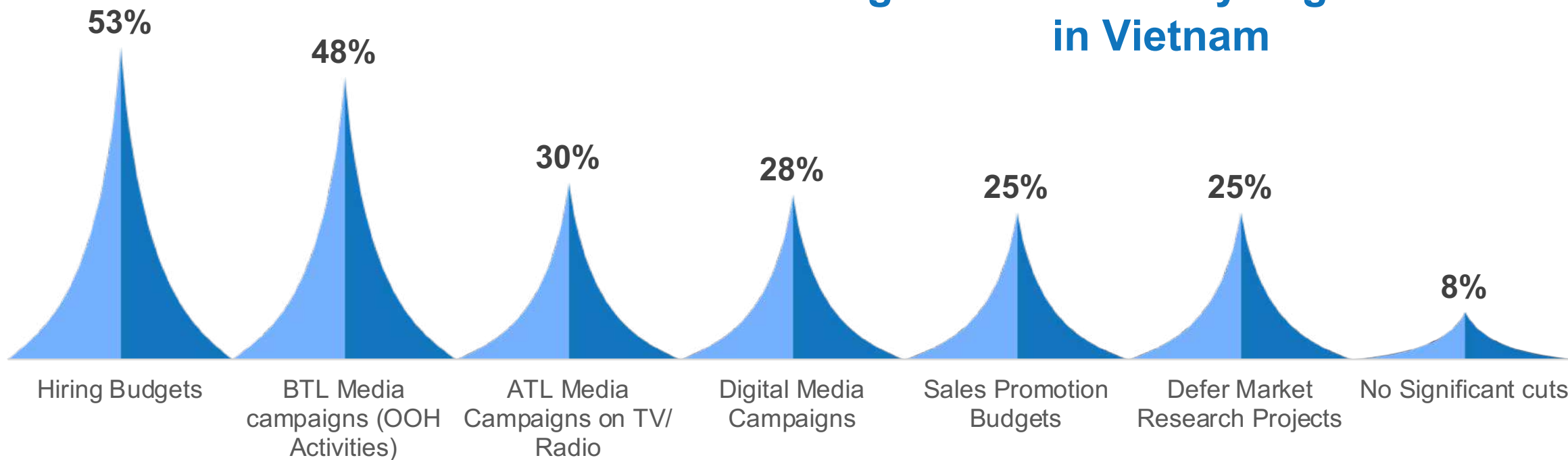
Businesses expect disruption to continue for a long period.
Vietnamese businesses estimate normalization after 6 months

Expected time for Situation to Normalize



Hiring and BTL activities have been the most impacted

Budget Cuts Taken by Organizations in Vietnam

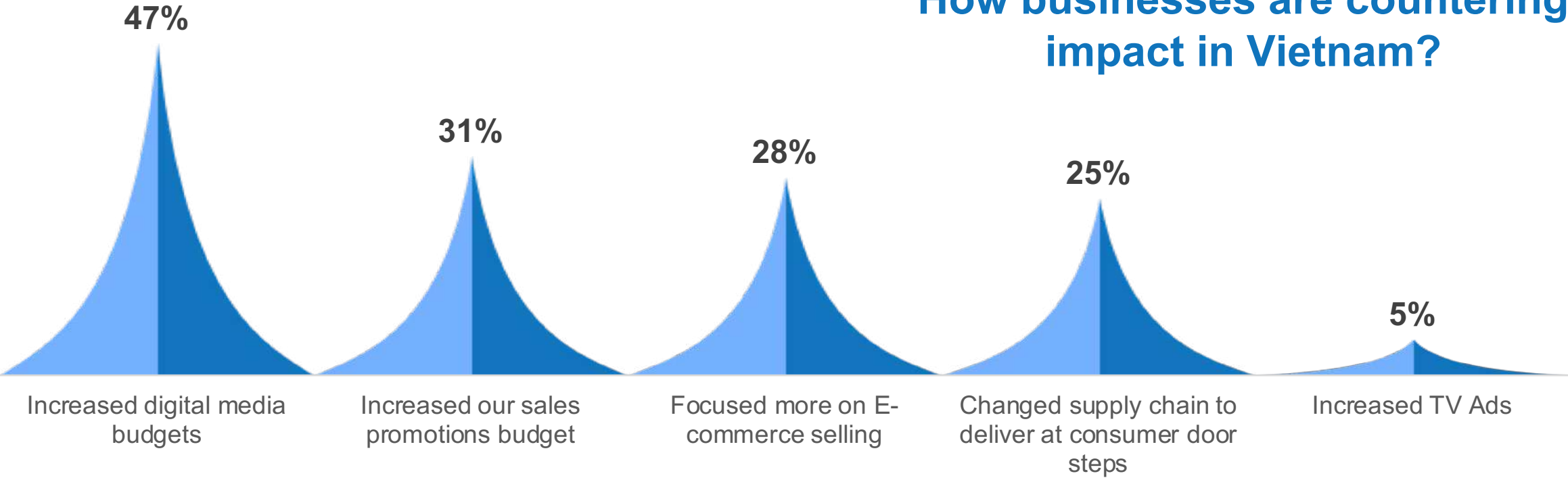


Q9. What kind of budget cuts or postponement have your organization taken due to COVID-19? (MA)



Businesses have taken digital & promo route to counter COVID-19 impact

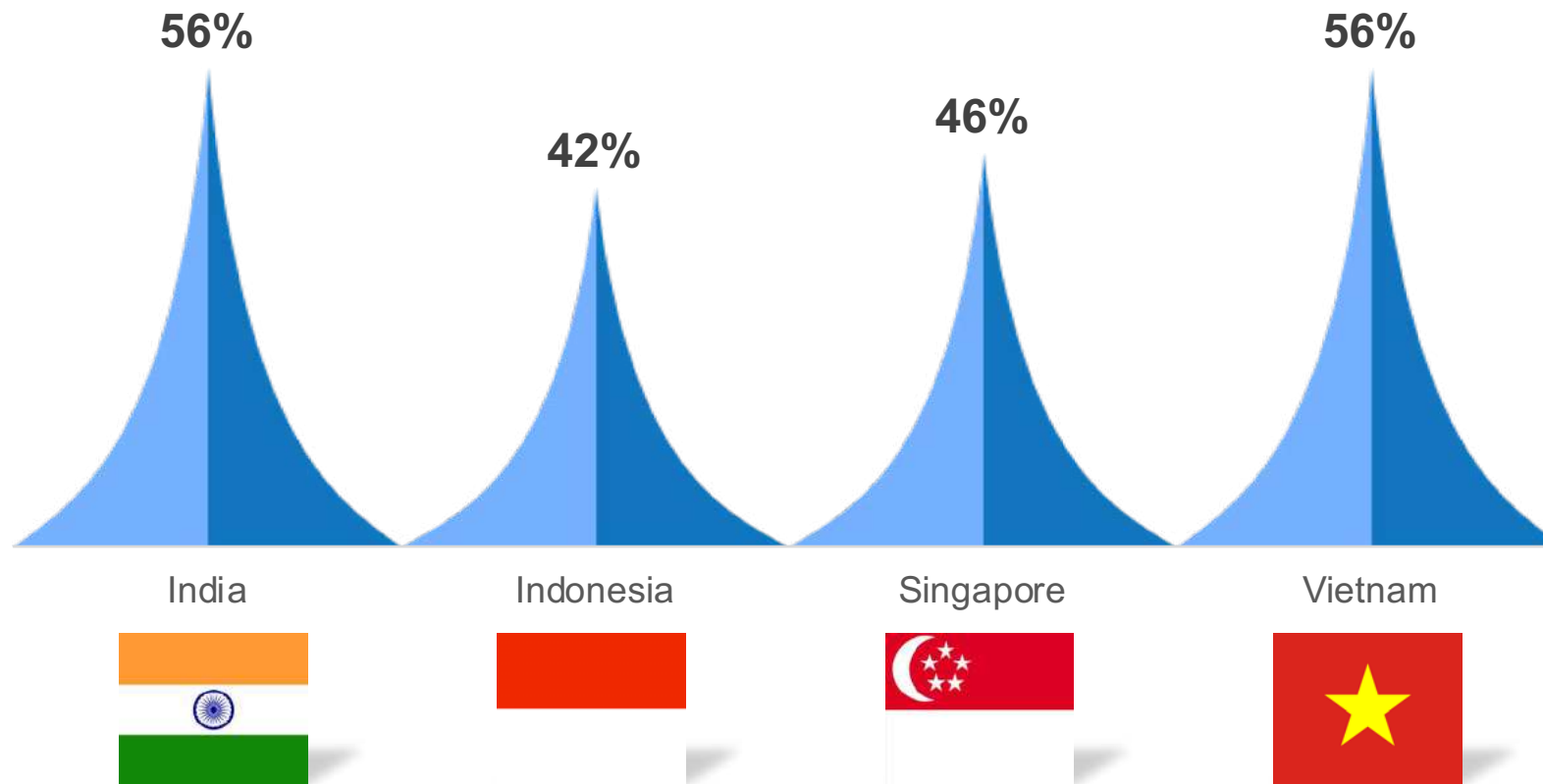
How businesses are countering impact in Vietnam?



Q10. How your organization is coping with COVID-19 disruption to reach consumer in different ways? (MA)

Businesses in Vietnam believe in importance of Online Community & Web influencers

Online Communities & Web Influencer will play a big role in consumer decision journey



Quiz Time #2

Do you think Digital Marketing spend will go up in your organization in future?

- ☐ **Will increase 20%**
- ☐ **Will increase by 21% to 40%**
- ☐ **Will Increase 41% or More**
- ☐ **Digital Spends will remain the same**



3

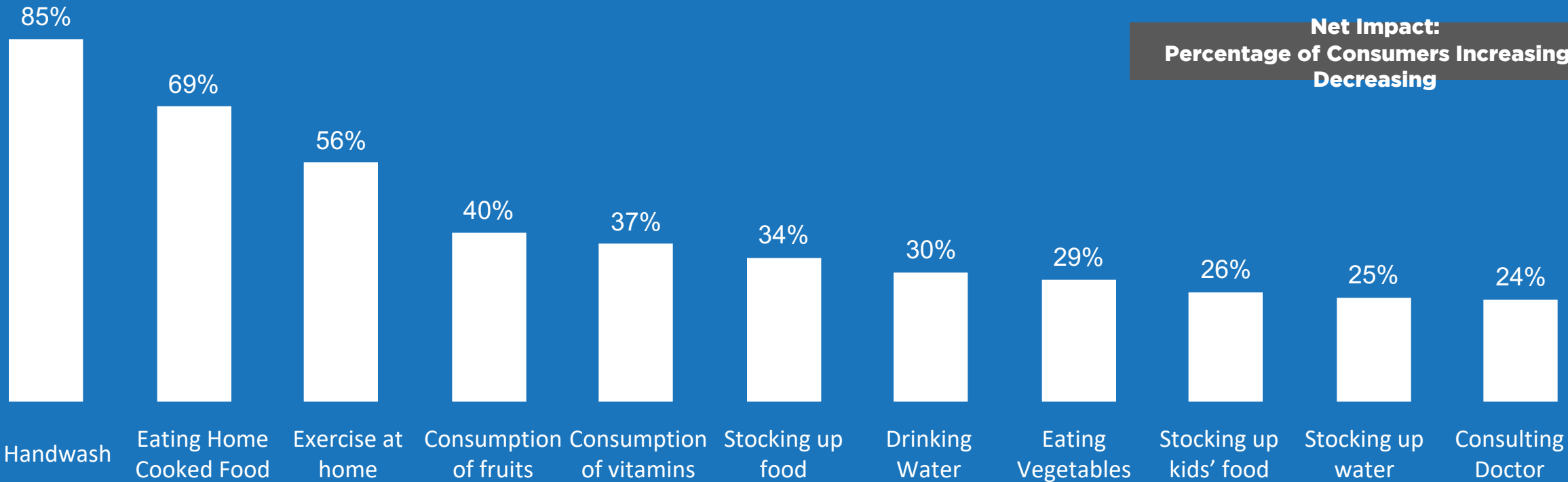
IMPACT ON CONSUMPTION BEHAVIOUR IN VIETNAM



Vietnamese Consumers have shifted to health & hygiene focused lifestyle due to COVID-19

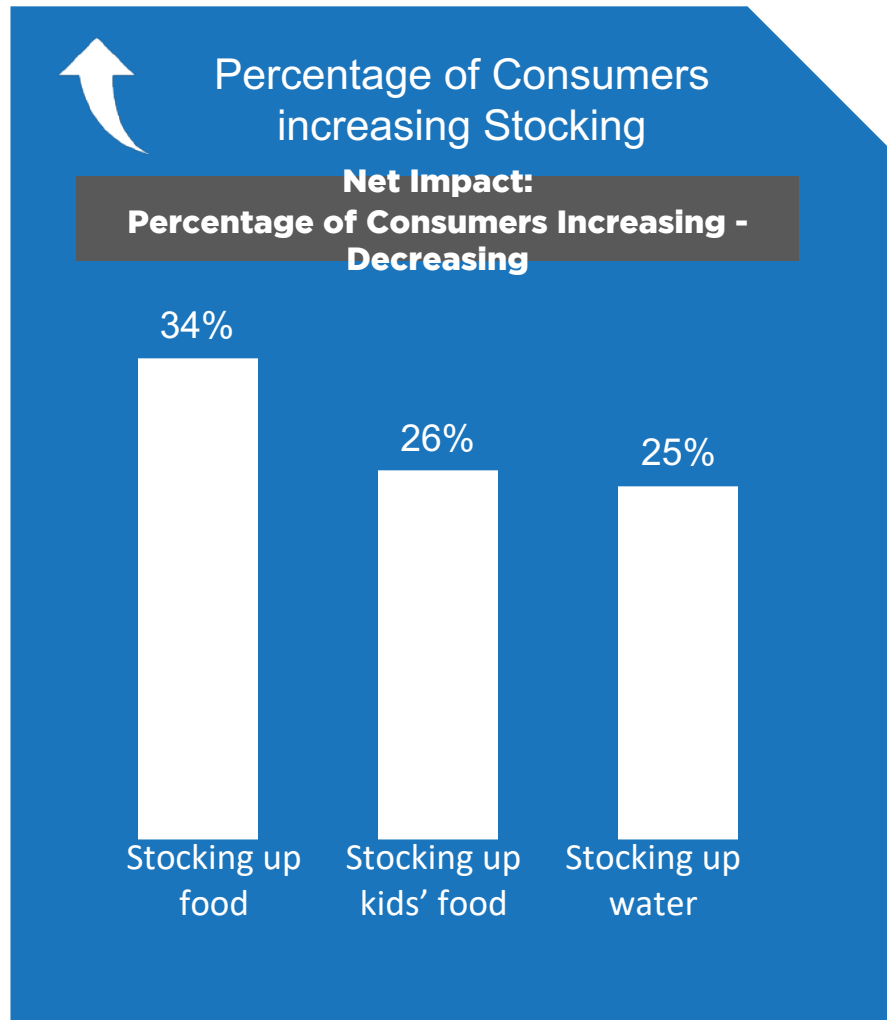


Key Consumption Habits Increasing due to COVID-19 (Percentage of Consumers)



Source: SurveySensum Internal Study

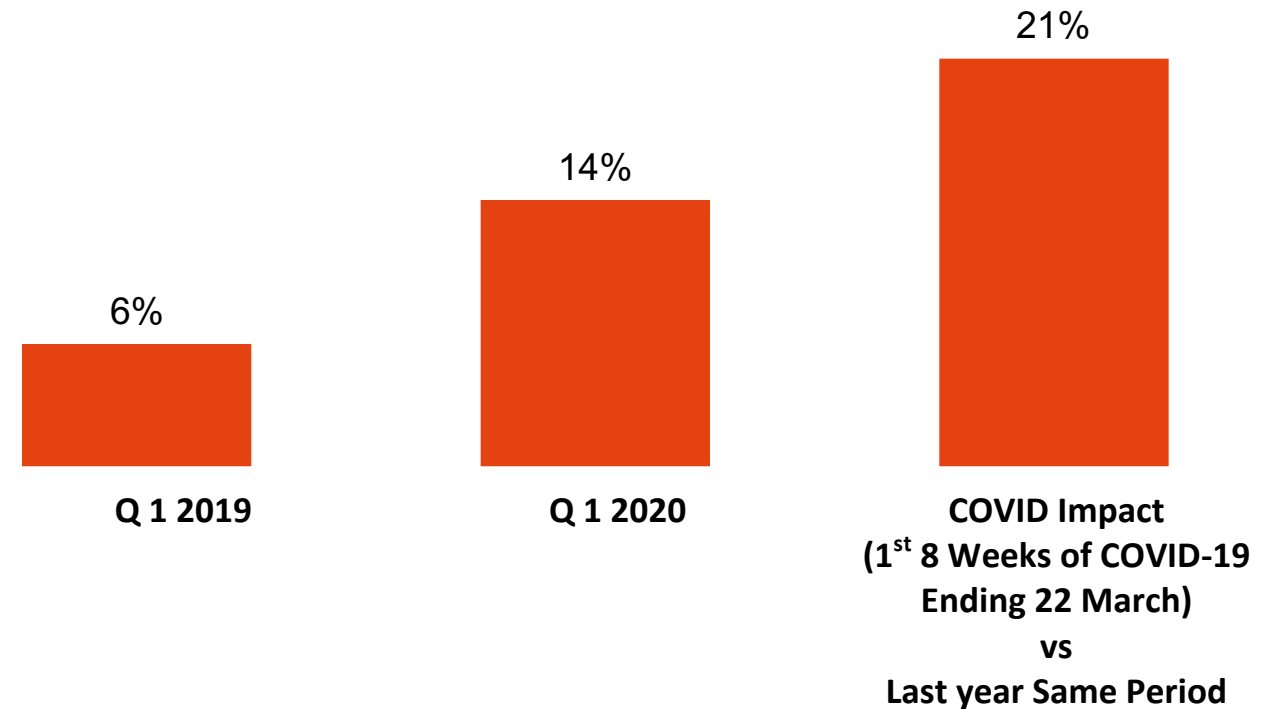
Heavy Stocking observed in Initial weeks of COVID-19



Source: SurveySensum Internal Study

Which of the following activities have been impacted due to Coronavirus?
(Doing Less, Almost Same, Doing More)

FMCG Value Change in Urban 4 Cities Year on Year Change (%)*



*Source : Kantar
Homepanel Data

Travelling has seen biggest decline due to COVID-19



KEY ACTIVITIES DECLINING

Net Impact:
Percentage of Consumers Increasing -
Decreasing

Eating Food
Outside



-70%

Visit to Religious
Places



-66%

Public
Transportation



-59%

Visit to Gyms/ Sports
Hubs



-58%

Gojek/ Grab
Travelling



-57%

Domestic
Travelling



-52%

Travelling via
Private Vehicle



-21%

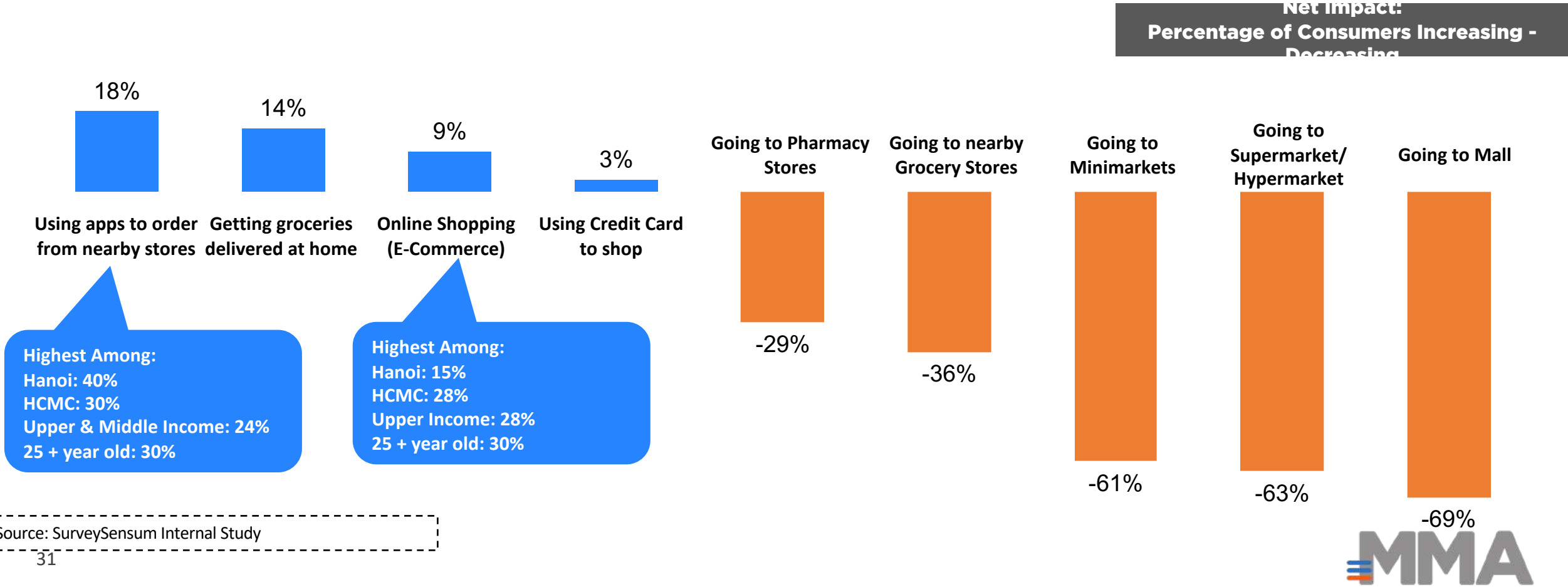
Biggest Negative Impact on
Travel Industry

Source: SurveySensum Internal Study



Online Shopping has seen a significant rise due to COVID-19

Change in Shopping Behavior due to COVID-19 (Percentage of Consumers)

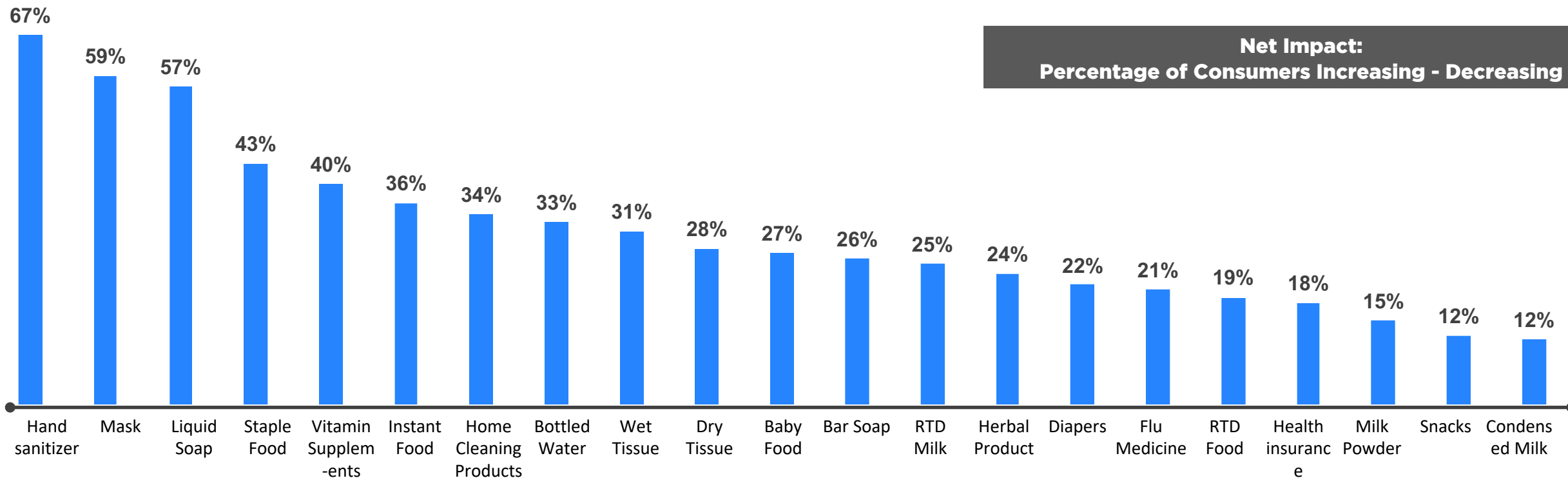


While Vietnam has scaled new peaks in FMCG Online shopping during COVID, it is still low penetrated



*Source : Kantar Homepanel Data

Health & Hygiene related categories have seen biggest jump in purchase





Non Essential & less healthier products have seen a decline in purchase

Change in Shopping Behavior due to COVID-19
(Percentage of Consumers)

Net Impact:
Percentage of Consumers Increasing - Decreasing

Non Alcoholic Sugary Drinks



-3%

Cigarettes



-7%

Make-up/ Cosmetic Goods



-18%

Alcoholic Drinks



-20%

Source: SurveySensum Internal Study



Quiz Time #3

Post COVID-19, do you think consumers will continue to buy more FMCG products Online?

- ☐ Yes
- ☐ No

Please use Poll Option on your screen to answer.



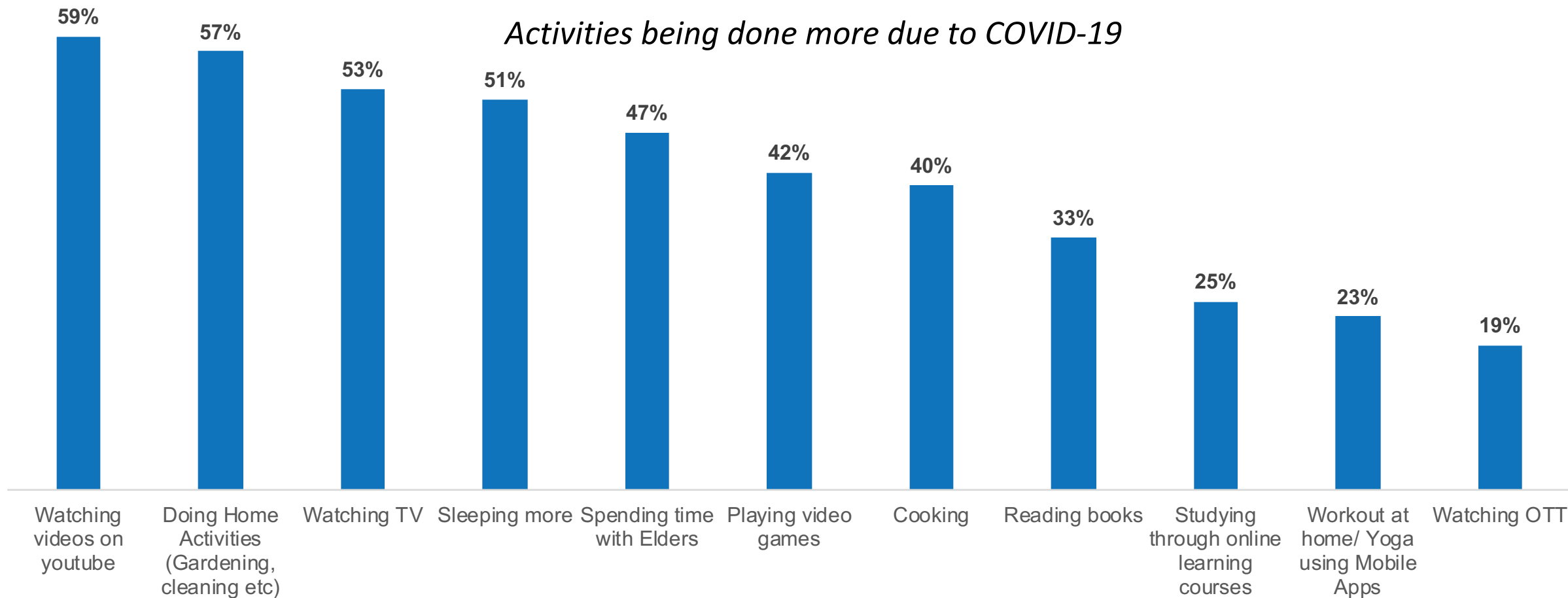
4

CHANGE IN MEDIA BEHAVIOUR IN VIETNAM



Youtube, TV and Home activities have gained most due to COVID-19

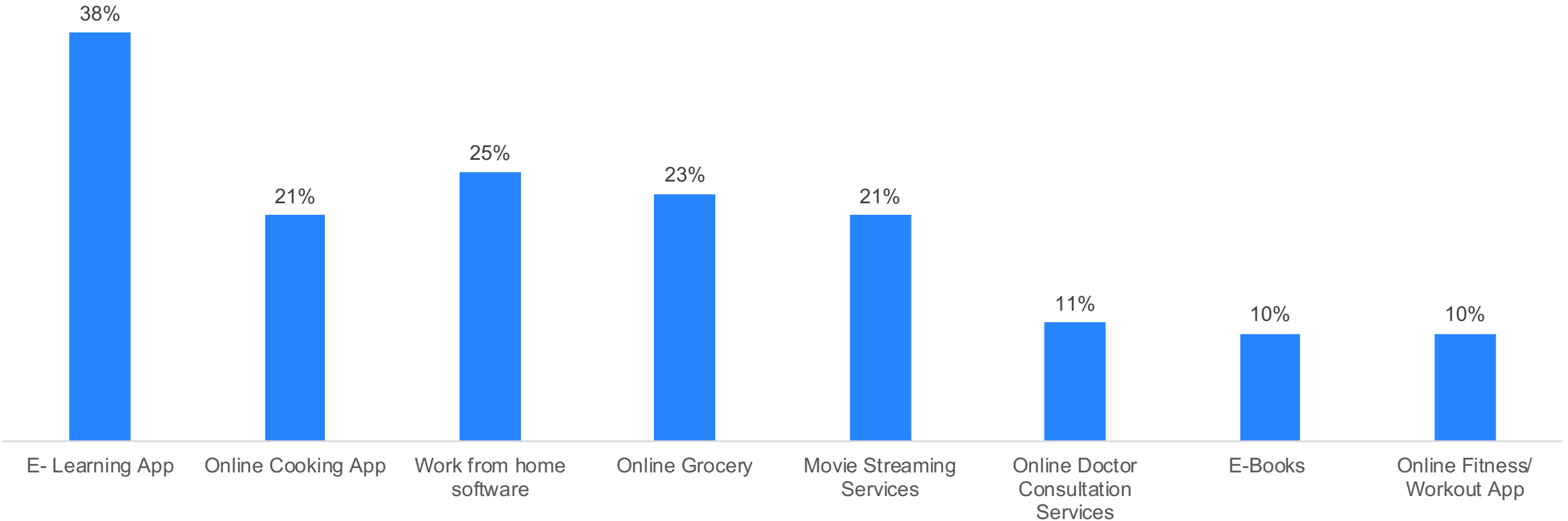
Activities being done more due to COVID-19



Source: SurveySensum Consumer Study

Lockdown has given rise to new digital categories

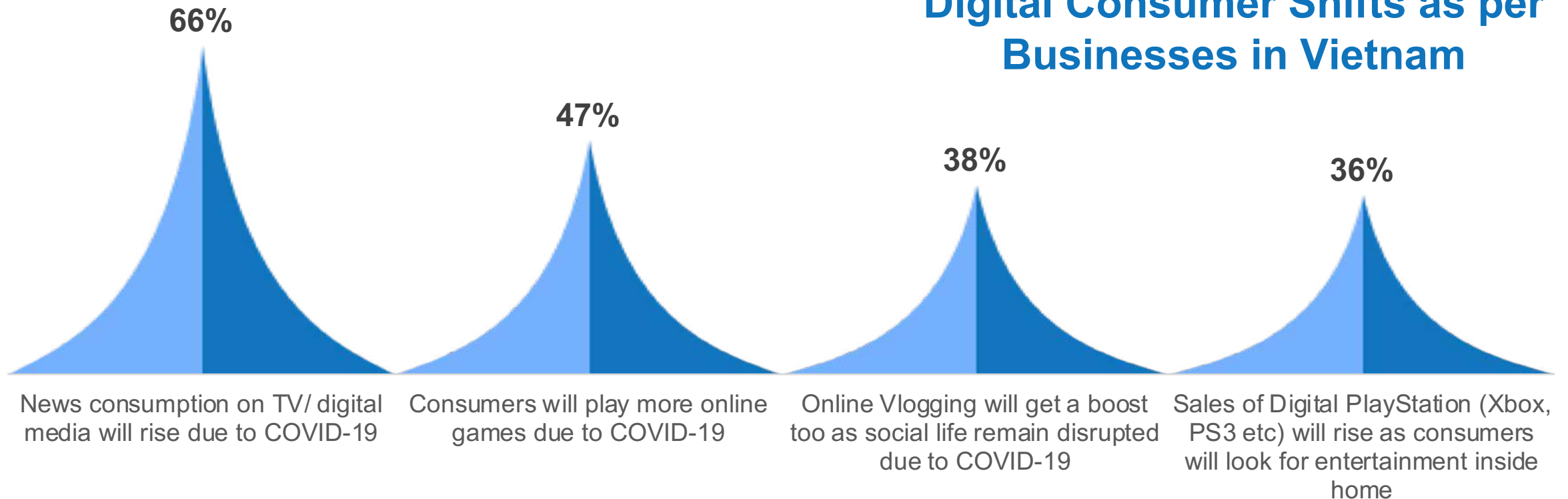
% Consumers Trying Category for 1st time in Past one month



Source: SurveySensum Internal Study on Consumers

**Businesses believe in rise of digital products & services
have taken digital & promo route to counter COVID-19 impact**

**Digital Consumer Shifts as per
Businesses in Vietnam**



Q5. COVID-19 is shifting consumer behavior rapidly. Which of the following do you think best describes change in digital behavior of consumers? (MA)

|| Social Media and Gaming apps are gaining popularity during COVID-19

Trending Up ⓘ

App ⓘ



TikTok



Facebook



Garena Liên Quân Mobile x Cờ LQ



MU Đại Thiên Sứ H5



Real Bike Racing

New in Top 100 List

App ⓘ



ASMR Slicing



Draw Joust!



Mega1: Vui Mỗi Ngày Cùng Hàng N...



StarMaker: Sing with 50M+ Music L...



HAGO - Play With New Friends



Quiz Time #4

Do you think your company has the necessary infrastructure and technology for e-commerce?

☐ Yes

☐ No

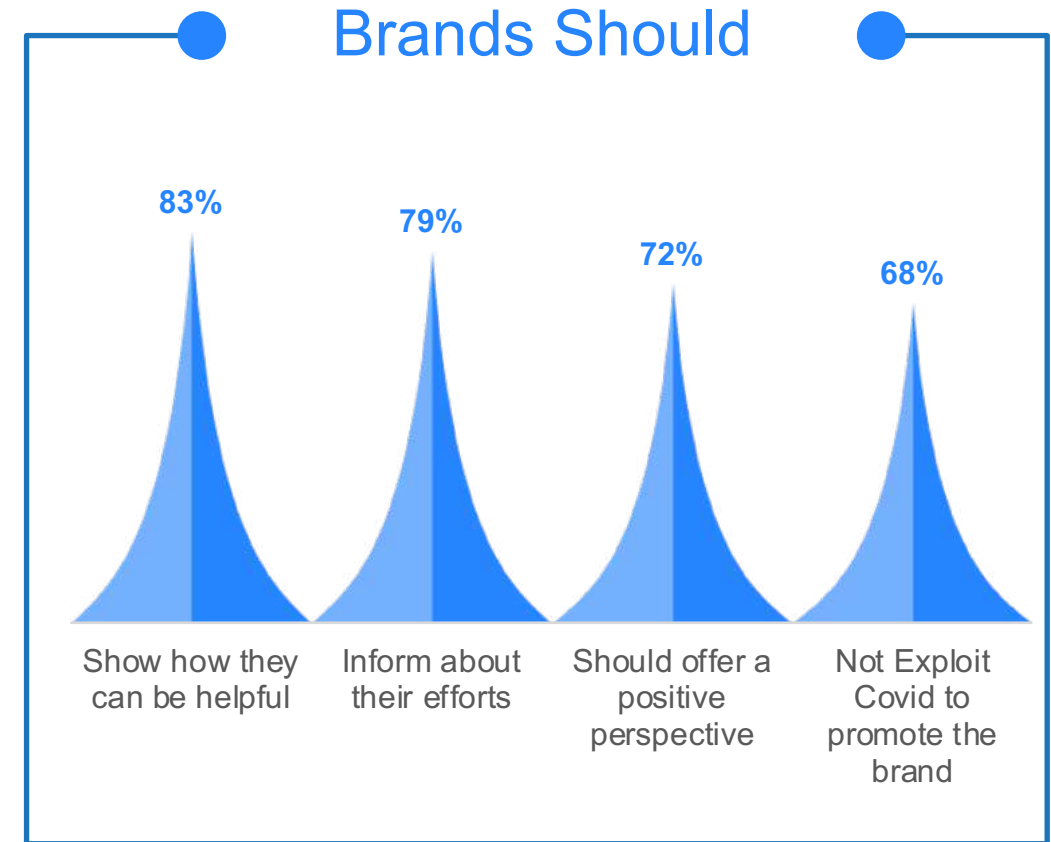
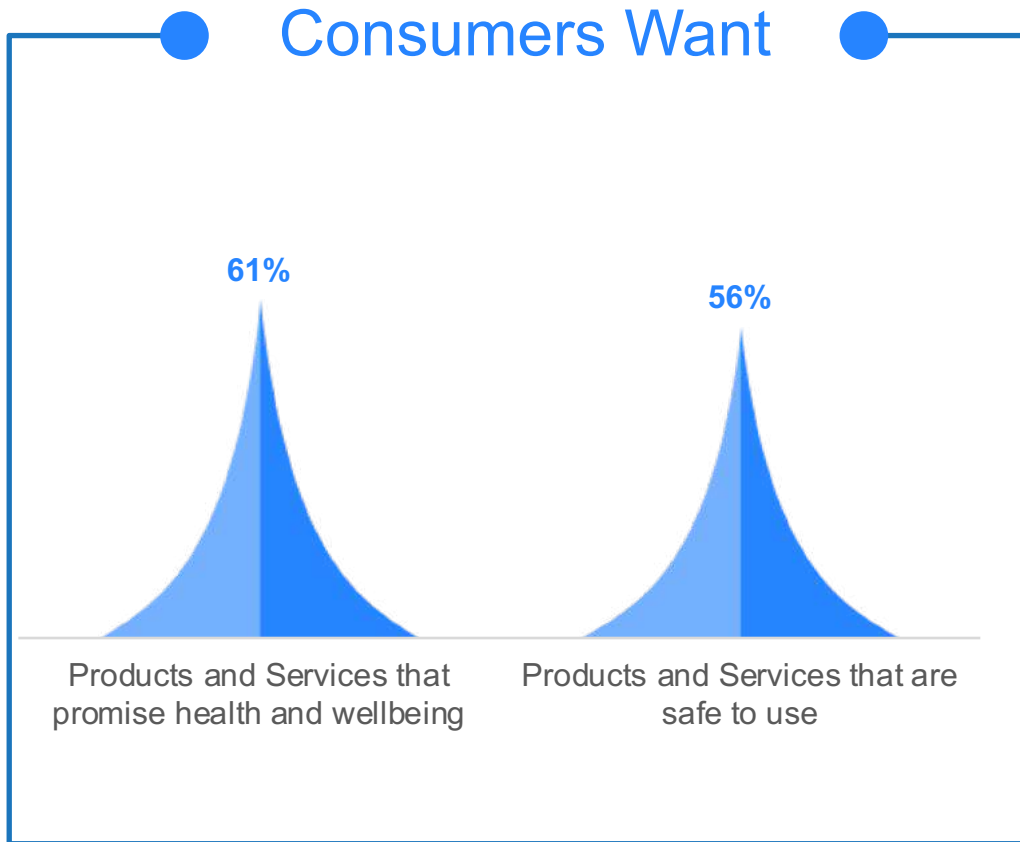
Please use Poll Option on the Screen to Answer



5

HOW BRANDS ARE RESPONDING

What consumers want from Brands?



Be Responsible – CSR Activities



Nestlé Vietnam donates more than US\$515,000 in products and cash

CHÚNG TÔI SẼ TẠM DỪNG CÁC HOẠT ĐỘNG QUẢNG CÁO

Chúng ta đang trải qua thời gian đầy thử thách, Coca-Cola Việt Nam sẽ làm tất cả những gì có thể để hỗ trợ cho cộng đồng.

Từ hôm nay, quảng cáo của công ty cũng như của các nhãn hàng tại Việt Nam sẽ được tạm dừng ít nhất một tháng nhằm tập trung nguồn lực hỗ trợ cho công tác phòng chống và đẩy lùi dịch COVID-19.

Bước đầu, ngân sách hơn 7 tỷ VND sẽ được ủng hộ cho Hội Chữ thập đỏ Việt Nam nhằm cung ứng các vật phẩm y tế, sản phẩm sát khuẩn và thức uống dinh dưỡng cho đội ngũ y bác sĩ và cộng đồng bị ảnh hưởng.

Cùng nhau, chúng ta sẽ tạo nên những thay đổi tích cực.

Coca-Cola



*Donation Ceremony on March 24th - RC received over 7.2B VND from Coca-Cola Vietnam

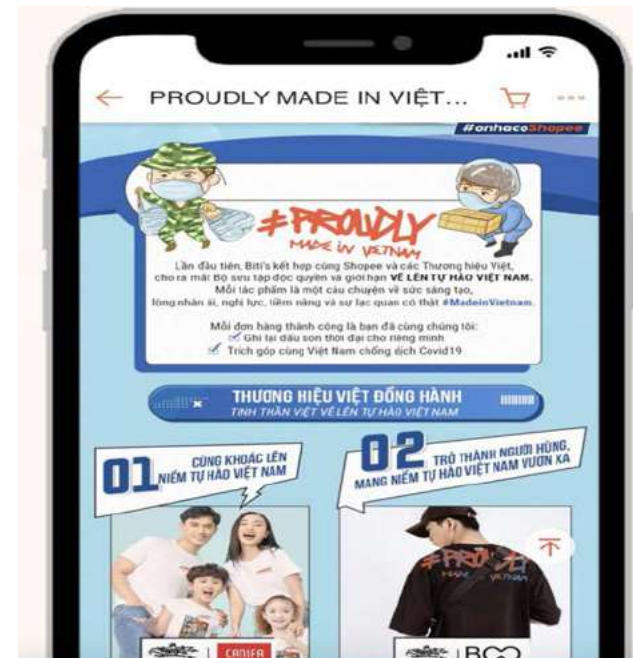


CSR Activities by COKE in Vietnam

Spread Positivity & turn crisis into an opportunity



**California Fitness Gym
Campaign about Hygiene &
Safety Inside Gyms**



**Biti's Hunter capitalized
on trend of Solidarity to
launch "Proudly Made in
Vietnam" Platform**



Preparing for Contactless Future



Grab Contactless delivery



KFC Contactless delivery



6

Opportunities Ahead



COVID impact in Vietnam

Areas

Health

Consumption
Habits

Change in
Behaviour

- Personal Hygiene is on rise
- Vitamins and Herbal are on rise
- Fruit and Vegetables on rise

- Online Grocery is on rise
- E-Commerce at total level is rising but still a big scope to go

COVID impact in Vietnam

Areas

Media
Habits

Work & Education

Change in
Behaviour

- Increase in Online Media: Streaming, Online Games and Social media
- Consumers are actively searching for health-related information

- Increase in Online Work Productivity apps
- Shift to e-learning
- Increase in app-based learning technology platforms

Opportunity 1: Rise of Social Commerce & Conversational Commerce



Source: Facebook Vietnam data

Social Commerce & Conversational Commerce

81% Consumers
message
business

USD
\$ 1-1.2 billion
market

Forming
35%
Of E-commerce Spends

- Brands can start focusing on Social Commerce and Conversational Commerce for future
- Brands in Vietnam has achieved 2-3X impact via leveraging conversational commerce and double digit growth rates
- COVID-19 impacts on Consumption and Purchase behavior will be long lasting and brands need to brace for new DIGITAL normal in post COVID World

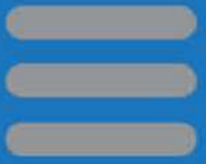


Opportunity 2: Use Crisis as an Opportunity to innovate

Type of Company	Behavior During 2008 Recession	Performance Post Recession
Innovators	R&D Expense: +3.9%	EBIT CAGR: 14%
Laggards	Cut Cost and Stop Innovation	EBIT CAGR: 0%-1%

- Brand needs to focus on innovation keeping in mind behavioral changes due to COVID-19
- Reinvent Supply Chains to serve consumer Digitally and delivering on their doorstep



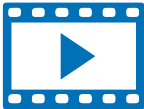







Gartner Study on Companies Behavior Since 2008



QUESTIONS?



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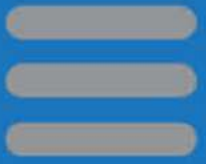
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Thank You!