

Impact of COVID-19 on Consumer Behavior in Indonesia

MMA Webinar Series April 03, 2020





MMA's Purpose

WHO (The People We Serve):

Prime Audience: Pioneering Chief Marketers

WHY (Our Reason for Being):

Purpose: To enable marketers to drive innovation and enduring business value in an increasingly dynamic and mobile-connected world.

WHAT (Our Strategic Priorities):

- 1. Measurement & Business Impact: Drive marketing effectiveness and the future of measurement for sustainable business growth
- 2. Marketer Org Development: Redefine marketing organization dynamics and future capabilities needed in a data and device connected world
- 3. Inspiration: Lead marketing innovation and creative effectiveness/impact for mobile and emerging technologies
- 4. Advocacy: Establish standards and self-regulatory guidelines to improve consumer trust and confidence in marketing and connected devices





Presenter





Rajiv Lamba Founder and CEO Neurosensum & SurveySensum

Moderator



Rohit Dadwal Managing Director Mobile Marketing Association Asia-Pacific, Ltd.





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





SurveySensum Research Coverage



Consumer Survey

Sample Size: 500

Male: 50% Female: 50%

Method: SMS/ WhatsApp Surveys



Business Survey

Sample Size: 80 B2B Respondents

Sectors Covered: FMCG, Telcom, 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: 29th – 30th March





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





















Executive Summary



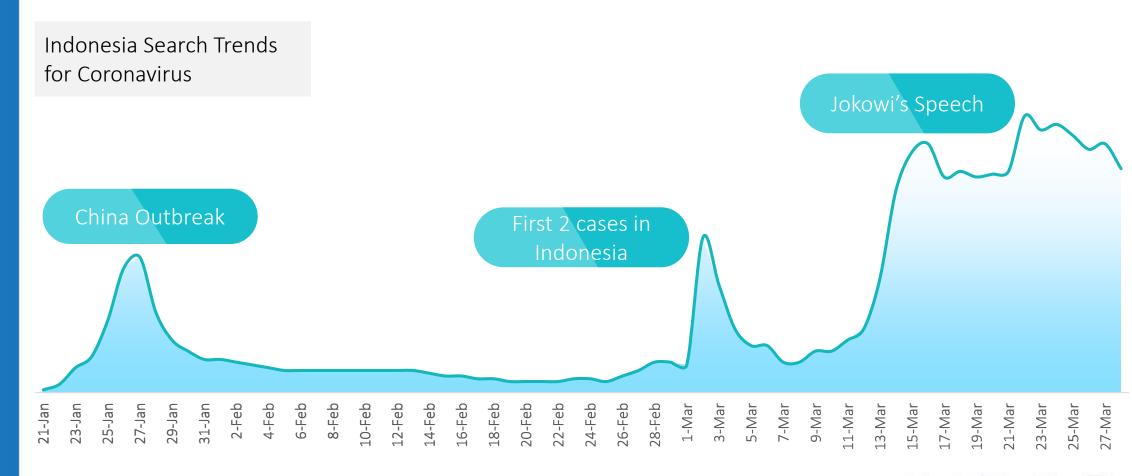
- Anxious but Optimistic consumers
 - Impact will last for 2 months
- Worried about financial stability
 - Economy
 - Financial Stability
 - Ostracized
 - Saving more
- Social conversations about Coronavirus started early March following Outbreak in China





Coronavirus search peaked 3rd week of surveysensum March





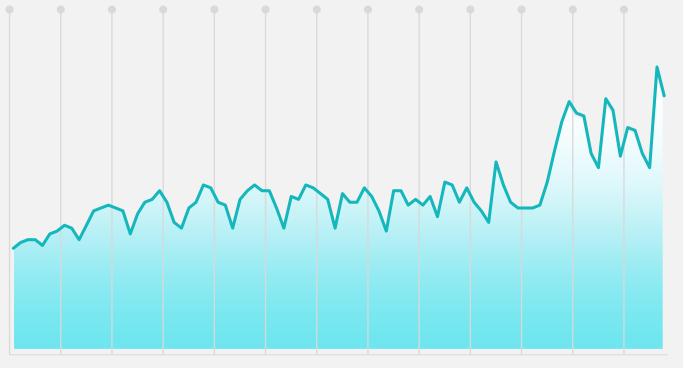




A Trial From God For Indonesians COVID-19 is an opportunity to get Closer to the God



Google Trends – Religious Searches/ God/ Allah



9-Jan 16-Jan 23-Jan 30-Jan 6-Feb 13-Feb 20-Feb 27-Feb 5-Mar 12-Mar 19-Mar 26-Mar



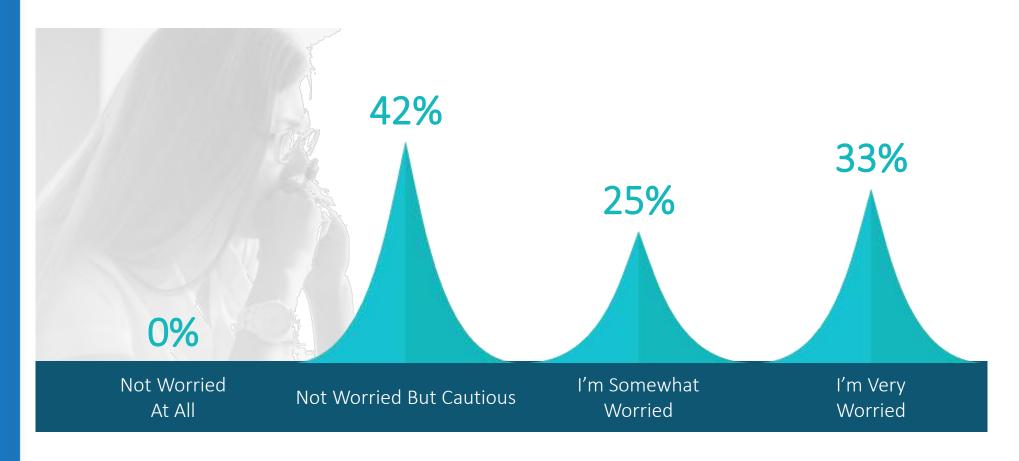
"Do not forget to pray, keep getting yourself closer to Allah and believe that this Corona virus will disappear by his will."





More than half show sign of worry due to COVID-19 Outbreak







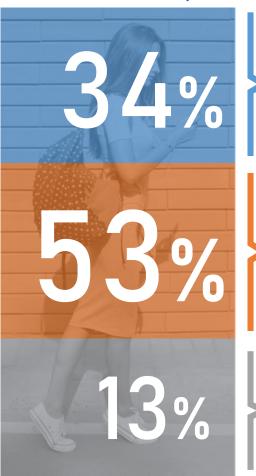


COVID-19 has severely disrupted consumers' life & confidence



Impact on Daily Activity

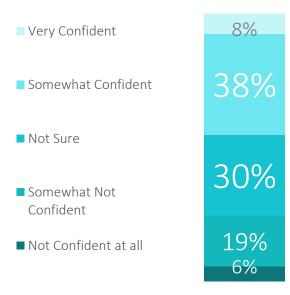
Consumers have varying level of confidence on situation normalization



It has severely affected my day to day activities

It has moderately affected my day to day activities

It has not affected my day to day activities at all



Months

Average Expected Time for things to get normal





Biggest fears of consumer are about health, essential supplies and social risk due to COVID-19



COVID-19 is going to Catch me/family

70%

I'm scared that me or my family members will catch coronavirus

COVID-19 is a Social Stigma

A 7 0 6

I'm scared I will be ostracized if me or my family catch COVID-19

Worried about Supplies

5006

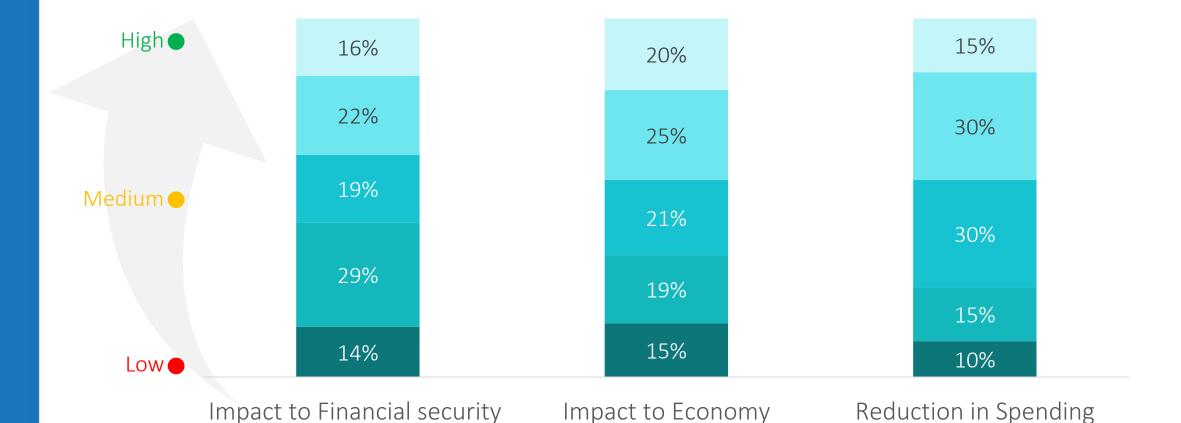
There could be shortage of food and essential items in the general stores













Quiz Time #1



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

☐ Yes 43%*

□ No 57%*

Please use Poll Option on your screen to answer.

*Poll results during live webinar













COVID-19 has shaken businesses



Severe Disruption to Business' Daily Activities Our Revenue is down

Expected time to normalize



57%

5 Months







etc)





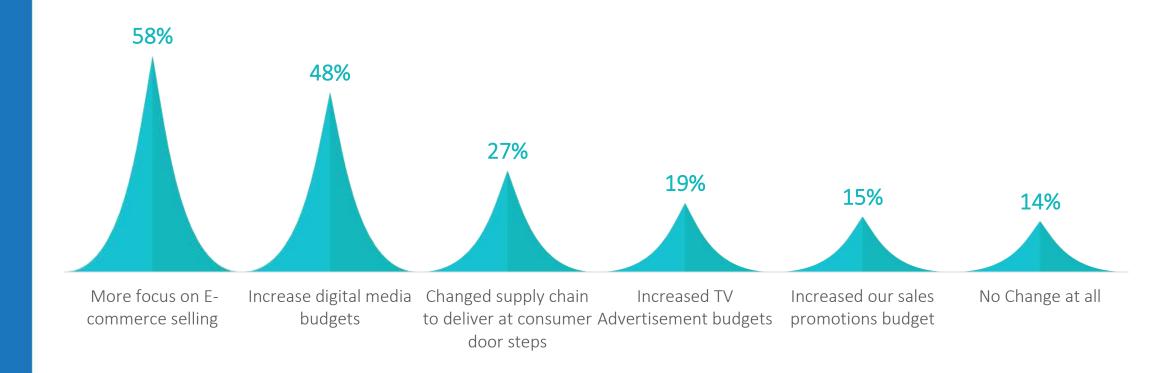


organization



Focus shifting towards E-Commerce Sales and Digital Media









Quiz Time #2



In your opinion should clients spend more on Digital Media in near future (next 3 - 6 months)?

☐ Yes 82%*

□ No 18%*

Please use Poll Option on your screen to answer.

*Poll results during live webinar







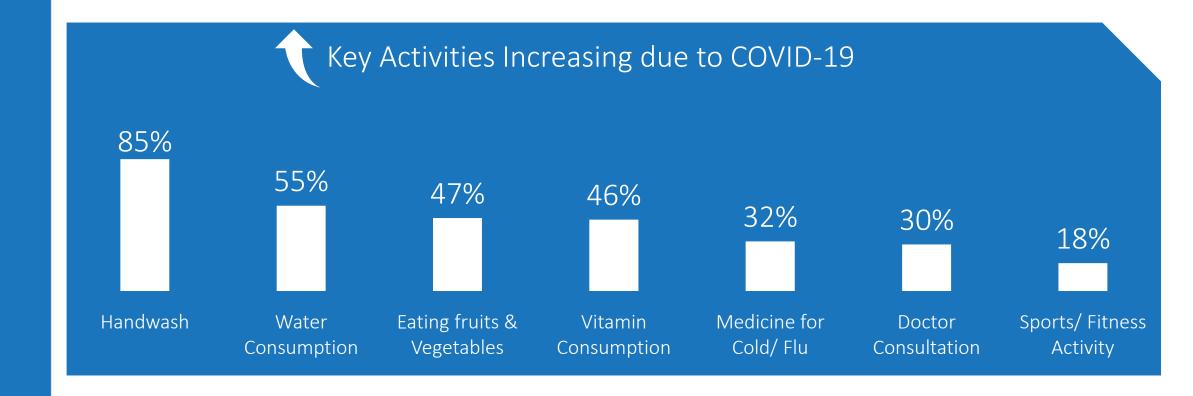
CONSUMPTION BEHAVIOR





Consumers are shifting towards more health & hygiene focused lifestyle



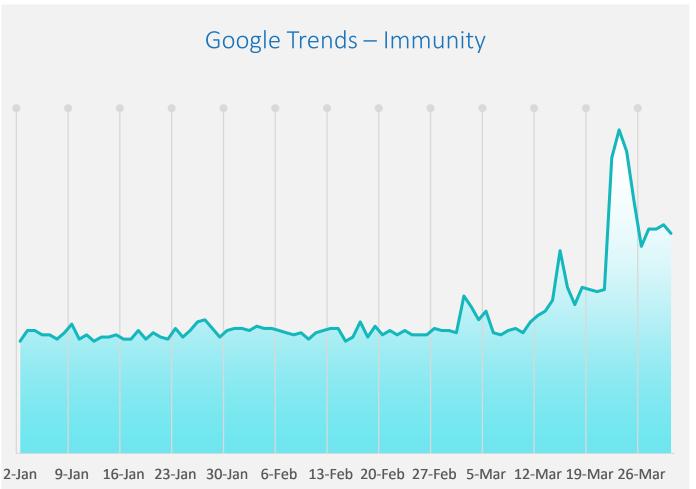






Immunity has become a popular social topic





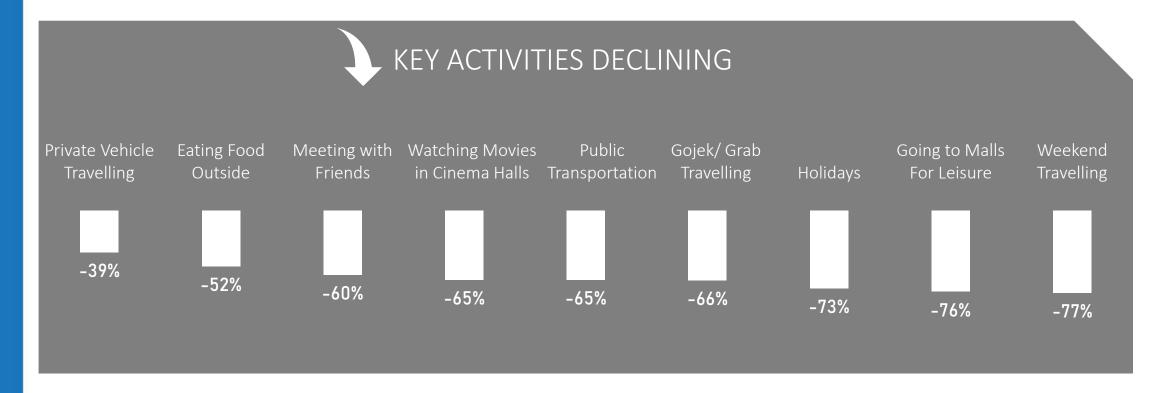






Social Life, Leisure outside home, Transport and Travelling have reduced





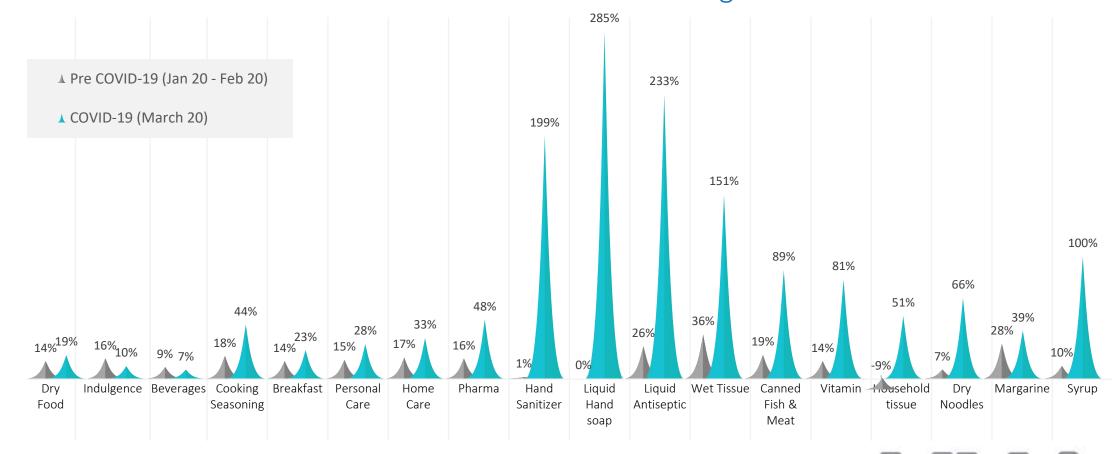




Consumption/Usage and Stocking Up is Increasing for Essentials and HH



Products Value Growth vs one Year Ago



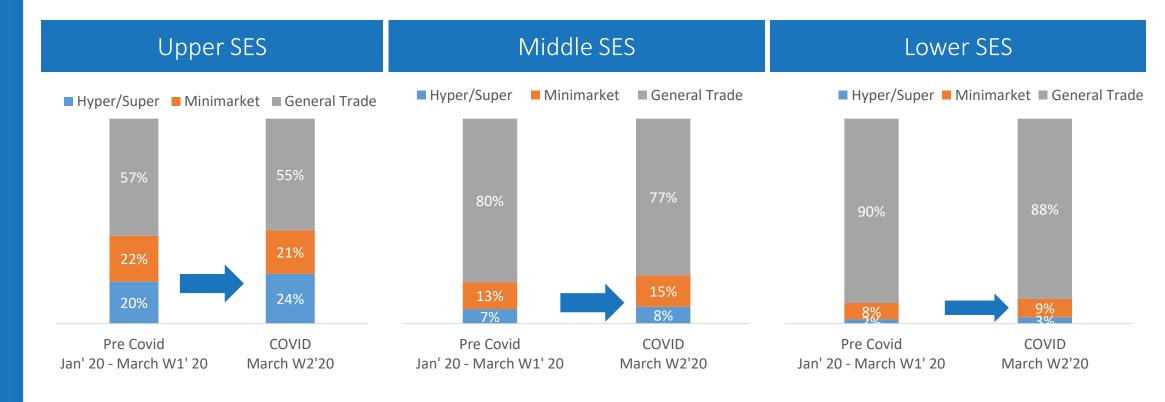




Majority of the Stocking up has happened in Modern Trade



Indonesia National Sales - Share of Channel







Online Behavior has changed hugely





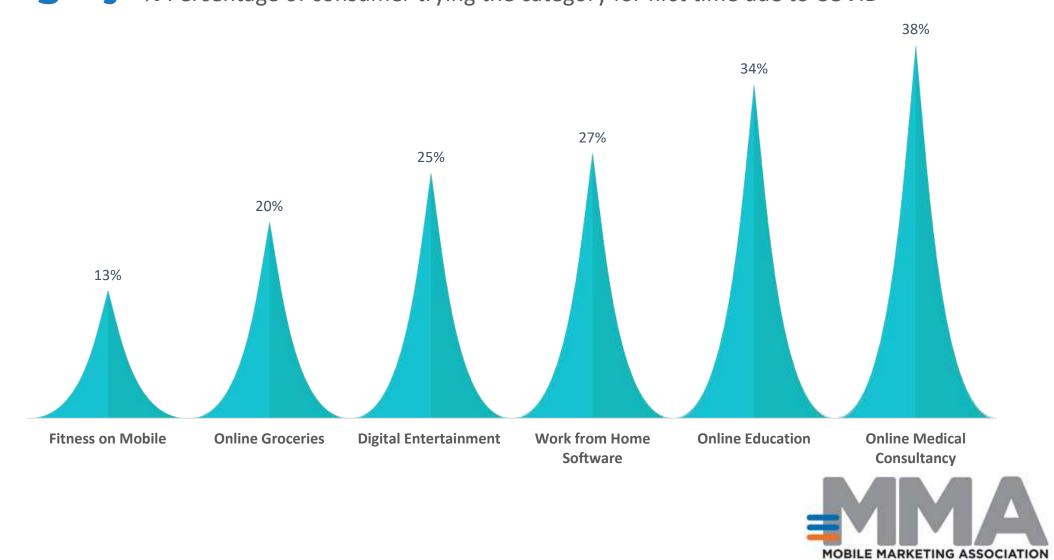




Rise of new digital categories, 70% consumers entering at least 1 new category



category % Percentage of consumer trying the category for first time due to COVID





Quiz Time #3



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

☐ Yes **72**%*

□ No 18%*

Please use Poll Option on your screen to answer.

*Poll results during live webinar













Executive Summary



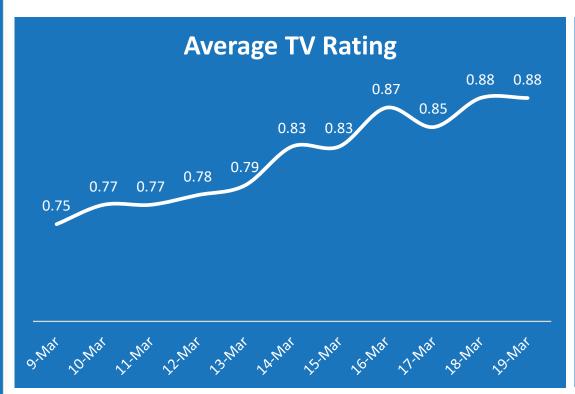
- At home consumers
 - Increased time spent on TV
 - Children Programs, Series and News genre on rise
- Online Media Habits is on rise
 - Social Media
 - Video Streaming
 - Gaming
 - Grocery Apps
 - Education
 - News
 - Online Productivity App usage

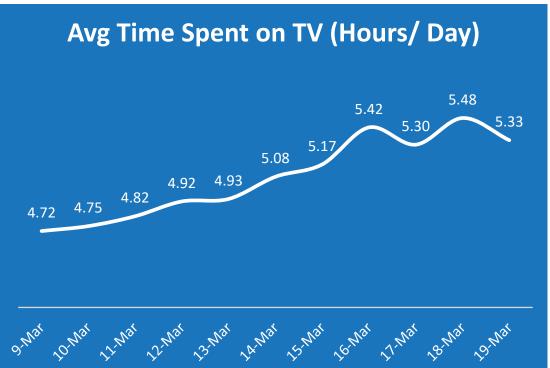




As consumers remain inside home TV is back at center stage





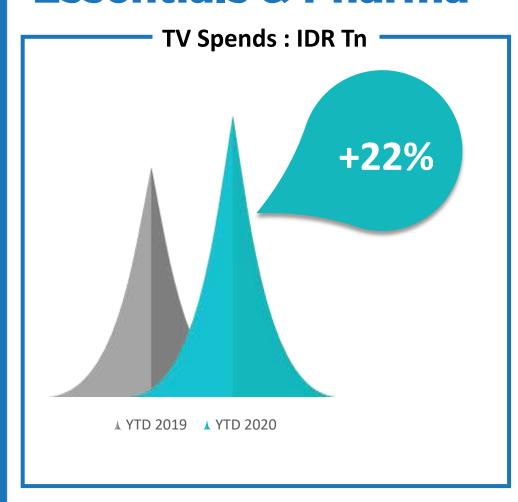






Upsurge in TV Spends driven by Essentials & Pharma





Sector wise growth YTD			
_			
TOILETRIES & COSMETICS	59%	COMMUNICATIONS	11%
FOOD	28%	HH PRODUCTS	24%
BEVERAGES	28%	TOBACCO	-13%
MEDICINES/PHARMA	12%	BABY & MATERNITY	-5%
SERVICES - RETAIL	3%	TRANSPORT, TRAVEL	22%
HH EQUIPMENT	39%	FINANCIAL	22%
AUTOMOTIVE	-31%	APPAREL	-3%
INDUSTRIAL PRODUCTS	-15%	SERVICES - PROPERTY	-59%

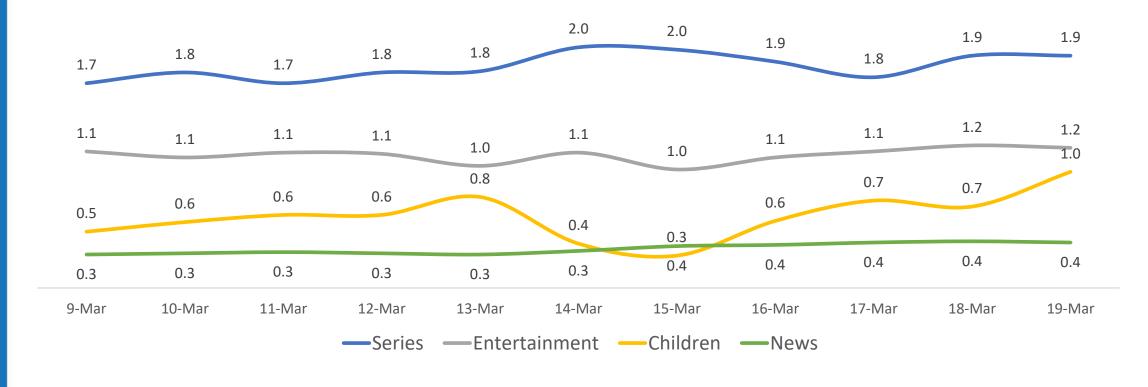




Children shows and Series followed by News have seen highest growth



Average TV Rating







Gaming & Entertainment on rise

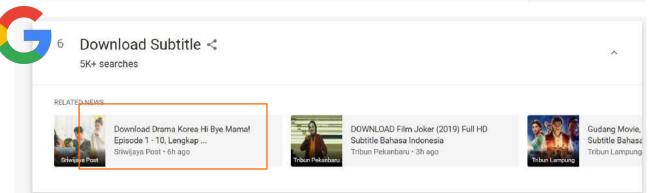


Gaming Apps and Simulation based games are getting maximum traction

S Usage Rank Publisher (Category (1 Google Classroom Google LLC **EDUCATION** 880 +105 Snake Zone: Worm Mate Zone Crawl Cacing.io Izee Games SIMULATION 535 +41 Sharpen Blade ZPLAY Games SIMULATION 979 +32 Ruangguru - One-stop **EDUCATION** 677 +19 ruangguru.com Learning Solution Lion Studios ACTION 585 +11 CASUAL 327 +10 LittleBIGsnake Draw Climber VOODOO ARCADE 371 +10

Change in rank

More searches for Korean and Hollywood Movies

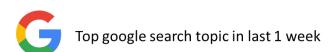


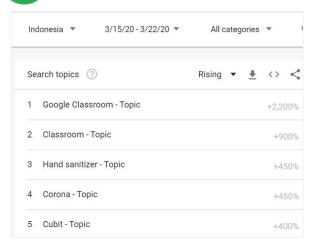


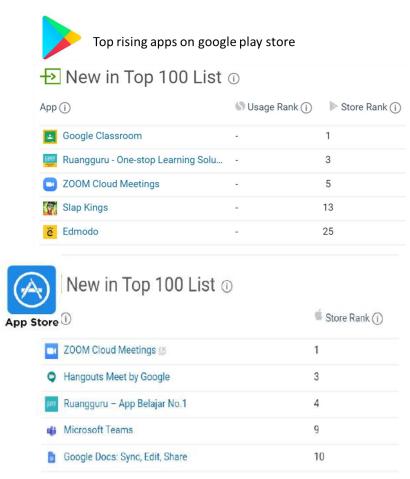


Online learning apps & Office Productivity Apps are on rise









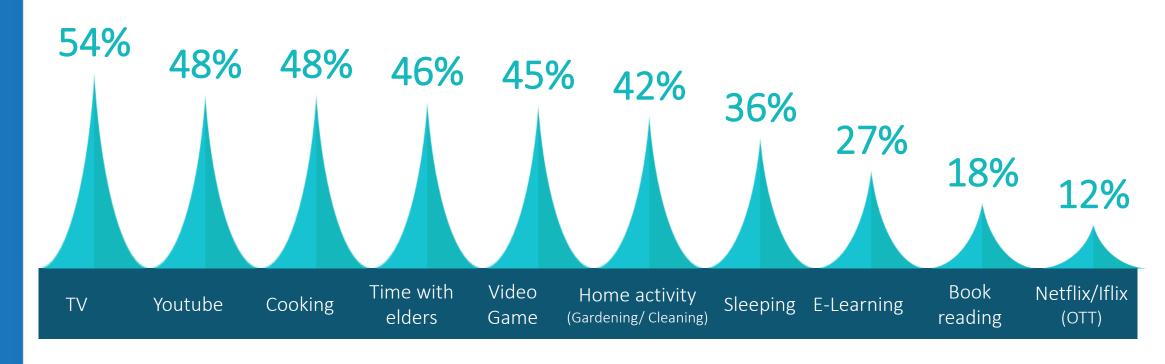




At Home means more Entertainment and Self development



Increase in Activities At Home (% of consumers)







Quiz Time #4



Post COVID-19, do you think Online Education will keep on increasing?

☐ Yes 70%*

□ No 30%*

Please use Poll Option on your screen to answer.

*Poll results during live webinar







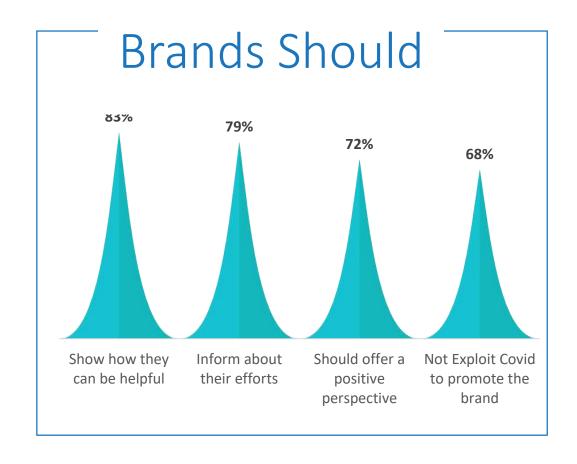
HOW BRANDS ARE RESPONDING TO COVID-19





Consumers want brands to be trustworthy and not to be greedy









Brands helping people to face truth without Panic







HaloDoc and Grab Health providing people access to doctors online to consult on health conditions and symptoms of the corona virus (COVID-19) without the need to leave home





Use situation to brand advantage



Nike

IF YOU EVER DREAMED OF PLAYING FOR MILLIONS AROUND THE WORLD, NOW IS YOUR CHANCE.

Play inside, play for the world.









RuangGuru gave free access for student for few weeks





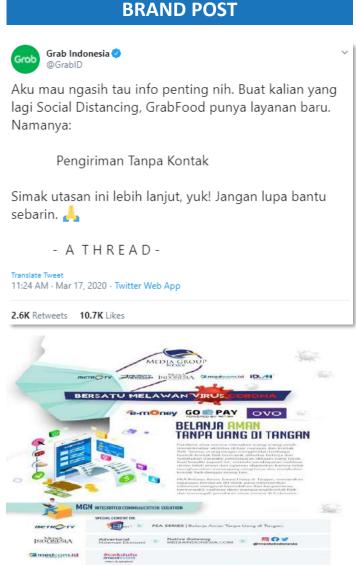


Be Agile



AGILE BRAND INITIATIVES – GRAB & GOJEK FOOD

 To support social distancing appeal by the government, GrabFood had immediately initiated 'Contactless Delivery Service' which required Grab driver to drop consumer's food in 2meter distance and use an envelope for cash payment



TESTIMONIAL







Bring Society Together



Mcdonalds Social Distancing



Garuda Social Distancing









OPPORTUNITIES AHEAD





COVID impact in Indonesia



Areas

Health

Consumption Habits

Change in Behaviour

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

- Online Grocery is on rise
- Online Shopping on Electronics and Fashion is softening
- Indulgence in softening





COVID impact in Indonesia



Areas

Media Habits

Work & Education

Change in Behaviour

- Increase in consumption of TV especially kids programs, `news and movies
- Increase in Online Media: Streaming, Games and Social media
- Consumers 'open' and actively searching for health-related information

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





So What's Next for Marketers During COVID-19?





Maintain Brand
Saliency.
Identify High ROI
Channels



SKU optimization In-store and Online



Spend Smartly & Prioritize

 And continuously understand shift in consumer behavior



Build Growth With Online Sales



Optimize UI/UX of E-commerce app/website



Activate brand purpose to support society, educate on hygiene and cleanliness



Be careful not to sound opportunistic.







QUESTIONS?





Upcoming MMA Webinars



- April 8 Perspectives on Covid-19 and implications / learning for consumer and retail companies by McKinsey in association with MMA
- China Advertising story: During and After Covid-19
- Blockchain
- Understanding the Changes in Consumer Behavior During a Pandemic
- China Martech





Take a Seat at the Table



MMA 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.

Attribution **Analysis**



Mobile Native Advertising



Currency Measurement



Mobile Programmatic



Location **Internet of Things**



Mobile Shopper Marketing





Mobile Video



Mobile Messaging



Privacy







Thank You!

