

COVID-19 Impact on Ramadan

MMA Webinar Series

April 27, 2020

In Partnership with





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

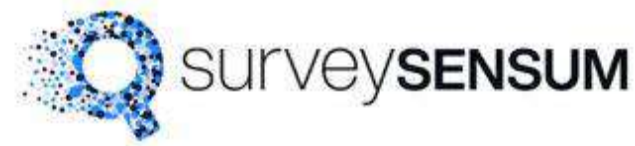
Managing Your Questions



Share the Insights

#MMAWeb

Presenter



Rajiv Lamba
Founder and CEO
Neurosensum &
SurveySensum

Moderator



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





Our Agenda



1. Consumer Sentiment Tracking
2. Impact on Ramadan Rituals
3. Impact on Ramadan Shopping Basket
4. Impact on Media Habits during Ramadan
5. How Brands are responding
6. Opportunities Ahead





SurveySensum COVID-19 Coverage



COVID-19 Consumer Sentiment Tracker
Wave 1

01

- **20th March 2020**
- **Sample : 500**
- **Indonesia Top 10 Cities**

- **Male, Female**
- **SES Upper & Middle**
- **18 – 55 y.o.**

COVID-19 Consumer Sentiment Tracker
Wave 2

02

- **30th March 2020**
- **Sample Size: 500**
- **Indonesia Top 10 Cities**

- **Male, Female**
- **SES Upper & Middle**
- **18 – 55 y.o.**

COVID-19 Impact on Ramadan
Wave 3

03

- **18th – 20th April 2020**
- **Sample Size: 500**
- **Indonesia Top 10 Cities**

- **Male, Female**
- **SES Upper & Middle**
- **18 – 55 y.o.**





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





1

CONSUMER SENTIMENT



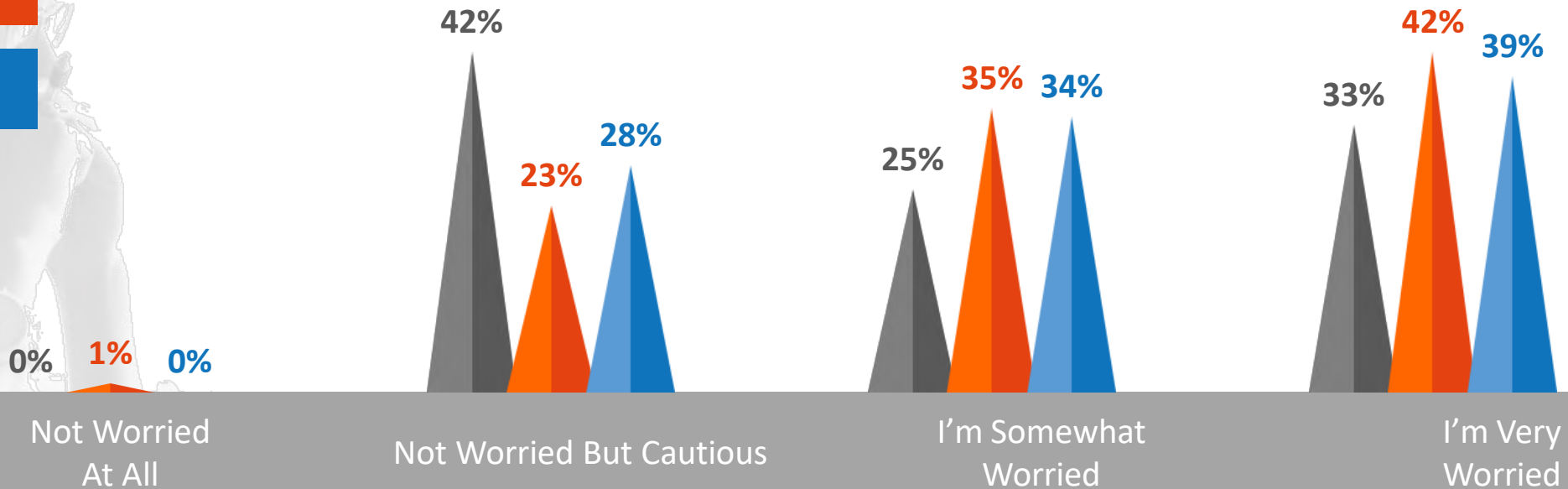
Consumers are increasingly more worried

20th March

6th April

20th April

- *Key Differences*
- Upper SES (32%) vs Middle SES (43%)
 - Jabodetabek (42%) vs Outer (37%)



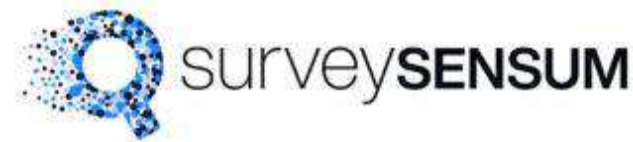
*Key Differences As per 20th April Survey

Q: How concerned are you regarding coronavirus having an impact?

Source: SurveySensum Internal Study



Consumers are anticipating longer wait time vis-à-vis a month back



Average Expected Time for things to get normal



20th March



6th April



20th April

Source: SurveySensum Internal Study



Q: According to you when do you think the coronavirus situation will be over and the country will be normal again?

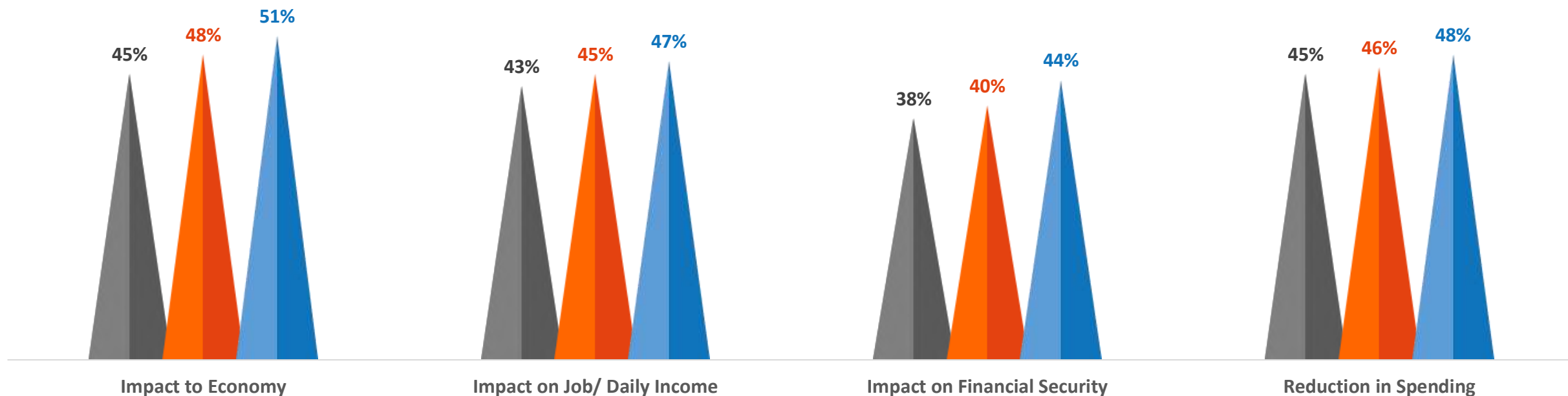


Consumer are increasingly worried about financial security and they are reducing their spending

20th March

6th April

20th April



Source: SurveySensum Internal Study

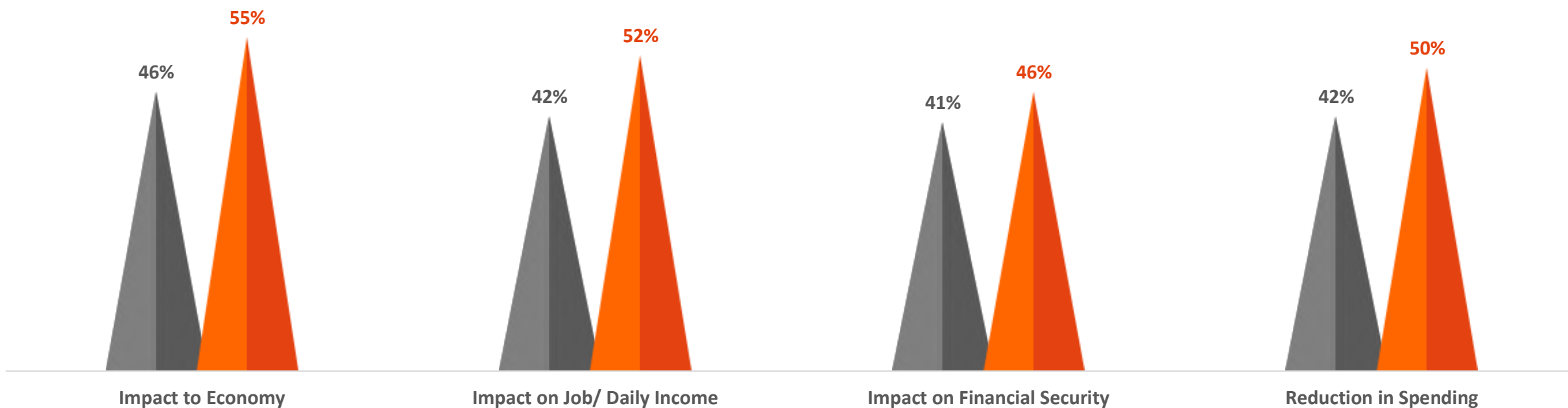
Q: Can you please tell us about the impact Coronavirus has made on _____ (No Impact to Severe Impact)



Middle SES is more cautious than Upper SES

Upper SES

Middle SES

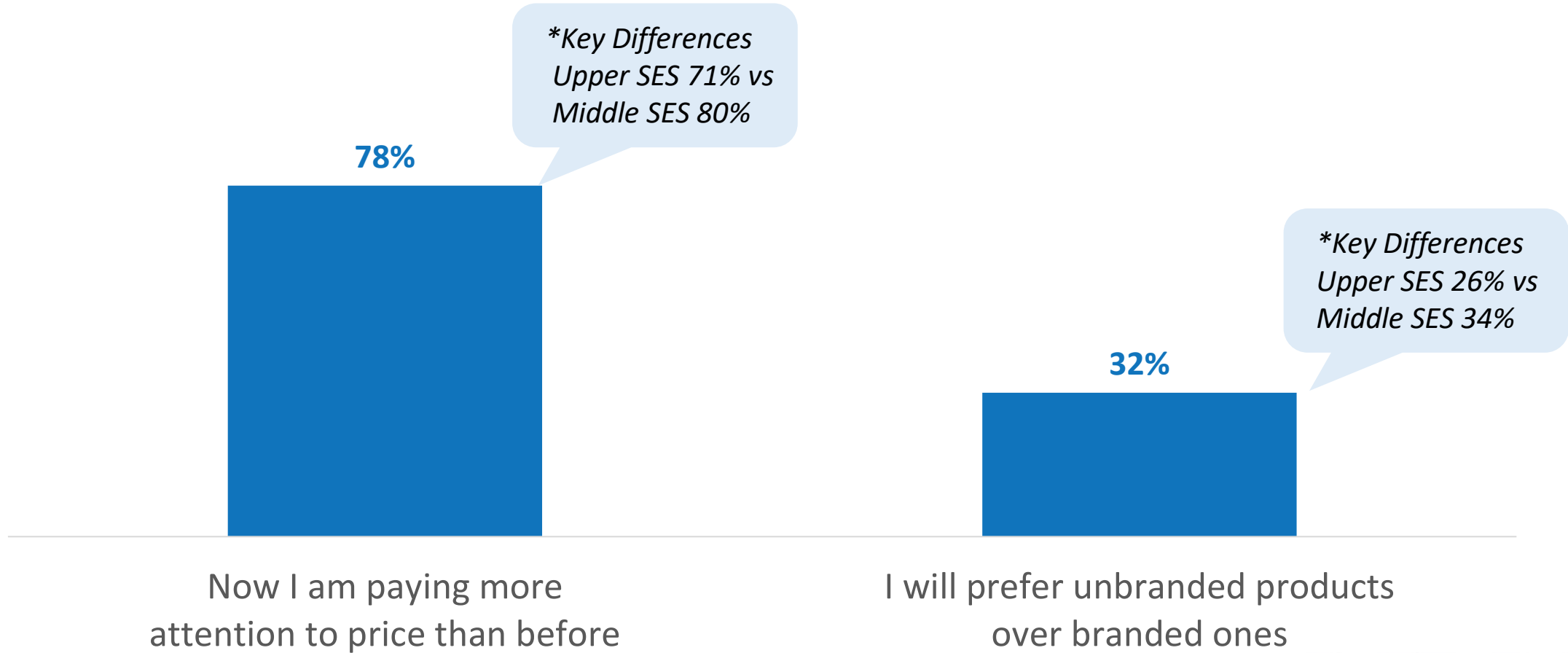


*Key Differences As per 20th April Survey

Source: SurveySensum Internal Study



Consumers are becoming more price conscious



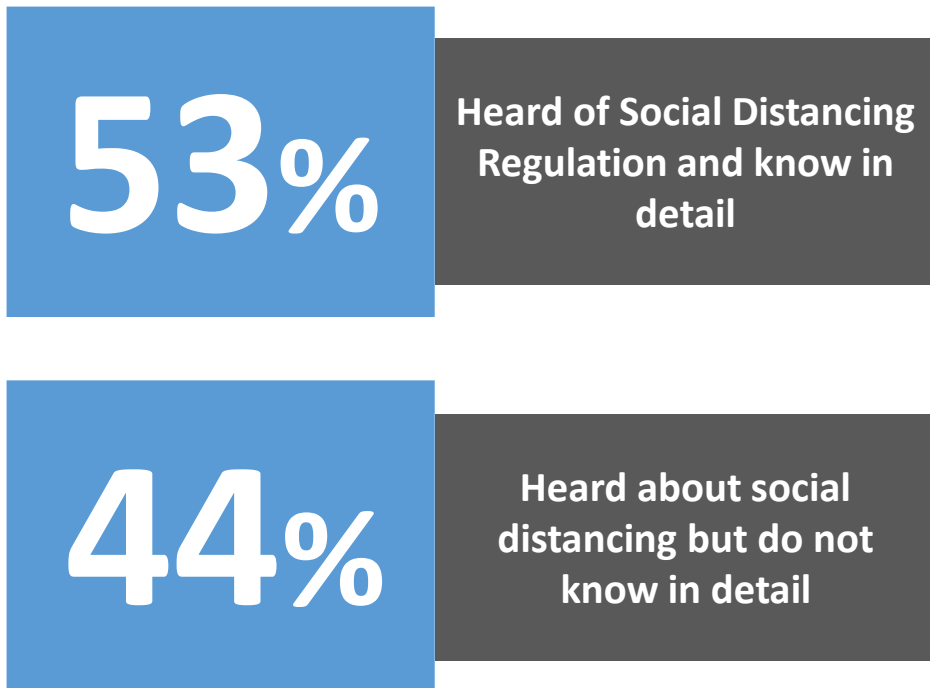
*Key Differences As per 20th April Survey

Source: SurveySensum Internal Study

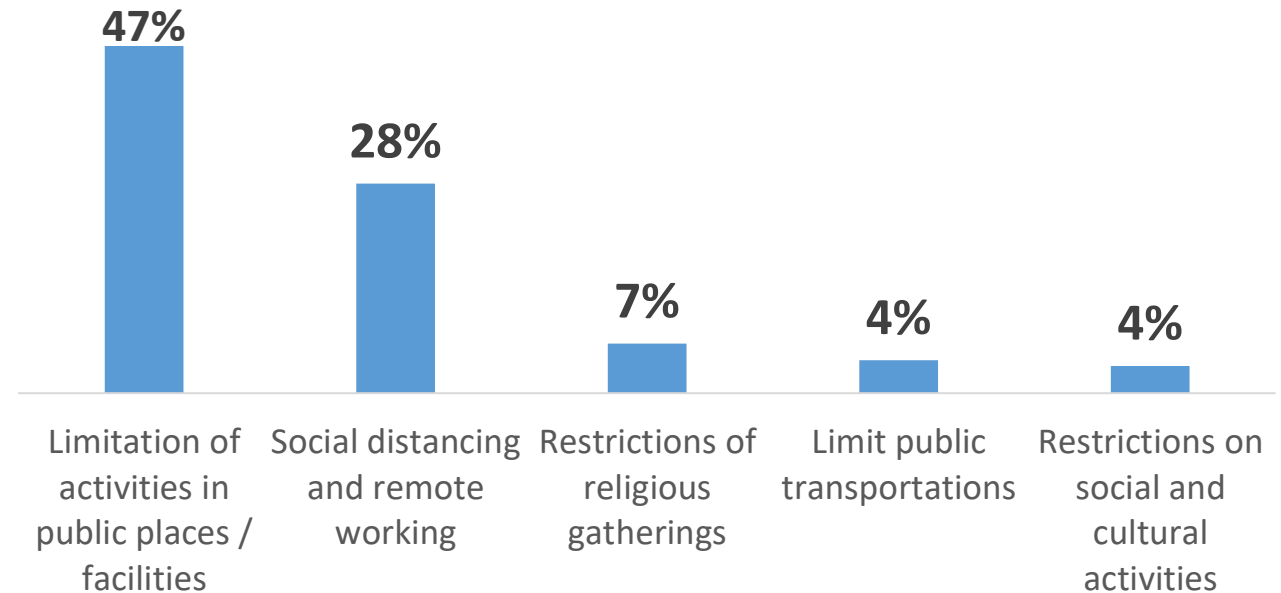


Consumers are aware of social distancing and agree that this is the most effective measure.

Awareness about Social Distancing Regulation



Regulations which are effective in handling Coronavirus in Ramadhan



Quiz Time #1

In how many months you feel that COVID-19 impact will fade away and situation will normalize?

- 2 months
- 3 months
- 4 months
- 5 months and more

Please use Poll Option on your screen to answer.

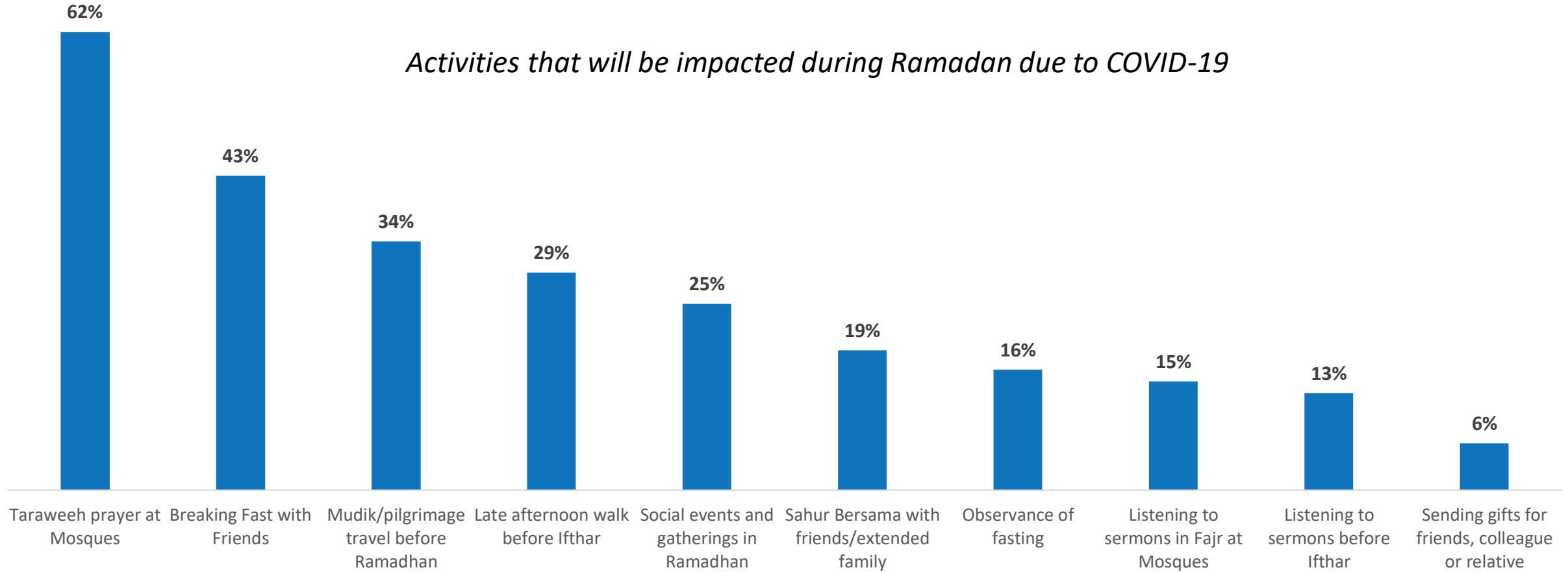


2

COVID Impact on Ramadan Rituals

Prayer at Mosques and Breaking fast with friends are top 2 activities to be impacted during Ramadan

Activities that will be impacted during Ramadan due to COVID-19



Source: SurveySensum Internal Study



Consumers are gearing up for Digital Ramadan



Kim Yohan¹
@yohanaiad

Saking kangennya sama temen kuliah, sampe bikin rencana buka puasa, sahur, tarawih online 🙏

"I really miss my college friends! I even plan to held an online iftar, suhoor (consume meal before fasting), and tarawih (night ritual prayer)."



tinggi sekaki
@Emir_MNA

Gue mikir kalo bukber pas dijamin masih ada corona. Bakal gini dah bukber. Ada yang jual takjil online ga yah?

"I assume iftar event during corona outbreak will look like this..."



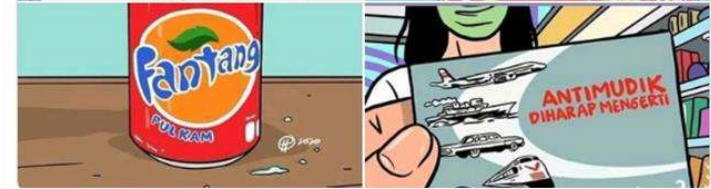
1:14 AM · Apr 13, 2020 · Twitter for Android



Aysrya
@ayusoraya_12

Lebaran thn ini :)

Translate Tweet



bakso total
@drhirin

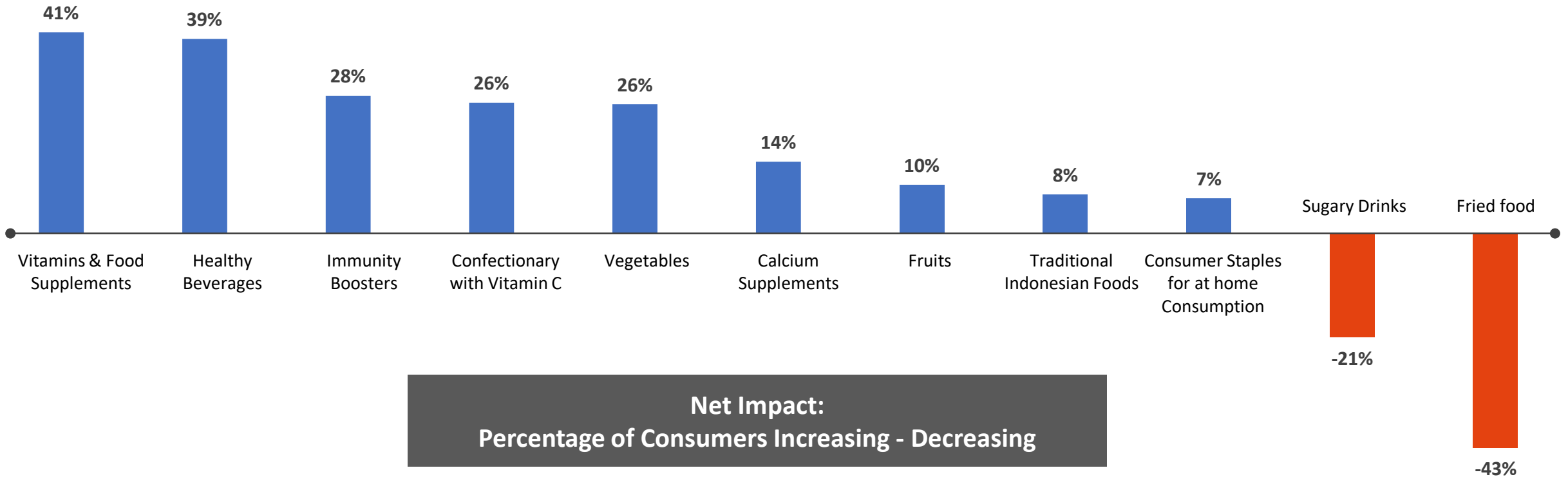
Saya Warga Karanganyar , Siap untuk tidak Mudik Lebaran di Tahun ini. Demi Keamanan & Kenyamanan Bersama Warga Karanganyar....

Sampai Keadaan sudah benar-benar Kembali Normal . .

"As a Karanganyar citizen, I'm ok to not mudik this year for the sake of Karanganyar's safety and convenience until everything goes back normal..."

Consumption of healthier categories will go up vis-à-vis Last Ramadan

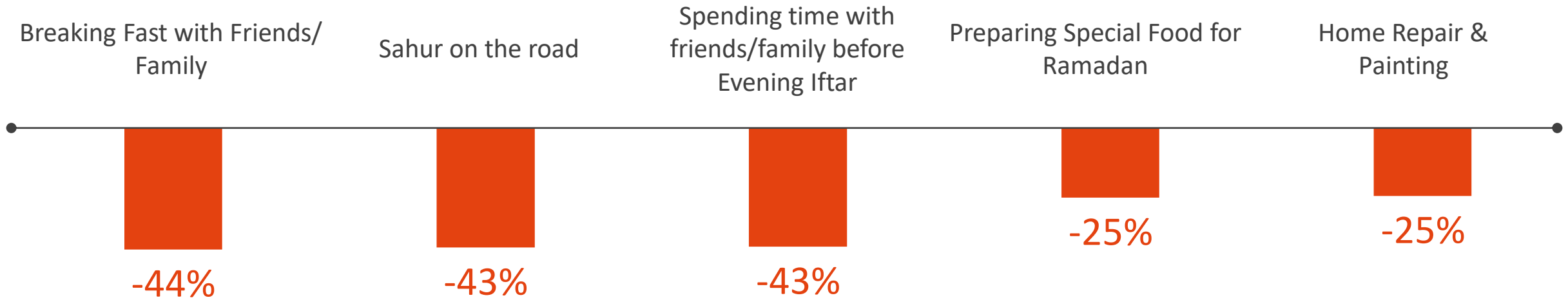
Food/Beverage consumption during Sahur/Buka Puasa vis-à-vis last Ramadan?





Due to Social Distancing, usual Ramadan traditions and activities will be impacted

What traditions will be impacted compared to last Ramadan?



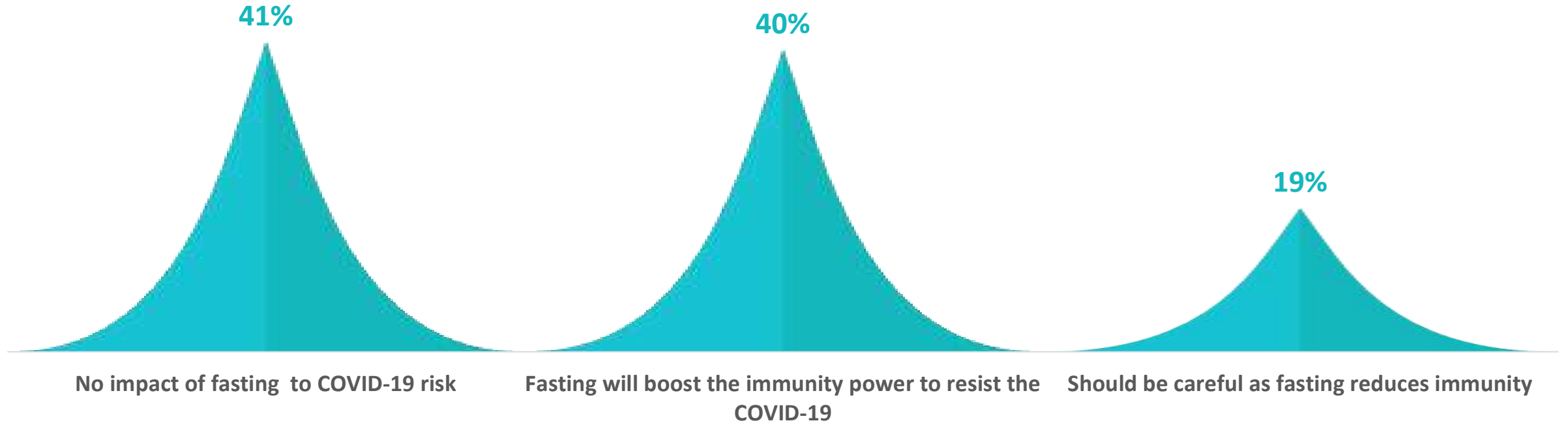
Net Impact:
Percentage of Consumers Increasing - Decreasing

Source: SurveySensum Internal Study



40% Consumers believe fasting will boost immunity

Speaking of fasting, what consumers believe the most?



Source: SurveySensum Internal Study

Quiz Time #2

Do you believe Fasting enhances the immune system?

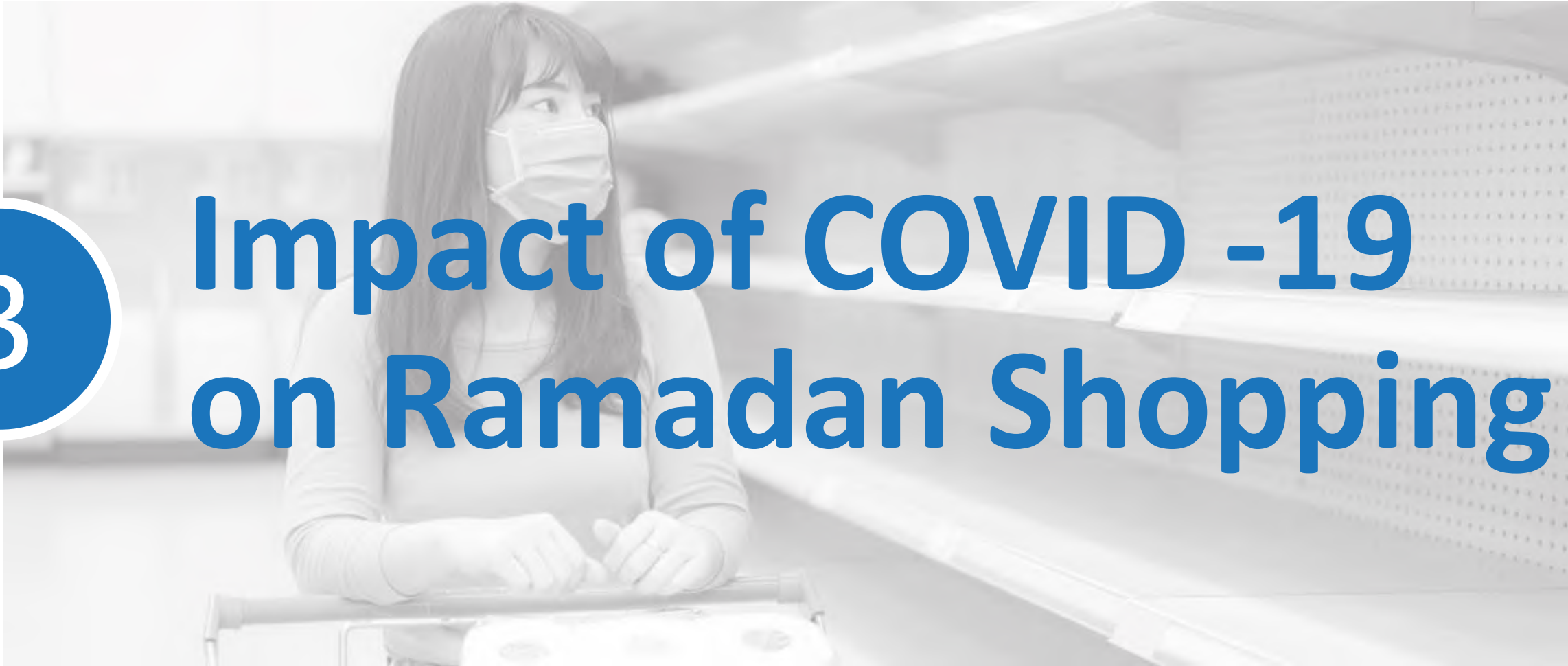
- Yes
- No

Please use Poll Option on your screen to answer.



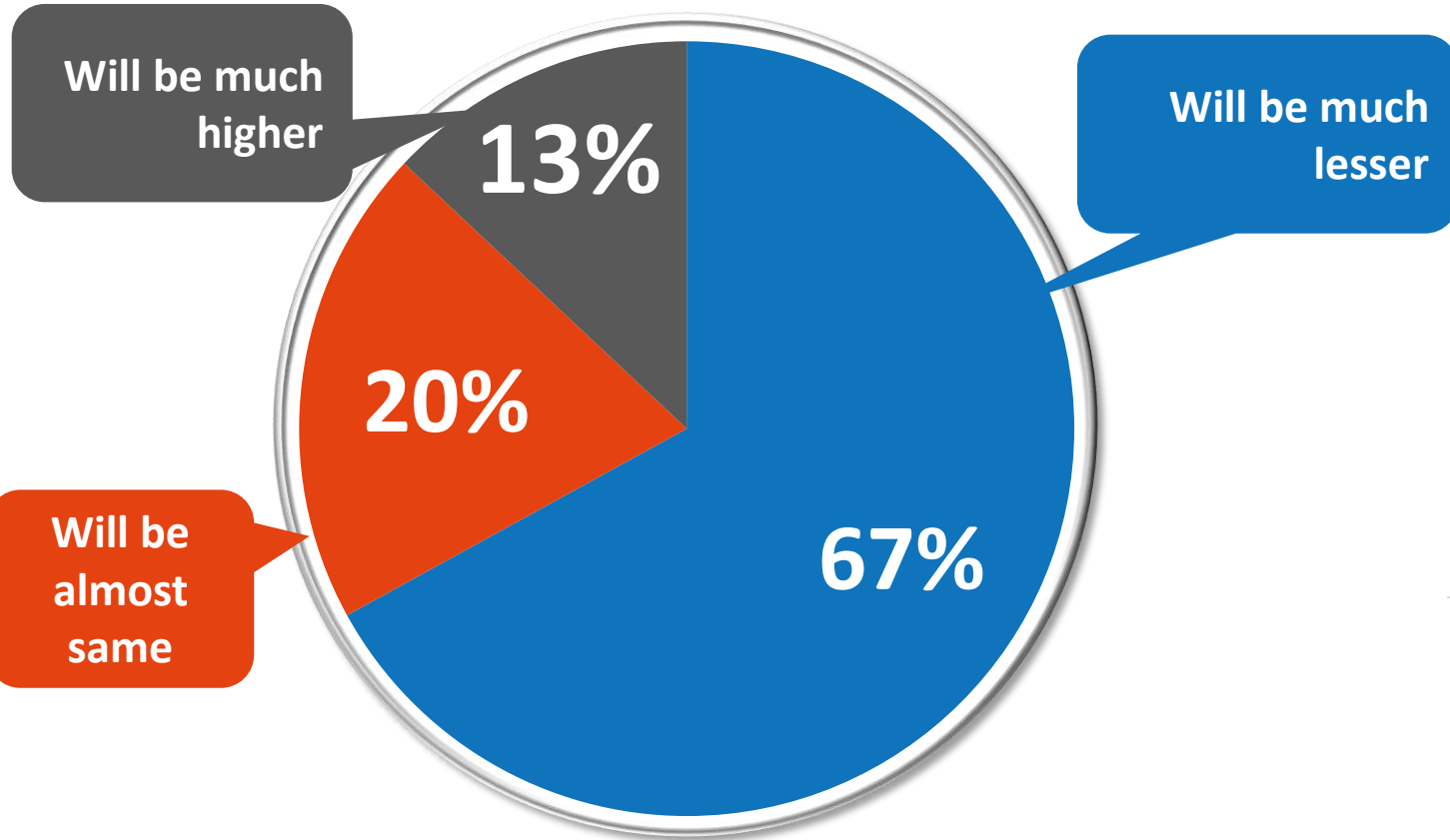
3

Impact of COVID -19 on Ramadan Shopping

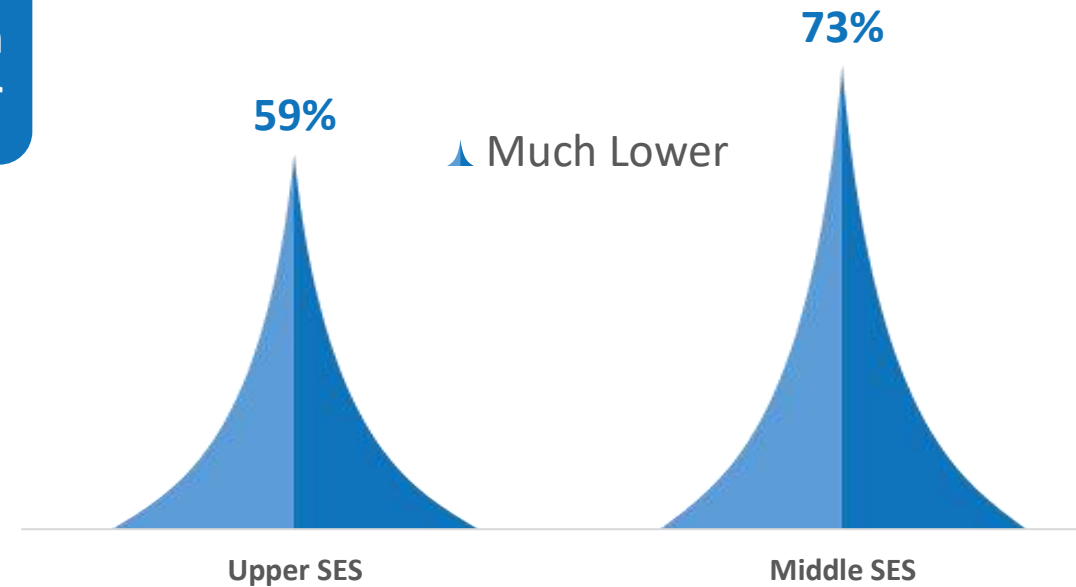


Ramadan Spending is likely to drop due to COVID-19 especially among Middle SES

Impact of COVID-19 on Ramadan Budget compared to last year



Ramadan Shopping Budget Compared to Last Year

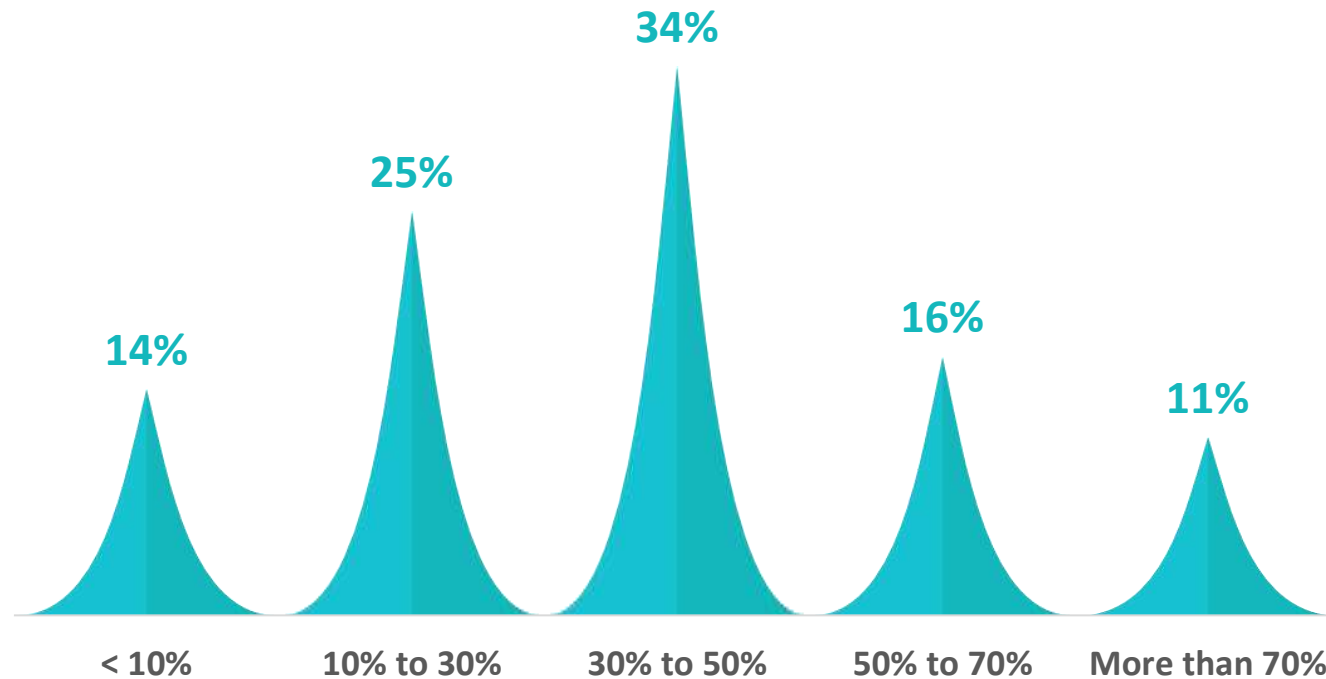




Reduction in Spending will be 43%

- Among those who will reduce spending-

Average Budget Reduction : 43%



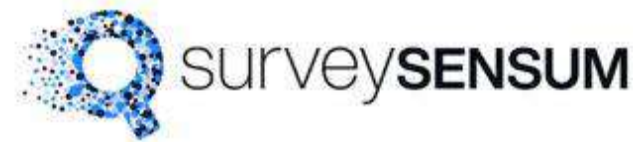
Source: SurveySensum Internal Study

Proprietary & Confidential



Overall Net Impact on Ramadan Spending

Ramadan Basket value expected to shrink by 32%



Ramadan 2019

Index: **100**

Ramadan 2020

Index: **68 (-32%)**

Upper SES
77 (-23%)

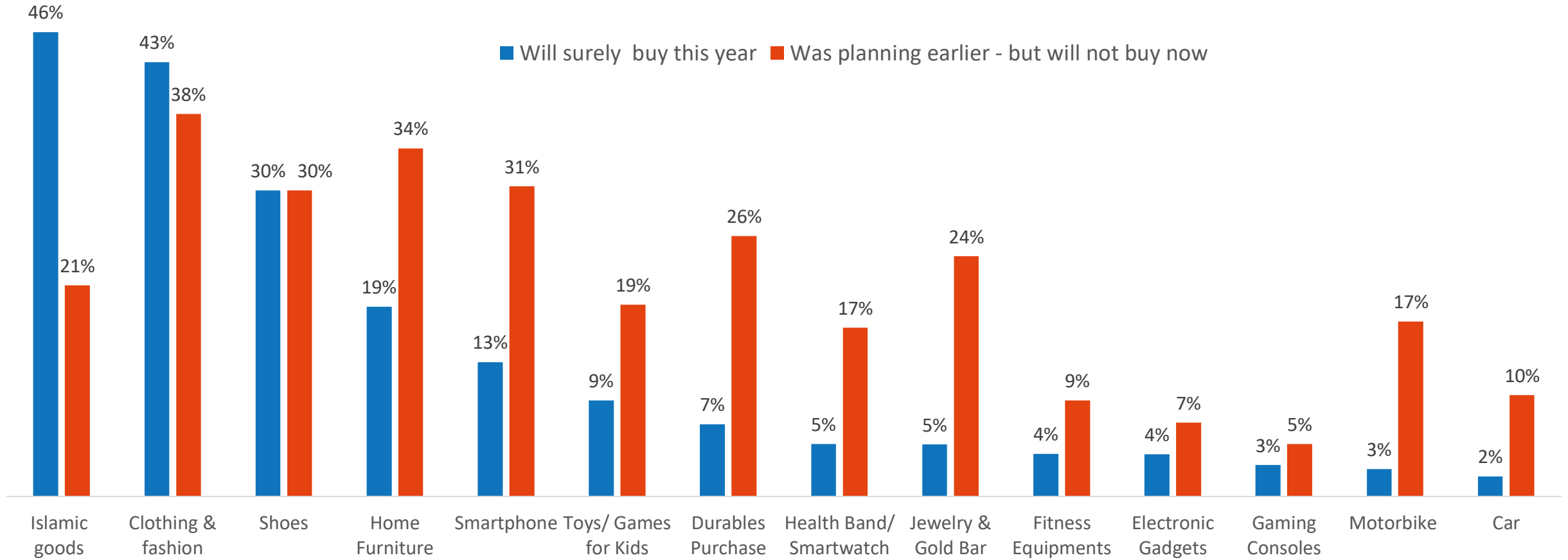
Middle SES
65 (-35%)

Jabodetabek
70 (-36%)

Outer
73 (-27%)



Across Categories consumers have reduced their shopping plans for Ramadan



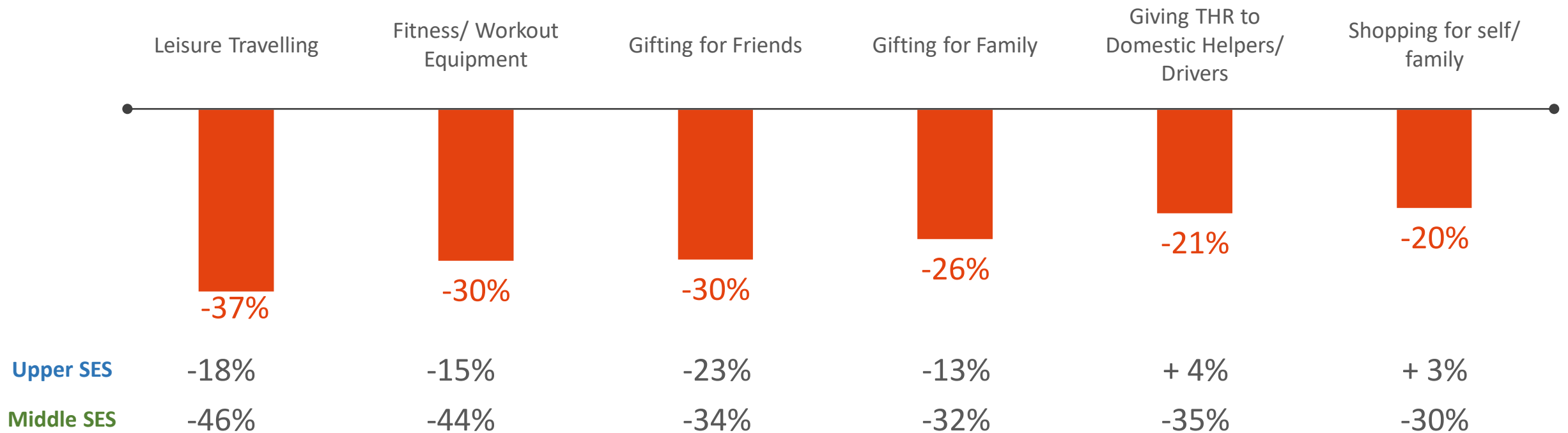
Source: SurveySensum Internal Study



Recreation and Discretionary categories will be reduced sharply this Ramadan



What will decline compared to last Ramadan?



Source: SurveySensum Internal Study

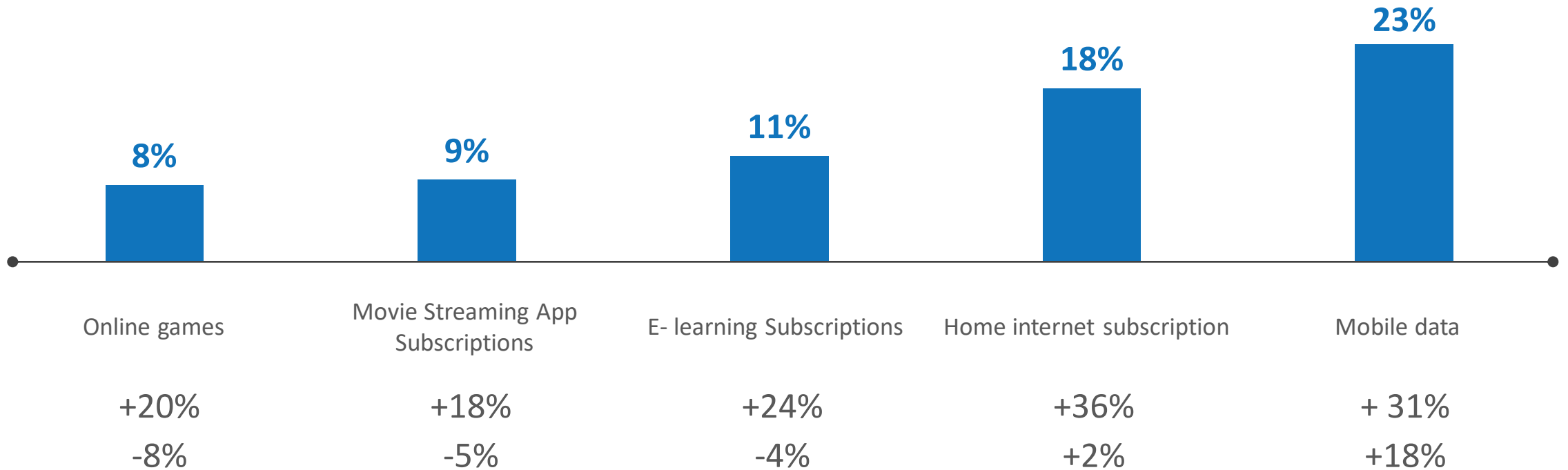
Net Impact:
Percentage of Consumers Increasing - Decreasing



Digital Categories will rise this Ramadan



KEY CATGEORIES Increasing vs Last Ramadan?



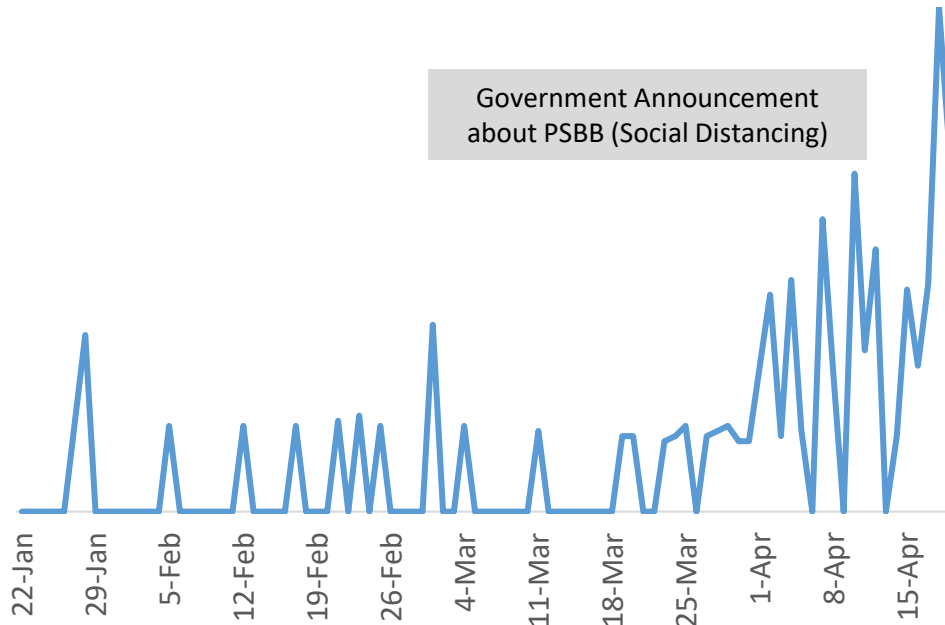
Source: SurveySensum Internal Study

Net Impact:
Percentage of Consumers Increasing - Decreasing

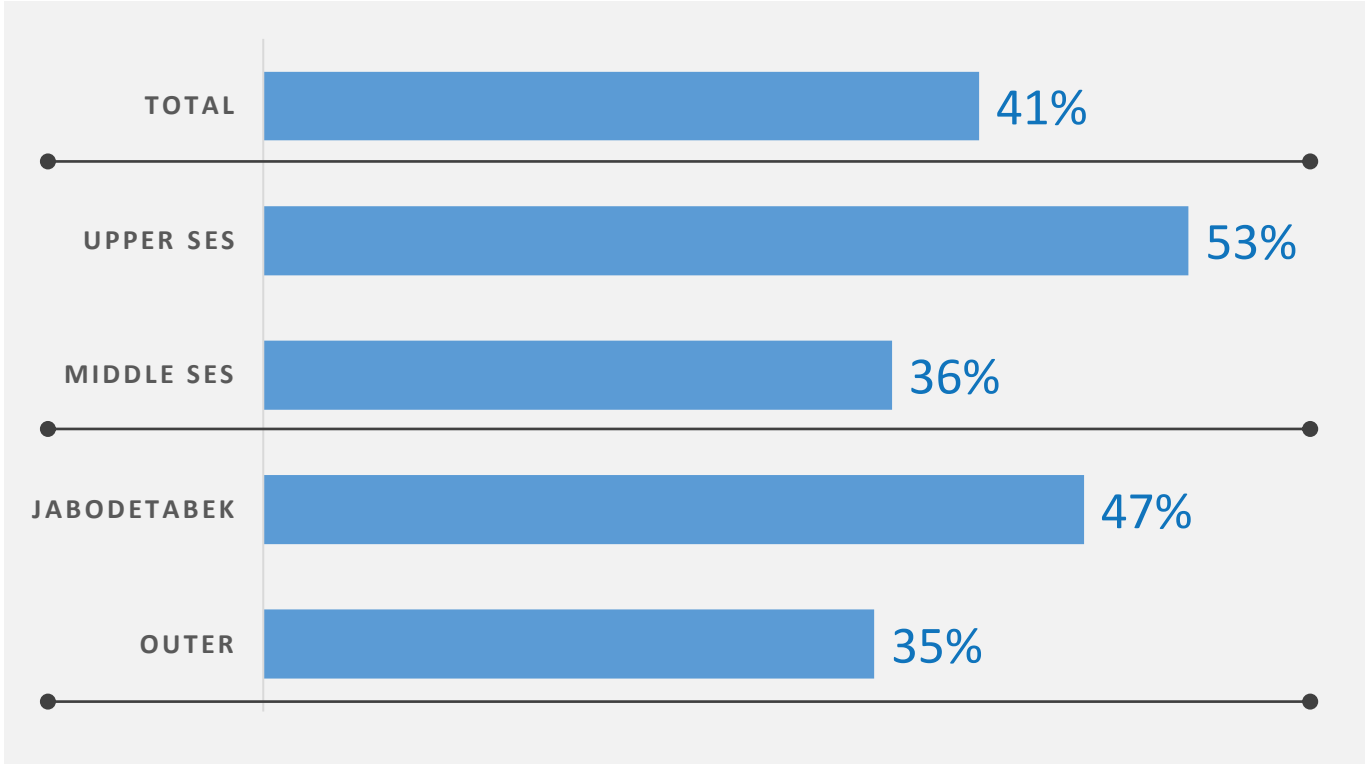


Online shopping will increase during Ramadan

Google Trends – Home Delivery



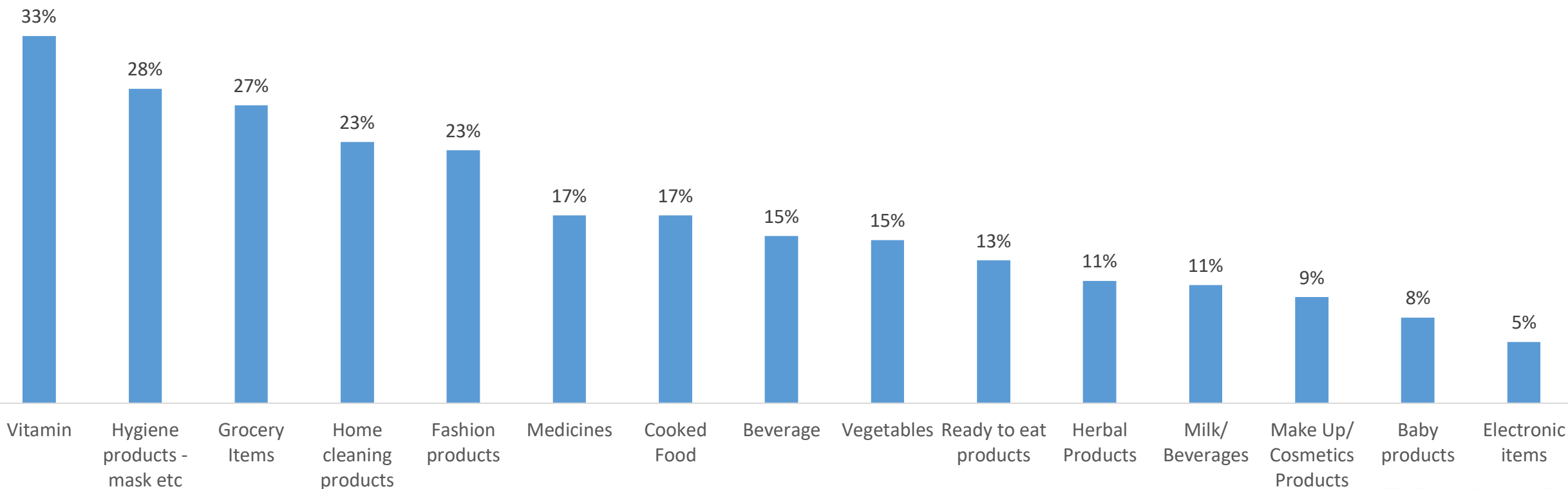
I Will mostly Do my Ramadan Shopping Online Due to COVID-19





Consumer Staples Purchase is increasing in Online Channel

What are you/will purchasing more via Online Channel due to Coronavirus?



Quiz Time #3

Consumers claim they will reduce their Ramadan Basket by 32% vis-à-vis last Ramadan. Do you agree?

Yes

No

Please use Poll Option on your screen to answer.



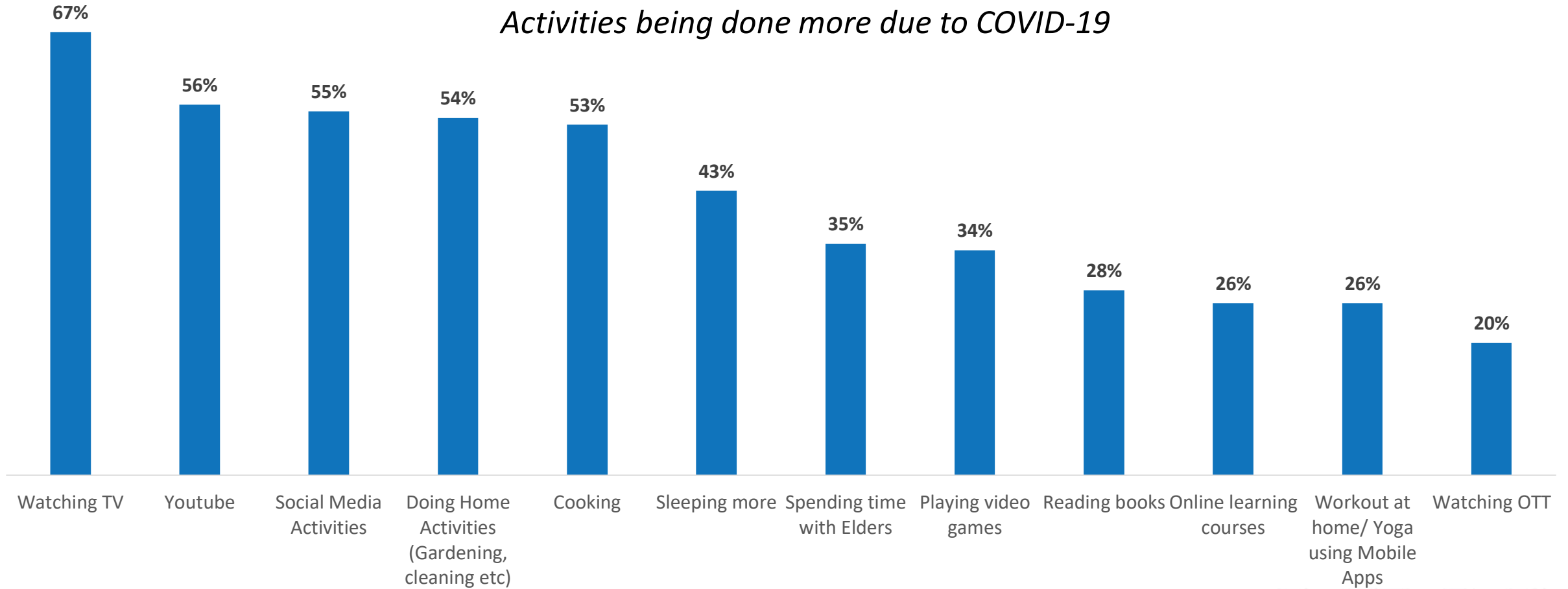
4

MEDIA BEHAVIOR DURING RAMADAN



TV and Digital media activities have increased

Activities being done more due to COVID-19

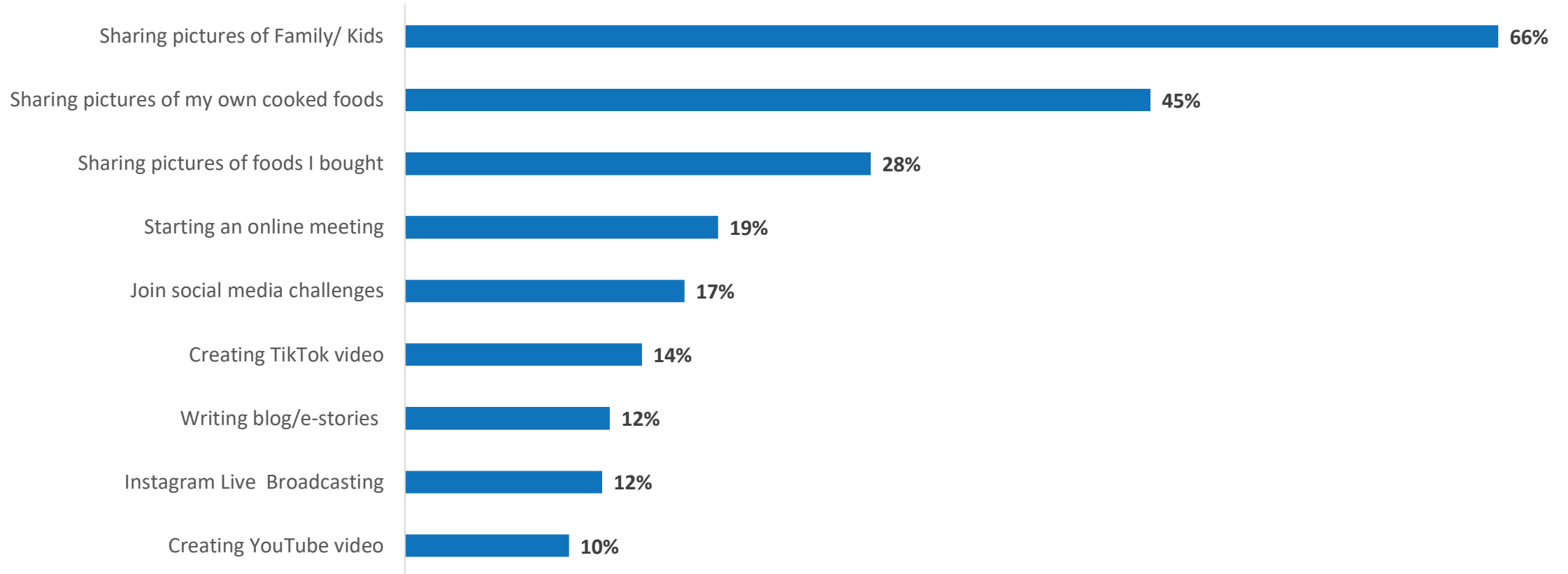


Source: SurveySensum Internal Study



Sharing Family moments and Food pics are top activities planned this Ramadan

Top Social Media Activities Planned During Ramadan

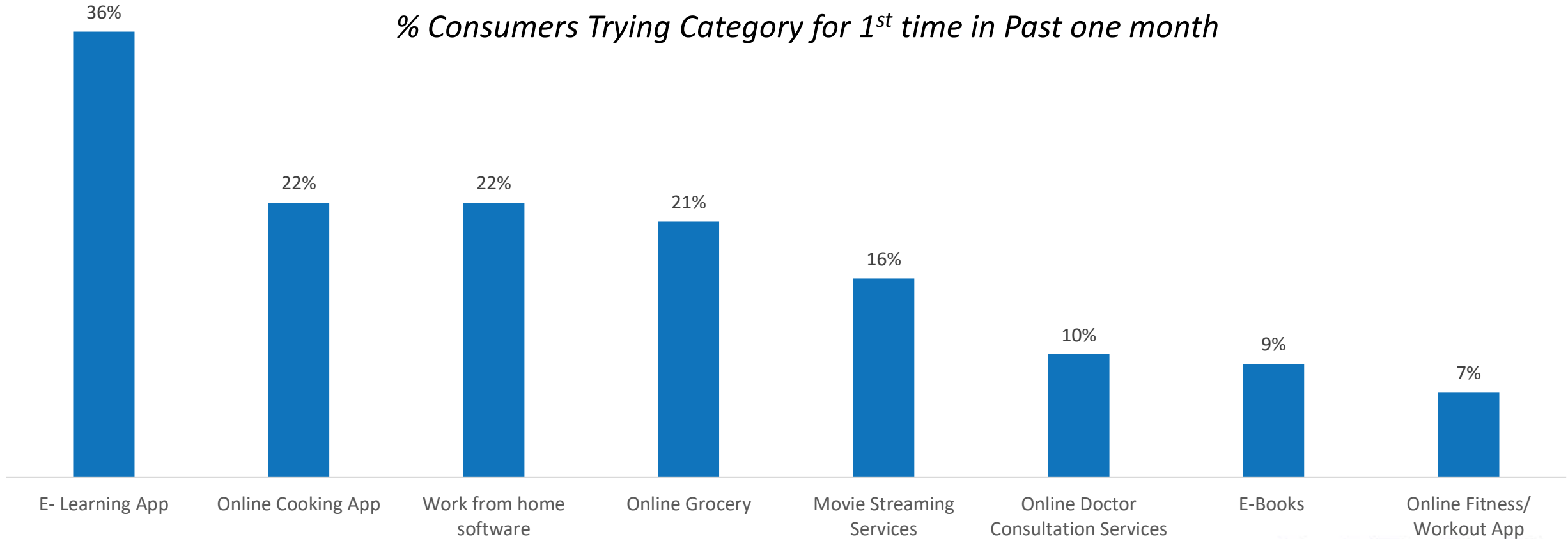


Source: SurveySensum Internal Study



More consumers are getting into new digital categories with E-learning and Cooking Apps

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



Source: SurveySensum Internal Study

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Quiz Time #4

What according to you is the most effective channel for marketing/advertising during Ramadan?

- TV
- Print
- Radio
- Outdoor
- Digital

Please use Poll Option on your screen to answer.



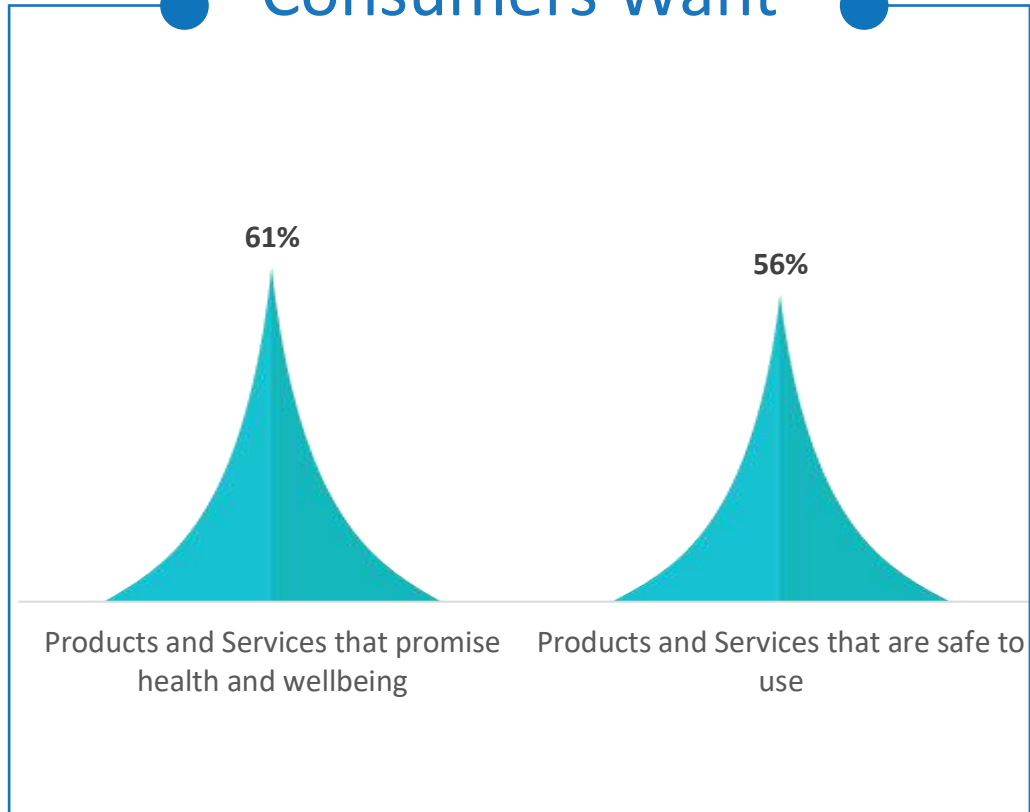
5

HOW BRANDS ARE RESPONDING DURING RAMADAN

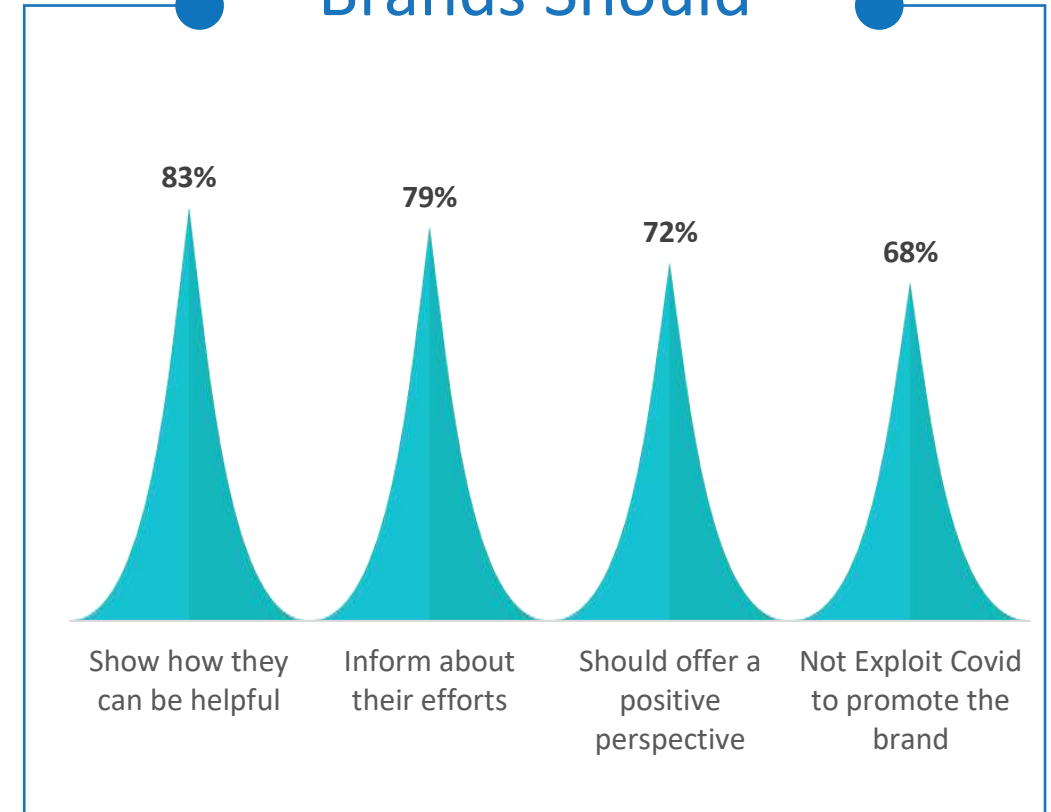


What consumers want from brands?

Consumers Want



Brands Should



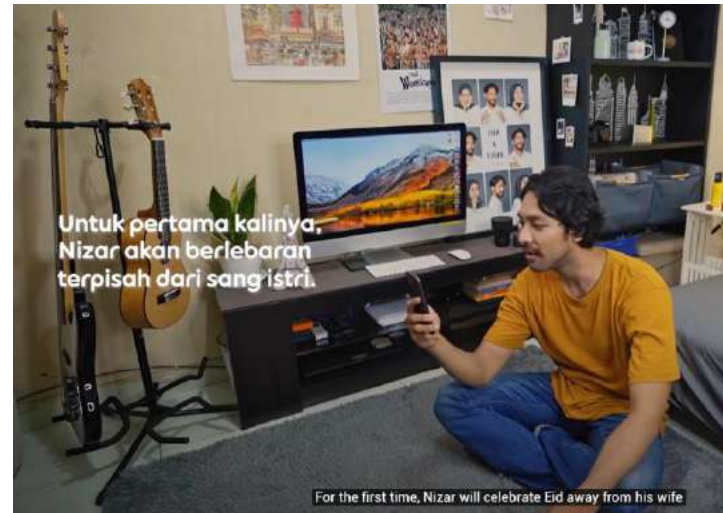
Source: SurveySensum Internal Study

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||| A Glimpse of Brand Bringing People Together

Consumers are deeply missing social events this Ramadan.

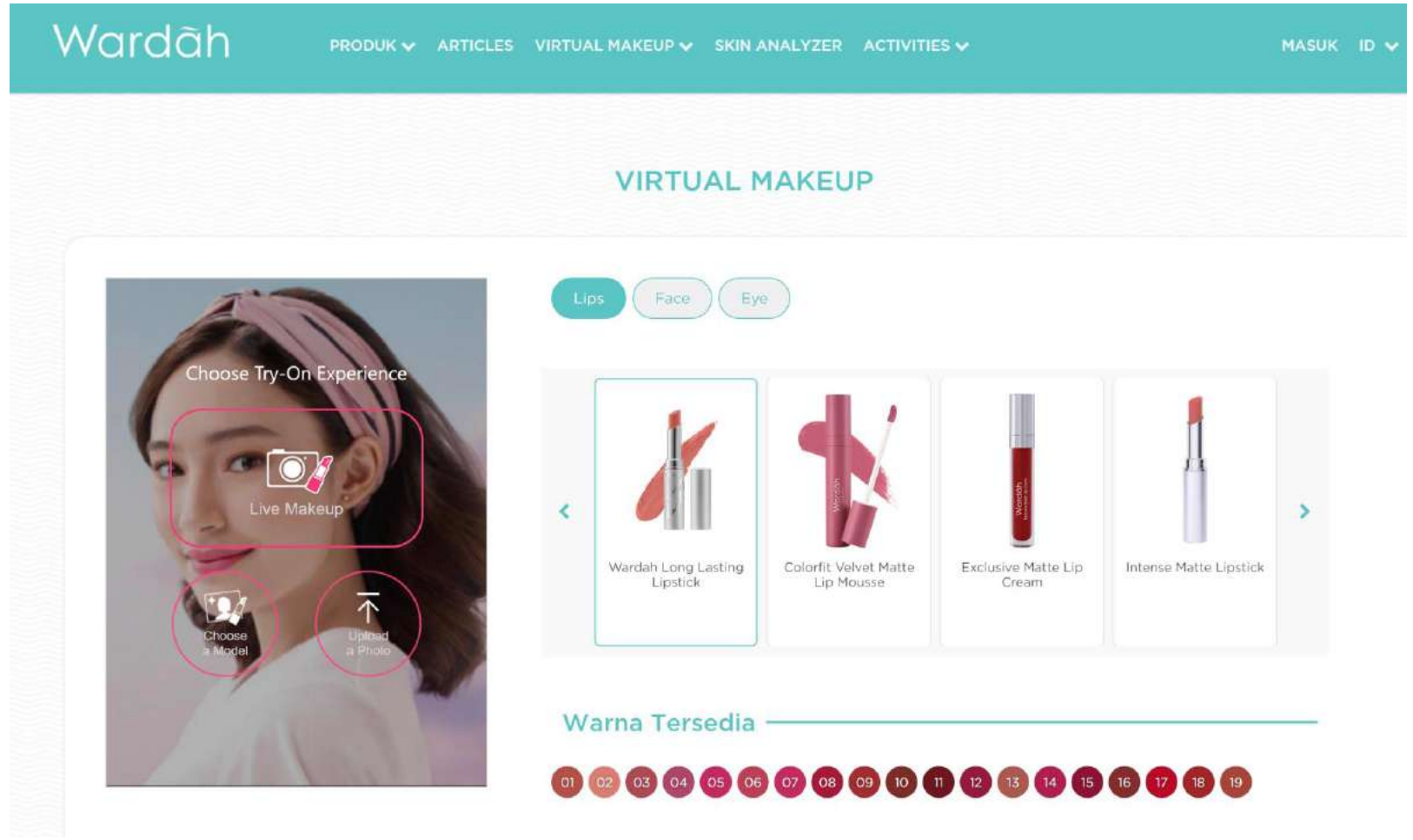
Indosat's Ramadan campaign was produced via Work From Home and it inspires consumers to come together on digital platforms. It became viral with 14 mn+ views



Source: SurveySensum Internal Study

A glimpse of Brand Bringing Experiences Online

Wardah's Online Tool to try products virtually



Source: SurveySensum Internal Study



6

OPPORTUNITIES AHEAD



COVID impact on Ramadan in Indonesia

Areas

Ramadan Traditions

Consumption Habits

Change in Behaviour

- Social events, breaking fast, praying in mosque won't be as usual Ramadan
- Lot of Rituals will be followed Digitally with consumers connecting virtually

- Sahur/ Buka Puasa Consumption will shift towards healthy products
- Consumer intend to avoid Non Healthy Items such as Sugary Drinks and Fried Food
- Immunity will be a strong theme going forward



COVID impact on Ramadan in Indonesia

Areas

Ramadan Shopping

Digital Behavior

Change in Behaviour

- Ramadan Wallet Size will decrease by 32%
 - Discretionary/non essential Items will see the biggest cut
 - Middle SES shows bigger cut in spending
 - Spending on Digital categories is on rise
 - Spending via Online Channel will continuously increase for Grocery & Non Grocery Purchase
- Consumers adjusting to new normality and using digital tools for smooth experiences
 - Majority of Ramadan rituals will be reinvented in digital mode
 - Sharing Recipes on social media, digital iftars and Buka Puasa will be top trends this Ramadan

Opportunity 1: Rise of Social Commerce & Conversational Commerce



Percentage of Consumers Messaging Businesses



- Brands can start focusing on Social Commerce and Conversational Commerce for future
- 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

Source: Facebook



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



Opportunity 3: Promos for Short Term

Number of SKUs' Doing
Promo during COVID-19
down by



61%

Compared to Pre COVID-19

Pre COVID

During
COVID

130,881
SKUs

50,448
SKUs

- With Financial Worries at high level and a big dent on consumer wallets, brands should start focusing on Promos to win in Short Term
- Promos needed to be done in a way that it does not dilute brand equity and positioned as a responsible and helpful brand

Source: Aisensum

QUESTIONS?

Upcoming MMA Webinars



- **April 29** – #ProudlyMadeinVietnam – A National Movement by United Local Brands, Shines through in Pandemic (*Vietnamese*)
- **April 29** - Navigating the Shift in Consumer Behavior in Asia during COVID-19
- **May 5** – Supporting Businesses Navigate Through the Current Challenges of Covid-19
- **May 11** – COVID Impact On APAC Industry Sentiment
- **May 21** - China Martech
- China Advertising story: During and After Covid-19



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



Currency Measurement



Internet of Things



Location



Mobile Messaging



Mobile Native Advertising



Mobile Programmatic



Mobile Shopper Marketing



Mobile Video

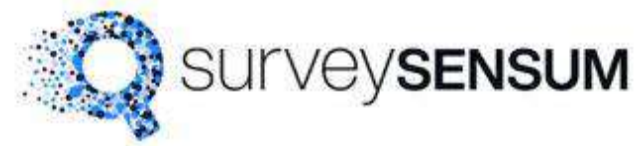


Privacy



To join a program, contact committees@mmaglobal.com.

Participate in the Conversation



MMA Smartbrief



Mobile Smart Fundamentals



MMA LinkedIn Group

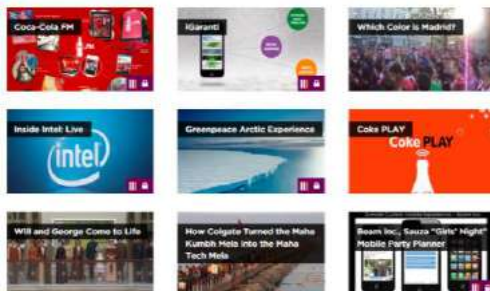


Get Social with MMA



Getting Great at Mobile

Case Study Hub



The Mobile Marketing Playbook



Guidance Reports and





Thank You!