

# COVID-19 Impact on Business Sentiment

MMA Webinar Series

May 11, 2020

In Partnership with  surveySENSUM



# MMA IS 800+ MEMBERS STRONG GLOBALLY

MARKETERS, AGENCIES, MEDIA SELLERS, TECHNOLOGY & OPERATORS



# 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



# MMA COVID-19 Marketer Support Hub

#WeAreInItTogether



Select region: **Global** | [APAC](#) | [EMEA](#) | [LATAM](#) | [North America](#)

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*10 hours 40 min ago*

**COVID-19 Emails: Key Considerations And Tips**  
*10 hours 54 min ago*

**What The Coronavirus (COVID-19) Means For Marketers**  
*10 hours 59 min ago*

**How to Adapt Your Marketing During the Coronavirus (COVID-19)**  
*11 hours 2 min ago*

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**TRACKING COVID-19 AND ITS IMPACT AROUND THE WORLD**

**HUMAN RESOURCES, BUSINESS TOOLS AND TIPS**

**MARKETING AND ADVERTISING TODAY! & IN THE FUTURE**

**BUILDING OUR MARKETING**

**CONSUMER TRENDS AND**

**LIGHT-HEARTED**



## UPCOMING WEBINARS

- ≡ **May 14 – Healthy, Happy and Productive during Covid-19 Times**
- ≡ **May 15 – In conversation with Rohit Dadwal ... There Is No Playbook For This.....**
- ≡ **May 19 – How to Build a Winning Case Study for MMA SMARTIES Awards**
- ≡ **May 21 – MarTech: Powering Digital Transformation in China**
- ≡ **May 26 – Social Commerce: The Next Normal?**



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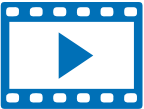





# MMA PROGRAMS & INITIATIVES



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



Enroll by emailing [committees@mmaglobal.com](mailto:committees@mmaglobal.com)



# MANAGING YOUR QUESTIONS



Share the Insights

#MMAWeb





## PRESENTER



Rajiv Lamba  
Founder and CEO  
Neurosensum &  
SurveySensum

## MODERATOR/HOST



Shanti Tolani  
Country Manager  
Mobile Marketing Association  
Indonesia



# Our Coverage

**APAC Level  
Business  
Sentiment  
Survey**

## Countries Covered

India



Indonesia



Singapore



Vietnam



**Sample Size: 433**

**Industries: FMCG, IT, Tourism, Transport, Media & Advertising, Financials, E-commerce, Retail, Manufacturing**

**Role: Mid Manager, Senior Managers, Directors**

**Size: Large & Mid Size Companies**



# Our Agenda

1. COVID-19 Impact on Businesses
2. Impact on Business Budgets
3. Perception on Consumer Behavior Shift
4. Digital the new Normal
5. How Brands are responding
6. Becoming future ready



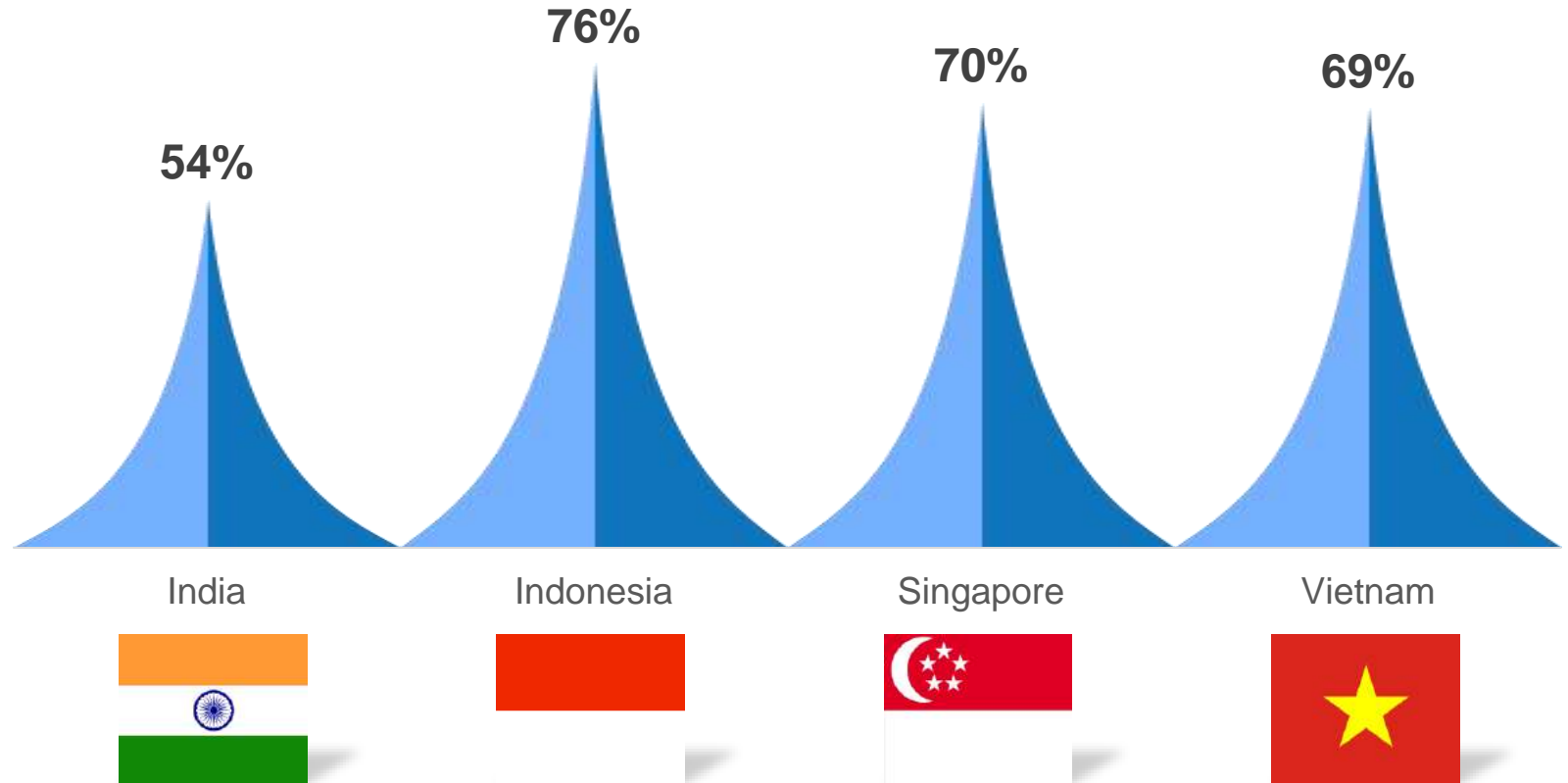
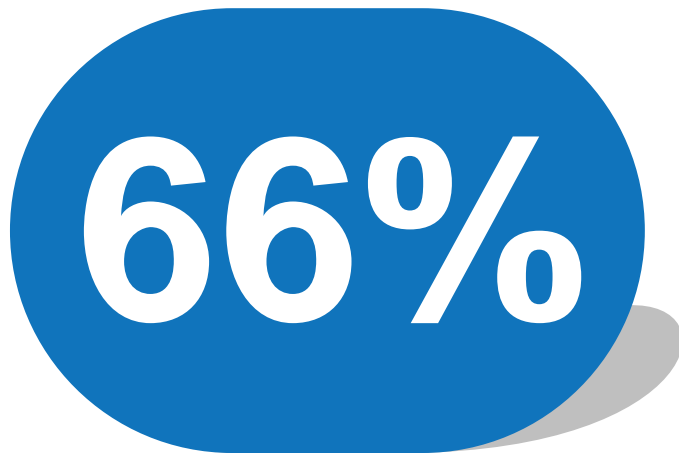
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# COVID Impact on Businesses



Majority of businesses have been impacted by COVID-19.

### Total APAC



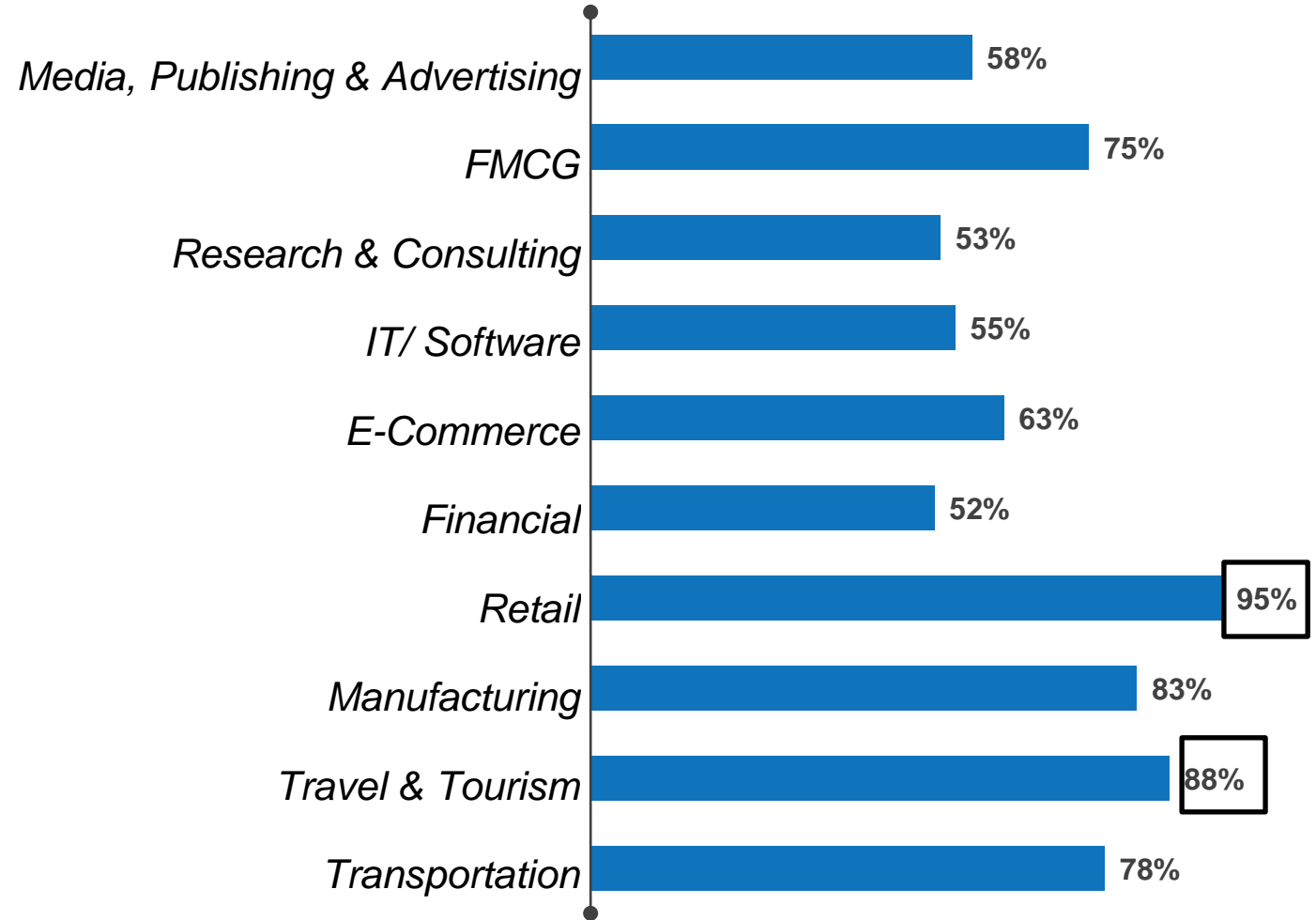
Q. How has COVID-19 disrupted your organization's day to day activities? Scale (1-5) : T2B  
13

Source: SurveySensum Internal Study on Business Respondents : APAC



# Retail, Travel & Tourism are the hardest hit.

Total APAC

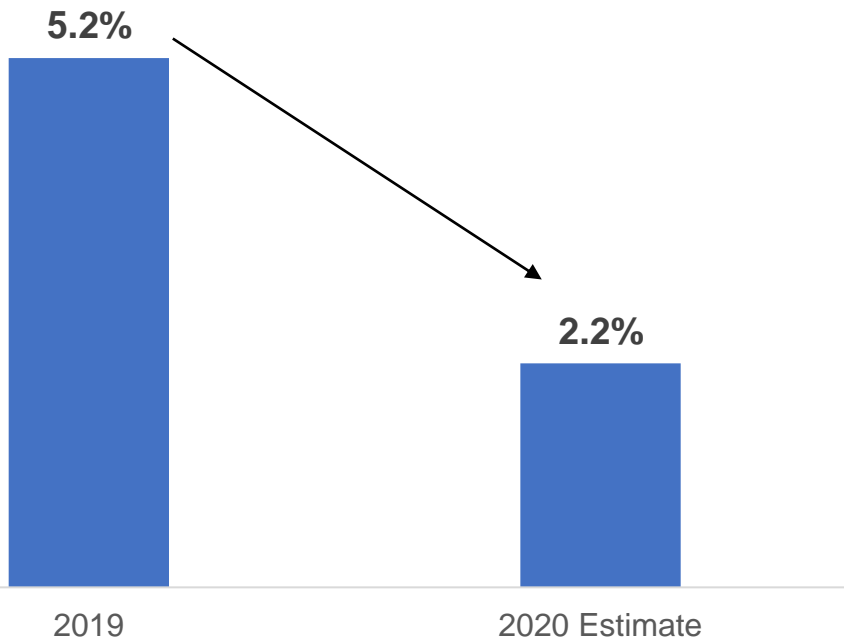


Q. How has COVID-19 disrupted your organization's day to day activities? Scale (1-5) T2B

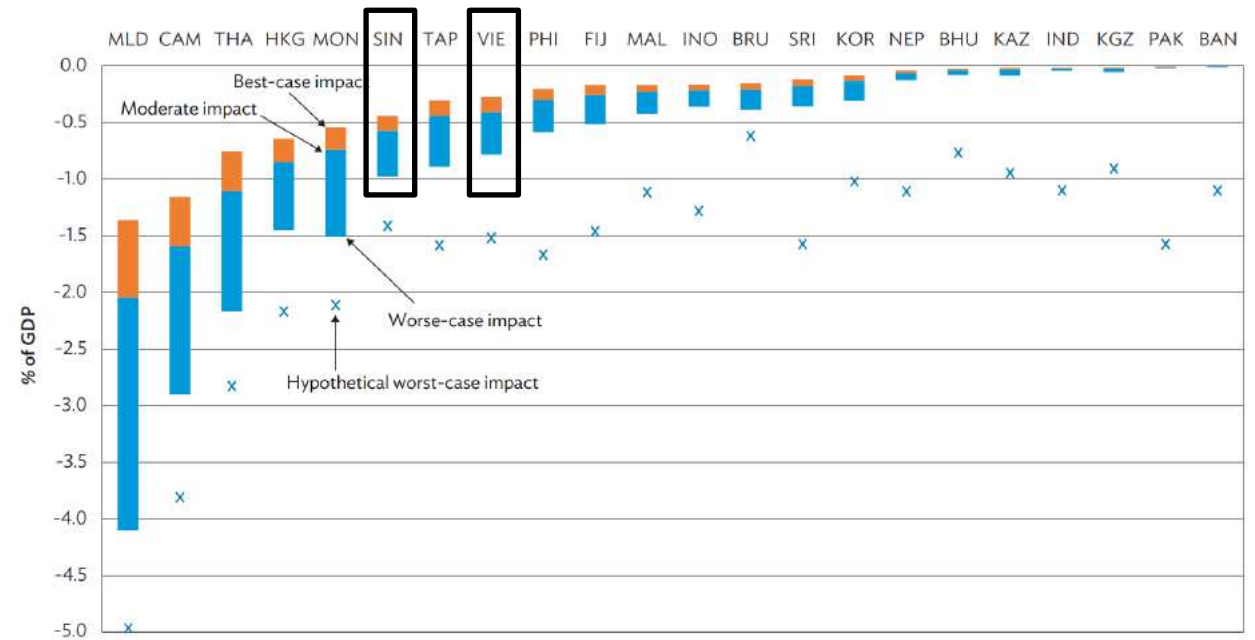


# Economic forecast paints a grim picture of days coming ahead

### ASIA GDP GROWTH FORECAST By Asian Development Bank



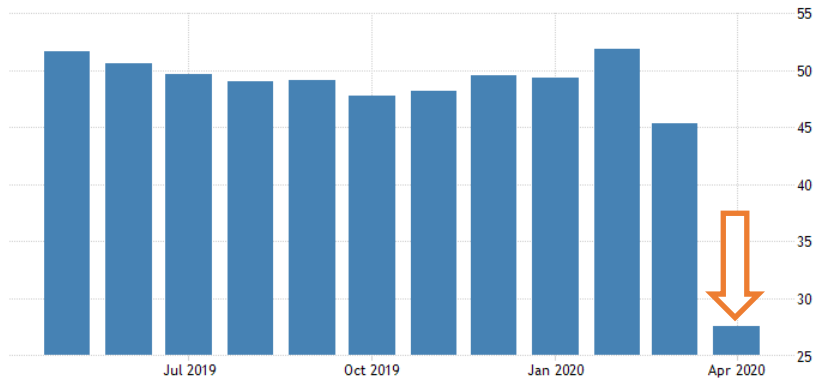
### Impact of COVID-19 as a % of GDP of Asian Economies By Asian Development Bank



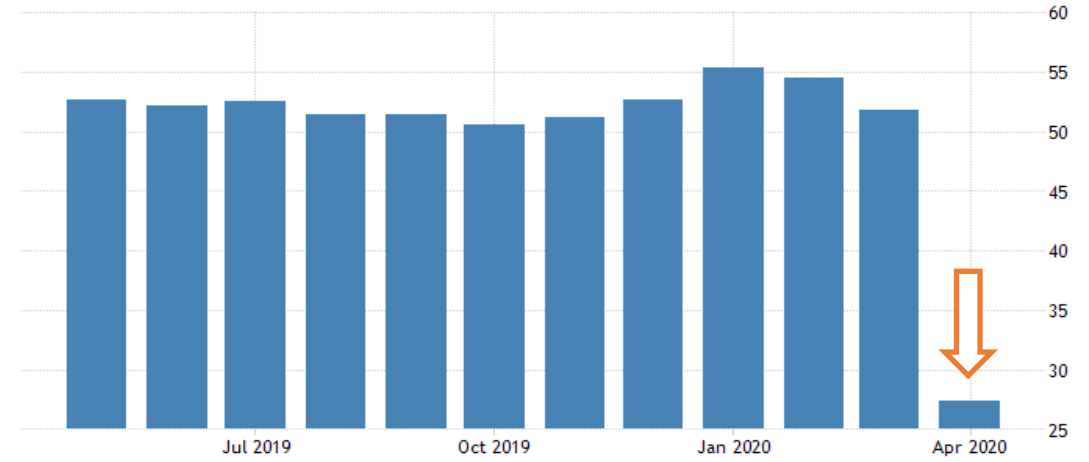
BAN = Bangladesh; BHU = Bhutan; BRU = Brunei Darussalam; CAM = Cambodia; FIJ = Fiji; HKG = Hong Kong, China; IND = India; INO = Indonesia; KAZ = Kazakhstan; KGZ = Kyrgyz Republic; LAO = Lao People's Democratic Republic; MAL = Malaysia; MLD = Maldives; MON = Mongolia; NEP = Nepal; PAK = Pakistan; PHI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

# Purchasing Managers Index paint a bleak scenario for businesses

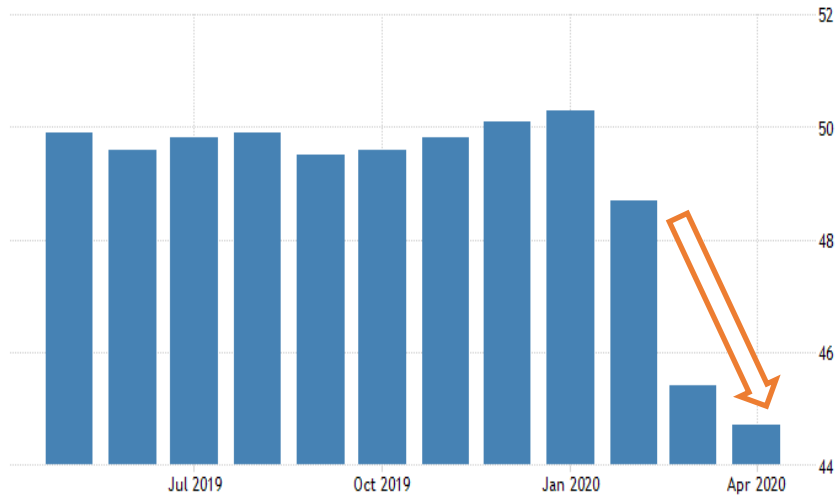
Purchasing Managers Index (PMI) - Indonesia



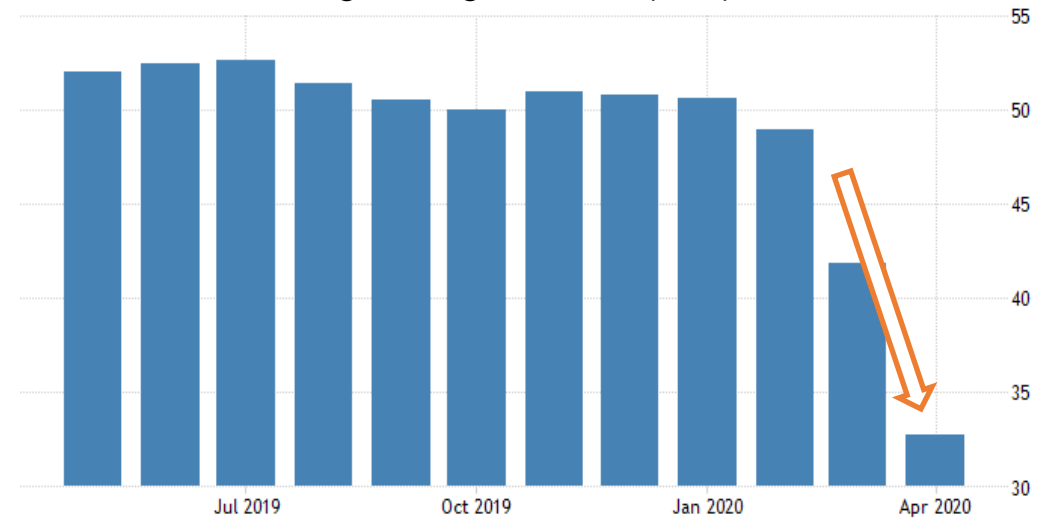
Purchasing Managers Index (PMI) - India



Purchasing Managers Index (PMI) - Singapore



Purchasing Managers Index (PMI) - Vietnam



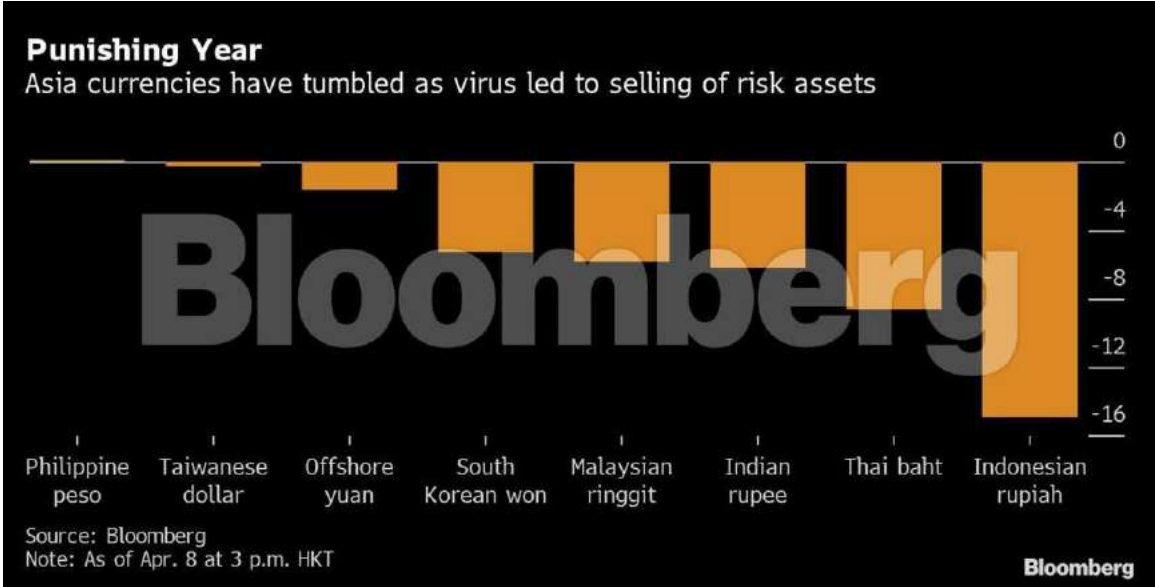




# Though Stock Market has rebounded but its not in line with economic fundamentals



Stock markets declined steeply before a rebound

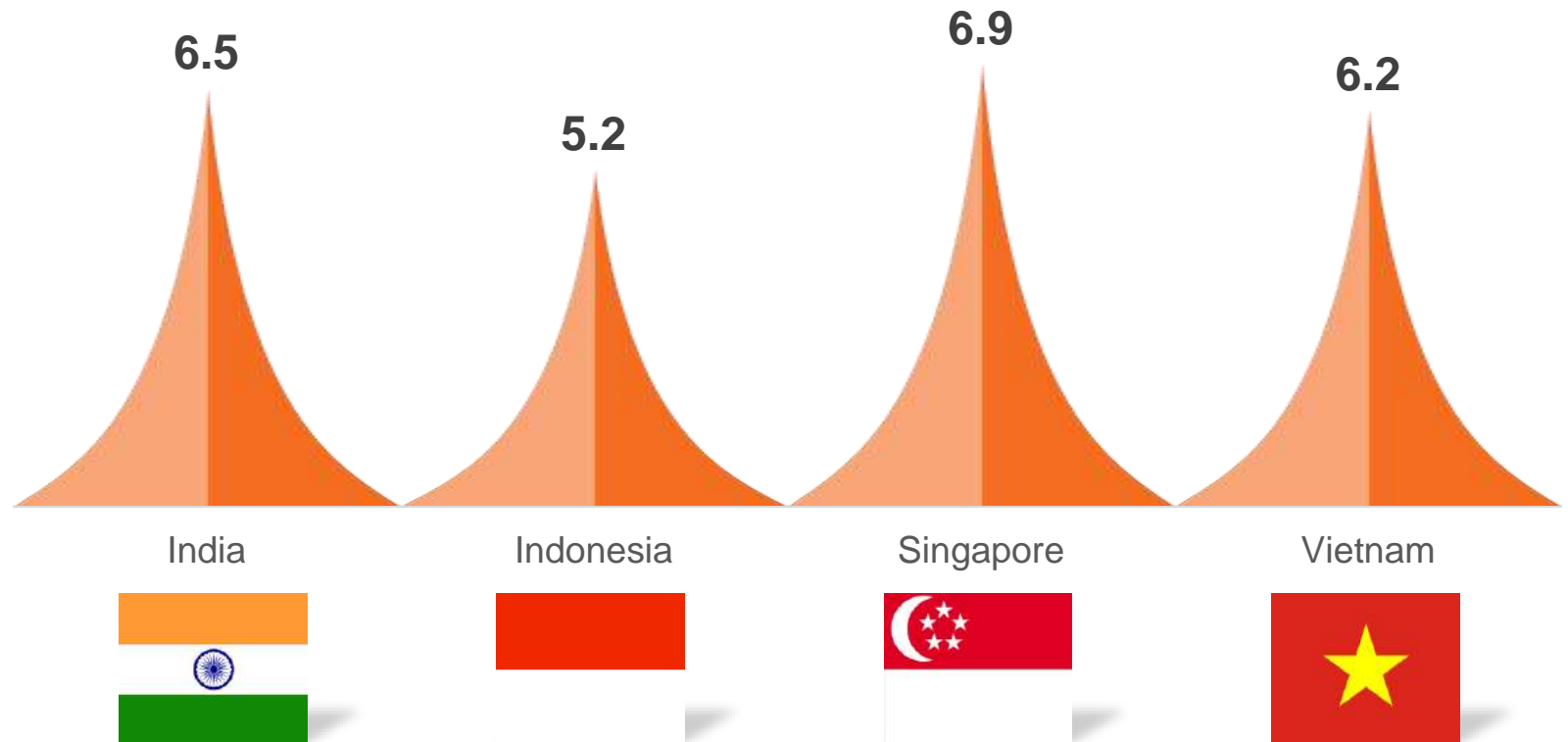


Businesses expect disruption to continue for a long period.  
Indonesian businesses are the most optimistic

*Expected time for Situation to Normalize*

Total APAC

6.2  
Months

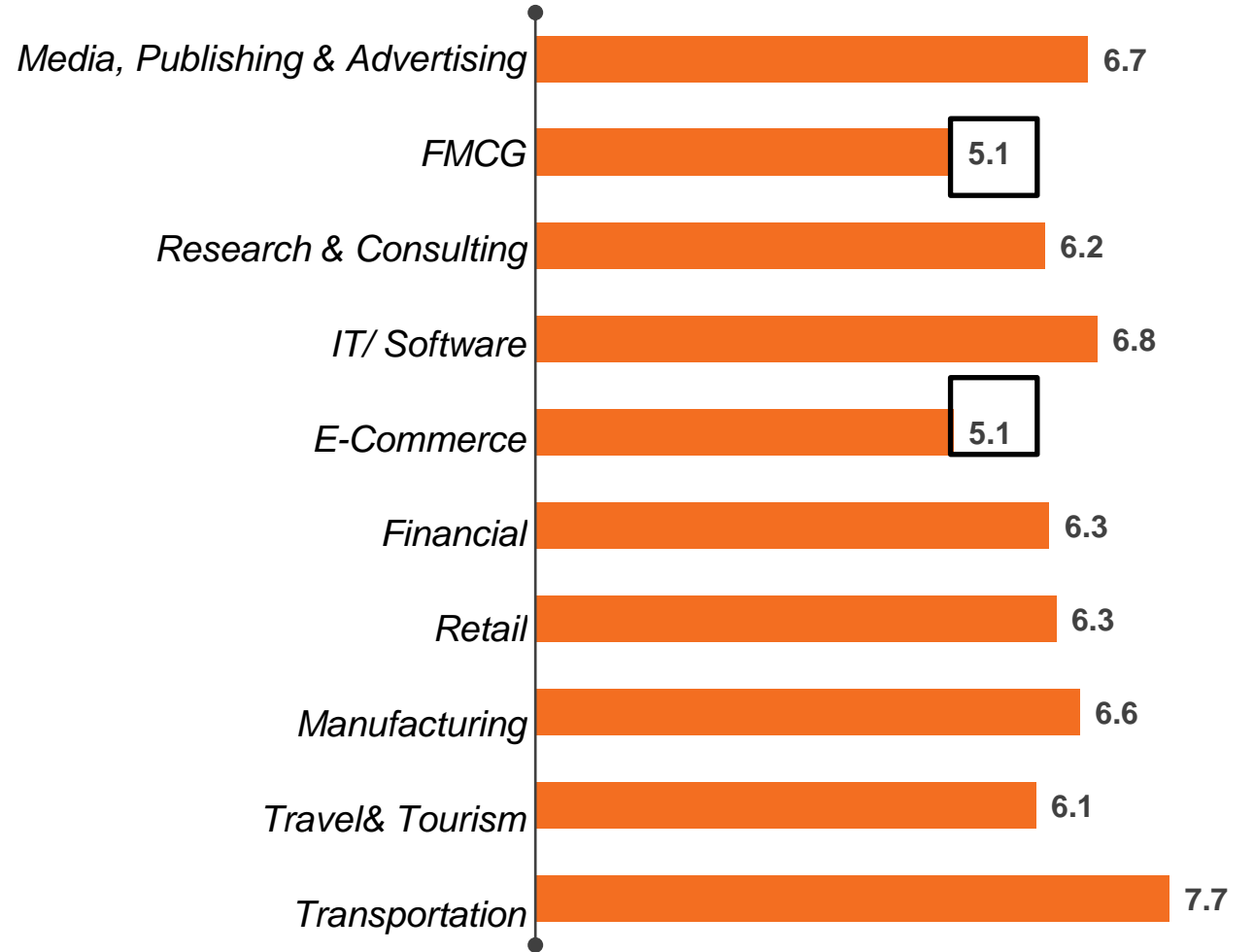


# E-Commerce & FMCG are the most optimistic for speedy recovery

*Expected time for Situation to Normalize*

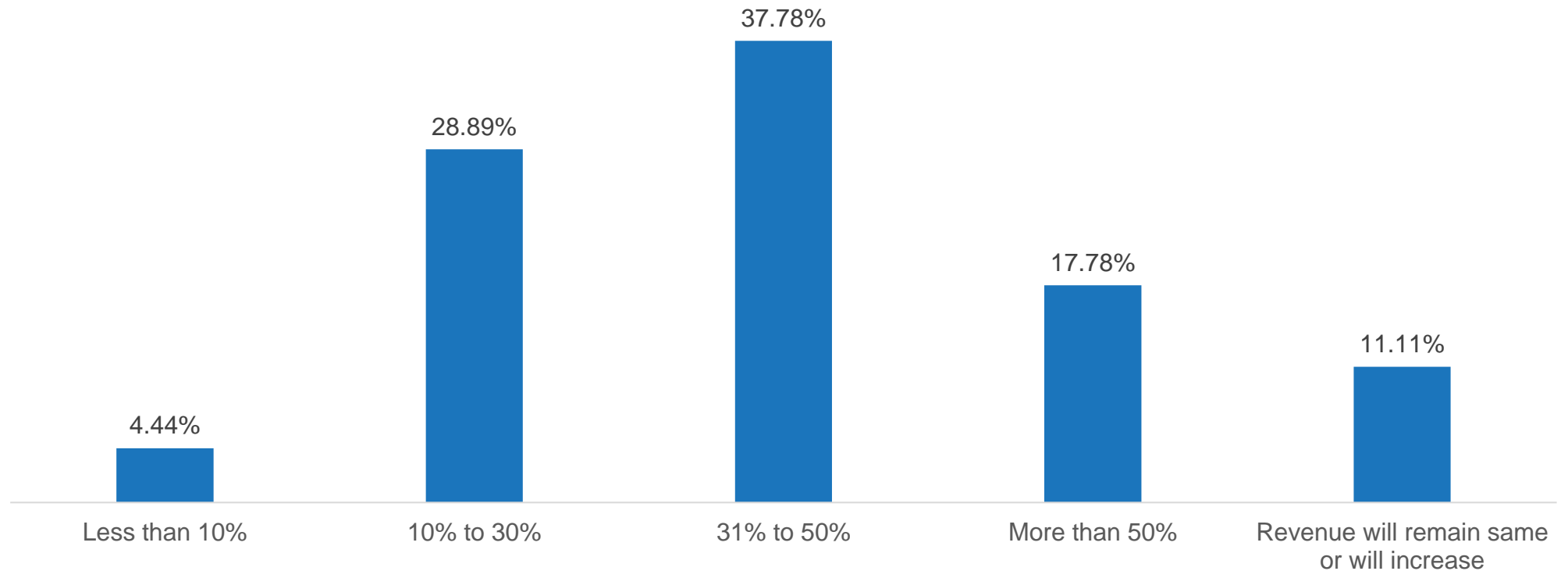
**Total APAC**

**6.2**  
**Months**



# Poll 1 – Audience results

**Due to COVID-19, how much revenue drop are you expecting for your organization in Q2 2020?**





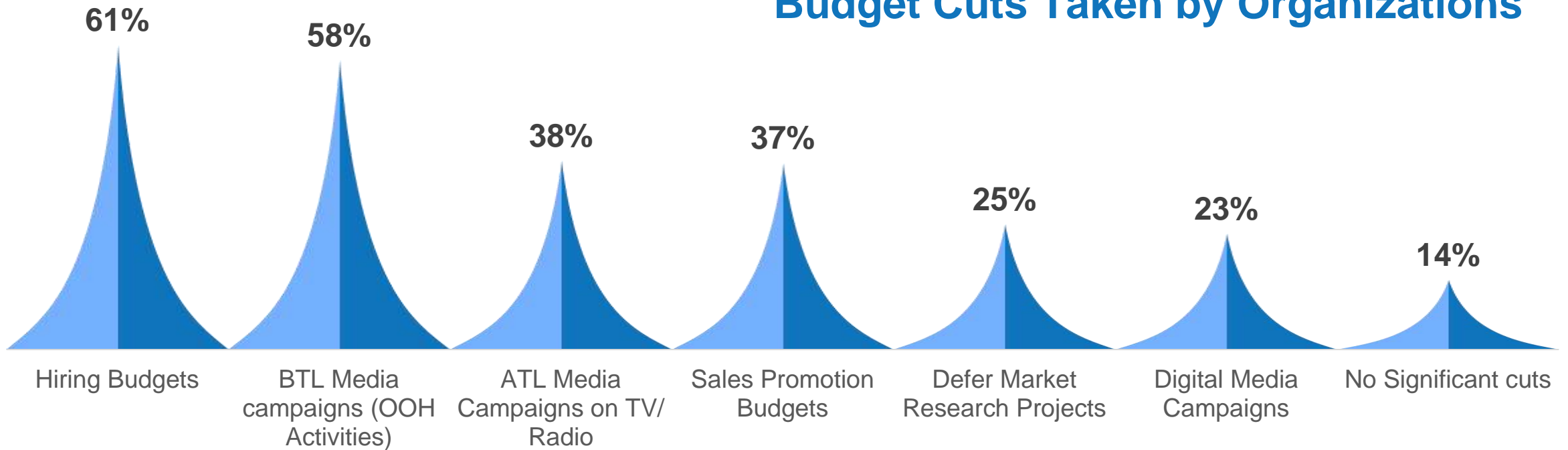
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# COVID Impact on Business Budgets



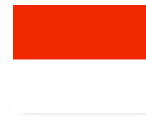
# Hiring and BTL activities have been the most impacted

## Budget Cuts Taken by Organizations



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

# Businesses in Singapore have been the most aggressive in cutting Hiring Budgets & BTL campaigns

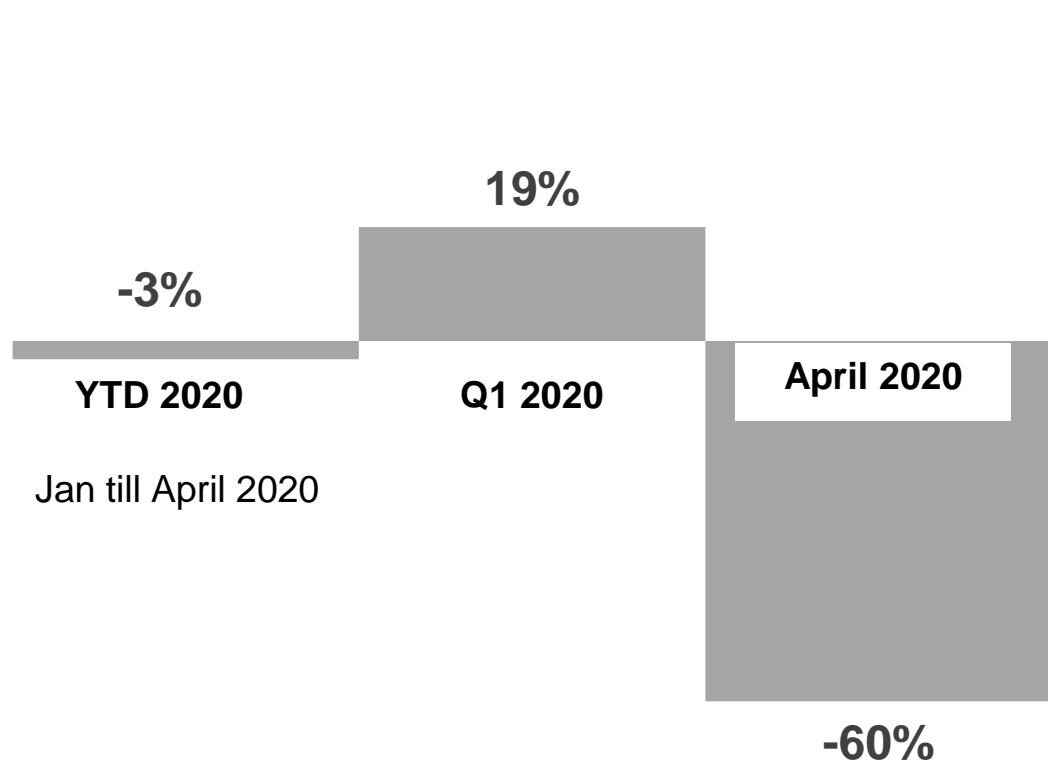


Budget Cuts Taken	Total APAC	India	Indonesia	Singapore	Vietnam
Hiring Budgets	61%	62%	58%	70%	53%
BTL Media campaigns (OOH Activities)	58%	60%	54%	70%	48%
ATL Media Campaigns on TV/ Radio	38%	44%	33%	37%	30%
Sales Promotion Budgets	37%	38%	39%	35%	25%
Defer Market Research Projects	25%	27%	24%	28%	25%
Digital Media Campaigns	23%	23%	17%	24%	28%
No Significant cuts	14%	19%	13%	9%	8%

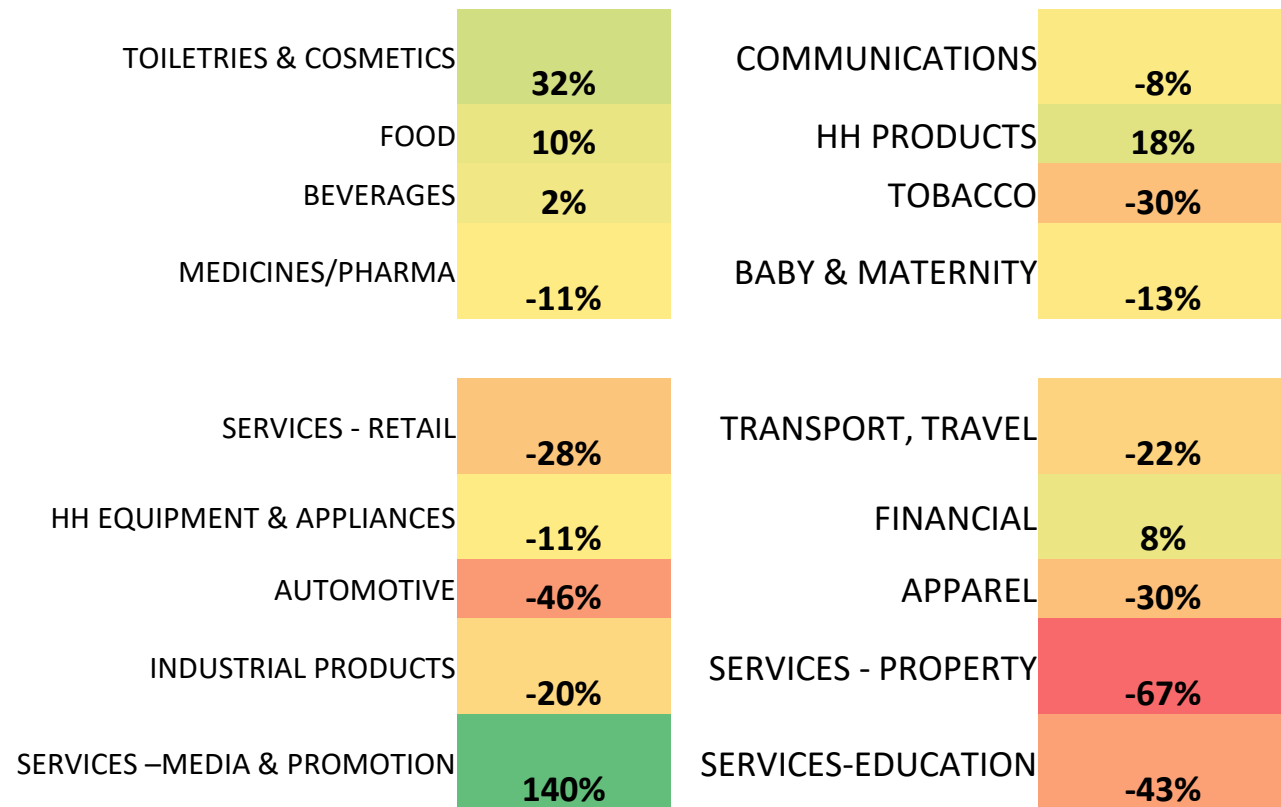


# Aggressive reduction in TV Spends in Indonesia in April

### TV Spends Y-ON-Y Growth



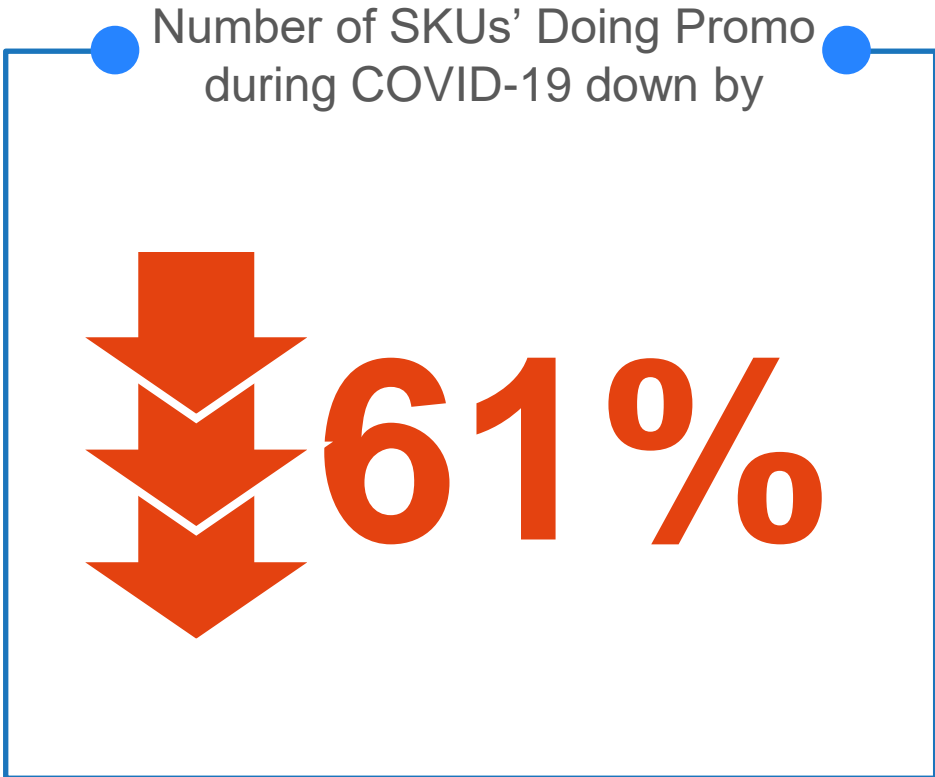
### Sector wise growth YTD



Source: GroupM COVID Impact Indonesia



# FMCG Companies have reduced sale promotions, and should consider increasing it



Compared to Pre COVID-19

Pre COVID  
Jan – Feb 2020

**130,881**  
SKUs

During COVID  
March – April 2020

**50,948**  
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

Source: Aisensum, HappyFresh Indonesia Jan - April 2020 data

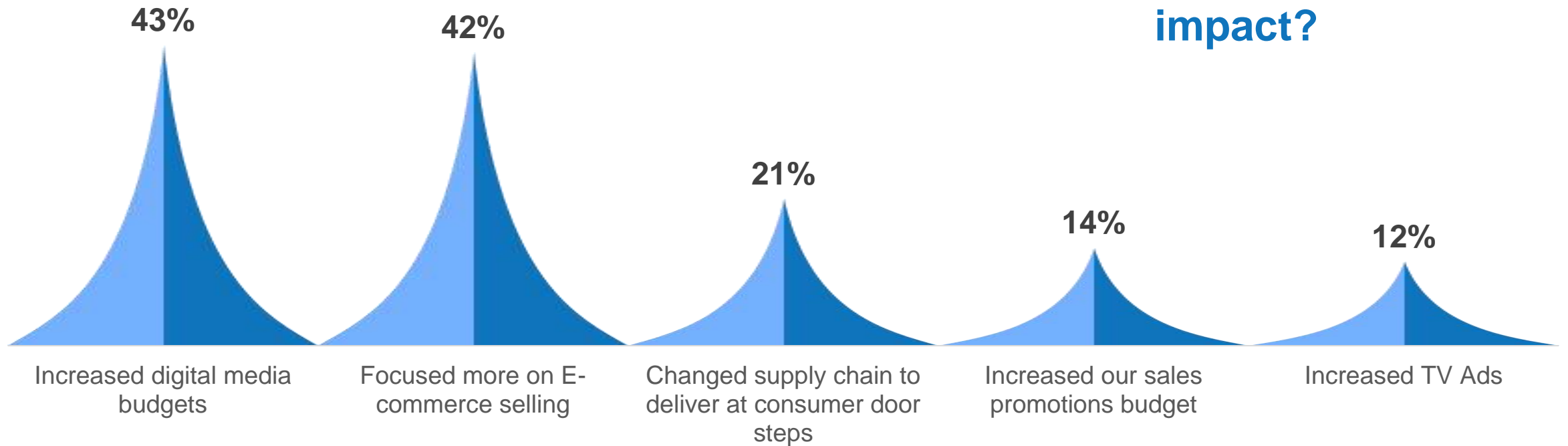
# Financial companies, Retail, Tourism and Transport sector have taken high budget cuts

Budget Cuts Taken	Total APAC	Media & Publishing	FMCG	E-Commerce	Financial	Retail & Consumers	Travel & Tourism	Transportation
Hiring Budgets	61%	63%	51%	38%	76%	73%	69%	89%
BTL Media campaigns (OOH Activities)	58%	59%	74%	31%	68%	73%	63%	44%
ATL Media Campaigns on TV/ Radio	38%	39%	40%	31%	64%	36%	56%	33%
Sales Promotion Budgets	37%	39%	40%	13%	40%	55%	50%	22%
Defer Market Research Projects	25%	22%	27%	25%	23%	38%	33%	24%
Digital Media Campaigns	23%	21%	18%	25%	36%	32%	50%	44%
No Significant cuts	14%	15%	11%	19%	20%	0%	13%	0%



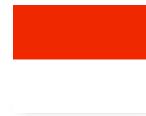
# Businesses have taken digital route to counter COVID-19 impact

## How businesses are countering impact?



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

**Singapore & Indonesia are skewed towards digital focus.  
Businesses in Vietnam have been aggressive on Promos as well**



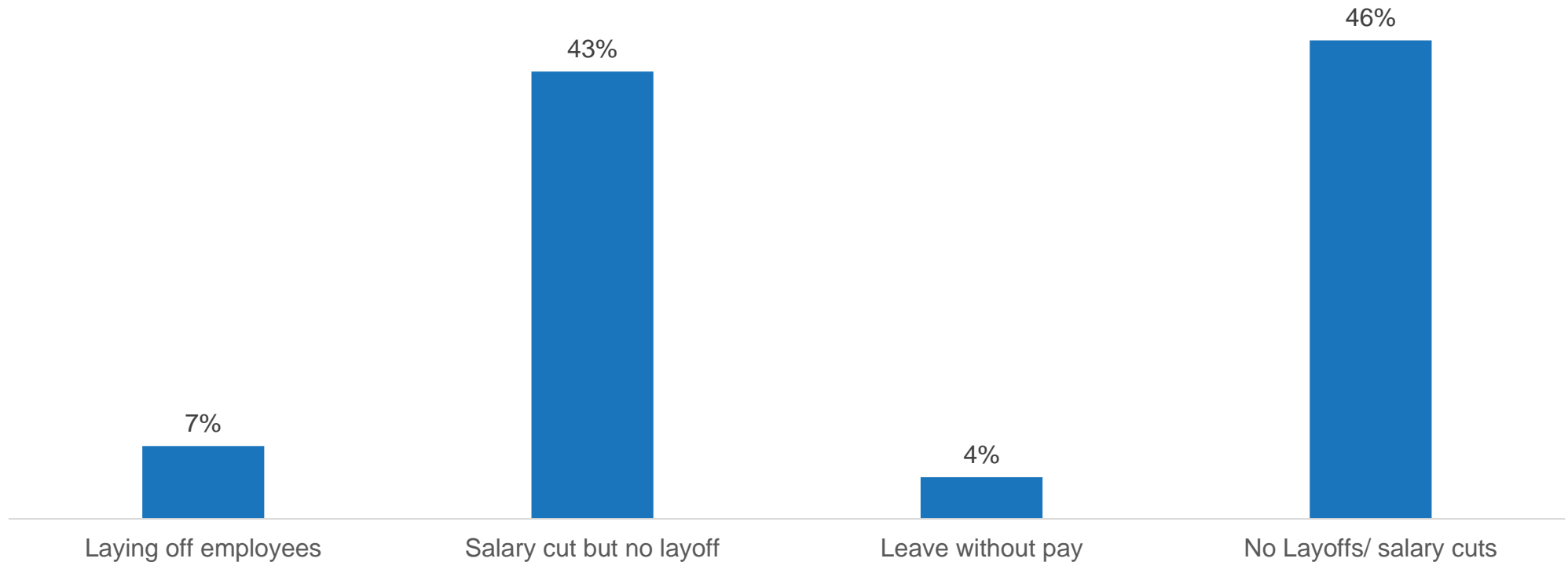
Change in Strategy	Total APAC	India	Indonesia	Singapore	Vietnam
Increased digital media budgets	43%	34%	48%	57%	47%
Focused more on E-commerce selling	42%	23%	55%	57%	48%
Changed supply chain to deliver at consumer door steps	21%	13%	30%	17%	25%
Increased our sales promotions budget	14%	8%	12%	11%	31%
Increased TV Ads	12%	11%	20%	4%	5%

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



# Poll 2 – Audience results

**As a measure to control cost, which of the following measures your organization plans to implement /has implemented ?**

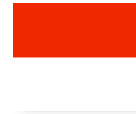




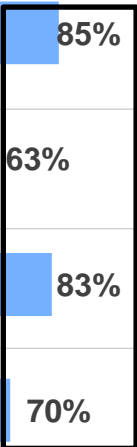
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# Perception of Businesses regarding Consumer Behavior Shift

# Businesses believe consumers will shift to digital channels in future, especially Video calls



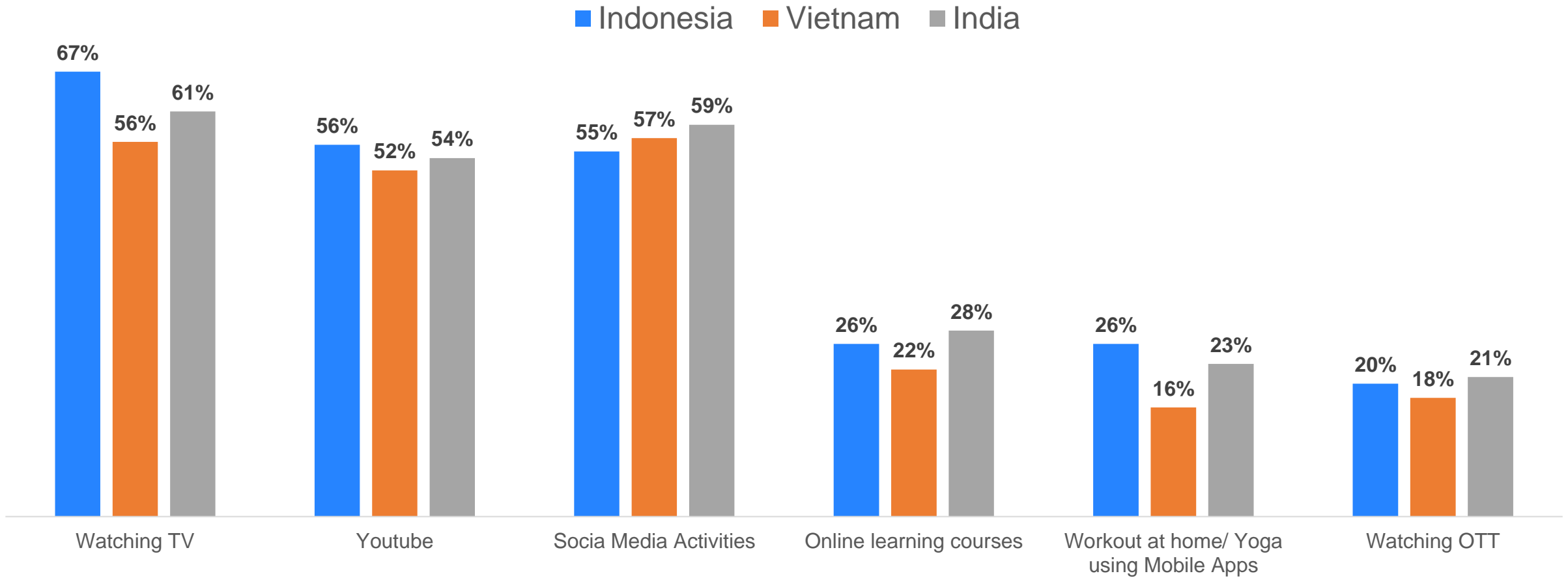
Countries	Total APAC	India	Indonesia	Singapore	Vietnam
Rise of Video meeting apps	80%	84%	56%	85%	67%
E- learning will be a new normal for education	62%	61%	44%	63%	61%
Consumers will shift major part of their grocery shopping to digital	57%	55%	28%	83%	41%
Online services such as Online Doctor Consultation will rise	49%	49%	44%	70%	28%
Traditional E-commerce categories such as Electronics, Fashion will also get a boost due to COVID-19	35%	32%	33%	39%	36%
Consumer will start shifting their entire purchase basket including big ticket items to online	29%	27%	22%	37%	27%



Q3. COVID-19 is shifting consumer behavior rapidly. Which of the following do you think best describes change in consumption/ use of online services or e-commerce? (MA)

# With consumers restricted at home, both TV & digital media viewership set to gain

*Activities being done more by consumers due to COVID-19*





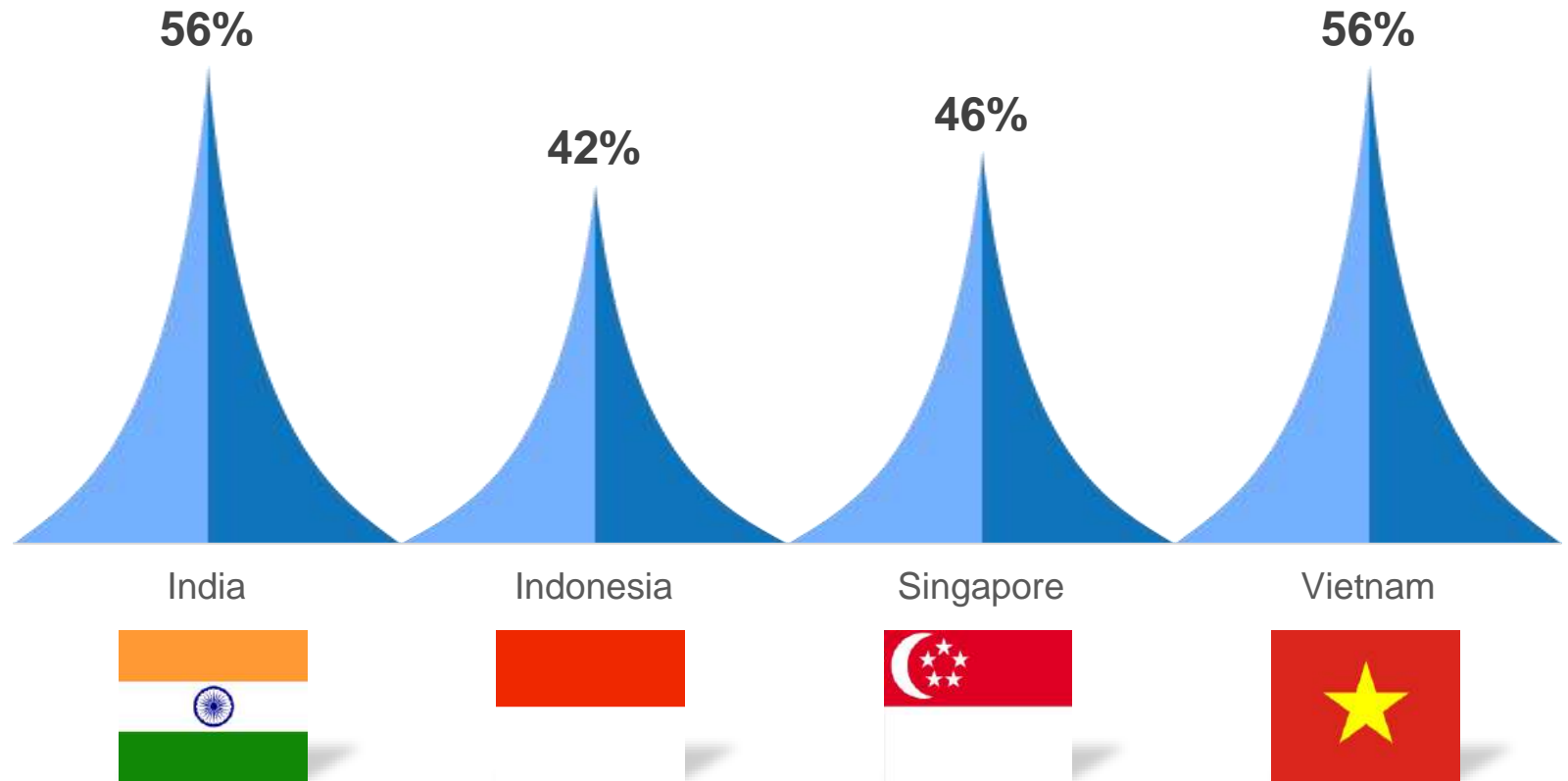


# Businesses believe in importance of Online Community & Web influencers

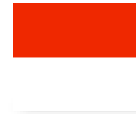
Online Communities & Web Influencer will play a big role in consumer decision journey

Total APAC

56%



# Businesses believe in rise of digital products & services



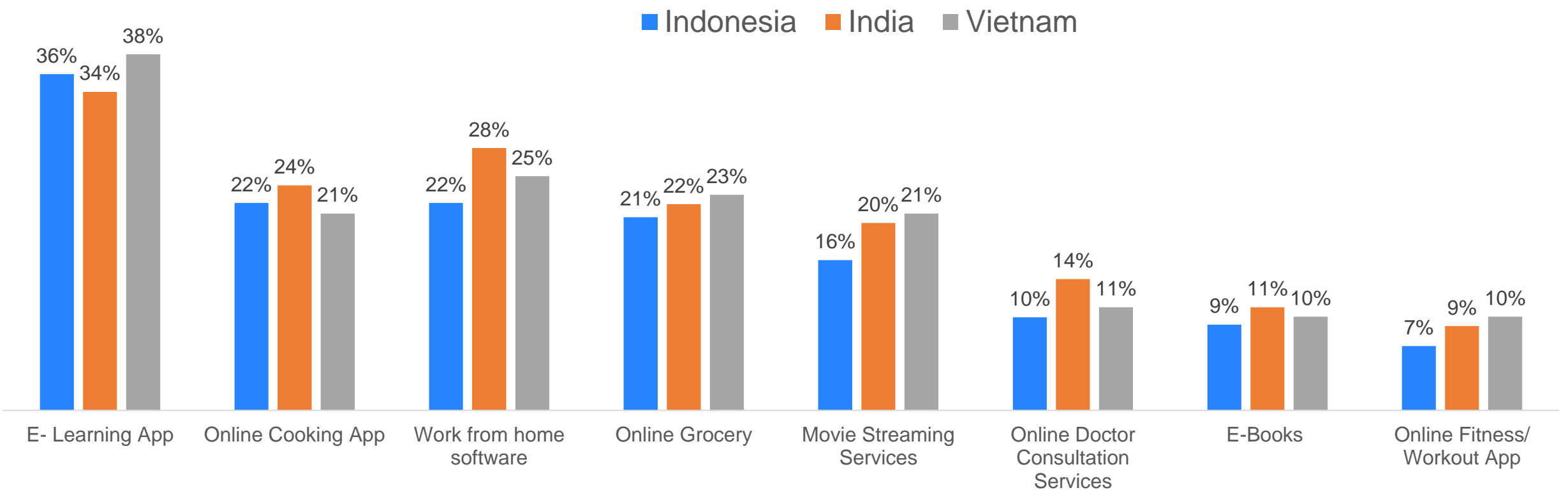
Countries	Total APAC	India	Indonesia	Singapore	Vietnam
News consumption on TV/ digital media will rise due to COVID-19	80%	83%	79%	89%	66%
Consumers will play more online games due to COVID-19	64%	66%	32%	76%	47%
Online Vlogging will get a boost too as social life remain disrupted due to COVID-19	47%	47%	37%	41%	38%
Sales of Digital PlayStation (Xbox, PS3 etc) will rise as consumers will look for entertainment inside home	31%	24%	26%	35%	36%

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

# Lockdown has given rise to new digital categories



*% Consumers Trying Category for 1<sup>st</sup> time in Past one month*

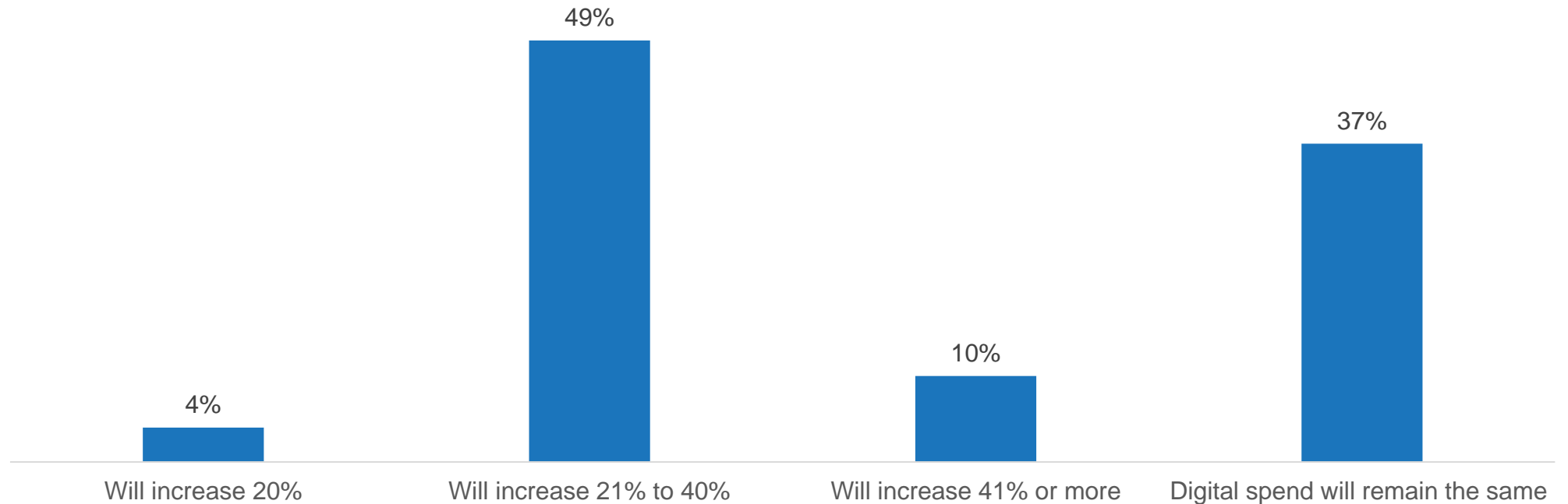


Source: SurveySensum Internal Study on Consumers



# Poll 3 – Audience results

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





4

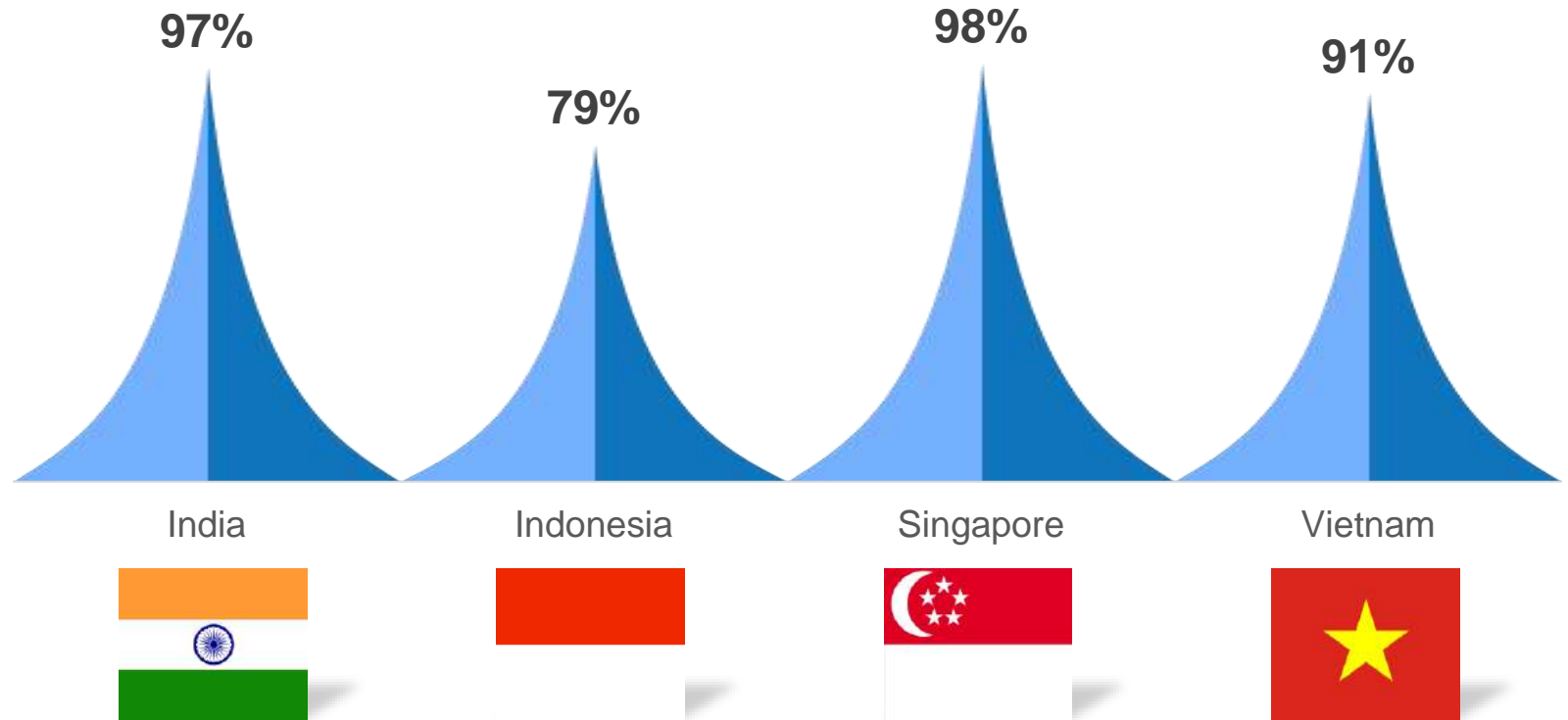
# Is Digital the new Normal?



# Majority of businesses are using Digital marketing as Top Channel for reaching out to consumers

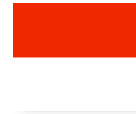
## Use Digital Marketing as a Top channel

### Total APAC



Top 3 channels considered for marketing mix?

# Businesses are using digital channels to build awareness and recall



Role Played by Digital Media in Marketing Mix	Total APAC	India	Indonesia	Singapore	Vietnam
Brand awareness and recall	68%	66%	68%	76%	61%
Share knowledge to consumers	52%	51%	53%	48%	58%
Building Emotional connect with consumers	52%	50%	47%	65%	47%
Induce trust in the brand with production/business process access	43%	41%	37%	54%	41%
Providing online services/ delivery at doorstep	40%	37%	37%	50%	38%

Q7. Which of the following best describes role played by Digital Media in your marketing mix? (MA)

**While FMCG & Retail businesses are focused on home deliveries, financial businesses are more focused on building trust using digital media**

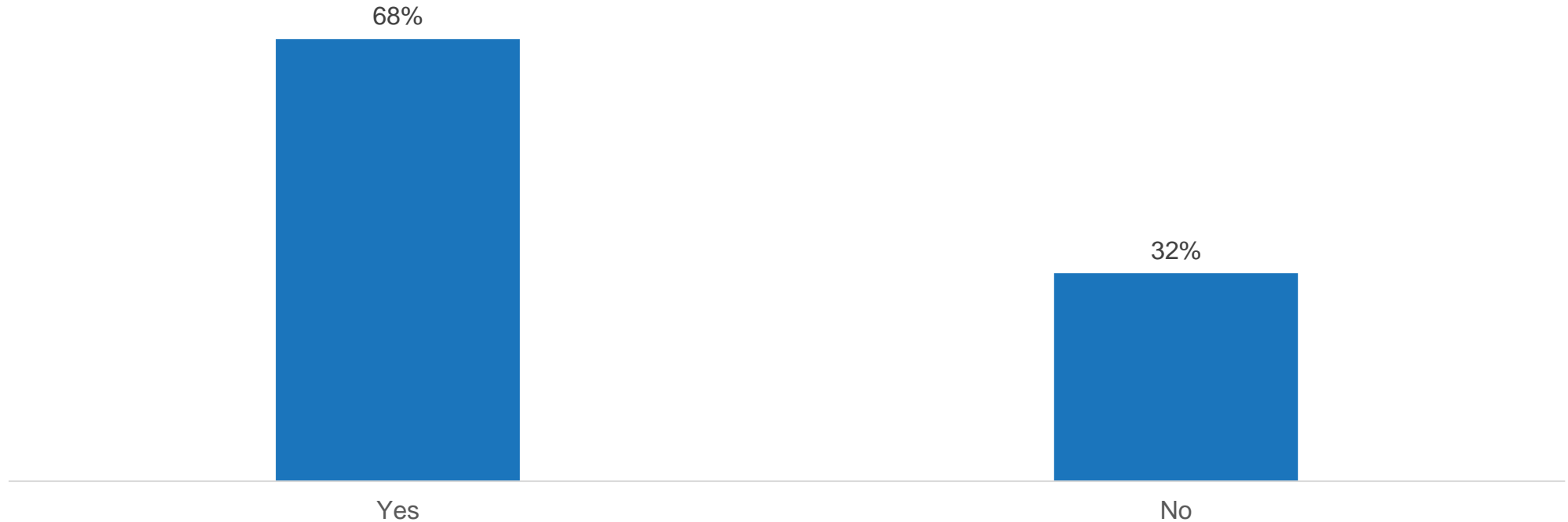
Role Played by Digital Media	Total APAC	FMCG	Financials	Retail
Brand awareness and recall	68%	78%	72%	69%
Share knowledge/vital information without deep product integration	52%	52%	50%	44%
Building Emotional connect with consumers	52%	70%	56%	75%
Induce trust in the brand with production/business process access	43%	41%	67%	44%
Providing online services/ delivery at doorstep	40%	63%	44%	69%

Q7. Which of the following best describes role played by Digital Media in your marketing mix? (MA)



# Poll 4 – Audience results

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

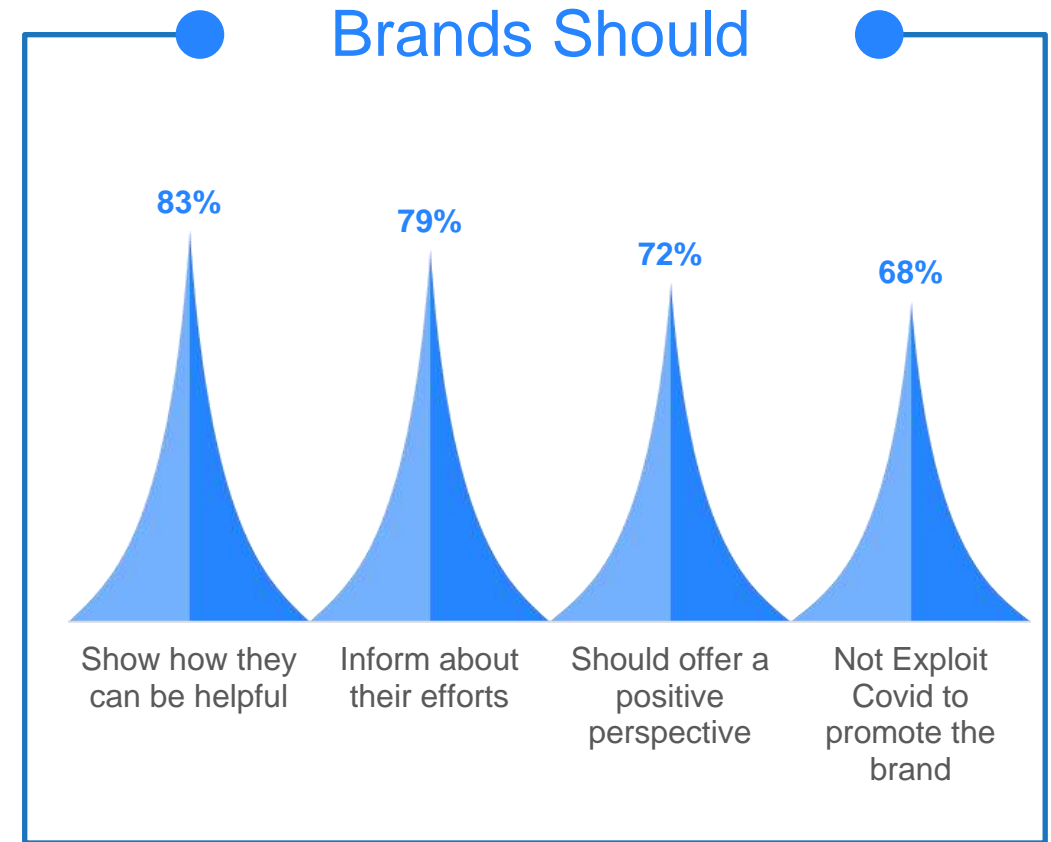
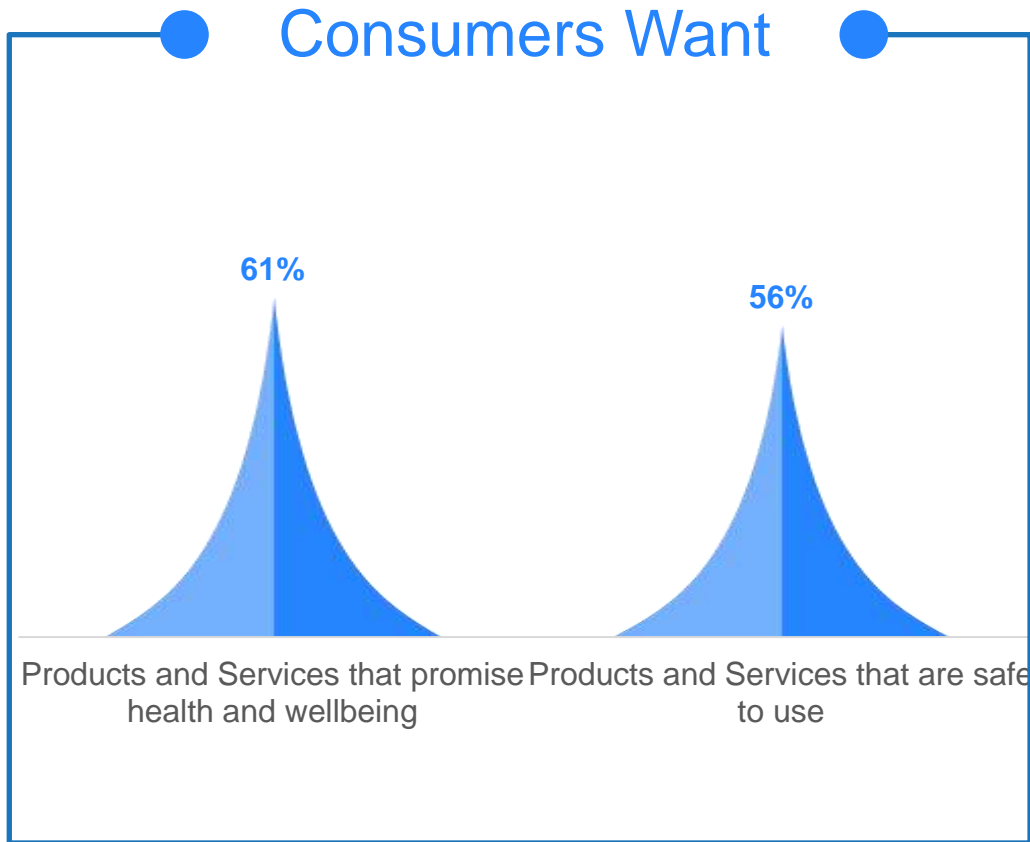




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# HOW BRANDS ARE RESPONDING

# What consumers want from Brands?





## Using Digital channel to reach consumers



**Recreating recreation:  
Virtual Sentosa debuts in the  
popular Nintendo Switch game  
Animal Crossing**



**A Popular Fitness Centre  
used digital strategy to  
reach consumers at home**



**Dettol Handwash  
Challenge getting 50 bn+  
views**

# CSR during Crisis



**Xiaomi Distributing Masks in Singapore**



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



**Western Union has donated funds for COVID-19.**

# Preparing for Contactless Future



**Dominos Zero Contact Delivery**



**Zomato Contactless delivery**



**Zomato Contactless Dining**





6

# How Brands should be Future Ready





01

## Embrace Digital

- Enhance Digital marketing Capabilities
- Build Deep partnerships & Eco System for data sharing, joint marketing campaigns

02

## Explore New Channels

- Improve Omnichannel Touchpoints & improve coordination across channels
- Build Strong CRM & Social/ Conversational Commerce Strategy

03

## Product & Range Innovations

- Monitor consumer trends and develop products and services which focus on consumer health and wellbeing
- New packaging for catering to new needs



04

## Supply Chain Enhancement

- Diversified Supply origins
- Diversified sales channel mix
- Agile Supply chain to absorb demand & supply shocks

05

## Responsive & Responsible Marketing

- Focus PR / CSR activities, and build a reliable brand image
- Plan bounce back consumer campaigns in advance

# QUESTIONS?



Thank You!