

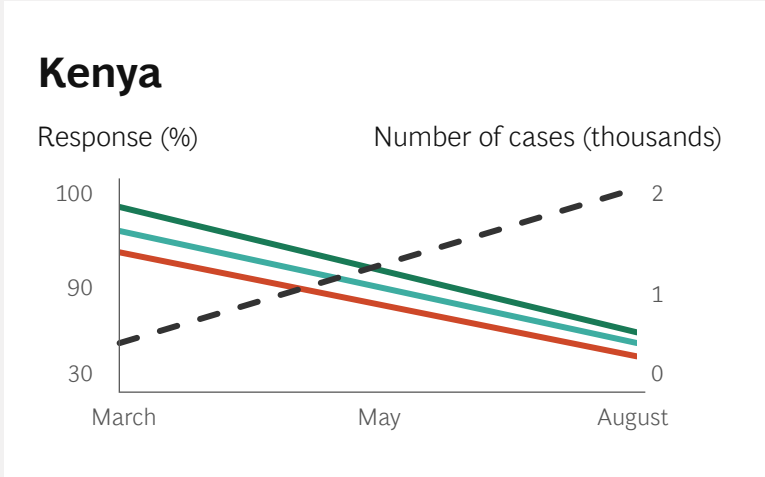
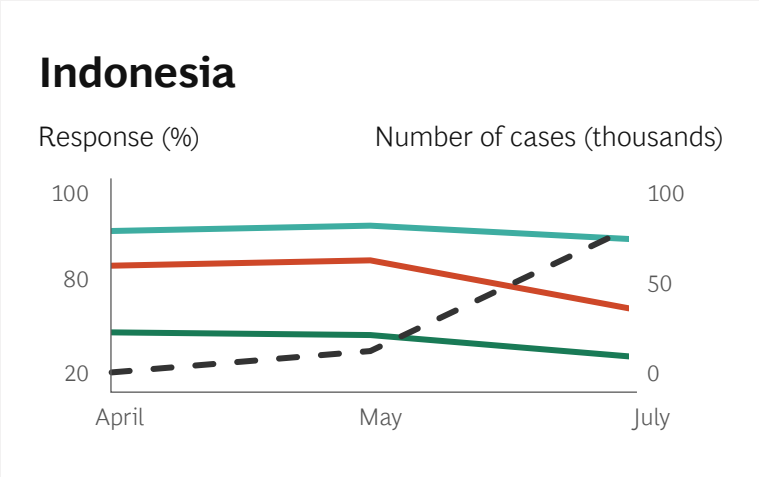
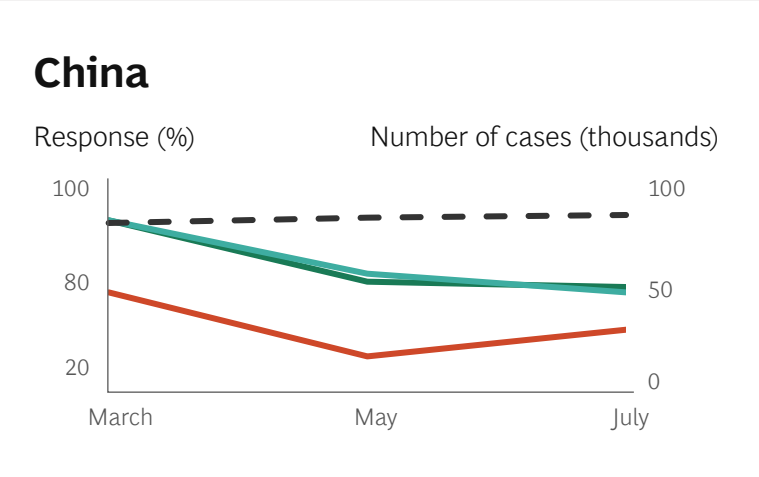
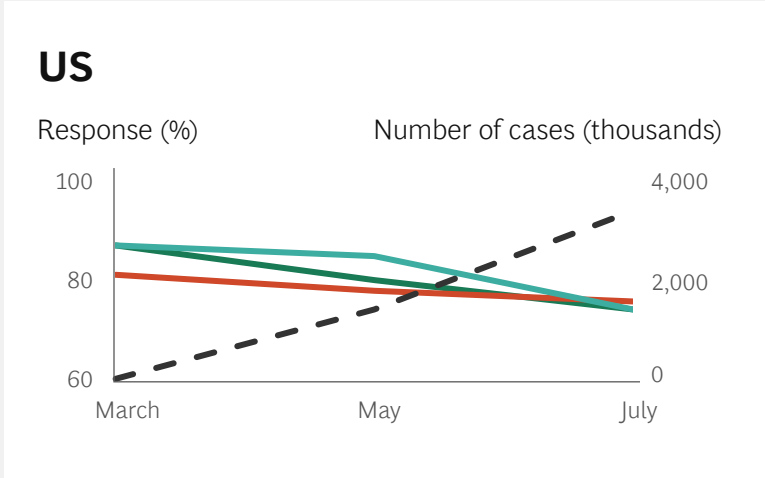
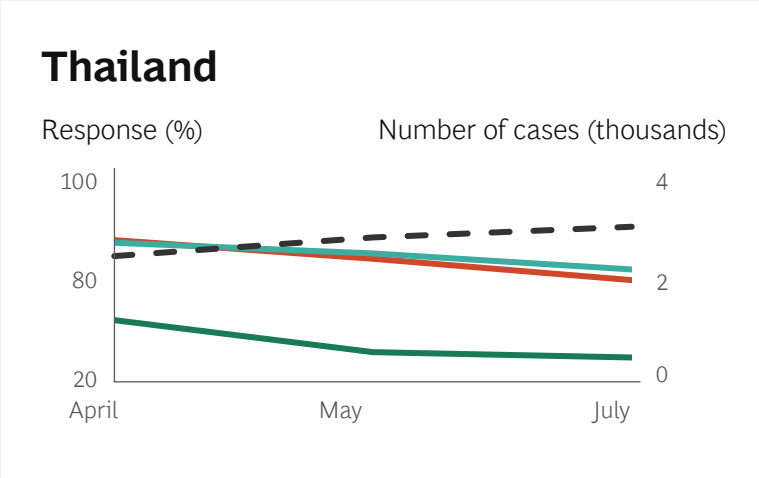
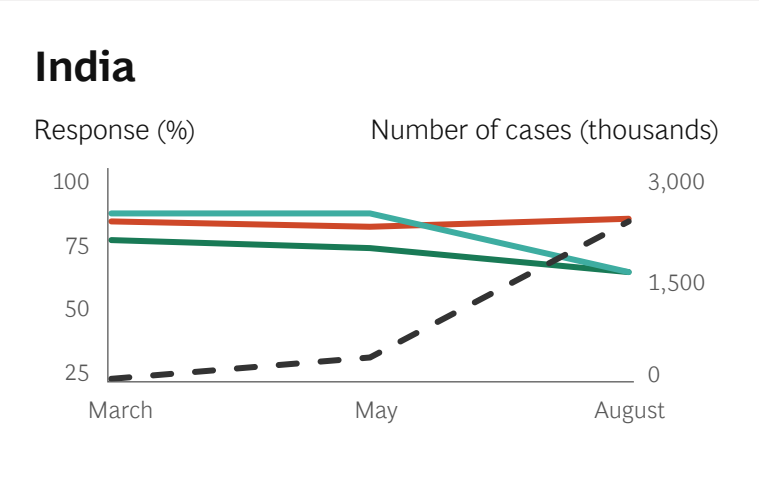


COVID-19

Edition 3:

Who Is the Emerging-
Market Consumer in
the Postpandemic Era?

#1 | Consumers' Concerns Decline Even as the Pandemic Worsens



■ Concerned about personal health ■ Concerned about recession ■ Impact on daily lifestyle - - - Cumulative cases (thousands)

Sources: BCG COVID-19 Consumer Sentiment Survey 2020; BCG Center for Customer Insights analysis.
Note: Question was “How much do you agree with each of the following about coronavirus? a. I’m not going out of the house fearing risk to health, except for work. b. There will be an economic recession. c. I’m changing my daily lifestyle—keeping a distance from others while in crowded spaces, avoiding handshakes, etc.”

#2 | “Self-Cocooning” at Home Continues, Months After Reopening

Net percentage of consumers who claim their behavior changed since the COVID-19 outbreak¹

		China	India	Indonesia	Malaysia	Brazil	
Cocooning	Cooking at home	60	35	50	38	50	China is still showing prolonged cocooning, despite recovery and opening up
	Video chatting and social gatherings	51	44	53	50	40	
	Shopping online	45	18	28	50	56	
	Spending time on social media	43	40	59	62	36	
	Viewing in-home entertainment	40	38	48	52	NA	
	Working from home	36	55	69	50	42	
Mix	Exercising	27	6	34	30	46	
	Ordering takeout	-6	-43	34	34	34	
Going out	Shopping in stores	-38	-29	-22	-35	-20	
	Eating out at restaurants	-47	-51	-35	-49	-58	
	Viewing out-of-home entertainment	-44	-54	-41	-51	-72	
	Traveling for leisure or vacation	-48	-74	-22	-36	-78	
	Traveling for work	-42	-88	-26	-23	-46	

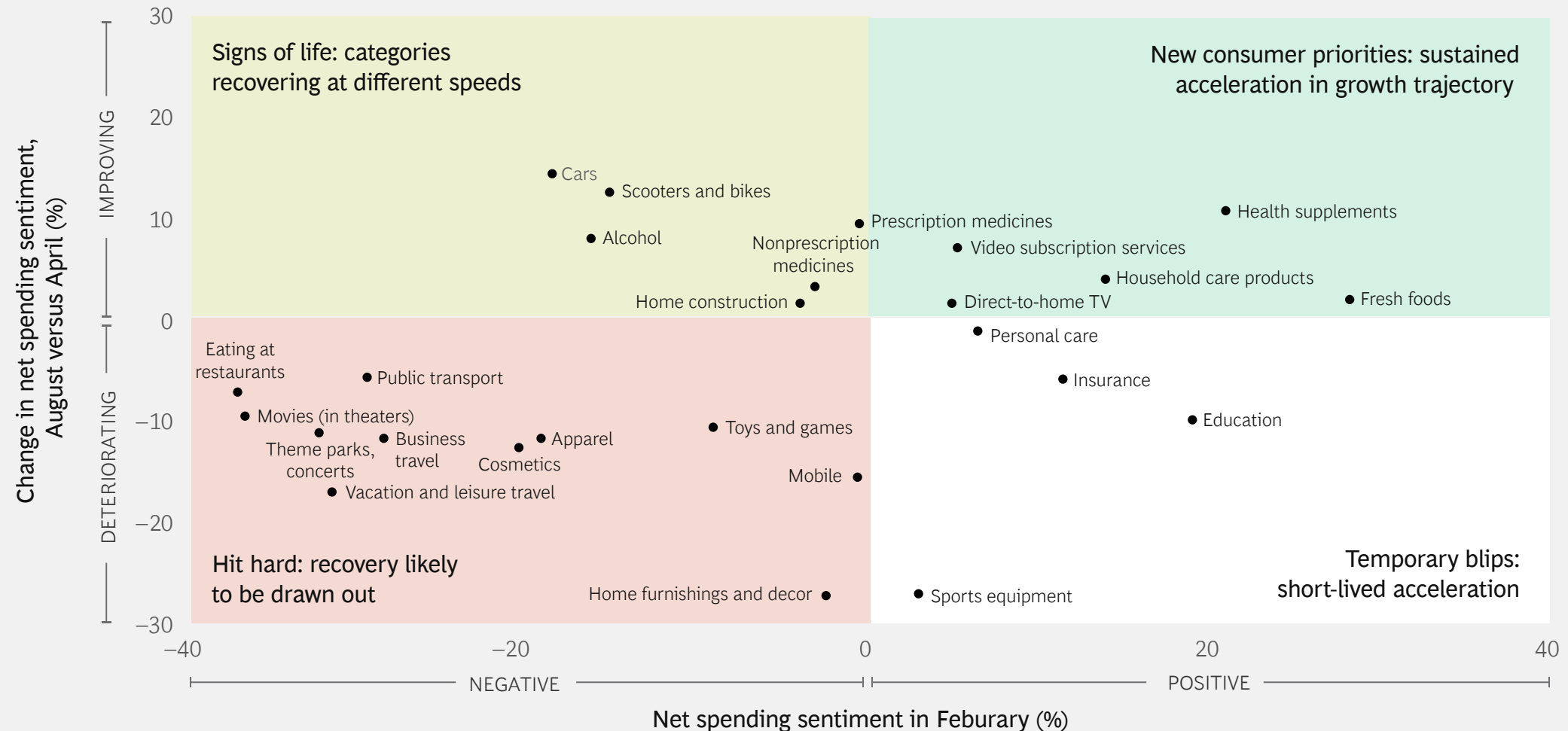
Sources: BCG COVID-19 Consumer Sentiment Survey 2020; BCG Center for Customer Insights analysis.

Note: Question was “Which of the following best describes how your behavior across the following activities has changed due to the coronavirus?” NA = not available.

¹The percentage of consumers who indicated an increase since COVID-19 minus the percentage of consumers who indicated a decrease since COVID-19.

#3 | Some Winning Categories Sustain Growth, While Others See Brief Spurts

Changes in spending intent across categories from April to August: automobiles, home construction, and health care see short-term upticks but recovery in leisure and travel will take time



Sources: BCG COVID-19 Consumer Sentiment Survey 2020; BCG Center for Customer Insights analysis.

Note: Question was “How do you expect your spending to change in the next 6 months across the following areas?” (Covers India, Indonesia, Malaysia, Philippines, Thailand, and Vietnam.)

#4 | The Importance of Communal Camaraderie and Trust Strengthens

India

Buy-local trend has gained prominence over the course of the pandemic

36%

Consciously increased purchase of “made in India” products in past 3 months

China

Bonding within family and community has deepened

67%

Prioritize time with friends and family more than before

53%

Feel community is closer and more supportive than before

Southeast Asia

Trust in institutions that helped battle the crisis has increased

21%

Net rise¹ in trust in government in Malaysia

45%

Net rise¹ in trust in government in Vietnam

30%

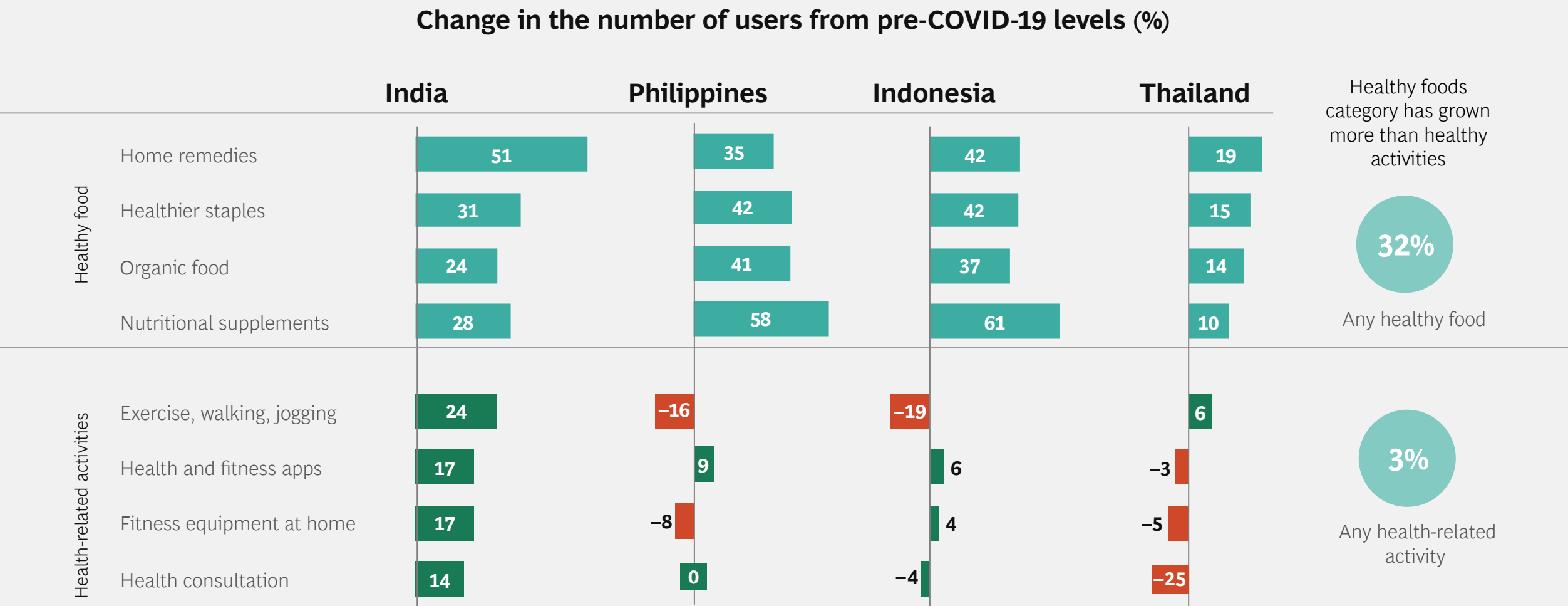
Southeast Asia average net rise¹ in trust in health service providers

Sources: BCG COVID-19 Consumer Sentiment Survey 2020; BCG Center for Customer Insights analysis.

Note: Question for India was “Since the outbreak, which of the following best describes the change in your purchase behavior regarding ‘made in India’ products?” Question for China was “How much do you agree with each of the following statements about the coronavirus?” Question for Southeast Asia was “Thinking about the past 3 months, what describes the shift in your opinion about trust in different institutions in your country?”

¹Net rise = the percentage of consumers who agree minus the percentage of consumers who disagree.

#5 | Health and Wellness Are Rising Priorities



Sources: BCG COVID-19 Consumer Sentiment Survey 2020; BCG Center for Customer Insights analysis.

#6 | Digital Usage Continues to Surge and the Number of First-Time Users Is Rising

Huge growth in first-time online shoppers

Increase in the number of new e-commerce buyers
(from pre-COVID-19 levels)

Adoption of other digital activities

Increase in the number of new users (from pre-COVID-19 levels)

		Media (video on demand)	E-learning	E-payments
India	20%	16%	37%	20%
Indonesia	19%	16%	26%	15%
Philippines	18%	20%	26%	24%
Malaysia	23%	17%	23%	17%
Vietnam	17%	16%	20%	18%
China	19%	NA	NA	NA

Sources: BCG COVID-19 Consumer Sentiment Survey 2020; BCG Center for Customer Insights analysis.
Note: Question was “Since the lockdown, how has your share of online spending changed on each of the following categories?” and “Which statement best describes your usage behavior since the lockdown?” NA = not available.

Did You Know: Small-Town Consumers Are Driving India's Revival

The impact on lifestyle is much less in small towns...

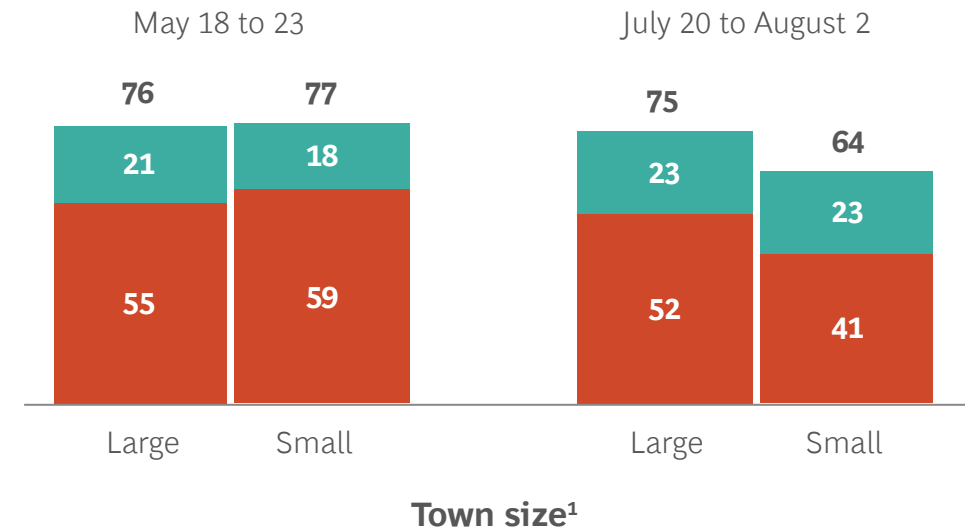
Consumers who have done the activity in the past month (%)

Types of activity



...Driving stronger income expectations in the next six months

Consumers who expect their income to increase or decrease (%)



■ Same level as pre-COVID-19 ■ Lower level than pre-COVID-19

■ Expect higher income than pre-COVID-19 (%) ■ Expect lower income than pre-COVID-19 (%)

Sources: BCG COVID-19 Consumer Sentiment Survey, May 18 to 23, 2020; July 20 to August 2, 2020 (N = 3,276 and N = 3,000, respectively).

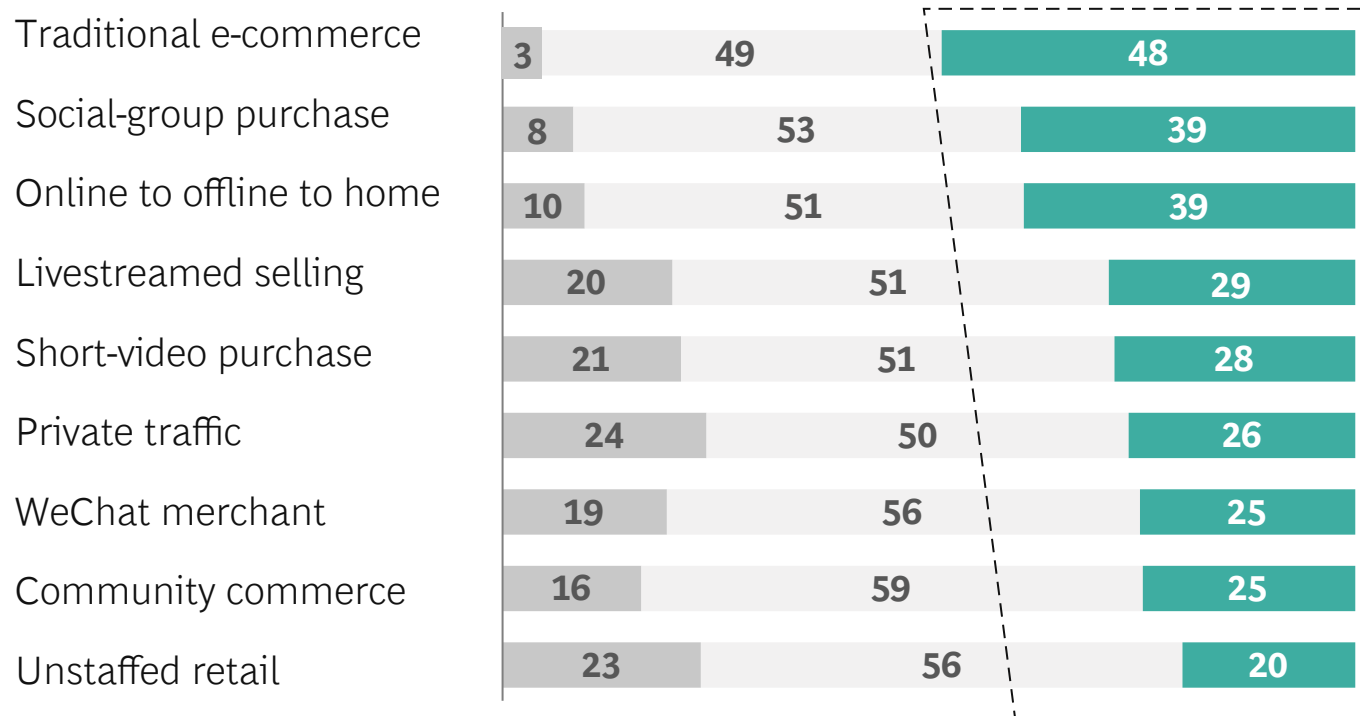
Note: Questions were "Which of the following activities have you done in the past month?" and "How do you expect your overall household income to change in the next 6 months compared with before COVID-19?"

¹Town classification is based on population: large towns = population of more than 1 million, small towns = population of 50 thousand to 1 million; representative of all urban India.

Did You Know: Spending Is Soaring in New Digital Channels in China

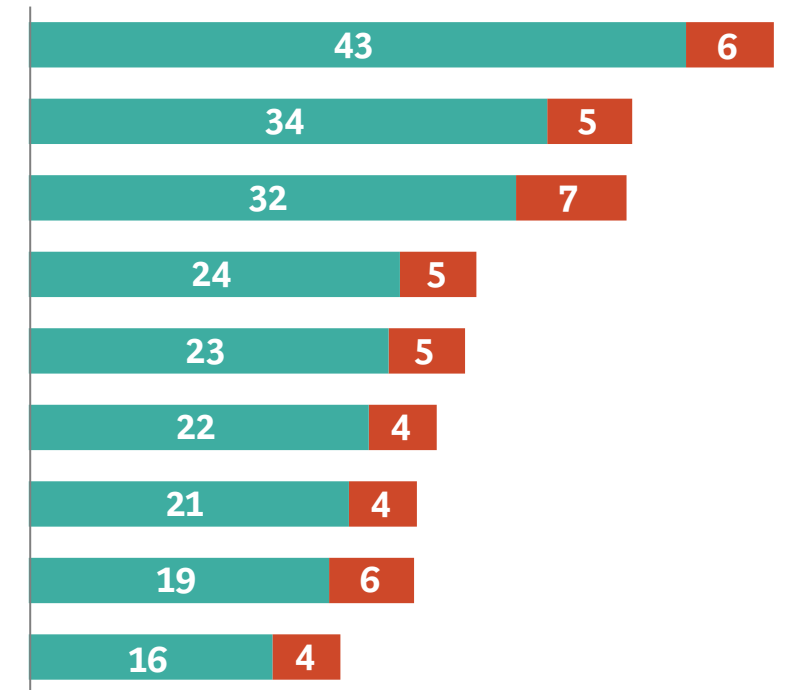
In the past 3 months

Consumer spending change versus before the outbreak in the following online channels (%)



In the next 6 months

Consumers currently spending more than before the coronavirus will... (%)



■ Don't spend in that area □ Same or less than before ■ More than before

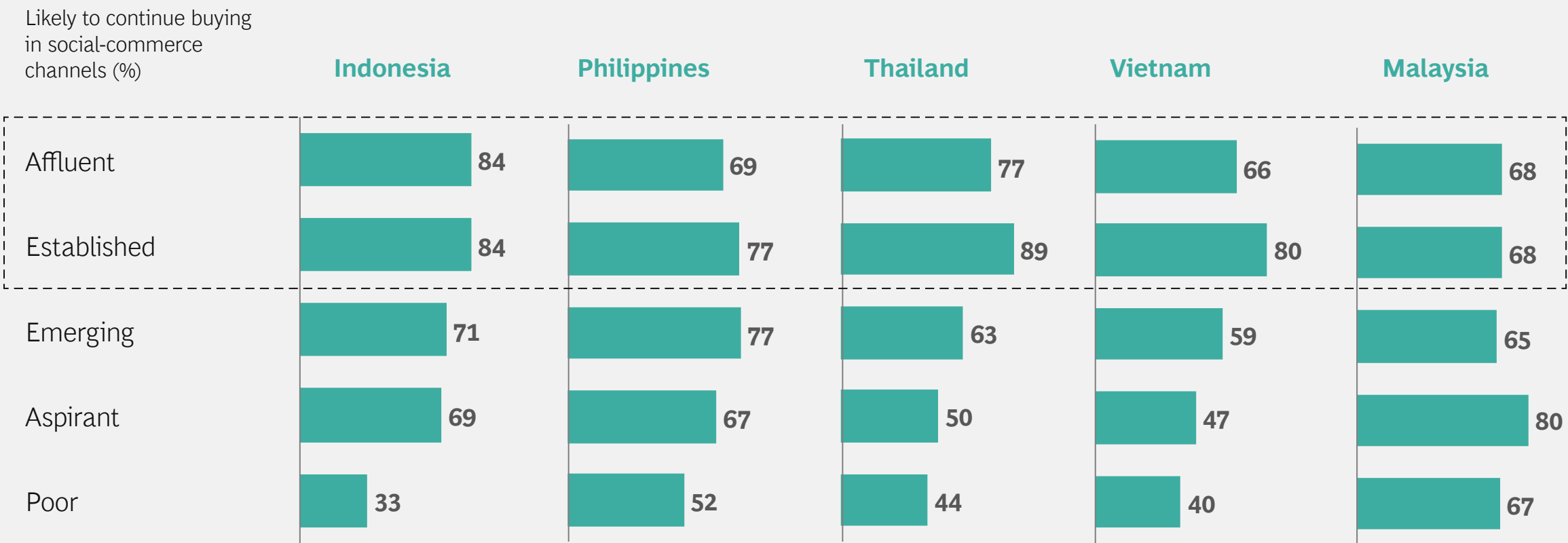
■ Continue to spend more ■ Stop spending more

Sources: BCG COVID-19 Consumer Sentiment Survey, May 22 to 25, 2020 (N = 2,963), unweighted, representative within ±3% of China's national demographics.

Note: Questions were "In the past approximately 3 months during the virus outbreak, how did your spending at each of the following compare versus before the coronavirus?" and "For each of these types of online shopping, do you expect to spend more, the same, or less over the next 6 months?"

Did You Know: More Than Two-Thirds of Consumers in Southeast Asia Plan to Continue Using Social-Commerce Channels

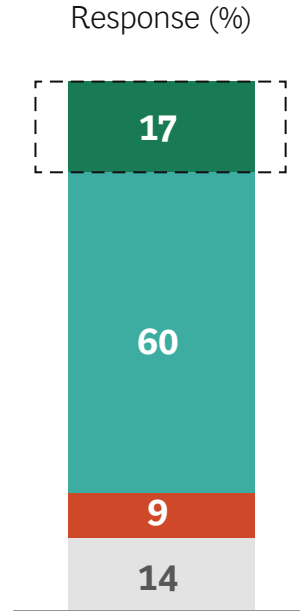
70%+ future likelihood of continued usage of social-commerce channels in Southeast Asia



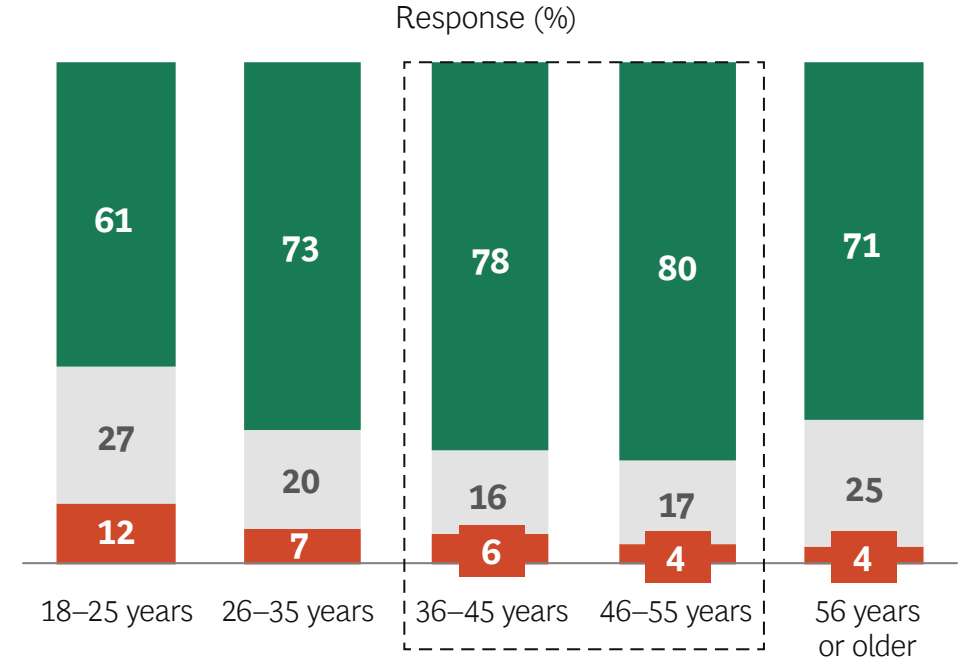
Sources: BCG COVID-19 Consumer Sentiment Survey, July 24 to August 4, 2020 (N = Indonesia: 1,517; Philippines: 1,008; Thailand: 1,006; Vietnam: 1,021; Malaysia: 1,006).
Note: Question was “In the next 6 months, how likely are you to continue buying from the following online channels?” Channels shown are WhatsApp, Instagram, and Facebook.

Did You Know: First-Time Users of E-Wallets Jumped 17% in Southeast Asia

17% of respondents started using e-wallets for the first time



About 80% of the older segment expects to continue using e-wallets



- Started for the first time in the past 3–4 months
- Used one in the past 3–4 months and used one previously
- Did not use one in the past 3–4 months but did previously
- Never

- Very or somewhat likely
- Neither
- Very or somewhat unlikely

Sources: BCG COVID-19 Consumer Sentiment Survey, July 24 to August 2, 2020 (N = Indonesia: 1,517; Philippines: 1,008; Thailand: 1,006; Malaysia: 1,006; Singapore: 1,013; Vietnam: 1,021).

Note: Questions were “Which of the following best describes your behavior for the following online activities in the past 3–4 months since the imposition of the lockdown?” and “In the next 6 months, how likely are you to continue doing each of these online activities?”