

ENDEMIC CONSUMER

Is it a Re-boot or Re-bounce story?

The aftermath of the pandemic has left many wondering



By **Gaurang Kotak**
 Assistant Vice President
 CI SEA, NielsenIQ Thailand

Whether we are really out of the pandemic and what it means to them in terms of how to continue to live their lives.

Right from the beginning of the Pandemic NielsenIQ has been surveying consumers and trying to keep digging into insights of how consumers and shoppers feel and respond to the evolving situation, both from a economic and consumption stand point.

The Endemic consumer is one of the latest six surveys that NielsenIQ launched in Southeast Asian markets and is aimed at understanding the consumer outlook as of today.

“ CONSUMERS WERE PREPARING FOR THE LONG HAUL IN 2022! ”

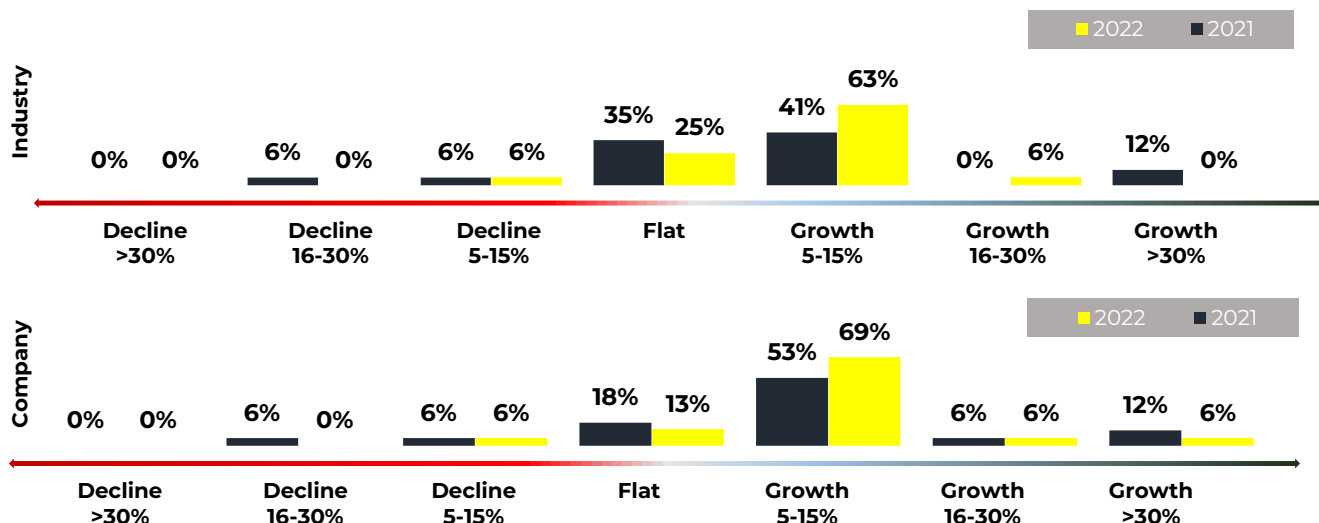
28%

of consumers globally believe COVID will impact their lives well into 2022

53%

I think it will stretch into 2023 and beyond

However manufacturers are feeling optimistic about “2022”



We Find That Recovery seen in 2022

However Thai consumer still grappling with the post-pandemic impact and inflation. 86% of consumers still constrained



We find that 7 in 10 consumers claim to have changed their purchase behavior, hence businesses must gear their product offerings to meet the endemic consumers emergent needs and priorities.

Some **key trends** we see emerging across consumer groups are:

- **Rise of the Omnichannel:** O2O shopping behavior is here to stay. Whilst offline visitation is slowly getting back to pre-pandemic levels E-commerce is now an integral part of life.
- **Home Economy** still continues to thrive while eating out will take a while to recover “fully”
- **Health is wealth!** 1 in 2 consumers in Thailand are being proactive when it comes to their health & wellbeing. Significant incline seen in supplements consumption and products with added health benefits.
- CSD's & Confectionary have moved more and more towards the **discretionary** area of the basket and considered non-essential by almost half of Thai consumers.
- **“Price change”** is driving recent quarters growth in APAC. Shoppers swaying more towards bargains and attractive promotional offers. 4 in 10 consumers claim to have switched to more affordable brands.

The Consumer price index in Thailand averaged 63.62 from 1976 until 2022 reaching an all-time high of 104.79 points in March 2022.

So, What's Next?

"Endemicity" is the most likely scenario

So, how can we prepare to win with "endemic" consumers?

Let's ask ourselves:

- The outlook today shows signs of recovery, however complete financial recovery will take time due to inflationary pressures and constrained wallets.
 - Does your product portfolio recognize segmented and polarized spending capabilities?
- The search for value has changed the marketplace and fueled the popularity of e-commerce and other channels
 - Are we in the correct path to purchase & channels?
- The pandemic augmented the health and well being conscious consumer in Thailand
 - Does your business & brand imbibe re-balanced priorities?
- Consumers are claiming a change in how they shop compared to before
 - How can we innovate to offer new experiences and meet the needs of various evolving segments?

Be prepared, be agile and be ready to win with the "endemic consumer and shopper"

2022 Outlook



Strugglers:
Rationalize



Rebounders:
Prioritize



Cautious:
Focus



Unchanged:
Compensate



Thrivers:
Save & Reward

2022: Current state



2022 + Scenario #1: Endemic: Likely



2022 + Scenario #2: Renewed pandemic measures/ severe variants

