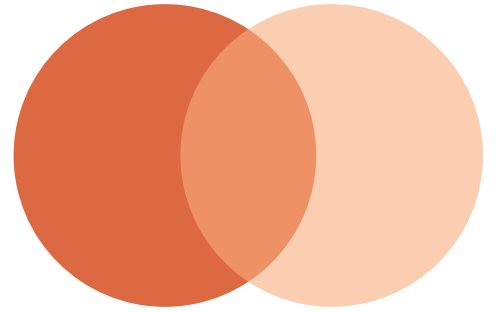


May  
**2020**

**Rebooting  
2020: A  
Story of  
COVID-19,  
and Shifting  
Perceptions**



**A quantitative report on  
the expected change in  
behaviour and expectations  
of consumers and CXO's**



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# A Note From The CEO

Dear Readers,

The fear due to the coronavirus epidemic has reset our minds and thought processes. The past six weeks under lockdown have been unlike the world has ever known and experienced. Thousands of people have succumbed to the effects of this disease; the rest are living in fear of the unknown. However, we must count our blessings. The disease has not killed our dreams or mangled our aspirations altogether. Nations have realized the compulsion to live with the disease, rather than in fear of it. The economic fallout has prompted many countries to ease lockdown restrictions, albeit partially. Any further restrictions to curb the spread of coronavirus are likely to inflict irreversible damage to the economy, and also shift the onus to keep oneself protected to the public instead of the Governments.

The unemployment rate has hit the roof. As many businesses prepared for layoffs and reduction in workforce amid the Covid-19 lockdown, major economies got marred by rampant job losses as millions of workers—formal and informal—lost their jobs within two weeks of the lockdown. The effect of the worldwide economic downturn could be pervasive and prolonged. Depleted of monetary sources, consumer spending will be low. Devoid of investment and innovation, it will be difficult for most economies to revert to their pre-pandemic spending behaviour and output levels. Experts anticipate that the recovery from the current spate of the global recession could be marred by continued anxiety. Had this been the only challenge, we could have withered this storm as we did with the subprime mortgage crisis in 2008, and the dotcom stocks that had gone bust in 2001 before. The Indian government's

stimulus package worth Rs. 20 lakh crores is set to move the country's economy on anvil as the country's Prime Minister, Shri Narendra Modi, urged people to turn this current financial crisis into an opportunity to achieve economic self-reliance under the 'Atma-nirbhar Bharat Abhiyan' (or Self-reliant India Mission).

The informal labour class suffered the most from this sudden and forced shutdown. Cities began to witness an exodus of migrants back to their villages. Many of them chose to return on foot to their villages and towns in the absence of trains and buses, thus clearly exposing the lack of communication between the Centre and the states, and a lack of unpreparedness on the part of the government. A sense of panic and confusion prevailed as many migrants died on their way to their home states.

The trust reposed by nations in the WHO and its ability to anticipate and manage a crisis stemming from any pandemic got waived. China will have to put its best brains to regain the trust and reputation to protect its global dominance. High headedness may not be the best strategy anymore.

In a post-COVID-19 world, new behavioural norms will dictate our societal relationships. The new normal of social distancing, even after shutdown restrictions ease, will change the way we engage with the world, travel, work, celebrate, entertain, build new connections, and maintain existing relationships. All businesses with a high element of contact with the public will



need to reinvent and find their relevance, at least until the discovery of the vaccine, which seems nowhere in sight for now.

We surveyed 600 respondents to gauge behavioural change and expectations of consumers, and how it may impact the brands and businesses in the long run. While these are only early indicators, it allows a sneak peek into consumer thinking and the business owner mindset, as both emerge from forced hibernation. Consumer thinking has largely changed. It is time for brands to press the 'Reset' button to ensure consumer connection and survive the COVID-19 crisis. Coming up with short-term remedies to adapt to customer concerns must be immediate, while the long-term solutions depend on the depth and longevity of the pandemic in the coming times. Reputation and trust will be the new currency.

Brands will have to refine their art of storytelling to connect with their audiences and recover the ground lost in the first half. Strategic storytelling with the purpose of the brand at its core will instil brand loyalty, thus enabling sustainability. The right kind of content, balanced with the right dose of emotion, can help share the right amount of information to coincide with people's thoughts, and stick in their minds for a long period of time.

**Chetan Mahajan,**  
**CEO**  
**The Mavericks**

# Key Insights

From a survey we conducted amongst **600** respondents—all in the SEC A category—we arrived at some critical insights, categorized by four key pillars:

## The Era of Digital - is it here to stay?



From our survey, we found two key leading insights in terms of the shift from traditional to digital format, primarily the increase in consumption of news online and emerging social media trends such as video-conferencing. It's expected that the move to digital will further be compounded by the reliance on contactless services like purchasing groceries online, and watching content on devices, rather than going to movie halls and online shopping for apparel or beauty products. Technology will play a vital role in the healthcare industry going forward.

| [Page 6](#)

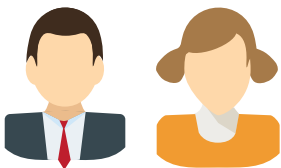
## Work From Home - new normal or abnormal?



In a situation entirely driven by compulsion than by choice, working from home does not appear to be favourable to most of the population, and even more so amongst the millennials. Extended working hours and the formation of blurred lines between working and not working at home has led to a desire to return to office as soon as possible. On the positive side, many have resorted to voluntary cooking in their free time at home.

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## Rebooted Consumer



We are all feeling the impact of social distancing, and most of us have been relying on social media and video conferencing to stay connected with the outside world. Nonetheless, this time in lockdown has taken a toll on mental health for many, exacerbated by the fear of a steadily intensifying crisis. However, we can all expect to emerge from it stronger, with an improved focus on our health and fitness, and an increased collective consciousness about the environment.

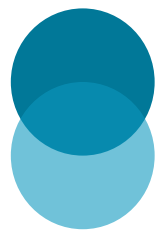
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## The Economic Impact and What Lies Ahead



Economic sentiment is not very positive, and some are anticipating the biggest crisis since the Great Depression. Travel has come to a complete halt, and any non-essential/ personal travel will take a significant amount of time to become popular again. While we can expect some purchases like portable electronics to pick up pace immediately after the lockdown, consumer spending on the whole is likely to take a massive hit, and we could be headed into a deep recession.

| [Page 22](#)



# The Era of Digital is it here to stay?

With lockdown and social distancing norms in place, we, as a community, have changed the ways in which we consume content and stay connected. There is a rise in the uptake of digital solutions for various personal and commercial purposes, and this could have a potentially lasting impact on our society.



## A steady shift from traditional news format to a more digital one across all generations

The precipitating anxiety due to complete shutdown, and mandatory social distancing, has made many people depressed and impatient. Dependence on traditional news formats including newspapers has declined. Delayed news updates on television have depleted their popularity too. Due to the crisis perpetuating the need for instant and accurate news, the ease of accessing information online is evident. A joint study by the Broadcast Audience Research Council of India (BARC) and Nielsen India highlights a [41 percent rise in the time spent on news apps](#) during the lockdown.

The move from the traditional format to digital solutions is also echoed in our survey, with 16 percent of respondents preferring Inshorts and other news apps to stay updated. Most significantly, less than 3 percent of the younger millennials and Gen Z prefer the traditional format. Surprisingly, even CXO communities feel that information from television news channels or newspapers is slower and more repetitive than that from online sources. However, the looming question at large is the impact of digital platforms on news and journalistic content.

The sale of tablets or 'phablets' for ease of consumption is expected to be on the rise. This change in the consumption pattern of news is likely to add further stress to the already struggling news industry commercially, as well as in terms of attracting the right talent. While most media houses have adapted to newer ways of reaching their patrons, monetization will be harder, as the discerning Indian consumer believes that they are paying for the internet, and that content must come for free. With webinars floating galore, TV debates have an unexpected new competitor.



70%

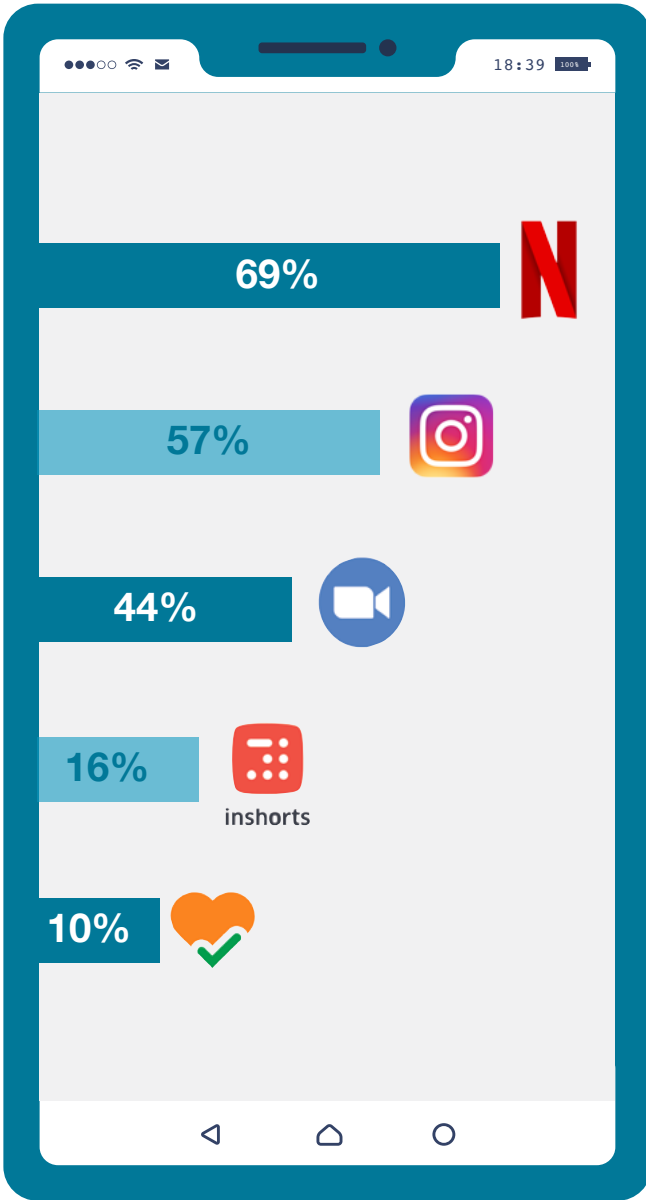
of respondents chose online websites and news aggregator apps as their source of information. This rise was noticeable across all age groups, with a preference for online sources over the traditional ones. Google trends data show more than a 200 percent rise in online searches for news during the lockdown period.

## Video conferencing, a surprising new way of connecting on social media

While an increase in the demand for content from OTT platforms is expected, Zoom enjoyed a surprising surge in usage, especially in those falling in the age group of above 40, as a way to connect while staying in isolation. It's also the most popular in the CXO community, with nearly 50% hooked onto it during this lockdown, compared to 41% amongst other groups. [Apptopia, which monitors app downloads, the daily downloads for Zoom in India have increased from around 1,70,000 in the middle of February to nearly 2.5 million in late March.](#)

The use of social media apps like Instagram and Facebook has gone up considerably, with TikTok gaining more attention from the Gen Z community. It is expected that connecting via video conferencing will remain popular for some more time, with people preferring to connect virtually within their communities, even in a post-COVID scenario. Another interesting finding is the absence of interaction on dating apps, with only two percent of the respondents using it to connect during this period. A key reason for this could be the reduced reliance on physical interactions. With less opportunities to connect offline, many are not likely to meet people beyond their close social circles.





During lockdown, what are the various mobile apps people are hooked onto?



## The biggest technological advancement will be made in the healthcare industry, witnessing an influx of AI-based solutions

There is a rising belief that the healthcare industry will largely benefit due to the advent of AI-based solutions. Some of the biggest technological advancements in this sector will boost the creation of innovative cloud-based solutions to make remote working a common trend. Moreover, the presence of AI will make the healthcare sector more cost-effective, fast, and more inclusive.

COVID has catalysed digital transformation like never before. Moreover, it is linked to business continuity, rather than it being just a 'nice to have' proposition. Large tech giants, as well as disruptive start-ups, are likely to invest a lot in innovations that will converge to build a contactless world. We expect tech companies to bounce back faster than other industries, as they become enablers (yet again) to restore normality in the world, despite the new order of social distancing.

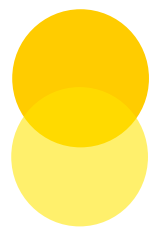


**53 %**

Respondents believe that “Healthcare being the key subject of further AI advancements” as the is the largest forecasted technological impact

**40 %**

Respondents believe that “Working remotely on the cloud will become a more common trend” as the second most important outcome.



## Work From Home New Normal or Abnormal?

The single biggest impact of the coronavirus pandemic lockdown has been the increasing acceptance of the 'Work from home' concept. Interacting with employees and colleagues over virtually to ensure work continuity has caused a dramatic shift in work culture across the globe. 'Work from home' has truly become the new normal, in a situation driven more by compulsion than by choice.

# Do people really love working from home?

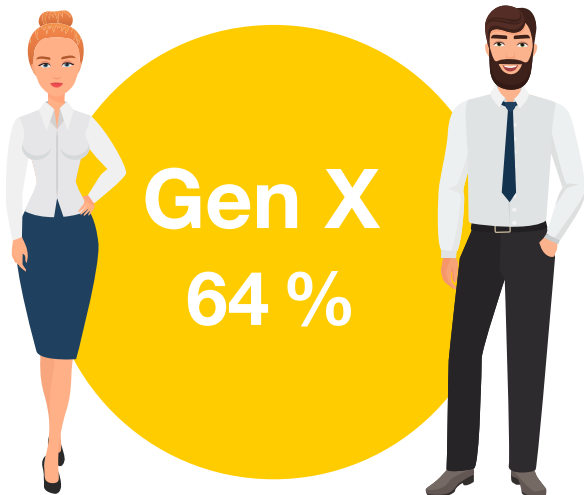
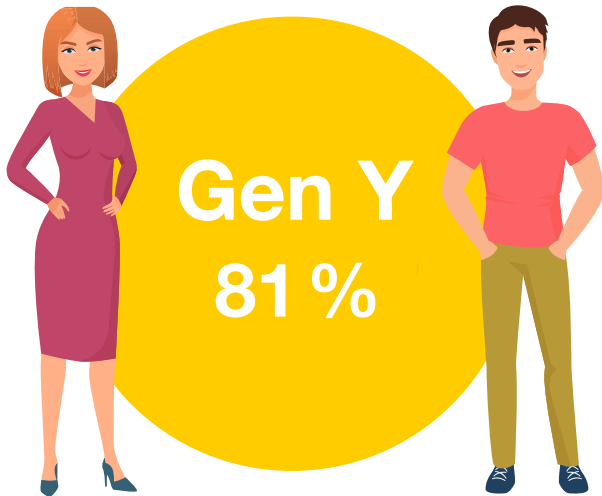
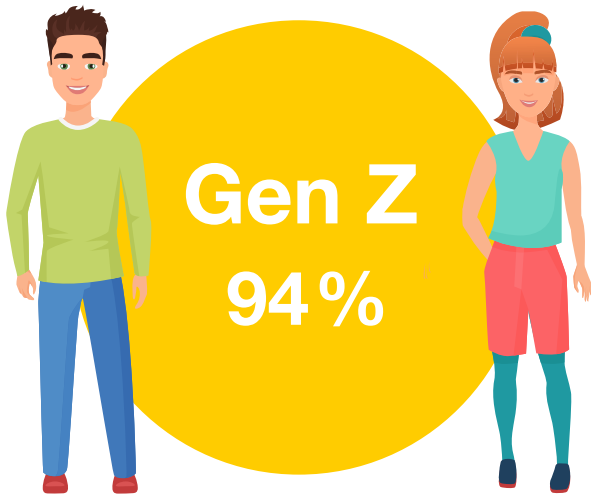
Some of the largest technology companies (including the likes of TCS and Infosys) have already decided to allow a significant part of their workforce to work from home for the next five years; we wanted to verify if working professionals have warmed up to this new reality. Some arguments that we picked through our qualitative interviews conducted include:

- 1 People love to go to work, enabling an opportunity to socially engage and stay motivated
- 2 Most homes do not have a dedicated study room or a distraction-free area that guarantees maximum productivity
- 3 Boundaries between work time and personal time have blurred, where companies tend to assume office hours to be prolonged through the day, while working from home, a mindset that has been a difficult adjustment for many
- 4 People are thus unable to chalk out 'me time', a designated hour carved perhaps in their commute to the office

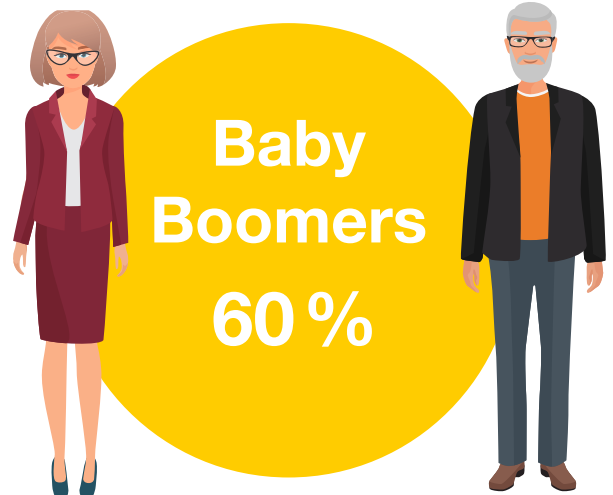
90%

believe that this lockdown has got them to spend more time with their family

## Desire to return to work within a month after the lockdown



While time spent with the family has risen significantly during this lockdown, many who echo this thought also feel the disappearing boundaries between work and other aspects of their life. Thus, most of those living with their families (75%) are finding working from home to be challenging, than those who are living alone. This could be due to frequent interruptions from family members during the day, as well as a lingering guilt factor for not 'clocking out' early enough in the evening to spend time with them. Apart from long hours and a tougher daily routine, employees living with their families ultimately have to face an internal dilemma of balancing their time at home between family and work, a component which surely adds to the stress during this lockdown.



## Sentiments towards 'work from home' differ between generations

The survey findings revealed an interesting aspect regarding the country's millennials and Gen Z's intent to move past this crisis quicker, and return to work within 30 days after the lockdown period. While the reality of the lockdown has hit many people very hard, as many as **75 percent of the millennials** surveyed are optimistic about returning to work within three to four weeks of easing of the shutdown. Older generations, however, beg to differ. Could this imply that millennials are less concerned about their safety, and are myopic in their need to overcome their current frustration? Millennials have exhibited more resilience from the virus than their older counterparts, and hence, have shown greater inclination to get back to work and have normality restored to their work schedules. The hope of millennials to get back to business, as usual, is good news for the marketeers, as this cohort also forms the largest consumer base and spenders among all. This is, of course, subject to the assumption that they have not been laid off or are not facing depleted income levels.

Simultaneously, the awareness of COVID-19 and the pandemonium it has created, is still high amongst millennials. This has caused many millennials to seek a more flexible work from home policy in place, including mandatory work from home for those who are ill, or exhibiting any visible symptoms of illness. This also justifies that the concept of 'work from home' is popular only when it can be redeemed by choice, on a need

basis, and not as a compulsion.

## Domestic help being missed the most while masses convert into home chiefs

The migration of the informal labour class to their villages and hometowns has led to many people missing out on the benefits of having either a full-time domestic help or those willing to work as part-time help. While many may avoid keeping part-time help due to the inherent risk of them being potential carriers of the virus (by visiting multiple households), the demand for full-time help is likely to surge significantly as a consequence. Being in short supply, the cost of employing full-time help is also likely to rise significantly, as is the demand for home appliances like dishwashers, vacuum cleaners and, fully automatic washing machines.

Besides, the forced lockdown has prompted many people to go back to the kitchen, and cook for themselves. This has caused a majority of the people to store an unlimited number of cooking ingredients to rustle up innovative meals. Focus on ingenuity has led many to consult Google for simple and healthy recipes. Recent search trends released by Google revealed numerous searches for recipes or workouts on YouTube or about online classes in India. As per a webinar conversation by Google India regarding search trends during the lockdown, searches for the term 'baking' has gone up by four times, while there has been a 1400 percent growth in searches for the term 'cake banana sikhao'. Gourmet food cooking has been an activity that families are taking part in together.

1



Cooking Ingredients

## Top 5 things people that people are missing the most

With work from home becoming the new normal, many people are also likely to invest in high-speed broadband connections at home, with security devices/ software provided by their companies to provide a secure workflow. This offers an opportunity to the telecom industry to reverse the trend of dwindling revenues and piling losses. It would also be fair to assume that a majority of the population are keen to maintain their stock of alcohol, a positive development for the liquor industry, one that indicates perhaps a need to relax the decades' old excise regulations around stocking reasonable quantities at home.

2



Househelp

3



Dishwasher

4

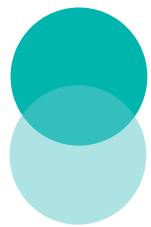


High speed internet

5



New Books



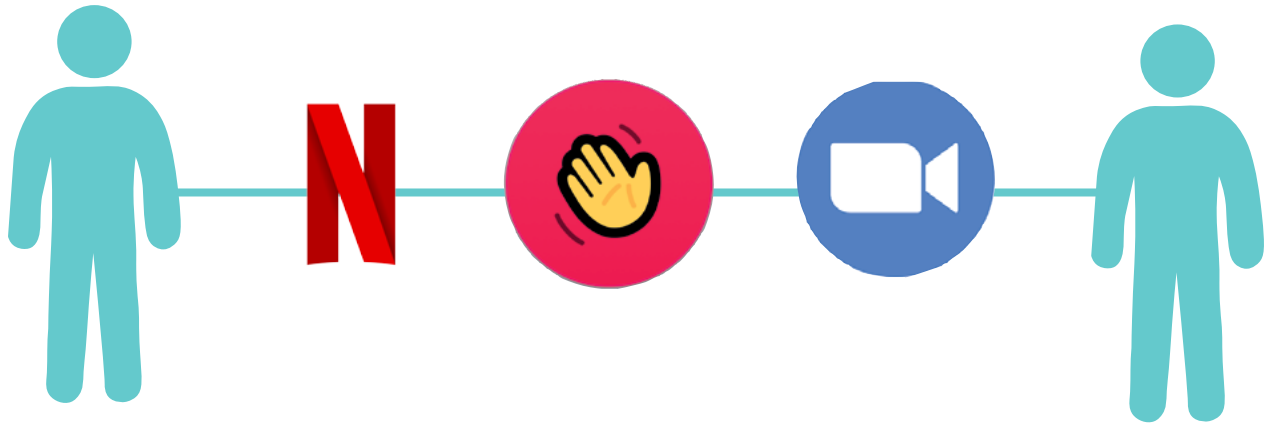
# Rebooted Consumer

There have been unique psychological traits observed across genders and age groups. This section covers the elements of mental health and change in the collective behaviour (and therefore the response) of the community in the advent of this crisis.

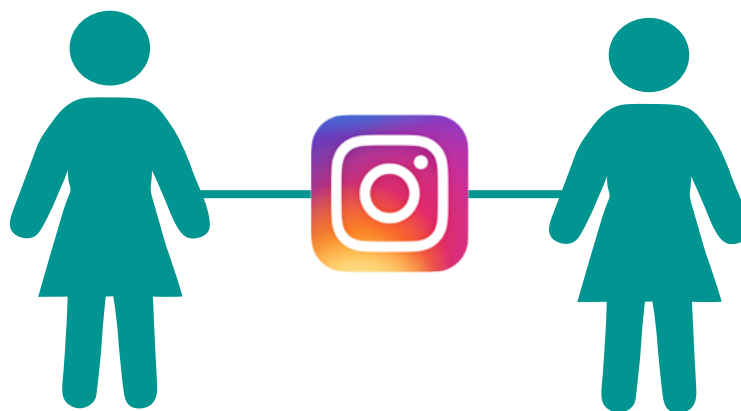


## Confined to their homes, men and women are facing the repercussions of social distancing but in different ways

A major part of the population is reeling under the effect of social disconnect due to the enforced lockdown. Keeping aside distinguishing factors including personality traits that determine the preferred level of social connect, the survey results show that men appear to be witnessing a higher social disconnect than women, despite spending more time on hangout platforms.



Men mostly prefer Netflix and hangout platforms such as Zoom and Houseparty, while women prefer Instagram



Most men prefer to catch-up with their friends or indulge in an outdoor activity, thus, implying that a lack of face-to-face interaction is impacting men more than women during this crisis. Video conferencing for non-professional reasons has also picked up on popularity, thus, further corroborating the feeling of disconnect.

**Mental health has emerged as a big concern during this period, with 61% of respondents feeling some kind of impact on their mental health during this crisis.**

Men experience greater social disconnect than women owing to forced confinement during the lockdown. However, the adverse impact on their mental health is lesser when compared with women. Survey results indicate that men have been more creative in finding alternative engagement methods such as Zoom parties with their friends, while women have had to cope with the additional workload at home, thus, hinting at a possible reason for higher rates of mental health challenges among the latter.

A recent survey by the [Indian Psychiatric Society suggests a 20% rise in cases related to mental illnesses because of uncertainties relating to issues such as finance, work, and stress in relationships](#). The affected 88 percent are finding working from home to be challenging. With people accustomed to working in an office space with well-defined boundaries between work and life, this could be a possible cause for the declining mental health of many respondents. This observation is in stark contrast to those spending time with families and experiencing a harsher work-life balance. However, researchers have found no correlation between mental health conditions and the amount of time people spend with their families.

“

**Women are facing a lot of challenges as their workload has increased due to lack of house help, especially for those without much support from their partners”**  
according to a Mumbai-based counseling psychologist,

There has been a whopping surge in social media activity by roughly [50 times between January and March in India alone](#). This can be explained due to increased digital engagement by today's millennials as their only source of escape. Though Gen Z has shown keen interest in exploring new alternate activities and rediscovering old hobbies, excessive social media use has had a damaging effect on sleep and mental health conditions. Zero or limited physical interaction with friends or colleagues has also led to frustration, and in many cases, serious mental stress.

For those with declining mental health conditions, a significant proportion believe that the impact of this crisis is likely to be so deep, that the uncertainty associated with recovery will leave a lasting impact even after the lockdown, such that no improvement is expected on their mental health; this can take a toll on their overall wellbeing. Online counseling with mental health experts on telemedicine platforms or apps that offer AI-based chatbot conversations to address similar issues are likely to grow aggressively in the near future.

A strong sense of uncertainty stems from the crisis with 69 percent fear recurrence of the disease and the time taken to develop the coronavirus vaccine. Roughly, 79 percent of the respondents have shown concerns regarding the stability of the economy and the grim work situation, eventually adding to the mental stress.

As the lockdown eases, people are expressing their desire to go back to the lives they had left behind, back in February 2020. Many people wish to visit the salon first, even more so than eating out or meeting their friends. Google trends data show that over the lockdown, DIY 'How to' searches in beauty and fitness have surged by 37 percent.

“

The physical contagion may result in an emotional contagion – fear, doubts, panic, and uncertainty. There is a switch in the mindset from living to survival” says a consultant psychiatrist at Kokilaben Dhirubhai Ambani Hospital



## **A paradigm shift in perception and priorities**

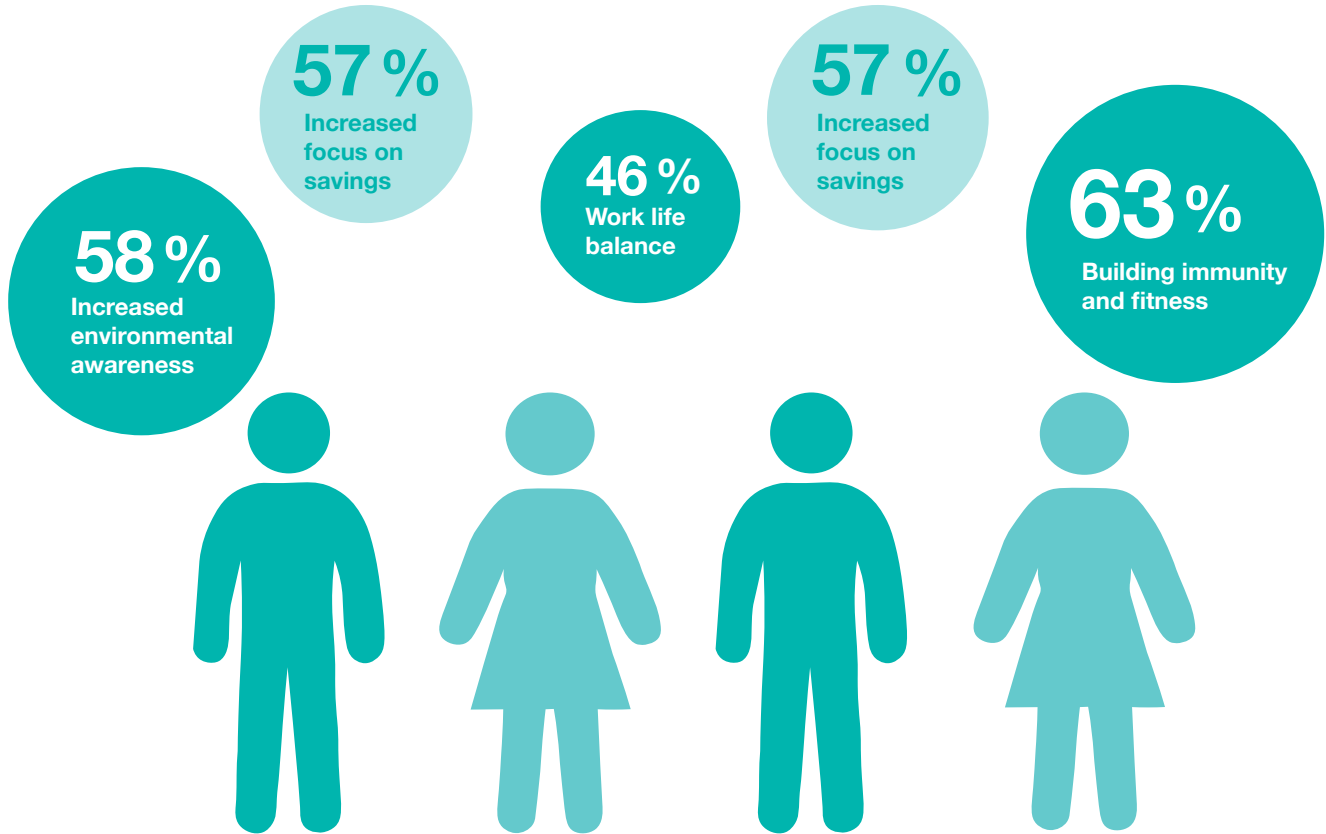
Our collective behavior is likely to change dramatically post this unprecedented lockdown. The focus is on meeting necessities instead of outdoor luxuries; vanity has given way to comfort and experience. The art of living has gained precedence over maintaining an inordinate lifestyle. Staying healthy and fit is of greater concern. Nearly 63 percent of respondents expect to be proactively focusing on maintaining good health and boosting their immune system by introducing balanced food habits. Reduced air, water, and noise pollution during this period have led us to develop an increased consciousness about the environment. Truly, 'Health is Wealth' as a proverb has never been more pronounced.

Reduced pollution levels during this period have led to an increased consciousness about the environment. Post this experience, appreciation for a sustainable lifestyle will be more, and preference will be for brands that are proactively contributing towards building sustainable products and conserving the natural habitat.

## **Greetings with 'Namaste' or 'Shalom' amid Coronavirus fears**

'Namaste' or 'Shalom' is the new 'Hello'. Only six percent of the survey respondents exuded comfort in shaking people's hands to greet them post lockdown. Men, as opposed to women, would prefer to greet with a namaste or a warm smile. With 48 percent of the respondents likely to resort to namaste, many Western countries are likely to adopt the Indian greeting style.

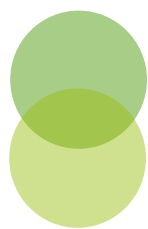
## How do you feel our collective behaviour will change (for the better) after this crisis?



### People back Government's response to the crisis

Nearly 70 percent of the respondents believe that our government has learned from the mistakes committed by other countries and reacted well in time to announce a lockdown in the early stages of the virus spread. However, some have opposed this view citing poor rationing of essential items, slow testing rates, lack of clarity in providing aid, and unwarranted panic creation as negative attributes. Besides, many respondents have criticized the government's short-sightedness in anticipating the challenges of migrant workers, and ineffective human intervention in the face of the migrant crisis.

We also tried to address a somewhat controversial issue during this crisis, which was China. When asked if they believe that China could have done better in managing the crisis and stopping it from becoming a global pandemic, we got more of a 'Yea' than a 'Nay'. The crisis offers a great opportunity for India to realize its 'Make in India' dream fueled by the Indian Prime Minister's recent advice to the nation 'Vocal for Local'. Respondents echoed that the time is ripe to make the policy ecosystem even more conducive besides offering incentives in terms of preferred land allocation, robust technology, and infrastructure to attract the right investments. This would help address the unemployment-related challenges that the country would have to face post relaxation of the lockdown.



## The Economic Impact and What Lies Ahead

The economic repercussions of this crisis and its impact on consumer spending and other financial decisions is a core component of this study, and must be factored in as a key pillar to assess the impact of this crisis on our behavior and expectations.

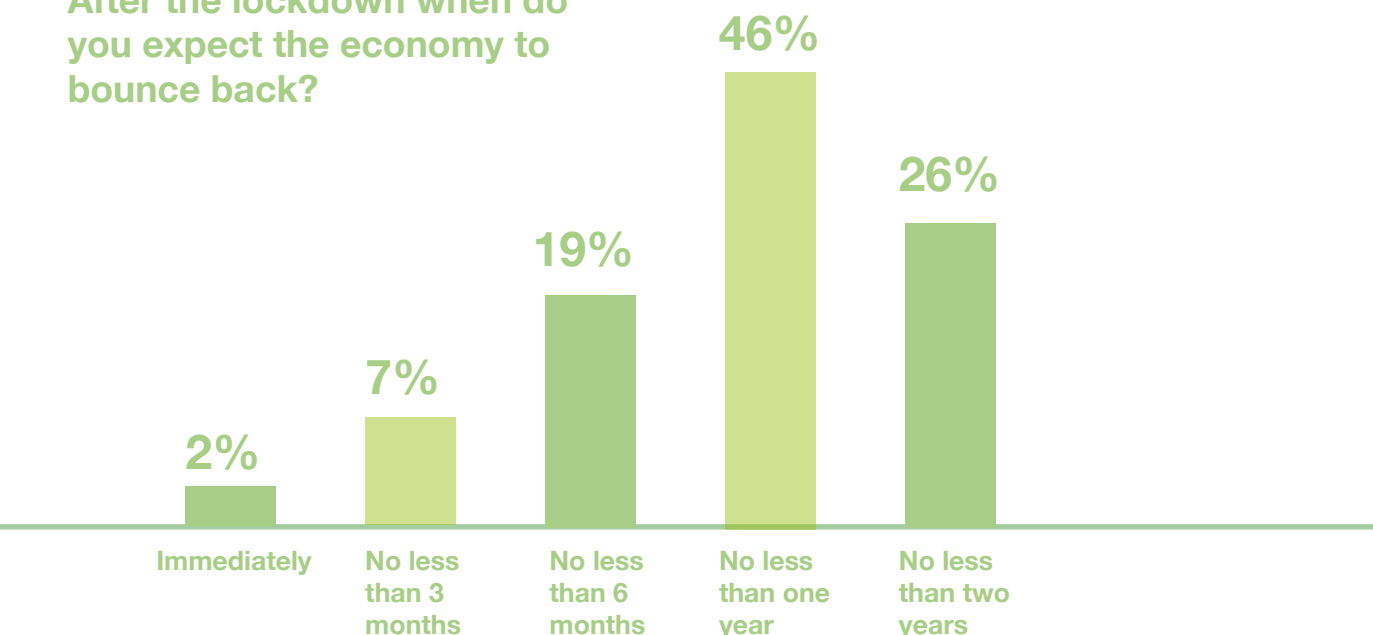
## Economic morale is at an all time low since 2008

The current faith in the economy is not very high. Older generations, who have witnessed the country recovering from previous recessions, are well aware of the steady build-up to a full recovery and anticipate the same long-term wait this time around. The [IMF has declared](#) that the worst recession since the Great Depression is ahead of us, and the World Bank has projected India's growth for FY21 between 1.5 and 2.8 percent, after an already slow performance last year. Nearly 70 percent of our survey respondents expect the economy to recover in the forthcoming one to two years after the lockdown period. For those with grievous mental health conditions, the future seems bleaker, which can take a further toll on their wellbeing.

However, those in the media, health, and other essential sectors seem to have more faith in the economy, expecting it to bounce back within six months. We could surmise here (at risk of initiating a discussion bordering on the philosophical) that economic sentiment is nothing but a reflection of our expectations within the personal bubbles we live in.

Three-fourths of CXOs are less optimistic about the economy and expect at least a year for the country to bounce back to its previous state. A possible explanation for this is that a majority in this community have seen previous recessions and realize that this crisis has a much higher degree of uncertainty associated with it, setting expectations accordingly. Dependence of economic recovery on the advent of a suitable vaccine is also another factor leading to uncertainty.

After the lockdown when do you expect the economy to bounce back?



Throughout the survey, we found that views on protectionism measures being adopted by India are equally split. Some feel that it will enable our economy to recover faster, while others believe that it will lead to retaliation from other countries, and hence, be counterproductive. Millennials are more in favor of adopting protectionism measures to protect domestic industries during this crisis and believe that it should be one of the primary focus areas to regain economic momentum. Among the older generations, some feel that we rely heavily on other economies such as China for imports. This is as dangerous as putting all of our eggs in one basket, and thus, must be avoided. Through other, more risk-averse, and less volatile tactics, such as pulling out of foreign investments and non-tariff barriers, we can slowly reduce our overall dependence on other economies.

### Delayed travel aspirations due to prolonged economic downturn and focus on simplicity

All this time in isolation has left us wondering whether traveling on vacation will ever be the same experience again, for a while at least. Two-thirds of our sample set anticipated deferring their holiday plans by at least four months, all the way up to a year. There are multiple reasons behind a predicted slowdown in travel. Firstly, those who are planning to defer their holidays by a longer period have generally experienced less social disconnect during this lockdown period. Many of these people have become conditioned to a simpler style of living, with fewer

outings and less travel. By learning to thrive in this environment and reduce our social disconnect, some of us have in the process put travel at the bottom of the priority list, labeling it more as a luxury than a necessity.

Secondly, many of us are anticipating a slow economic recovery, and lower earnings expectations, which consequently impacts our travel aspirations. Those who anticipate a larger deferment in their travel plans are the same group of people who are expecting significant earning cuts.

Thirdly, more than 90 percent of the CXOs are concerned about the recovery of their business and financial losses post lockdown. This makes them somewhat less inclined towards traveling. Besides, many are keen to wait for a vaccine to arrive before making their travel plans. Perhaps CXOs and senior executives, as a slightly older cohort on average, feel that they face a higher risk from COVID-19, and thus appear to be more circumspect about such decisions.

In this context, it is expected that non-critical travel and holidays abroad are likely to be put on hold for longer periods, with people resorting to outings and holidays clubbed with long drives, which are essentially domestic. Home Stays, B&Bs, and boutique hotels are likely to recover faster than large chain hotels, as people would continue to practice social distancing for some time and would not want to risk their exposure to the virus by visiting crowded places. We expect hotels to come up with creative solutions to comfort high-income groups with offers that may be hard to resist.



## V-shape recovery likely for premium mobiles along with accessories

Many people plan to buy electronic items like headphones immediately after the lockdown is over. This is truer for the younger generations. Forced confinement to the walls of their homes has led to an increased desire for headphones, particularly for those who frequently use Netflix and Zoom. With all household members having to toggle between office calls, video calls, and entertainment, we also expect the Bluetooth headphones market to grow exceptionally in the coming months. Queuing up will be equally aggressive for new phones and laptops, as consumer behavior has changed significantly, leaving much inclination to upgrade existing devices to accommodate newly formed habits like increased content consumption, working from home, and having a personal device for each household member. In March 2020 alone, there was a 30 percent growth in mobile application downloads compared to the previous two months, and consumers on average have been spending roughly 3:41 hours on their phones every day during this lockdown.

Another group of items being missed is dishwashers and automatic washing machines. Many people missing these items are suffering from a lack of full-time house help, and have to clean dishes and clothes regularly, while balancing time between work and family. This is leading to the realization that dishwashers and washing machines must be considered essential electronic items.

### Top 5 things people will purchase after the lockdown ends

1



Phone

2



Headphone

3



Dishwasher

4



Laptop

5



Vacuum Cleaner

## Generations differ regarding their approach to the anticipated recession

Overall, the expected income earnings distribution is negatively skewed, as more people expect reduced earnings post the COVID-19 crisis, which is directly linked with their expected performance of the country's economy.

The manufacturing and professional service industries anticipate lesser earnings in the future than those in IT, finance, education, and telecom. However, in some cases, even the white-collar jobs in technology, legal services, and marketing are also facing layoffs and furloughs, which highlights the magnitude of this externality and implies that no sector is really 'recession-proof'. Amidst all this, health-tech and ed-tech companies are likely to grow aggressively, usurping the share of their traditional peers in the game.

Survey results reveal that the millennial generation aims to save more, which is represented by a positively skewed savings distribution (*refer graph on pg. 27*). However, currently, this group is more concerned about meeting their friends and making travel plans, than about the recession and its impact on businesses. Nearly half of the millennials surveyed plan to travel again within three months of the opening of the lockdown. Here, a dilemma presents itself. With heightened savings, millennials are still keen to retain their original lifestyles, including going on frequent outings, traveling, and buying electronic items

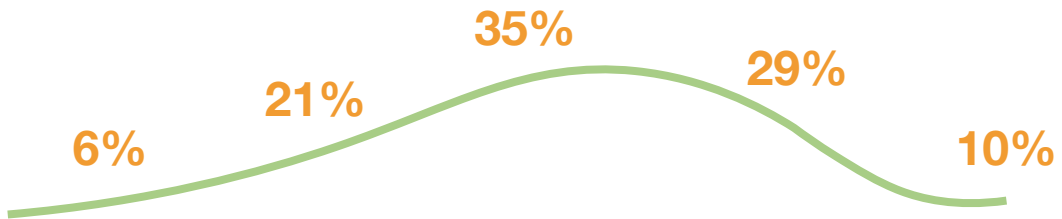
(as mentioned earlier in this report) soon, thus giving way to the question "How is this sustainable?"

An explanation for this is that these savings are mostly for a short-term period. Spending for millennials, especially the younger lot, tends to be more on non-essential products and experiences, rather than necessities. Under current circumstances, this discretionary spending is expected to take a huge hit. Hence, anticipated lower earnings from this crisis would be followed by an even larger fall in spending, and an increase in short-term savings, typically accrued for targets like holidays or electronic purchases (unless it is supported by borrowings or credit in some cases), instead of outright spending. Perhaps we can expect some good news for both the brands as well as the BFSI sector.

Interestingly, for the CXO and senior executives' community, the expected savings distribution is more balanced, and in fact slightly negatively skewed, unlike in the case of millennials (*refer graph on pg. 27*). This implies that, in the expectation of lower earnings, spending remains more or less constant for a major part of this group, which can be explained by the fact that these people are mostly breadwinners for their families. This explains why a major proportion of their spending is non-discretionary and based on 'needs' rather than 'wants'. Hence, anticipated lower earnings due to this crisis would directly translate to lower savings, while spending would be constant, or perhaps marginally lower for CXOs in some cases.



## Millennials



### Savings Distribution

A lot Less than before

0-20% less than before

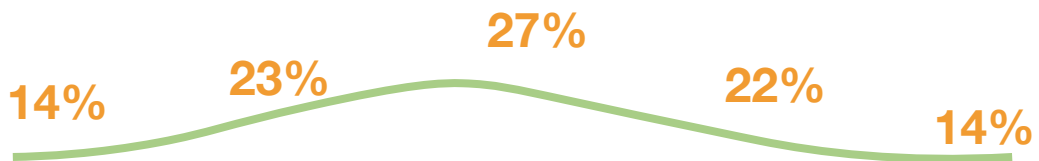
same as before

0-20% more than before

A lot more than before



## CXOs



### Savings Distribution


A lot Less than before

0-20% less than before

same as before

0-20% more than before

A lot more than before



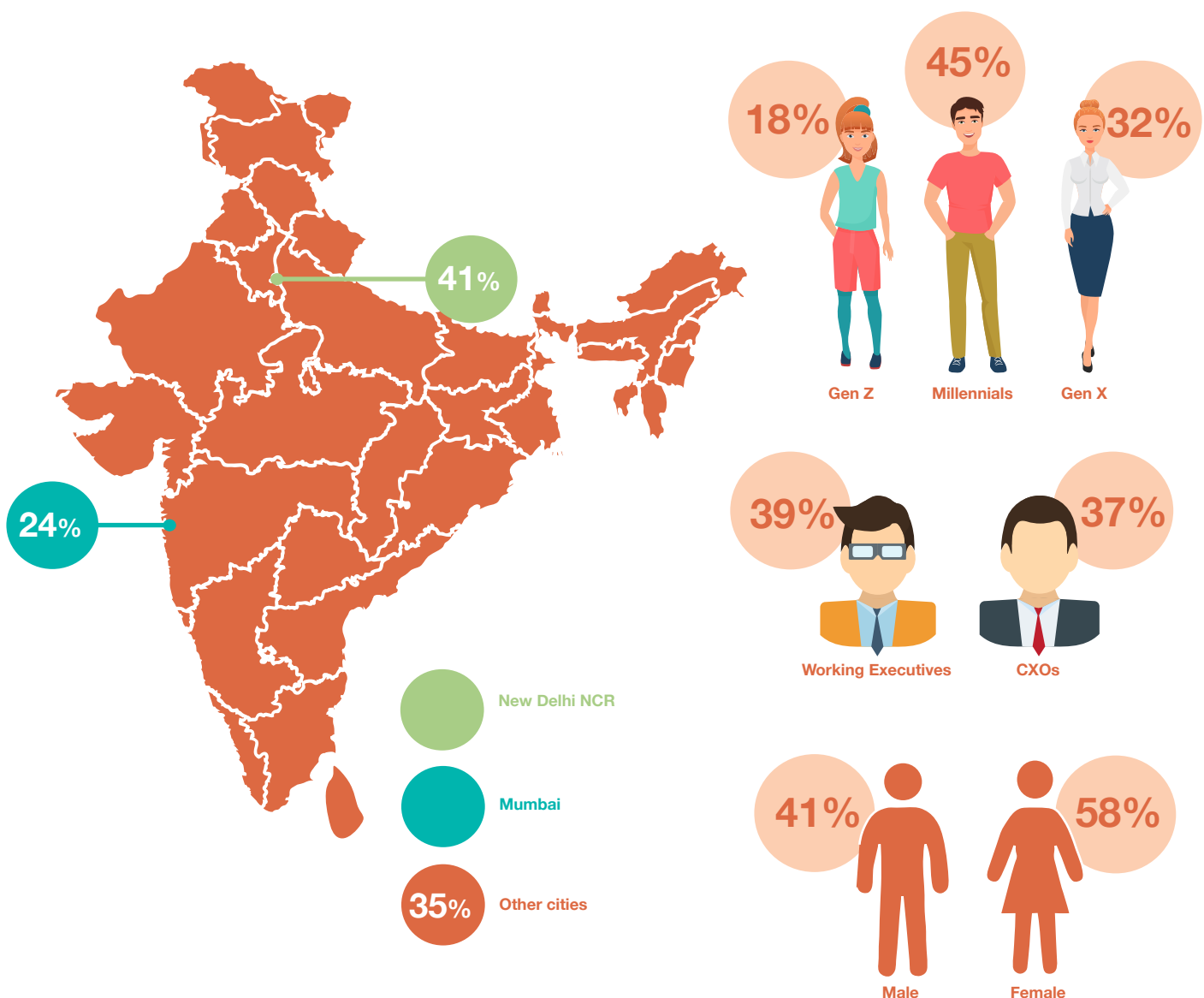
Many CXOs are also concerned that in the unforeseeable future, small and medium-sized companies may need to explore alternative revenue models to make up for their losses during the crisis.

Shrinking earnings and expectations to save more, particularly among younger generations, have resulted in the downward spiraling of discretionary spending habits. Due to controlled spending means, the economy will take a long time to recover. Uncertainty about the economy and the realization of its potential volatility in the wake of externalities will result in an increased focus on savings in liquid assets vis-à-vis amassing physical assets. A key finding from the survey indicates that stock market investments will be considerably reduced post this crisis, as anticipated, while there would be a tremendous increase in investments in safe instruments like fixed deposits and PPF. For the pessimists, even investments in fixed land assets and gold are expected to decline. With reduced government revenues, the taxes on rich and luxury products are likely to get higher. Credit rates are likely to go south, but a relatively bleak future is not likely to excite many businesses to take credit. This paves the way for one of the worst economic downturns, as the country braces for a recession, thus making it advisable to plan for the worst while hoping for the best.

# Survey Methodology

To arrive at these insights, Mavericks Research surveyed in April, to gauge the collective behavior of the Indian society amid the current COVID-19 crisis, while understanding the expectations of people from various aspects, once the world is back to normal. Current attitude, anticipated trends, and future predictions are among some of the areas where we garnered insights.

**600 responses** were collected through this survey via an online survey tool, and key findings were generated based on consideration of the unfiltered sample dataset, and filtering the data by gender, age bracket, and occupation. Additionally, secondary research, combined with some one-on-one discussions with members of the target audience, helped us arrive at comprehensive insights, which build on the data points. All the respondents belong to SEC A and to that extent the insights therefrom need to be construed and consumed accordingly. Approximately 210 respondents belong to a community of CXOs or senior company executives/leaders.





# Note

At The Mavericks, we realize the importance of understanding how various individuals and communities have perceived this lockdown, and consider their perception of where we are headed after this crisis to be critical, both in the near and far future. Through these insights, we hope to garner an internal contextual understanding that would enable us to serve our ecosystem better and stronger than before, as well as provide context for our clients in their respective industries, given the vast uncertainty surrounding the behavior of consumers and businesses.

This survey report is a representation of our understanding of the situation, the attitudes of various communities in our country during this crisis, and their expectations of change as the crisis evolves, until various aspects of our lives slowly but steadily begin to normalize.

**For any further queries regarding our survey and this report, please contact our 'Research' division at The Mavericks at [www.themavericksindia.com](http://www.themavericksindia.com) | [rohan@themavericksindia.com](mailto:rohan@themavericksindia.com) | +91 98715 76702**

## About The Mavericks

The Mavericks is a pure-play reputation management advisory with a unique proposition of being an exclusive consultancy and an extended team rolled into one. With an audience focussed approach, we ideate, strategize, and craft campaigns that deliver a long-term value rather than an immediate attention-grabbing impact.

Since our founding in 2018, we've strived to provide a deeper impact for brands by placing them well ahead of the curve and through meaningful engagement with the consumers. Customers are the reason we exist, and we ensure that whatever we do is done with the objective of making them win. Helping them navigate the always-on conversational world and equipping them to make their stories relevant to their stakeholders is our proposition.

We would rather have fewer customers but with deeper relationships, motivated by love and passion and fuelled by knowledge, creativity, and commitment.

## About Mavericks Research

The Research division at The Mavericks was launched in July 2019, and has grown significantly since. We believe that our team members with a background in economics, management, marketing, and consulting, possess the analytical mindset and ability to study individual behaviours and market trends, as well as draw out comprehensive insights through both primary and secondary research. This, in turn, provides us with a contextual setting that enables us to understand our clients, their industrial landscape, and their target audiences better.

With our internal activities, we also strive to garner insights that help solidify our core of knowledge, grow further in our abilities, and build our foundation as a reputable research hub. Through this process, we aim to serve our clients, and the community at large, better and stronger!