

Impact of **COVID-19 on Businesses** : From our Clients' perspective





The COVID 19 situation has impacted all of us in an unprecedented way. From physical distancing to work-from-home, individuals, families and businesses are ALL adapting to **new ways**.

In order to understand '**these new ways**' and its implications; 4SiGHT invited insights professionals from various sectors (FMCG, Healthcare, Banking, Insurance, Real Estate etc.) to share their views on how personal, professional lives and businesses have been impacted. The engagement was carried out on 4SiGHT's online platform.

This document details learnings from a qualitative online discussion on the 4SiGHT Digital Platform with our clients over April & May 2020

All our engagement in this research was digital / remote and no personal contact was made. All information is reported in general and individual business information is kept confidential.

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Impact on
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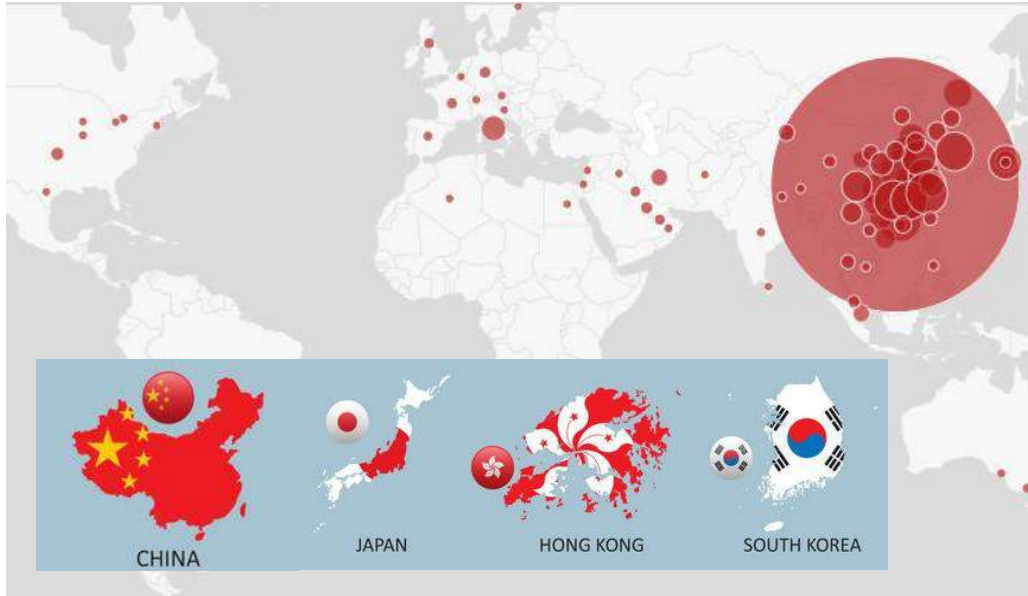
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Impact on
Business



How has COVID 19 impacted them **Personally?**



What started out as a distant phenomenon and evoked sympathy for affected countries...

"I did not expect a major impact on me and my family at the beginning when we heard of COVID 19"... "Kept a tab on news, but thought it was far from me (when it was concentrated in Wuhan)...low fear of its spread as a pandemic"



Price rise from impact on Chinese supply chain



Few cases and a few deaths in epicenters

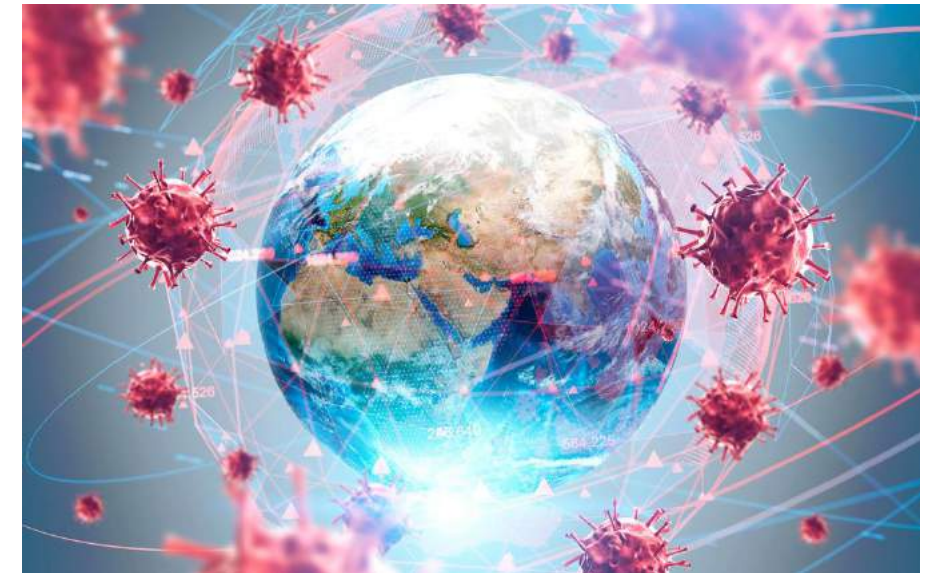


Some global financial impact

...soon grew into worry for families/ friends residing globally...

"I kept on hearing more rising numbers from my family in Italy since January and that's when I thought that this matter is Very serious!."

"When the number of cases in China skyrocketed, then I knew that if this became a global pandemic, this could affect my immediate family across the different countries, they are in."

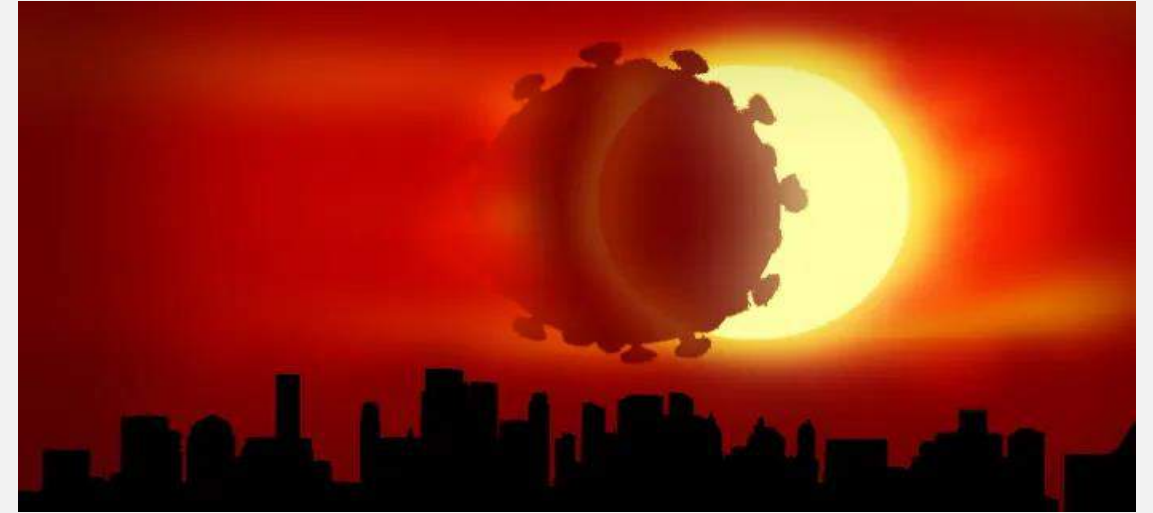




Small personal steps and precautions were taken

- Calling-off plans of international travel for leisure or for domestic travel (Umrah)
- Social distancing
- Looking for the right measures that each person should take "as advised by official entity"

"Since early February, I was following this virus and had been informing my family members across the world to stay safe and take necessary precautions"



Post-declaration of COVID-19 as a pandemic and the government-imposed restrictions, **many felt increasingly anxious and overwhelmed with uncertainty**

The realization that the impact was getting much deeper than anticipated - mentally, physically and economically - began to set in

"I feel overwhelmed by the veracity, scale, speed of chaos the pandemic caused.."

The pandemic presented an entirely new mental health landscape to navigate



Broader curfews
and restrictions on
movement

Work
from home
notice

Shops closing, and
online purchasing for
the essentials only



Feeling of being
trapped
and annoyed

Fear of job security if the
crisis continued for a long
period

"There is definitely a lot of uncertainty and fear going on. No one knows how this will pan out in different countries."

"On a personal note, the border lockdowns are still worrisome, however day to day movement restrictions are not that troublesome."

"I am locked down in a foreign country in a small accommodation. This is where I now work from."

Despite the uncertain situation, Governments of UAE and KSA were applauded for taking necessary preventive action... gave hope that COVID-19 will be contained within a few months

"We are confident about our government; it is doing the best it can to contain the virus. Due to the strict measures being taken by the Kingdom, we hope things will be under control sooner."

So, with these changes, how did daily lives change?

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How to balance the often-opposing needs of human health on the one hand and the need to maintain an economy. They often feel mutually exclusive. The challenge is to find the right balance between these two legitimate needs

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We could be headed towards a new sense of normalcy far different from what we have been traditionally used to...



Homebound, sticking to daily routine is a challenge!

- Staying indoors the entire day is *tiresome*
- Untimely/lack of proper sleep patterns – *no sound sleep!*
- Fear of *weight-gain...*
- *Zero me-time*, only family time gone up...

“Longer working hours busier than normal days .. more exhausted but not intellectually stimulated no sense of when the day ends and when it starts. Time and space have become one big messed up dish!”

- Opportunity for everyone to understand close related people and *bond with family*
- Lack of daily help which means becoming *self-dependent in a bigger way!*

Exclusively home-made food also comes with efforts!

- Spending *more time in the kitchen* to support with cooking
- Cooking all the meals on a day-to-day basis is becoming an *exhausting task*
- Food consumption has increased
- *Running out of grocery* – reaching the stage of compromising

“Tiring to cook every day. Trying to keep the dishes interesting”

- Healthy and *conscious eating* – no scope for junk food – diet remains the same
- Experimenting with *new recipes*
- *Online shopping* making easy



Reduced physical activities

- *Missing the outdoors*; by staying home there is huge impact on physical activities
- Unable to do activities such as swimming
- *Gaining weight* significantly
- *Lack motivation* to carry on at-home workouts

"I don't get to do my regular step counts. Compensating for that is difficult, but I still make efforts to do some movement around the house."



Media and entertainment has gone beyond limits

- Those experiencing anxiety around the unprecedented level of news coverage surrounding the pandemic, have *stopped or reduced their news consumption* significantly
- Consumption of on-demand media like *Netflix, Amazon Prime* has *skyrocketed* - TV series and movies getting added to the watchlist
- Watching how-to and *DIY videos*
- *Virtually connecting* with family and friends, catching up live with famous celebs etc. has kept many considerably entertained

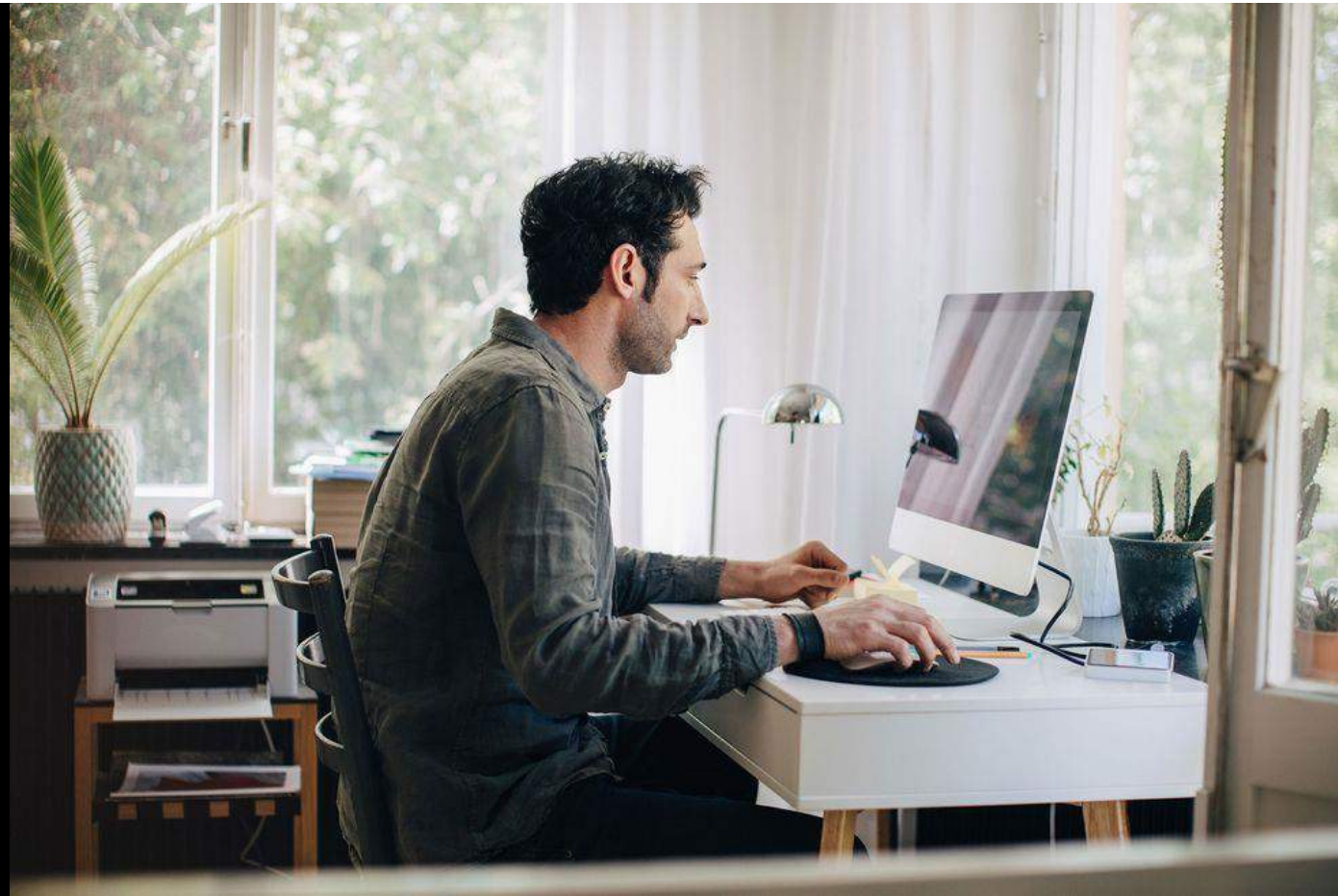
A woman with blonde hair is sitting at a wooden table in a kitchen, looking down at a laptop. She is holding a smartphone in her left hand. In the background, a man is standing at the kitchen counter, and a young girl is sitting on the counter. The kitchen has white cabinets and a granite countertop. The text "How has the COVID 19 impacted them **Professionally?**" is overlaid on the image.

How has the COVID 19 impacted them **Professionally?**

Work from home is becoming the New Normal while combating COVID-19

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Work culture is evolving; we are moving to far more communication than earlier. There is more planned collaboration, however that has a by-product of longer working hours. The feeling went from being confused to this is manageable. Now this has become the new way of working and most are fairly comfortable with it.



Everyone seems to be learning how to live with the reality of coronavirus. Work-from-home jobs are very much a reality now.

One of the Managing Director says, *“Working from home works well and is now just more pervasive given the forced lock-down. Everything is working. We are more productive, staff seems happier. Learning to manage work and family under one roof.”*



Some of the potential advantages of working from home:



Time - efficient

"No need to get dressed for work. Saves a lot of time."

"...what's working is that I do not have to sit in a suit!"

"Time to have breakfast peacefully every day."



More productive

"...the good thing about it is to save more energy when you don't need to move around"

"On the positive side, there are far less distractions...means work gets finished faster."



Balancing family & work, finally!

"Very good. I can perform a lot and stay in touch with family. Work-life balance is very good."

"...Work life balance is now an evolving term and I am no longer sure what it means"

Very rare opportunity for each person to sharpen his/her skills that were ignored due to busy life



Time for reading and learning

"Absolutely. I finished 2 big courses and reading books"

"Its flexibility regarding time, non-commitment to travel and other regular course requirements..."

"The crisis has increased my benefit from the digital platforms offered for courses at the professional, personal interest levels..."

...for some, time is still scarce

"Haven't thought about it. While I save time on travel, with the addition of household chores, not much additional free time"

"Yes, personal development and new courses are on the list, however time is scarce. Given the recent increase in workload there hasn't been sufficient time to dedicate to it. On a personal level, I am spending more time reading than I used to earlier"



Working from home affords you flexibility, but it also seems to be demanding a lot in return...hence, some watch-outs:



Monotonous - lack motivation

"It takes efforts to keep yourself motivated to work from home. Sometimes it is also very stressful."

"Pace of work becomes slow at times"



Difficult to clock out

"No sense of time and work balance. Usually spend more time working than usual days."

"While people might think working from home means doing less, the opposite might be true"



Missing office setup/ environment

"Working from a small space – Uncomfortable."

"Too much disturbances and distractions from kid and wife"



Absence of direct communication

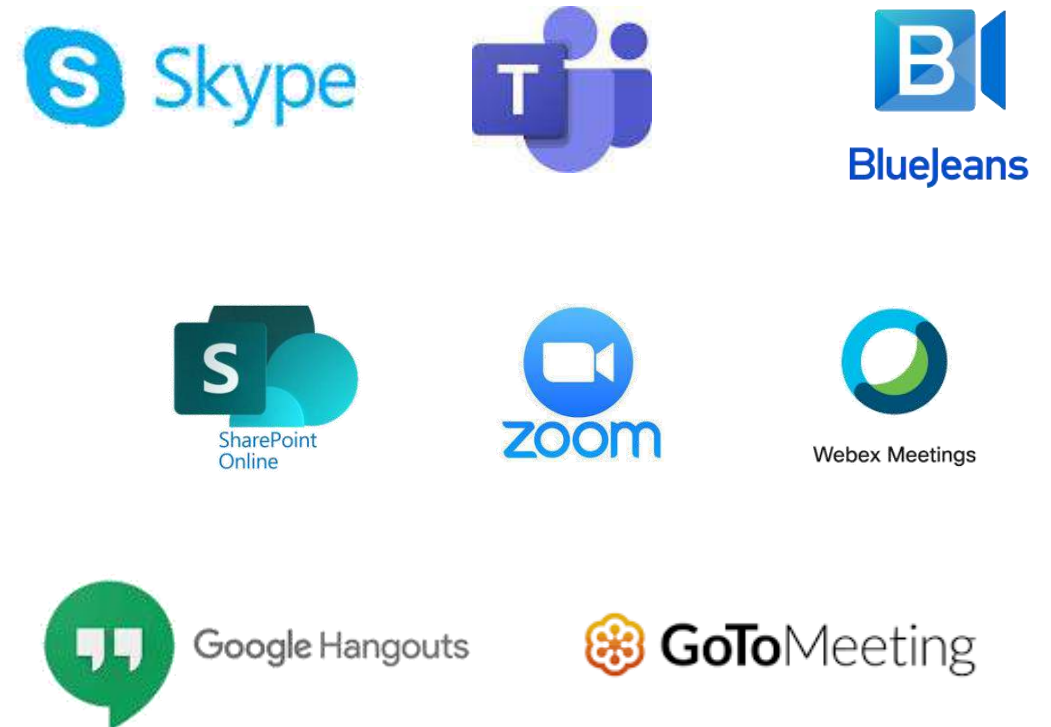
"Missing the face to face human interactions at workplace."

"Effective communication is the biggest challenge to the team's distance from one another, the widening communication gap, the absence of a body language aspect"

Collaboration with colleagues and other departments is affected

- ✓ **Virtual meetings** are helping working together
- ✓ **Efficiency has improved** as unnecessary meetings do not take place any longer.
- ✗ Even with daily calls etc. its not the same...**losing track** of what the wider team is doing
- ✗ **Communication** between teams within the organization has been greatly affected, as the simple discussions that were taking place in the office now need to be terminated or done via email or messages. This reduces effective communication.

Applications and Platforms used





How has the COVID 19 impacted them **Business?**

Today businesses are seeking answers to their many questions...



Sizing the problem

- *How long will this situation last and how deep will economies be impacted?*
- *What will be the impact of the lockdown or quarantine in the long run?*
- *Quarantine is a temporary solution and waves of virus may need to be controlled again?*

Assessing the impact

- *What industries might surge and buried due to the current situation?*
- *Are there employee lay offs to be expected or salary reductions?*
- *How it will affect continuity of business and will it in turn affect our livelihoods negatively*

Navigating it

- *Consumer behaviour is still evolving, as a result marketing also needs to keep evolving?*
- *Will the Government support businesses if the situation worsened?*
- *Will sales and distribution be the main concern?*



Overall Impact: Businesses are running yet becoming slower and stagnant

Relatively lesser impact for FMCG sector

- The relative impact has been lower for FMCG sector, but for the business to function under lock-downs and curfews is temporarily challenging.
- Although revenue wise not so much, businesses are still strong - but manpower, morale, etc. have definitely been impacted

"The supply chain, sales and distribution teams are most affected"

BFSI, Real Estate, Travel & Tourism to see higher impact

- Many new as well as the old companies are witnessing steep decline in business
- Domestic travel especially for Umrah has been halted completely for this season, which greatly affects the travel agencies/related companies
- Some collaborators and contractors have become slow which has slowed down their own company processes

"New business has slowed down drastically but retention has improved slightly due to the mobility restrictions"

However, expecting much higher impact in the future

Although the impact is believed to be indirect to some businesses, it is expected to be seen in upcoming months

"One of the main fears is the sluggish consumer shelf off-take that curfews and 24-hour lock-downs could bring about"

Bigger economical changes are anticipated - companies could be wiped out, many will have to change the way they work. Stimulus plans might help but only to an extent

"Salary reductions, gradual layoffs expected soon, job losses, leave without pay"

Budgets for marketing & research spends are no exceptions from the impact!

Market research might pick up once the situation is contained but is going to be slow now

Possible reprioritization

- Some believe that there is a need to understand the impact on consumer behavior during and after COVID-19, however, the budget for marketing & research spends is already being limited or withdrawn in many companies
- Others feel the pace of research may be sluggish, but without any real change in budgets
- Few are uncertain if research at a time of such unpredictable and uncertain consumer behaviour will be helpful
- In Healthcare, marketing & research spends is likely to boom



Shift in Focus

- Greater spends in digital communication and social media community management
- Re-routed budgets to in store POSM - or advertising, social media
- Emphasis may be placed on pathways related to innovation, alternative solutions and e-marketing

*"Priorities will be different now and maybe research will be one of them.
I consider research top priority, but top management could change budget allocation"*

However, huge potential for online market research methodologies

"For the time being, we are still trying to find our way through this chaos."



"We will invest even more in the opportunities afforded by the 4th Industrial Revolution"

More and more companies are now exploring the online research methodologies and are willing to consider them soon

More so if the budget makes sense...more so if the situation continues...

"Already shifted most of our work online and building an online community of consumers who could help in innovation work"

"Any technology enabled research is up for consideration"

Online market research methodologies have both pros and cons

"In times of change the learners will inherit the world"



Upsides of Online Research

- Respondents feel more comfortable
- Significantly lower costs
- More agile, more expedient, more cost-effective
- Quicker timelines and cheaper rates

Apprehensions in Digital Research

- × Good for tactical research but not for strategic pieces
- × Trust issues with methodology
- × Data quality
- × Data accuracy and sampling



"The methodologies that could be utilized should expand further to cover the gap left by field research. Perhaps framing these alternative methodologies in reassuring moulds for customers regarding quality, reliability and accuracy may contribute greatly to motivating clients to devote and invest in these methodologies."

Key questions clients need answered

To understand the new environment, help make quicker decisions and stay relevant

Behavioural Changes

Expected change in behavior

Consumption patterns of different categories

Purchasing Behaviour

Shopping journey, place of purchase, brand choice drivers.

Impact on stocking. How have consumption quantities changed?

Change in expectations

Role of products changing in their day to day life.

How can we increase our role? How can we reach more households?

Post COVID-19 consumer expectations from brands

What do they want brands to offer now? New relevant features?

Digital content consumption. What kind of content are consumers looking for now? How can brands communicate better?

Long Terms Changes

How do consumers feel about online buying and will they continue after the crisis?

How important is insurance?

How optimistic are consumers about a good future? How would they want their insurance to interact with them during these times

Housing needs

Are they cutting on rental budgets? Are they open to moving or do they prefer to stay where they are for a few months?



Thank You