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Hong Kong - New Ipsos Study on the impact of Covid-19 on Hong Kong Consumers reveals big shifts in consumption patterns – but no imminent collapse of consumer confidence.

2 April 2020 - In a survey conducted 16-20 March 2020, this study from Market Research firm Ipsos in Hong Kong reveals changes in consumption habits of the Hong Kong population; almost half (48%) Hong Kong adults declare spending more time browsing on online shopping platforms, and over a third (36%) declare they have purchased more groceries online or used more mobile payments (33%) to avoid unnecessary contact with other people. 20% have even used the extra time at home by spending more time on e-learning/e-courses. Only 6% of Hong Kong people feel they haven't made any significant changes in their daily life.

Which categories are gaining most and via which channels?

Understandably, household cleaning products are still in great demand in the city, with 27% having spent more online on those (and 51% via offline means) since the start of the outbreak, followed by frozen food (41% offline and 19% online) and fresh food (45% offline and 9% online). Demand is also high for health supplements with 17% spending more on those online (and 18% offline), as well as hand cream and moisturizer (12% buying more online).

Over two thirds (71%) declare having used HKTV Mall to make those online grocery purchases, while almost half (48%) have used ParknShop and a third (37%) Wellcome. Other popular online grocery platforms include Aeon (18%) and Zstore (14%).

What is the financial impact for Hong Kong Consumers?

Despite the difficult current (and recent) economic situation in Hong Kong, 41% still believe the current situation will not have a major impact on their income and 29% say that, while their income remains the same, they expect it to be reduced at some point. Meanwhile 29% declare they are earning less already.

The investment strategies of HK people also differ greatly: 37% declare they will not invest in anything and keep cash savings only, while 32% say they have invested or plan to invest in stocks during the slump for potential gains later.

No end in sight?

Hong Kong people are also divided as to when they think the crisis will end, but most at least agree it won't be anytime soon: Only 14% of Hong Kong people do believe the pandemic will end in Q2 2020. 30% believe it won't be before Q3 of this year, and 10% even think it will only end next year. Similarly, Hong Kong people are split as to when Hong Kong will recover, with approximately a third (32%) believing a recovery would only happen in 2021 (including 18% expecting recovery towards Q2 2021 only)

About the Study

The Hong Kong Consumer & COVID-19 Study measures changes in consumer behavior across multiple categories, in reaction to the COVID-19 pandemic. Survey of 1,000 general population adults conducted online between 16-20 March 2020. Key areas of interest include:

- Media: Changes in traditional media & social media habits
- Category Spending: Change in spending in categories including food & drinks, luxury, household cleaning, health supplements
- Dining Habits: Ordering and eating habits, channels & brands
- Beauty: Beauty & health habits & changes
- Investment: Income impact, Investment plan & saving strategy changes
- Insurance: Perception towards insurance companies providing coverage of COVID-19
- Expectations: Pandemic end, HK economy recovery, next travel, spending of government subsidy

About Ipsos

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Our research professionals, analysts and scientists have built unique multi-specialist capabilities that provide powerful insights into the actions, opinions and motivations of citizens, consumers, patients, customers or employees. Our 75 business solutions are based on primary data coming from our surveys, social media monitoring, and qualitative or observational techniques.

“Game Changers” – our tagline – summarises our ambition to help our 5,000 clients to navigate more easily our deeply changing world.

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