

PRESS RELEASE

Pandemic concerns recede, while rising prices drive value-driven purchases across Southeast Asia – Ipsos study

- Consumers believe the economy is in better shape compared to 2021 but inflation has overtaken COVID-19 as the biggest worry
- More than half of the Southeast Asians surveyed are optimistic about the economy
- 94% of Vietnamese claim to be impacted by price changes

16 September 2022—The majority (71%) of Southeast Asian (SEA) consumers are less concerned about COVID-19, however, inflation has overtaken the pandemic as their biggest worry despite most economies performing better compared to 2021, a new Ipsos survey reveals.

The Ipsos SEA Ahead survey ran across the SEA markets of Indonesia, Malaysia, Philippines, Singapore, Thailand, and Vietnam during May and June.

SEA has experienced strict and lengthy lockdowns, low vaccination rates, and a disrupted supply chain for the past two years. But now, SEA citizens are more eager to socialize with increasing vaccination numbers and the tourism rebound. The majority have expressed confidence in dining in restaurants (74%), visiting family/friends (77%), and participating in cultural gatherings/events (77%).

While most citizens start to revert to their pre-pandemic ways, some behaviors adopted during the pandemic persist including being more health conscious and using online shopping. More people are shopping online with only 39% claiming to shop at a supermarket/hypermarket once a week or more, and in Vietnam the figure was 37%.

Across SEA (87%) proactively manage their health and wellness through food and beverage choices, while 85% buy products that support their physical and mental health

and wellbeing. For example, 40% are using less e-cigarettes and 35% consuming less alcohol. In Vietnam, 46% intend to consume less cigarettes, and 51% intend to consume less alcohol.

In line with the rest of the world, concerns have shifted away from the pandemic in Southeast Asia. The COVID-19 pandemic now ranks third in consumers' top concerns, with personal finances and rising prices or inflation now ranked as the top two concerns. In Vietnam, the top three concerns were health concerns, rising prices or inflation, and the COVID-19 pandemic.

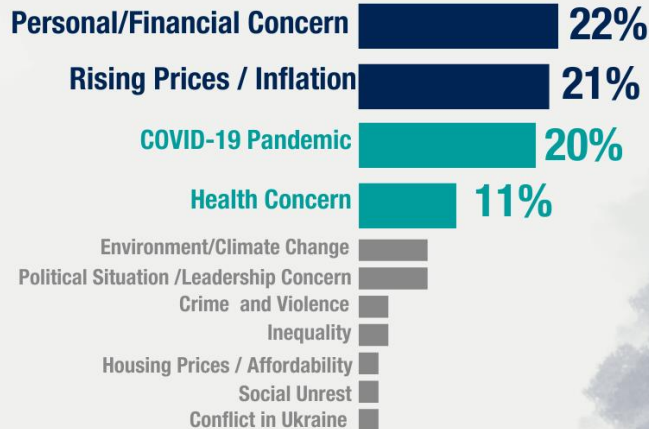
Three in four SEA consumers say rising prices are having a significant impact on their lives. In Vietnam, 94% said they are "very impacted" or "somewhat impacted" by price increases. Despite this, they continue to spend on necessities such as food, cleaning products, and personal care products and are saving money in other ways. In Vietnam, savings are being made in areas like alcohol consumption, travelling and entertainment.

Suresh Ramalingam, Ipsos Chief Executive Officer – Southeast Asia, said: "With most of Southeast Asia transitioning to an endemic phase of COVID-19 and coping with inflation, it is more important than ever that leaders exercise resilience and longer-term foresight to adapt to rapid, complex change. Inflationary times are indeed challenging—how are we going to innovate? Adjust pricing strategies? Rethink brand differentiations? Amidst the uncertainties, the way forward requires determining what is right for your consumers, balancing short-term gains and long-term risks, and most importantly, building your empathy muscle to create real connections with them and take relevant actions."

PANDEMIC CONCERNS RECEDE; RISING PRICES URGE VALUE-DRIVEN PURCHASES IN SE ASIA

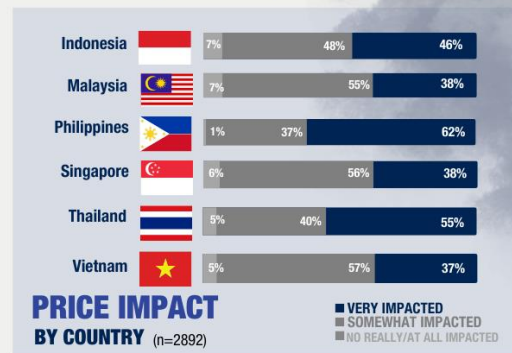
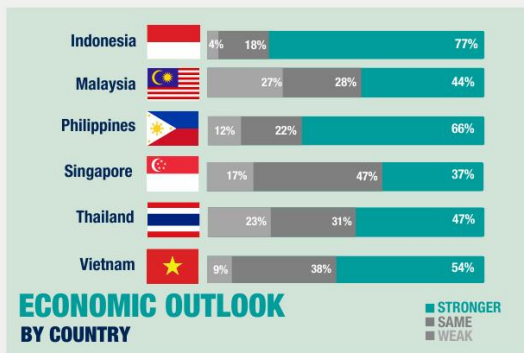
While Southeast Asian citizens are growing less worried about the pandemic and show optimism about the current economy, they are preparing to weather the impact of the looming inflation.

Financial related challenges are the topmost concerns



54% Are having stronger economic outlook in the next 6 months

96% Majority say they are highly impacted by the price changes



They are more open to paying more for food, cleaning products, personal care but would cut down on leisure

74% agreed that “When shopping for food I often buy higher quality products because I am saving money in other places right now”



*The survey is conducted across Southeast Asian (SEA) markets: Indonesia, Malaysia, Philippines, Singapore, Thailand & Vietnam from 12 May to 8 June 2022 (wave 6) with total sample of n=3000 among 18 years and above adults at n=500 per market

GAME CHANGERS



About the Study

These are some of the findings of 6th Wave of Ipsos SEA Ahead conducted between May 12 and June 3, 2022, across the 6 Southeast Asian Markets: Indonesia, Malaysia, Philippines, Singapore, Thailand, and Vietnam. For this survey, a sample of 500 per market or a total of 3000 for all 6 markets aged 18+ was interviewed. Quotas and weighting were employed to ensure that the sample's composition reflects that of the respective country's population according to census parameters. The precision of Ipsos online surveys is measured using a credibility interval. In this case, the results reported are accurate to +/- 3.5 percentage points of the views and perspectives of all SEA consumers aged 18 and above (at 95% confidence interval). The credibility interval will be wider among subsets of the population. All sample surveys and polls may be subject to other sources of error, including, but not limited to coverage error, and measurement error.

For more information on this news release, please contact:

Ipsos Vietnam

Email: contactvietnam@ipsos.com

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