

# CONSUMER PULSE IMPACT OF THE MIDDLE EAST CONFLICT ON URBAN INDIANS

Dip #1 : 31<sup>st</sup> March

***Before the sales and market impact are felt, the first signs of a global crisis are seen in how consumers start thinking, spending, and prioritising.***



# Context

Periods of global conflict often act as inflection points for consumer behaviour, and the ongoing US-Iran tensions are no exception. While geographically distant, such events can quickly translate into local economic anxieties for Indian consumers, particularly around inflation, supply stability, and income security.

In a hyper-connected environment, real-time news exposure is accelerating how quickly these concerns take shape, influencing not just sentiment but also day-to-day decision-making.

For businesses, this creates a rapidly evolving landscape where consumers are likely to re-evaluate priorities, shift spending patterns, and become more value-conscious. Early signals of such shifts are critical, helping brands anticipate demand changes, identify at-risk categories, and adapt pricing, communication, and portfolio strategies accordingly. Understanding the pulse of consumers in real time is therefore not just diagnostic, but a strategic imperative to remain relevant, responsive, and trusted in times of uncertainty.



# Key findings

**1 High awareness is translating into real concern**  
The conflict is highly visible, driving widespread awareness and meaningful concern about its impact on India

**2 Inflation fears are at the core of consumer anxiety**  
Fuel and food price increases dominate concerns, further reinforced by early signs of rising prices already being noticed

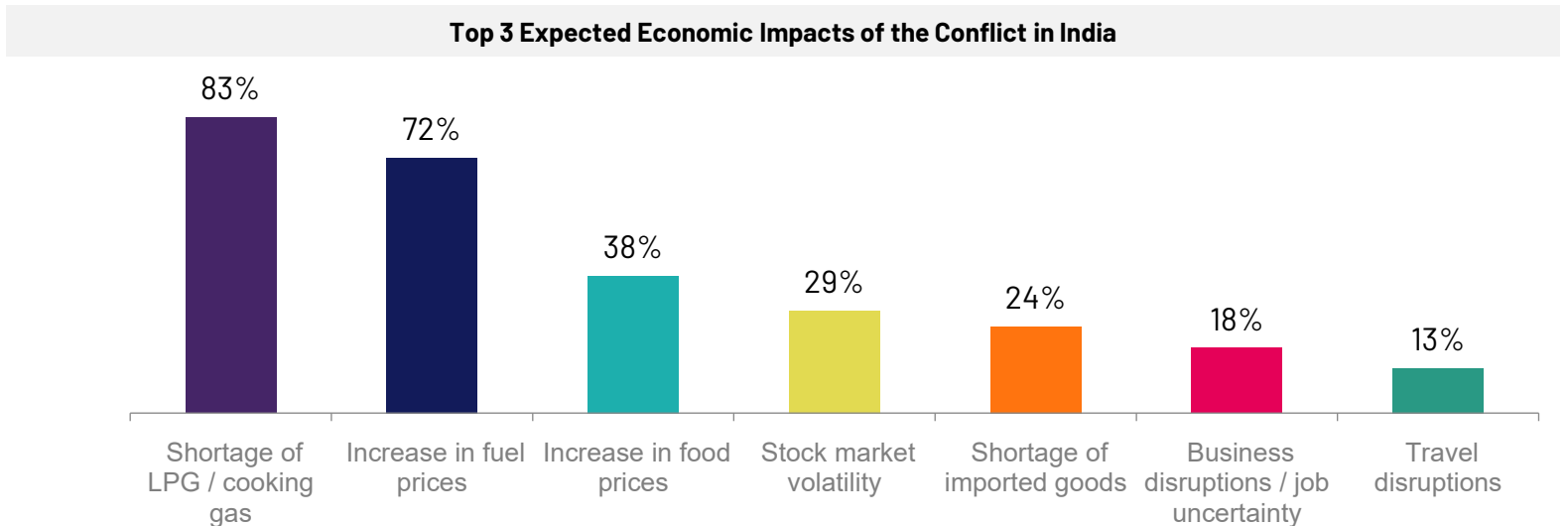
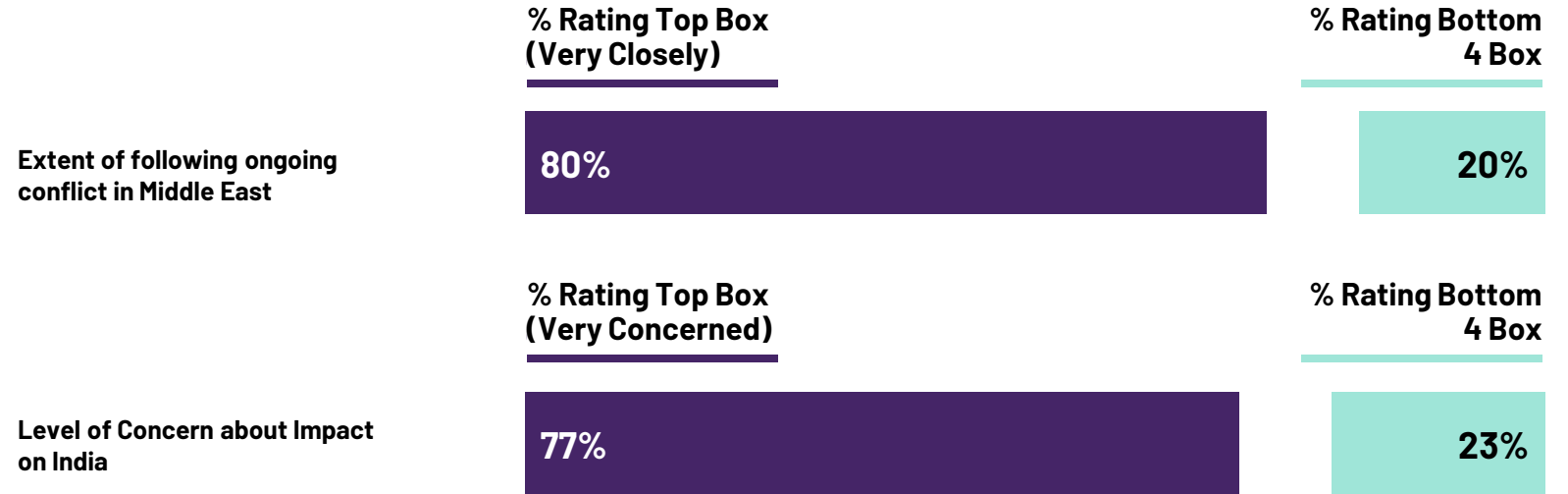
**3 A precautionary mindset is beginning to emerge**  
Consumers are becoming more cautious, focusing on savings, controlled spending, and in some cases, early stockpiling of essentials

**4 Spending behaviour is shifting, but not collapsing**  
While spending contraction is imminent, it is expected to be measured, with consumers prioritising essentials and cutting back selectively

**5 Discretionary and big-ticket spends are most at risk**  
Consumers are likely to defer large purchases and reduce experiential spending. Small indulgences least likely to get impacted

**6 Value and reliability will define consumer choice going forward**  
Expectations around affordability, availability, and functional reliability are set to strengthen, shaping how brands need to respond

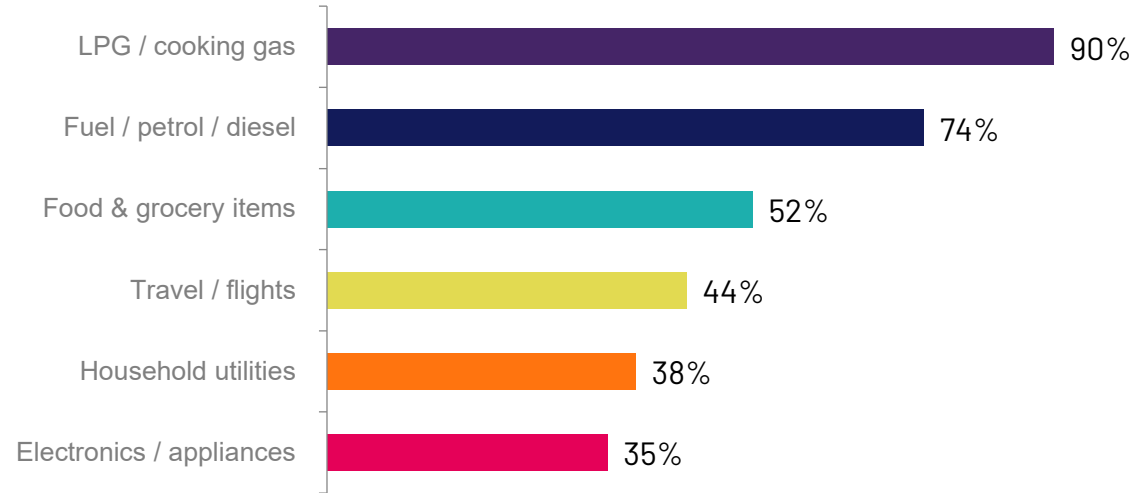
- With the Conflict being widely amplified across social media, awareness is high –majority of Indian consumers are already aware of the situation
- Concern about impact on India is also widespread
- Fuel and food price increases are top immediate concerns
- Supply shortages and volatility also anticipated



How closely are you following news about the ongoing war/conflict in the middle east? | How concerned are you about the impact of this conflict on India? | Which of the following impacts do you expect in India due to the conflict? Select the top 3

- Concerns around fuel and food price increases are being reinforced by consumers already observing rising prices in these categories
- There's also an Increased focus on savings (more so among NCCS B consumers)
- And a shift towards cautious and controlled spending
- Some temporarily increasing spending to stock up more essentials, but it's more a Metro and Tier 1 phenomenon

### Categories where consumers are already experiencing price increases



### How consumers are adapting in face of the price changes

**31%** spending less and saving more



**49%** being more careful with expenses



**8%** haven't changed anything



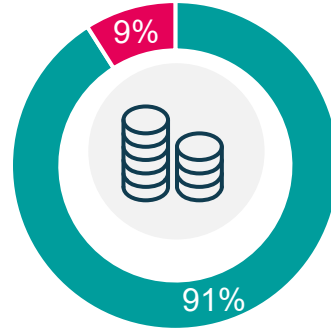
**12%** initially spending more to stock up essentials



Which of the following price increases are you already noticing? | Has the conflict made you change your household spending behaviour?

- In the face of rising prices, consumers are going to defer big-ticket purchases and cut back on discretionary experiences like travel and dining
- Purchase of smaller electronic items and entertainment subscriptions least likely to be impacted if prices rise

Are future price increase going to cause expense cuts?



▲ **91%**  
Yes, Likely to cut back

▲ **9%**  
No, not likely

Top 3 Categories where expenses will be cut back



**65%** to cut large purchases



**60%** to travel and holiday less



**51%** to reduce dine out occasions



**49%** to splurge less on fashion and lifestyle products



**39%** to reduce purchase of electronics/ gadgets



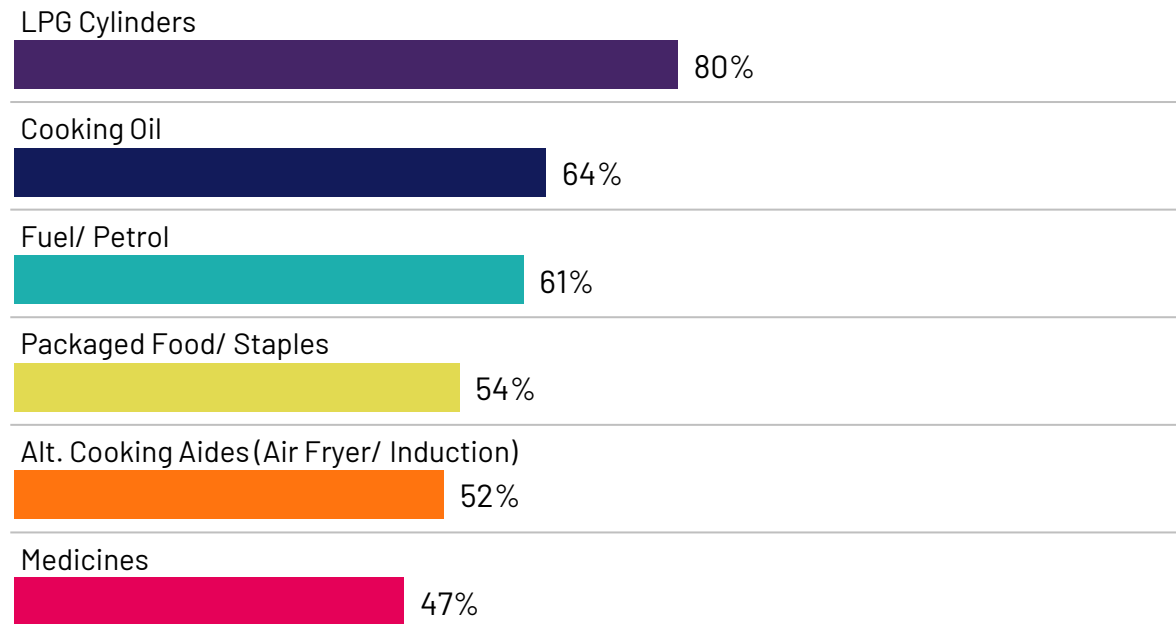
**36%** to cut back on entertainment subscriptions

- Precautionary mindset emerging among consumers
- Intent to stockpile all kinds of fuel very high

With consumers having about ~**2.5 weeks of essential supplies** at home at present...

**77% are intent on stockpiling**

And which products will be stockpiled by Indian consumers?



How many weeks of essential supplies do you currently have at home Have you stocked up or plan to stock up on any essential products due to uncertainty? | Have you stocked up or plan to stock up on any of the following due to uncertainty?

- Price stability is the single biggest expectation from brands, with consumers prioritising affordability above all else
- Functional reliability matters more than emotional gestures, with supply continuity and availability outweighing softer brand actions



**85%** consumers **expect brands to step up** amid current uncertainty

**Actions Consumers expect brands to take**

**Top 3**

Actions Consumers expect brands to take	Top 3
Keep prices stable and avoid unnecessary price increases	67%
Avoid shortages by managing supply and distribution better	45%
Ensure availability of essential products	44%
Offer value packs to keep products affordable	37%
Communicate clearly about price or supply changes	33%
Maintain product quality despite disruptions	28%
Offer smaller or budget-friendly pack sizes	20%
Act responsibly and avoid creating panic or encouraging stockpiling	16%
Support communities or relief efforts	10%

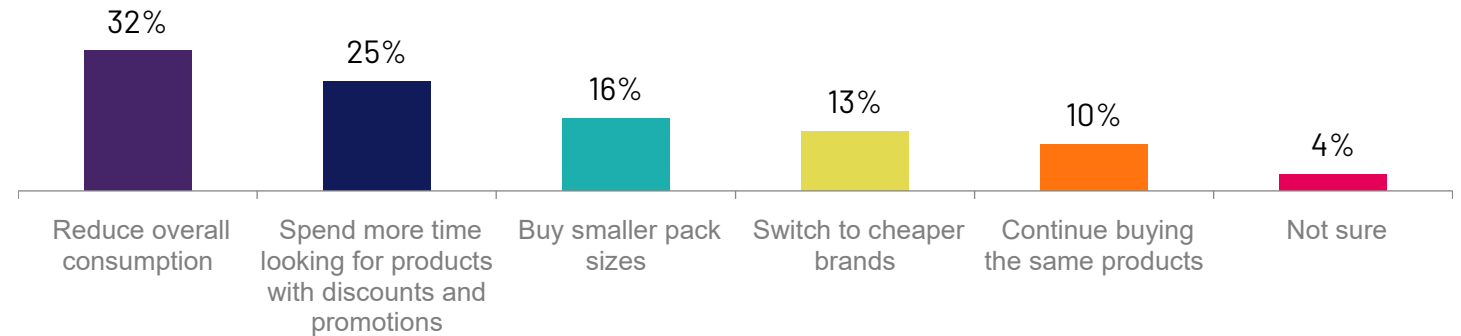
Do you expect any actions from brands to help during such uncertain times? | What actions would you expect from brands during such uncertain times? Select the top 3.

- Consumers are prioritising control over compromise, with reduced consumption emerging as the primary response to price increases
- Smart shopping is the secondary strategy, with deal-seeking outweighing downtrading to cheaper brands



## Price rise and uncertainty also likely to alter the way consumers shop

Action consumer will take in the event of price rise



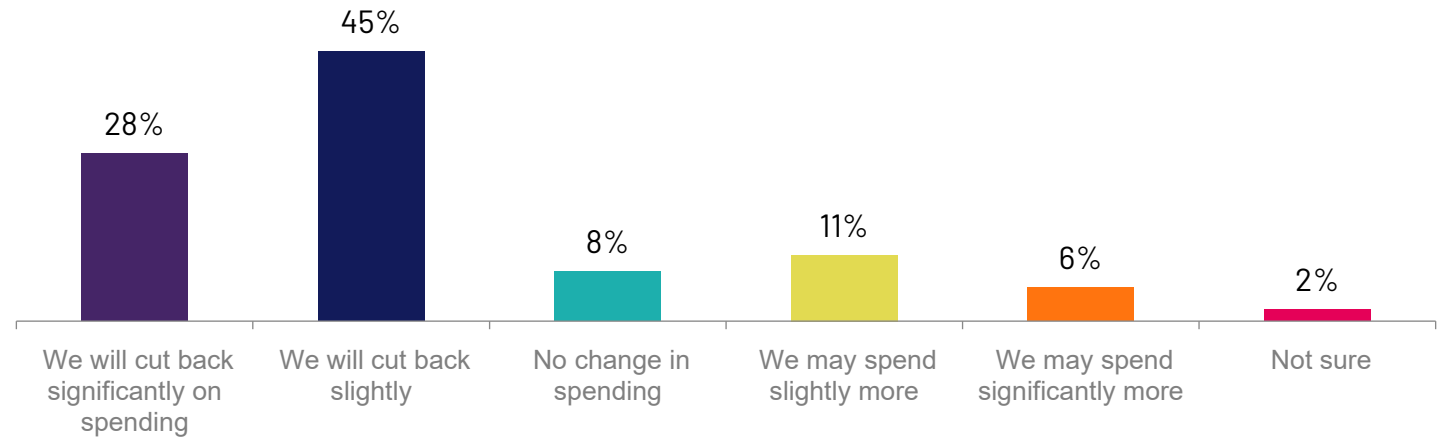
If prices of everyday products increase significantly, which of the following are you most likely to do?

- Spending contraction is imminent but not drastic, with nearly 3 in 4 consumers planning to cut back to some extent
- *In a climate of cautious consumption, winning brands will be those that help consumers manage trade-offs - balancing value, accessibility, and perceived necessity*

## Indian consumers expect the current conflict in the Middle East to last for about **5 months**



Impact on Spending in the next 6 months



How long do you think this conflict will go on? | Because of global economic uncertainty due to the conflict in the Middle East, how do you expect your household spending to change in the next 6 months?

# Methodology & Target Group

This is an ongoing opinion tracker designed to understand the evolving impact of the Middle East conflict on consumer sentiment, behaviour, and expectations in Urban India



## Methodology

- Self administered Online survey using structured questionnaire among Ipsos' online panel members.
- Length of Interview: 8-10 mins
- Language of survey: English
- Sample Coverage: 600 per wave



## Target Group

- Metro - 50% | Tier 1 - 30% | Tier 2+3 - 20%
- Male - 50% | Female - 50%
- Age: 18-60 yrs | 18-29 yrs - min. 45% | 30-45 yrs - min. 45%
- NCCS A - 80% | NCCS B - 20%



**This survey was run on India's only Mobile Panel from Ipsos India.**

**FOR QUICK SURVEYS AND TRACKERS, OR TO ADD QUESTIONS TO THIS  
CURRENT TRACKER, GET IN TOUCH:**

[Mudit.Vyas@ipsos.com](mailto:Mudit.Vyas@ipsos.com)

[Nabila.Sayed@ipsos.com](mailto:Nabila.Sayed@ipsos.com)

**MORE PoVS, NEWS AND INSIGHTS FROM IPSOS INDIA:**

<https://www.ipsos.com/en-in/insights-hub>

