

How the Pandemic Continues to Shape Consumer Behavior in Southeast Asia

Six consumer trends spurred by Covid-19 hold major business implications, according to a report by Facebook and Bain & Company

1

Southeast Asia leads digital growth in Asia-Pacific

~70M

digital consumers added since 2019 (equivalent to the UK's total population)

~80%

year-over-year growth in e-commerce gross merchandise value

8 in 10

consumers in Southeast Asia will be digital in 2021

□ **Rewrite a digital-first agenda**

□ **for your business**

Investments fuel digital disruptions

2

>80%

of funds flow into the **tech sector**, especially in fintech, EdTech, e-commerce enablers, and ecosystem platforms

2 in 5

consumers will spend even more on digital services post-Covid-19

~70%

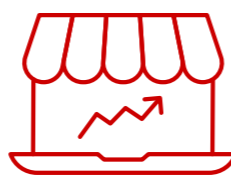
year-over-year growth in **e-wallet** adoption

□ **Rewire your business model**

3 The pandemic changed consumers' purchase journey



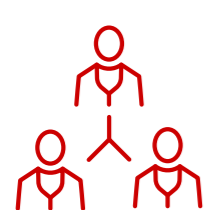
The e-commerce marketplace has gained importance in the **discovery and evaluation** shopping phases



Online channels have **4X** the influence of offline channels in brand discovery and evaluation



Social media is the **No. 1** channel for **discovery** and the **No. 1** influencing factor in **brand consideration**



□ **Reimagine how you engage with consumers**

The battle for loyalty moves beyond price

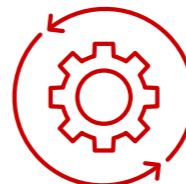
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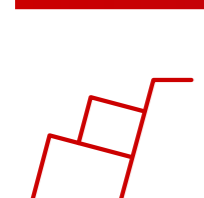
While consumers remain price-conscious, **product quality** increasingly factors into their decision to switch brands



Value-added experiences will provide differentiation and future loyalty



Leading brands and platforms will build ecosystems that offer **seamless experiences across multiple touchpoints**



□ **Refresh your product offerings**

5 Consumers care about environmental, social, and corporate governance (ESG)



ESG is becoming an important factor in brand switching

~95%

of Southeast Asian consumers are **willing to pay more** for ESG, with about 80% willing to pay up to a 10% premium



The top barrier to adoption is a lack of understanding about how ESG benefits a brand or product



□ **Reenvision the role of sustainability**

The home-centric lifestyle is here to stay

6



of current time spent on in-home activities will continue even after Covid-19 restrictions ease and there is no critical risk



of executives believe the **hybrid or work-from-home** model will become standard



□ **Realign with the new normal**