A Brave New World
Understanding consumer sentiment during the pandemic
IN THIS REPORT

LOCKDOWN LESSONS
How our lives have changed and how fashion brands have responded in the face of the pandemic?

UNDERSTANDING CONSUMER BEHAVIOUR & SENTIMENT POST-LOCKDOWN
Gauging consumer sentiment in a world post lockdown through an online survey with Indian consumers.

PLANNING PAST THE LOCKDOWN
What are the key actions that brands can take and the learnings from China.
THE APPROACH – INSIGHT & INFORMATION SOURCES

Use of the Meltwater tool for social listening to understand what people are saying as well as what brands are doing in these unusual times

Use of audience insight tools and analytics to understand consumer behaviour and attitudes at different stages of the pandemic

Consumer survey with more than 440 LIVA consumers as respondents
80% Female | 22 cities across India
Age group: 18 – 55 yrs
Conducted through: Social Media & Social Influencers

Use of google search trends and google reports to uncover the latest insights about today’s consumers
As the pandemic gripped the world, search trends show how our lives had changed.

People learnt to live, exercise and be entertained at home.

India noted an increase in personal hygiene measures.

Majority searched for when things would go back to normal.

Source: Google Trends, January – April 2020
INDIANS RESPONDED WITH ACTIVE CONVERSATIONS AROUND STAYING HOME, SOCIAL DISTANCING AND PREVENTIVE MEASURES

Total Mentions 11.9M
Compared to previous period

Mentions/Day Average 32.5K
Compared to previous period

Geo: India | Source: Meltwater
Time Frame: Jan – April 2020
THERE ARE RISING CONCERNS ABOUT THE ECONOMY
INDIANS ARE CONCERNED ABOUT THE ECONOMY – FORCED LEAVES, FURLOUGHS AND A HIT ON FINANCIAL MARKETS

Total Mentions

77K
Compared to previous period

Mentions/Day Average

846
Compared to previous period

Geo: India | Source: Meltwater
Time Frame: Jan – April 2020
WITH A DEEP CONCERN ON PERSONAL FINANCES ALSO AT THE FORE

43% of Indians surveyed stated they are expecting the crisis to have a big impact on their personal / household finances.

Source: Global Web Index, April 2020
THE CRISIS HAS IMPACTED TIME SPENT ON ONLINE SHOPPING

61% of Indians surveyed reported less time shopping online in the wake of the current crisis.

Source: Global Web Index, April 2020
WITH CONSUMERS DELAYING PURCHASING CLOTHES IN THE CRISIS

43% of Indians surveyed have delayed purchasing clothes in the outbreak.

Source: Global Web Index, April 2020
Sales have ground to a halt
Store closures have led to huge inventory pile-up
Store expansion plans halted
Production of autumn-winter collection stopped
Industry’s workers face wage loss and layoffs
Brands have to relook at business strategies
THE FASHION INDUSTRY STEPPED UP ITS EFFORTS TOWARDS COVID-19

77B Impressions | 20.5M Mentions | 6M Users

EARLY CHANGES AT FASHION WEEKS

With a phenomenal reach of 93.3M and 57.2M Daily mail and the Washington post shared an article about “Closed doors show by Armani at Milan Fashion Week” a total of 3.4K conversations around this topic was shared.

NEW COLLECTIONS LAUNCHED WITH A HOME SHOOT

Armani halts fashion production to make medical overalls.

Zara models launch a new collection with a shoot taken at home.

BRANDS REWORKED RESOURCES TO MANUFACTURE WHAT WAS NEEDED

Zara owner offers to make Hospital scrubs in order to support the current pandemic that broke out. Before this, Zara announced to donate masks for the coronavirus pandemic.

FASHION WEEKS IN JUNE TO GO ONLINE

Article by the Guardian UK, the London fashion week to go online.

Source: Social Listening, Meltwater, Geo: Global
INITIATIVES BY FASHION GIANTS IN SUPPORT OF THE PANDEMIC RESULTED IN POSITIVE SENTIMENTS

Source: Social Listening, Meltwater, Geo: Global
CLOSER HOME, WITH THE NATION TALKING ABOUT STAYING HOME

FASHION BRANDS TOO JOINED THE CONVERSATION

HYGIENE MEASURES AND THE POSITIVE IMPACT ON ENVIRONMENT
CONVERSATIONS FOR COMPETITION BRANDS IN APRIL REVEAL EFFORTS TO FIGHT CORONAVIRUS OR INNOVATIONS SUCH AS ‘NATURALLY CLEAN FINISHING’ WHICH FOCUS ON SUSTAINABLE FASHION

汉诺，这家瑞士品牌，不仅提供奢华内衣，还包括日常服装、夜装和家居服，正在推出其基本必需的‘平衡’系列的T恤，采用汀泰克面料，再经过自然清洁处理。

摔跤手们在疫情期间一直在缝制口罩赚钱：有些，但我们使用的是我们原本用于服装的材料。我们使用氨纶和其他用于摔跤服的面料。

汉诺（Hanro），一家提供奢侈内衣、日常服装、夜装和家居服的瑞士品牌，正在推出其基础系列的‘平衡’系列的T恤，采用汀泰克面料，再经过自然清洁处理。

情绪分享，竞争品牌的竞争在幸福和爱的区域观察到。

Slight dip in the conversations from the past month. Stories around, pandemic support and various initiatives were being taken by brands across the industry. Palmers join forces to fight coronavirus.

Source: Meltwater, Social Listening, April 2020
AND WITH INDIANS STAYING HOME, ‘WFH WEAR’ - A NEW OPPORTUNITY WAS BORN, WHILE THE ‘WISHLIST NOW’ OPTIONS KEPT CONSUMERS ENGAGED WITH FUTURE FASHION PURCHASES

Source: Social Media
Brands engaged with consumers and didn’t go dark. ‘Going dark’ can weaken consumer ‘bonding’ metrics

Approach 1:
Direct response. Do good through efforts to combat Covid-19

Approach 2:
Educate consumers with public health messages or sustainable fashion

Approach 3:
Brands added frames of support, information and consolation to their messaging

Approach 3:
Repurpose Spring Summer or the recent collection to ‘Work from Home’ Wear

“Post-Covid, there will be a new sensitivity and understanding of what we have done that needs to be enacted in the way we live. It may mean many of us will buy less, but better quality.”

Tarun Tahiliani
Veteran fashion designer

THE KEY TAKEAWAYS – LOCKDOWN LESSONS
UNDERSTANDING CONSUMER BEHAVIOUR & SENTIMENT IN THE POST LOCKDOWN WORLD
CONSUMER SENTIMENT
SURVEY DETAILS

Source: Google Trends, January – April 2020

AN ONLINE SURVEY CONDUCTED THROUGH GOOGLE SURVEY BETWEEN APRIL 28 – MAY 8, 2020

SAMPLE SIZE ACHIEVED: 440

SOME OF THE CITIES COVERED:
Mumbai, Ahmedabad, Pune, Indore, Delhi, Ghaziabad, Gurugram, Bangalore, Hyderabad, Chennai, Kolkata, Surat, Udaipur, Nashik, Cuttack, Lucknow, Bhubaneshwar, Chattisgarh, Jabalpur, Ranchi, Latur, Hubli

Women: 79%
Man: 21%
Below 18, 18 to 55 years
PEOPLE HAVE ADJUSTED TO NEW WAYS OF LIVING AND ARE LEARNING TO COPE

In India, social media is their window to the world and connections, cooking keeps them happy and binge watching keeps them entertained. New behaviours which may stay for awhile post lockdown

“However, while immediate needs are stabilising, people are continuing to look for new ways to pass their time. Whether it’s preparing their outdoors space for the summer, exploring pet adoptions, spending time with friends and family online, or looking to DIY their self-care, beauty, baking, and home decor, people are adapting and being creative with how they spend their time.”

CONSUMER’S GO-TO SOLUTION FOR BOREDOM THIS QUARANTINE

<table>
<thead>
<tr>
<th>Activity</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scrolling through social media</td>
<td>49%</td>
</tr>
<tr>
<td>Cooking tutorials/blogs</td>
<td>49%</td>
</tr>
<tr>
<td>Binge watching</td>
<td>44%</td>
</tr>
<tr>
<td>Curling up with a book</td>
<td>32%</td>
</tr>
<tr>
<td>Virtual hangout with friends</td>
<td>28%</td>
</tr>
<tr>
<td>Virtual fitness classes</td>
<td>28%</td>
</tr>
<tr>
<td>Quarantine Fashion &amp; styling</td>
<td>23%</td>
</tr>
<tr>
<td>Multiplayer games with friends</td>
<td>22%</td>
</tr>
<tr>
<td>Live streaming concerts/music</td>
<td>20%</td>
</tr>
<tr>
<td>Memes &amp; Tik Tok Videos</td>
<td>20%</td>
</tr>
</tbody>
</table>

Source: LIVA India Survey – A world Post Lockdown, Sample: 440
Source: Think with Google
There is a strong desire to return to normalcy. Around 1 in 3 consumers want to set out on a road trip once this is over.

The one thing consumers can’t wait to do once this is over:

- 4% Go shopping with all the money I saved by WFH
- 13% Buy out all the stuff I added to the cart
- 30% Road trip with my friends
- 17% Dress up and go out to party
- 19% Need my salon or spa therapy
- 17% Love the lockdown, please leave me alone

Globally too, road trips are a trend to watch out for.

Source: LIVA India Survey – A world Post Lockdown, Sample: 440
However with the impact of the crisis on their personal finances, consumers plan to curtail expenditure on certain outdoor, social experiences.

Only 1 in 4 likely to cut down on retail therapy (online or in-store).

- 45% Dining out
- 41% Movie going
- 22% Taking trips
- 26% Food delivery
- 26% Retail therapy (online or in-store)
- 16% None of the above
- 23% Makeover at salon

Source: Global Web Index, April 2020, Next wave

Source: LIVA India Survey – A world Post Lockdown, Sample: 440
GIVEN THE CRISIS, FINANCIAL UNCERTAINTY WOULD TRUMP FASHION SPLURGING

1 in 3 people (35%) say they will buy clothes at discounted rates, while around 1 in 2 consumers will defer their purchase for apparel.

How often would one buy clothing & apparel post lockdown

- Buy at discounted rates: 35%
- Buy regardless of discounts: 33%
- Buy for festivals, weddings, occasions: 14%
- Don’t need to buy anything as have enough: 19%

Source: LIVA India Survey – A world Post Lockdown, Sample: 440
SEASONAL COLLECTIONS ARE UNLIKELY TO CAPTURE CONSUMER’S ATTENTION. BRANDS MAY HAVE TO LOOK AT PLANNING A NEW COLLECTION EVERY TWO MONTHS

1 in 3 consumers say seasonal collections never mattered to them. Only 1 in 4 consumers likely to buy the current Spring Summer collection. 3 out of 4 of consumers are likely to wait for a new collection, have already bought what they need or not going to buy clothes for awhile.

WHAT’S TRENDING ON YOUR FASHION WISHLIST?

- This season’s summery dresses: 26%
- Something which says next season: 23%
- New seasonal collections don’t matter anymore: 15%
- New seasonal collections never mattered to me: 36%

WHICH OF THE FOLLOWING IS TRUE FOR YOUR NEXT OUTFIT PURCHASE?

- I'll buy the current Spring Summer collection by brands: 24%
- I'll wait for a new collection by brands: 33%
- I have already bought my favourites from spring summer and am good: 13%
- I'm not going to be buying any clothes for awhile: 30%

Source: LIVA India Survey – A world Post Lockdown, Sample: 440
VOICES FROM THE INDUSTRY ALSO FEEL THE INDUSTRY IS MOVING TOWARDS FEWER, SMALLER AND MORE SEASON-LESS COLLECTIONS

“WE USUALLY PLAN OUR COLLECTION FOR A PERIOD OF SIX MONTHS, WE NOW NEED TO PLAN A NEW COLLECTION EVERY TWO MONTHS AND HAVE AT LEAST 6-7 COLLECTIONS A YEAR. THAT’S HOW WE CAN MANAGE OUR INVENTORY MORE EFFICIENTLY.”

KAVI MISHRA,
MANAGING DIRECTOR AND CEO OF HOUSE OF ANITA DONGRE

“THE SEASON CONCEPT IS SOMETHING WHICH WE HAVE ADOPTED FROM THE WEST AND IT DOESN’T FIT INTO INDIA WHICH HAS VARIED CLIMATES. CORONA WILL FORCE RETAILERS TO LOOK AT DEMAND-LED MODELS, AND ONCE THAT HAPPENS END OF SEASON SALES WILL BE ABOUT LIQUIDATING EXCESS INVENTORY.”

AMIT KUMAR,
SIRROHI, HEAD, RETAIL BUSINESS, RAYMOND
Along with this shift, another major shift is fashion will move towards a greener and fairer future, with a more conscious consumer driving this change.

3 out of 5 consumers will switch to a more sustainable way of life in general.
2 out of 5 consumers will choose brands which are sustainable and support sustainable practices.

The Earth is healing! What are the steps you will take forward for the environment?

- 61% would switch to a more sustainable way of life – public transport/car pools, recycling.
- 33% would buy and support sustainable brands.
- 4% think one individual can’t create an impact, so won’t take any steps.
- 2% don’t care about the environment.

What is the first step you would take while shopping to reduce the negative impact on the environment?

- 42% would choose brands which are sustainable and support sustainable practices.
- 33% would minimize my closet and move towards upcycling and reusing clothes.
- 13% would dispose of their clothes consciously for recycling.
- 12% would make no change.

Source: LIVA India Survey – A world Post Lockdown, Sample: 440
As consumers switch to ‘Responsible Fashion’, the top 3 attributes they would look for are:

- Natural fabrics: 72%
- Durable fabrics: 51%
- Biodegradable fibres: 48%
- Fabrics which consume less water: 41%
- Recycled fibres: 37%
- Fabrics which use natural dyes: 36%
- I am not aware of above attributes: 7%

Awareness & Adoption of Fabric Properties:

- Biodegradability: Aware of 47%, Would use it 47%
- Recycled fabric: Aware of 47%, Would use it 43%
- Renewably sourced: Aware of 37%, Would use it 38%

Source: LIVA India Survey – A world Post Lockdown, Sample: 440
HALF THE CONSUMERS SAY THEIR ATTITUDE TOWARDS CLOTHES HAS CHANGED POST THE LOCKDOWN EXPERIENCE, HINTING AT CHANGING CONSUMER ATTITUDES TOWARDS FASHION

YOUR ATTITUDE TOWARDS THE CLOTHES YOU WEAR AFTER YOUR LOCKDOWN EXPERIENCE?

- **26%** say their attitude has changed and they will buy clothes as the need arises – for occasions etc
- **18%** say their attitude has changed and they have discovered that comfort wins over style
- **12%** say their attitude has changed and they feel they can live with less clothes and declutter their wardrobe
- **22%** say their attitude is the same – they love styling and trying a new look everyday
- **22%** say their attitude has not changed greatly

Source: LIVA India Survey – A world Post Lockdown, Sample: 440
CHANGING CONSUMER ATTITUDES AND NEEDS ARE GOING TO SHAPE A NEW DIMENSION OF FASHION - FASHION WHICH ASSUMES A DEEPER NARRATIVE OF WELLNESS

YOUR TAKE ON WEARING PROTECTIVE MASKS?

- 70% Like the idea as I need to protect myself
- 22% Like the idea and see it as a fashion statement
- 8% Don’t like the idea but it will be mandatory

AWARENESS & ADOPTION OF FABRIC PROPERTIES

- Antibacterial properties
  - Aware: 47%
  - Would use: 46%
- Odour resistant properties
  - Aware: 41%
  - Would use: 45%
- Quick Dry
  - Aware: 52%
  - Would use: 48%

Source: LIVA India Survey – A world Post Lockdown, Sample: 440
IN THIS CHANGING WORLD, BRANDS WOULD HAVE TO REACH THE CONSUMER WHERE THEY ARE, GIVING RISE TO DIGITAL AS THE NEW STOREFRONT AND EXPERIENCE BEING THE DIFFERENTIATOR

OUTLOOK TOWARDS RETAIL THERAPY POST LOCKDOWN

<table>
<thead>
<tr>
<th>Option</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Going to be shopping at the mall</td>
<td>10%</td>
</tr>
<tr>
<td>Distance myself from shopping for a month or two</td>
<td>48%</td>
</tr>
<tr>
<td>Will switch to online shopping for 3-4 months</td>
<td>42%</td>
</tr>
</tbody>
</table>

WHAT WOULD MAKE YOUR ONLINE SHOPPING EXPERIENCE BETTER?

<table>
<thead>
<tr>
<th>Feature</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Augmented reality features to help me 'try-on' clothes</td>
<td>50%</td>
</tr>
<tr>
<td>Styling tips and guides</td>
<td>48%</td>
</tr>
<tr>
<td>Personalized stitching services</td>
<td>35%</td>
</tr>
<tr>
<td>Designer recommendations</td>
<td>24%</td>
</tr>
<tr>
<td>Influencer recommendations</td>
<td>20%</td>
</tr>
<tr>
<td>Chatbots</td>
<td>7%</td>
</tr>
</tbody>
</table>

Source: LIVA India Survey – A world Post Lockdown, Sample: 440
VOICES FROM THE INDUSTRY ALSO SPEAK ABOUT HOW BUSINESS WILL BE ALTERED

“NOT ONLY THE WAY BUSINESS IS DONE WILL GET ALTERED, EVEN THE INNER MOTIVATION OF CONSUMERS TO COME OUT OF THEIR HOMES TO SHOP WOULD BE ALTERED.”

AMIT KUMAR SIRROHI, HEAD, RETAIL BUSINESS, RAYMOND

“WE HAVE TO START LOOKING AT ONLINE AS A WAY OF SELLING AND NOT AS A DIFFERENT CHANNEL. BRANDS NEED TO GET THEMSELVES LISTED ON PLATFORMS SUCH AS MYNTRA OR AMAZON AND ALSO GET THEIR OMNI-CHANNEL PLATFORMS ACTIVE.”

SUMIT GHOSH, DIRECTOR, FOSSILS INDIA.
“The Covid-19 outbreak will help the fashion industry intersect more with technology, including more widespread use of QR codes and no-touch payment methods. It could help propel the industry into a more sustainable and technologically innovative future.”

Christopher Lacy, a fashion consultant
Business Insider, India

THE KEY TAKEAWAYS –
A WORLD POST LOCKDOWN

Financial Uncertainty
would trump Fashion Splurging

Consumer attitude
towards fashion has changed – need based purchases

Appetite for “New”
would be met by the skipped “Current”

Fashion with a Heart for the Earth

Fashion assumes a deeper narrative of wellness

Virtual would be the ‘New Store’, Experience the Differentiator
PLANNING BEYOND THE LOCKDOWN
How to plan past the lockdowns

As lockdown measures are lifted and the recession takes hold, here are the key actions to take to help brands rebound.

The actions vary depending on a company’s resources, and if operating in a boom or bust category.

All brands, regardless of the state of play should aim to help, be customer-led, understand changes in spending behaviours, monitor consumer insights and spend wisely.

1. Review your lockdown playbook
2. Keep advertising if you can
3. If you have to reduce adspend, use other levers to remain visible
4. Maintain creative where possible
5. Tailor your approach to brand-building and activation
6. Kill or cut back on ‘dwarf’ brands
7. Look for signs of new habit formation
8. Audit your e-commerce capability
9. Build strategic alliances
10. Review pricing – but try to avoid discounting

WARC
Nike’s four-stage model for recovery in China

Nike, the sportswear company, has outlined four stages to the crisis in China that can help other brands plan, particularly those with retail outlets.

It is significant because, like Coca-Cola’s plan on the next slide, it anticipates a significant period of ‘normalization’ before a period of economic stability returns.

1. Containment
   - Shut stores to protect employees and public
   - Shifted to online - It’s digital business grew 30%
   - The Nike Training Club app grew 80% vs. the previous quarter
   - It offered it’s $14.99 training app free for 90 days

2. Recovery
   Cautious transition to opening stores, with different regions opening at different times

3. Normalization
   Up to 80% of stores are now opened

4. Return to growth
   A greater focus on a seamless digital/physical experience

Nike is investing in its direct-to-consumer proposition, and finding ways to connect its online and mobile hubs with physical retail

“Marketing is swiftly moving beyond branding and communications to providing business solutions that address people’s needs... We’re taking on a new leadership role, connecting multiple disciplines within the organization to accelerate programs that make a difference in our communities and people’s lives.”

Jodi Harris
Global VP for Marketing, Culture and Capabilities, Anheuser-Busch InBev