Voice of the Consumer Survey 2024

India perspective

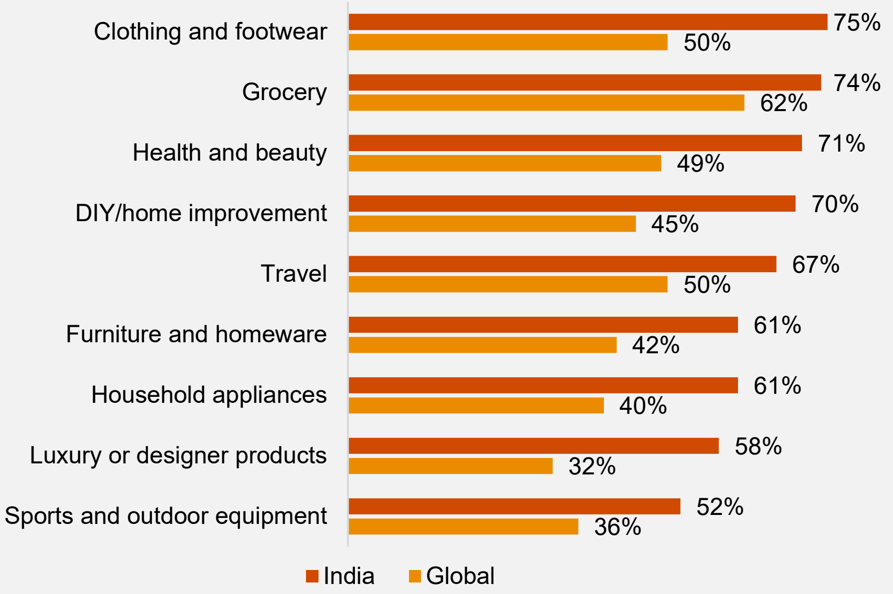
July 2024

Consumer sentiment and shopping behaviours are determinants of brand strategies and marketing spends.

Here is what our survey reveals about the Indian consumer in this regard.

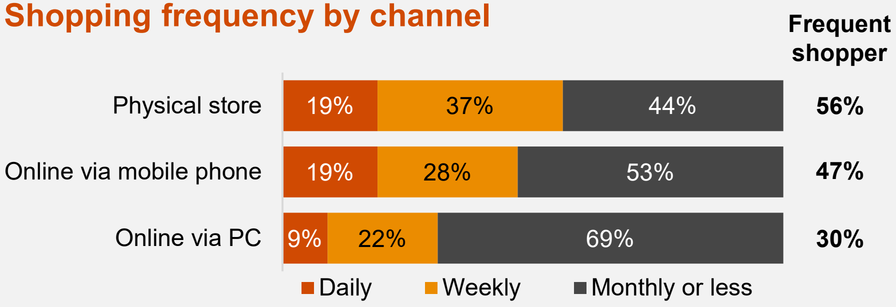
Shopping behaviour

Expected increase in personal spending across the next 6 months



Q. Thinking about your spending over the next six months, please choose, to the best of your ability, your expectations on spending in the following categories.

Shopping frequency by channel



Q. In the last 12 months, how often have you bought products (e.g., clothes, books, electronics) using the following shopping channels? Please do not include grocery shopping.

Base: All respondents = 1,000

Indian consumers: Optimistic spending outlook and preference for in-store retail experience

75%

Of consumers expect an increase in spending on clothing and footwear, followed by grocery.

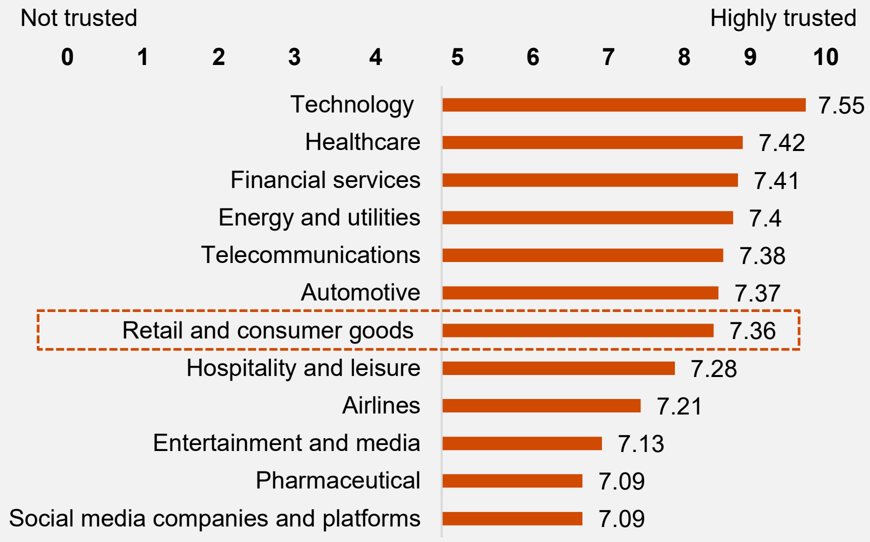
The in-store retail experience trumps online shopping.

56%

of consumers report purchasing products through physical stores frequently.

Consumer sentiment

Trustworthiness of companies by industry



Q. On a scale of 0 to 10, to what extent do you think companies in each of the following industries are generally trustworthy?

Factors which most influence consumers' trust in companies

Q. How important or unimportant are each of the following areas to building your trust in a company?

Base: All respondents = 1,000

Consumers are placing relatively low trust in retail and consumer good companies; data protection is the most important factor to build trust

On average, **technology and healthcare** companies are most widely trusted, with the highest trust scores of **7.55** and **7.42** respectively. **Social media companies and** platforms and pharmaceutical companies were ranked least trustworthy.

82%

stated that protection of their personal data is one of the most crucial factors to earn their trust.

High-quality product and services and clear communication are also important factors in building trust.

Trust is crucial for consumers and for companies that sell products and services to them.

Building consumer trust: Key factors and strategic imperatives

Factors influencing trust		Imperatives
Protects customer data	01	Personal data
Offers high-quality products and services	02	Health and well-being
Communicates clearly	03	Social media
Delivers a consistent customer experience and high- quality service	04	Purchase journey and value
Offers affordable products and services	04	Purchase journey and value
Is transparent on ESG matters	05	Climate
supports trust building in each area by enhancing decision making and execution	06	Artificial intelligence (AI)

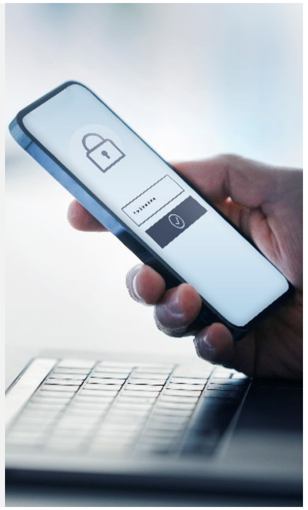
Six imperatives

to build consumer trust

Six imperatives

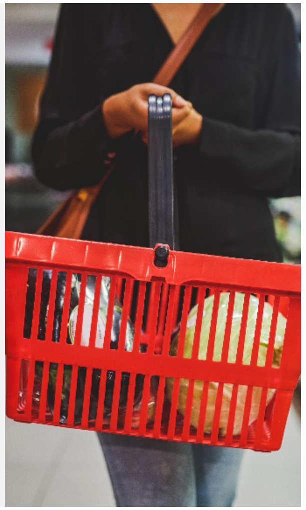
01 Personal data

Safeguard personal data, while continuing to use it to offer personalised services and elevated customer experiences.



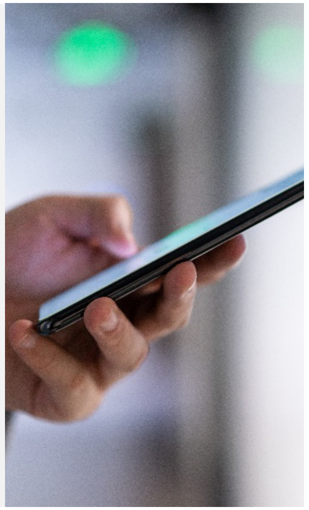
02 Health and well-being

Create and promote a product portfolio that reflects consumers' desires for wellness, nutrition and more sustainable food production.



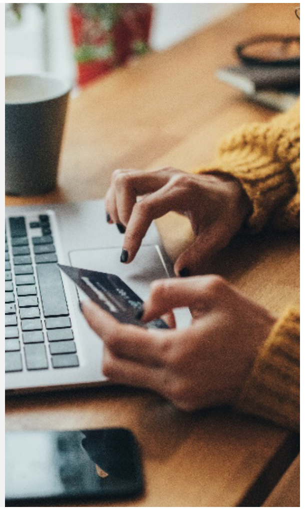
03 Social media

Strike a balance with social media use, recognising its significance as a platform for sales and engagement, while being mindful of consumer concerns about its credibility.



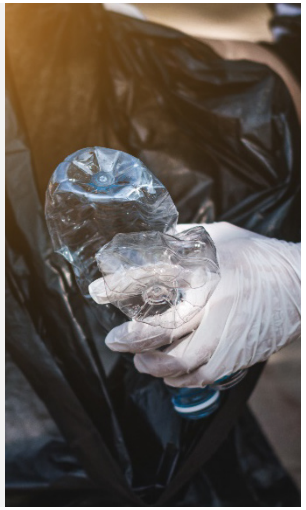
04 Purchase journey and value

Focus on the purchase journey to meet consumer expectations of value, ensuring a seamless, fulfilling experience for consumers at every touchpoint.



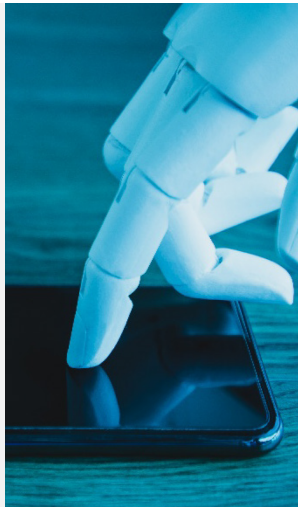
05 Climate

Forge bonds with eco-conscious consumers by connecting their intentions to positive environmental impacts.



06 AI

Incorporate and experiment with AI tools in business operations while maintaining a human element, especially in more complex and personal services.

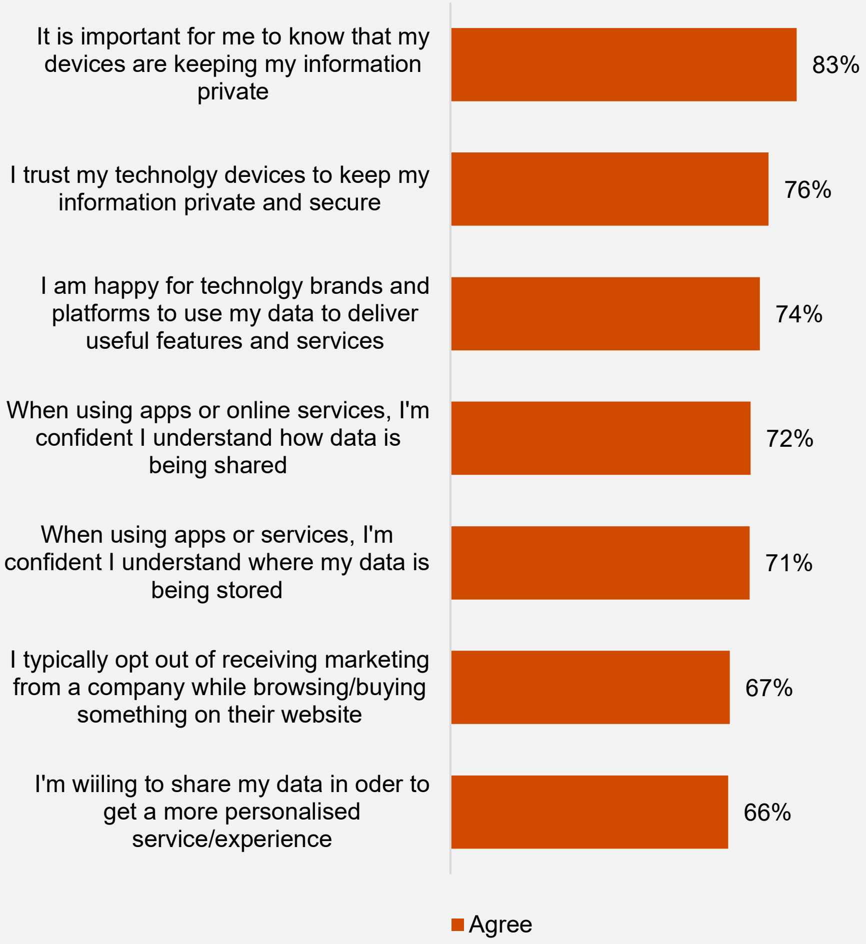


Imperative 1

Safeguard personal data, while continuing to use it to offer personalised services and elevated customer experiences.

Imperative 1: Personal data

Personal data sharing



Q. Thinking about your personal data in relation to sharing it with organisations, to what extent do you agree or disagree with the following statements?

Base: All respondents = 1,000

An opportunity to strengthen trust with consumers, by closing the knowledge gap on privacy and use of data

83%

of consumers say that it is important that they know their devices are keeping their information private

74% are happy for their data to be used to deliver useful features and services.

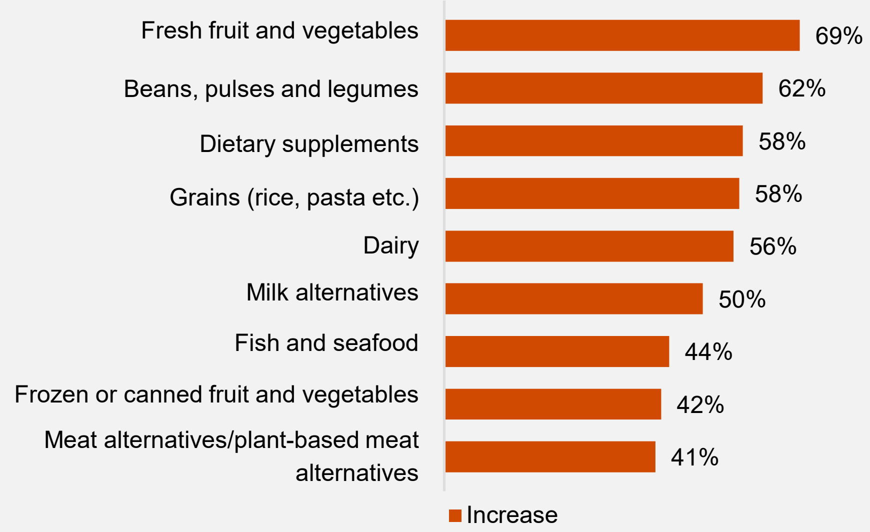
66% are willing to share data in order to get more personalised services and experiences.

Imperative 2

Create and promote a product portfolio that reflects consumers' desires for wellness, nutrition and more sustainable food production.

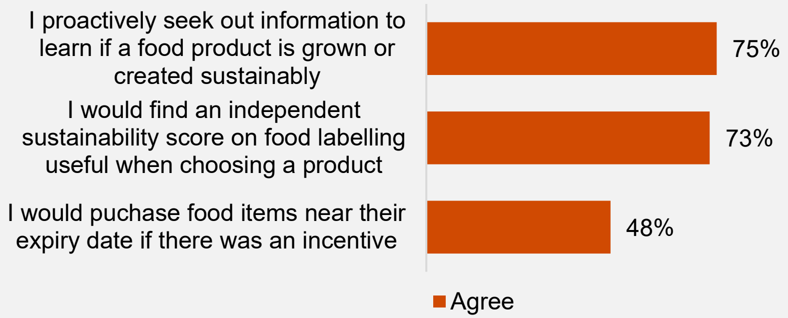
Imperative 2: Health and well-being

Predicted change in consumption of food groups in the next 6 months



Q. How do you expect your consumption of the following food groups to change, if at all, in the next six months?

Food and sustainability consumption choices



Q. To what extent do you agree or disagree with the following statements?

Base: All respondents = 1,000

Create a product portfolio that reflects wellness, nutrition and sustainable food production

69%

of consumers expect to increase their consumption of fresh fruit and vegetables in the next 6 months.

75% of consumers proactively seek out information on sustainability of food products.

38% of consumers are most likely to rely on health and fitness experts for advice on health and well-being.

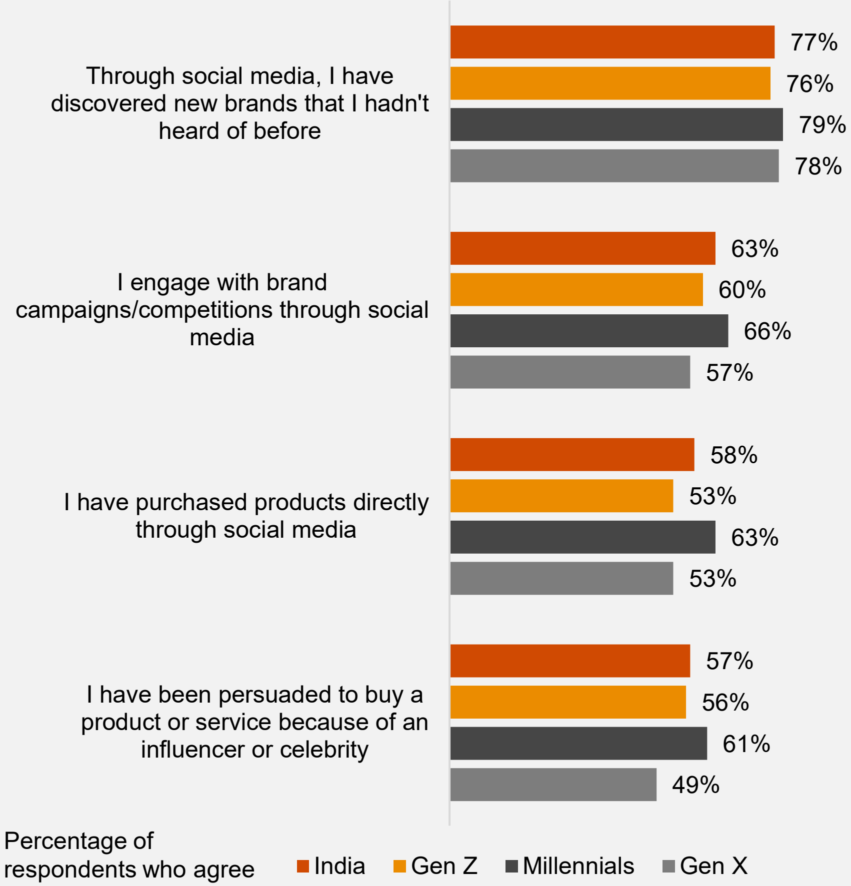
Millenials are significantly more likely to plan to increase their consumption of the top four food groups in the next 6 months. More millennials (78%) prefer to have an independent sustainability score on food labelling compared to Gen Z (66%).

Imperative 3

Strike a balance with social media use, recognising its significance as a platform for sales and engagement, while being mindful of consumer concerns about its credibility.

Imperative 3: Social media

Purchasing and engaging with brands through social media



Q. To what extent do you agree or disagree with the following statements about social media?

Base: All respondents = 1,000

Social media plays a key role across the consumer purchase journey across all demographics

58%

of consumers have purchased products directly through social media. At the same time, consumers are questioning its safety and reliability, ranking social media their least trusted industry.

77% of consumers discover new brands through social media.

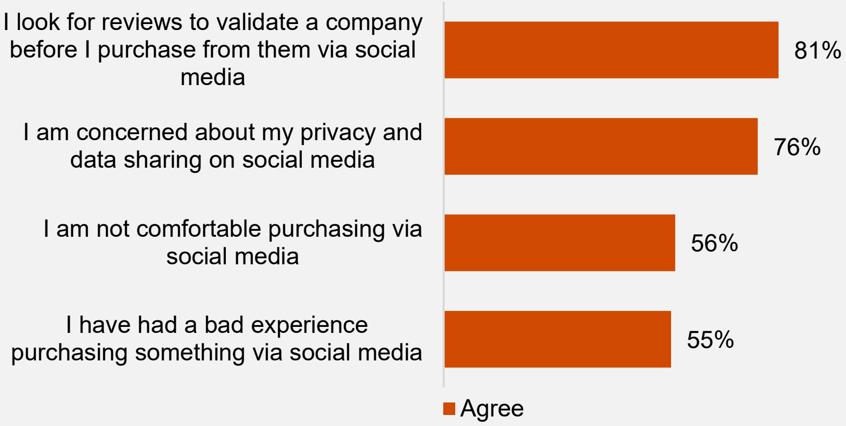
Influencer endorsements and targeted ads have a substantial impact on buying decisions.

Imperative 3: Social media

Comparing forms of personalised digital advertisement

Q. Which type of personalised digital advertising is most likely to influence you to purchase?

Concerns and issues related to purchases made through social media



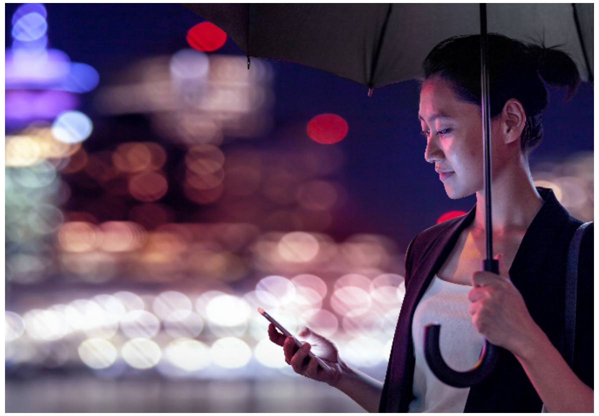
Q. To what extent do you agree or disagree with the following statements about social media?

Base: All respondents = 1,000

Consumers are more likely to be influenced by advertisements on social media channels

81%

of consumers use social media to seek reviews to validate a company before making a purchase.



Social media advertisements influence purchases for **82%** of consumers.

76% are worried about privacy and data sharing, which highlights the need for robust privacy measures.

Indian female consumers are more likely influenced by advertisements via social media (86%) compared to their male counterparts (79%).

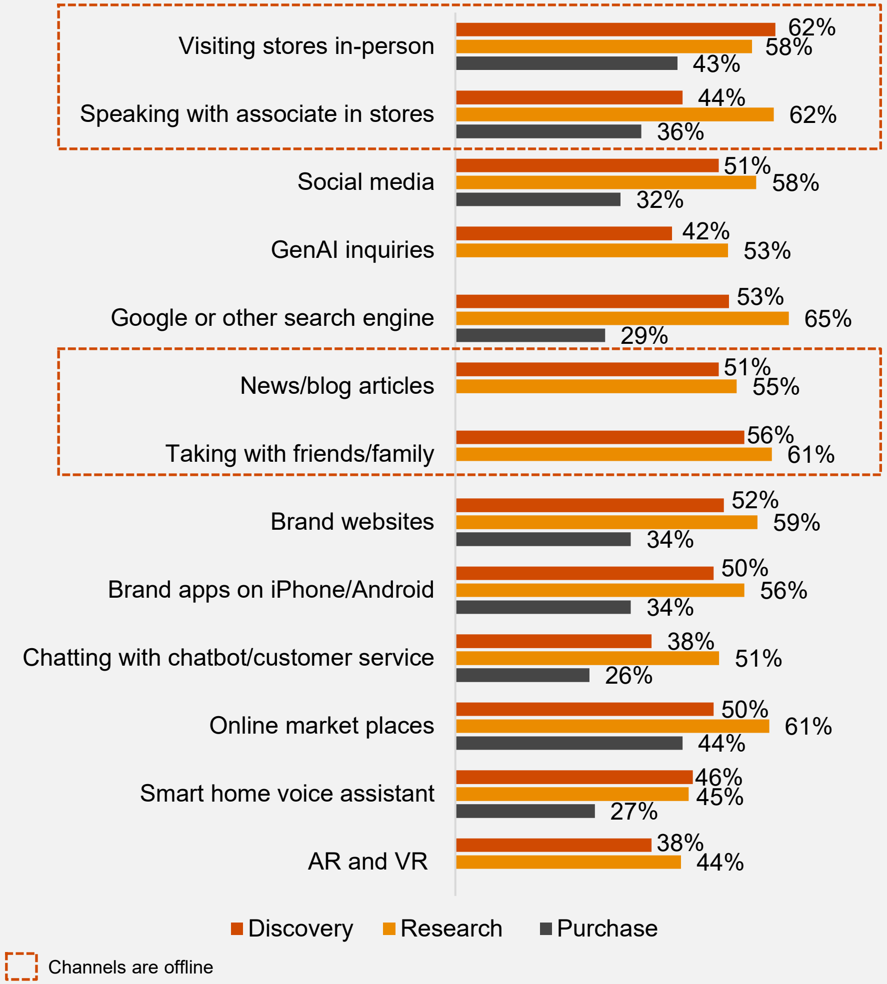
Core millennials and mature millennials are more to be after likely influenced by advertisements via social media: 87% and 86%, respectively, compared to other age groups in India (82%).

Imperative 4

Focus on the purchase journey to meet consumer expectations of value, ensuring a seamless, fulfilling experience for consumers at every touchpoint.

Imperative 4: Purchase journey and value

Channels used across shopping stages



Q. Thinking about when you shop for products, which of the following channels, if any, do you anticipate using in the discovery, research and purchase stages?

Consumers continue to seek out the physical shopping experience

56%

of consumers purchase from physical stores, while 47% shop online (vis-à-vis 34% global consumers).

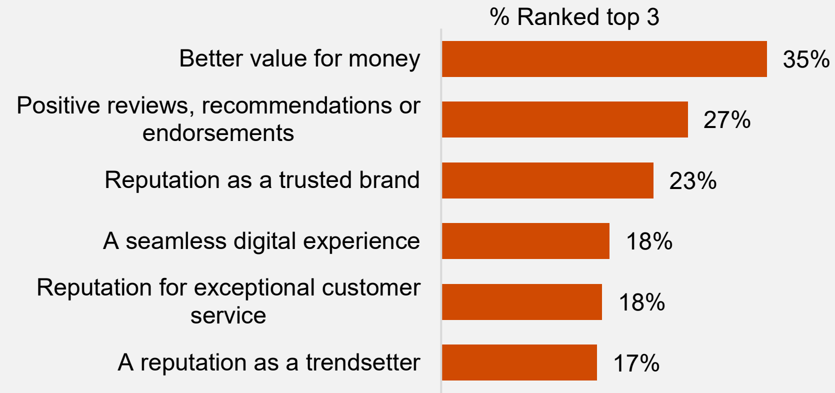
62% choose to visit physical stores and engage with salespeople for discovery, while 53% turn to online browsing.

65% use search engines, while 62% engage with associates in stores to research products.

In-store (43%) and **online marketplaces (44%)** are the top channels used for completing purchases.

Imperative 4: Purchase journey and value

Factors influencing brand switching



Q. Thinking of one of your favorite brands that you are loyal to, which of the following would entice you to try out a new brand that offers the same type of product(s)?

Technology that encourages in-store shopping

Q. Thinking about the in-store experience, which of the following technologies, if any, would encourage you to shop in-store?

Base: All respondents = 1,000

Affordability drives willingness to switch brands; technology is encouraging in-store shopping

35%

of consumers are likely to consider better value for money as the single largest factor for brand switching.

41% of consumers indicate that the availability of mobile or contactless payment solutions would encourage them to shop in-store.

Digitally enabled product tags to access further product details has been ranked first by Gen X (22%).

Young millennials ranked mobile payment/contactless payment solutions slightly higher at 45% vs 41% for rest of Indian consumers.

Imperative 5

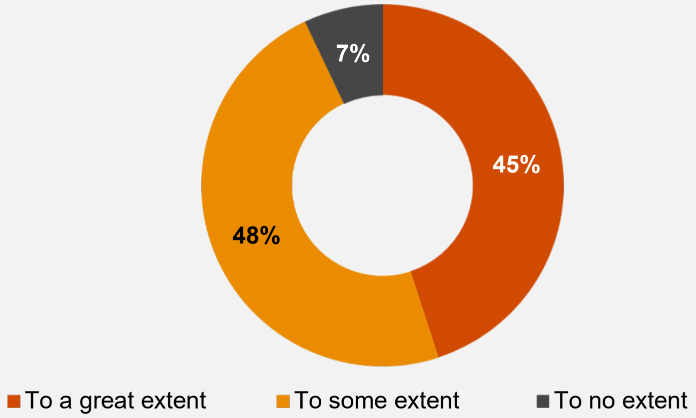
Forge bonds with eco-conscious consumers by connecting their intentions to positive environmental impacts.

Imperative 5: Climate

Potential risks and threats in the next 12 months

Q. Which of the following potential threats/risks do you feel could impact your country most in the next 12 months?

Noticing climate-related disruptions in day-to-day life



Q. Thinking about the last 12 months, to what extent have you noticed climate-related disruption (e.g. more extreme temperatures, floods, storms, wildfire) in your day-to-day living?

Base: All respondents = 1,000

Climate change and health risks are of slightly higher concern for Indian consumers compared to inflation

46%

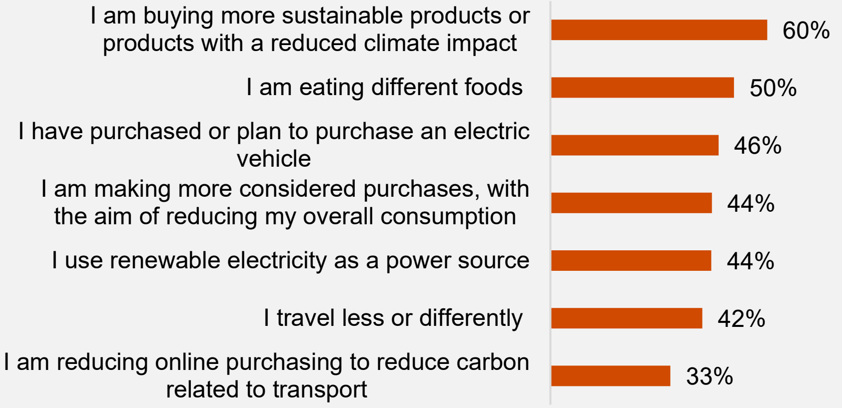
perceive climate change as the greatest threat over the next 12 months.

93%

of consumers have noticed climate-related disruptions in their day-to-day lives – higher than the global average of 85%.

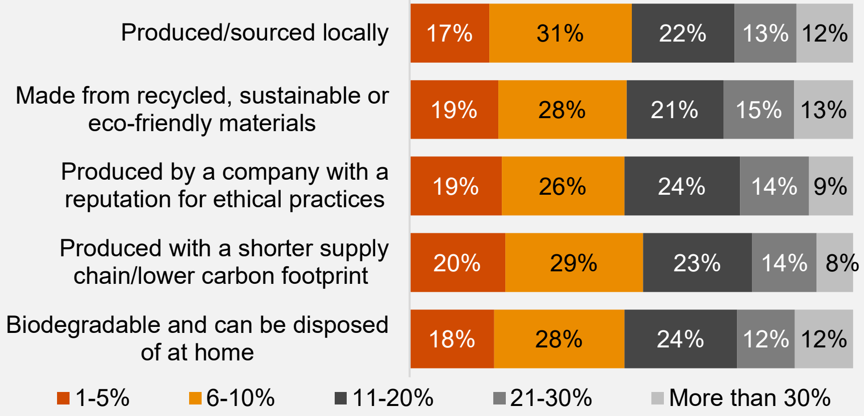
Imperative 5: Climate

Actions taken to reduce your impact on climate change



Q. What actions or behaviours, if any, have you taken to reduce your impact on climate change?

Willingness to pay above the average price for a product



Q. How much above the average price would you be willing to pay for a product that is…

Base: All respondents = 1,000

Consumer climate consciousness is driving adoption of sustainable choices

60%

of consumers are changing their purchasing habits by buying more sustainable products.

Top three brand sustainability metrics which incentivise greater consumption

43% Water conservation

41% Eco-friendly packaging

36% Waste reduction and recycling

Consumers care about sustainability – and are willing to pay more for it

Consumers tell us they would be willing to pay 13.1% above the average price for sustainably produced or sourced goods (globally, this figure is 9.7%).

Imperative 6

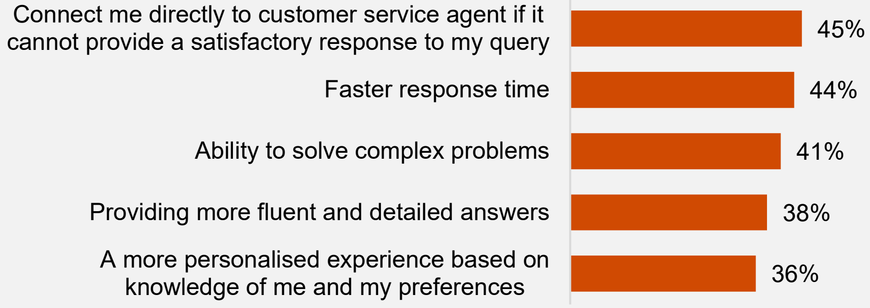
Incorporate and experiment with AI tools in business operations while maintaining a human element, especially in more complex and personal services.

Imperative 6: AI

Trusting AI to replace human-managed activities

Q. Considering the recent advancements in AI technology, which of the following activities would you trust AI to do accurately in place of a human interaction?

Chatbot capability enhancement



Q. When communicating with a company via a chatbot, which of the following capabilities would enhance your experience? Base: All respondents = 1,000

Base: All respondents = 1,000

Consumer preference: AI for low-risk tasks, human connection preferred over AI

57%

of consumers would trust AI to support them with low-risk activities such as getting product information ahead of a purchase or providing product recommendations. However, they are less trusting of AI taking on high-risk activities.

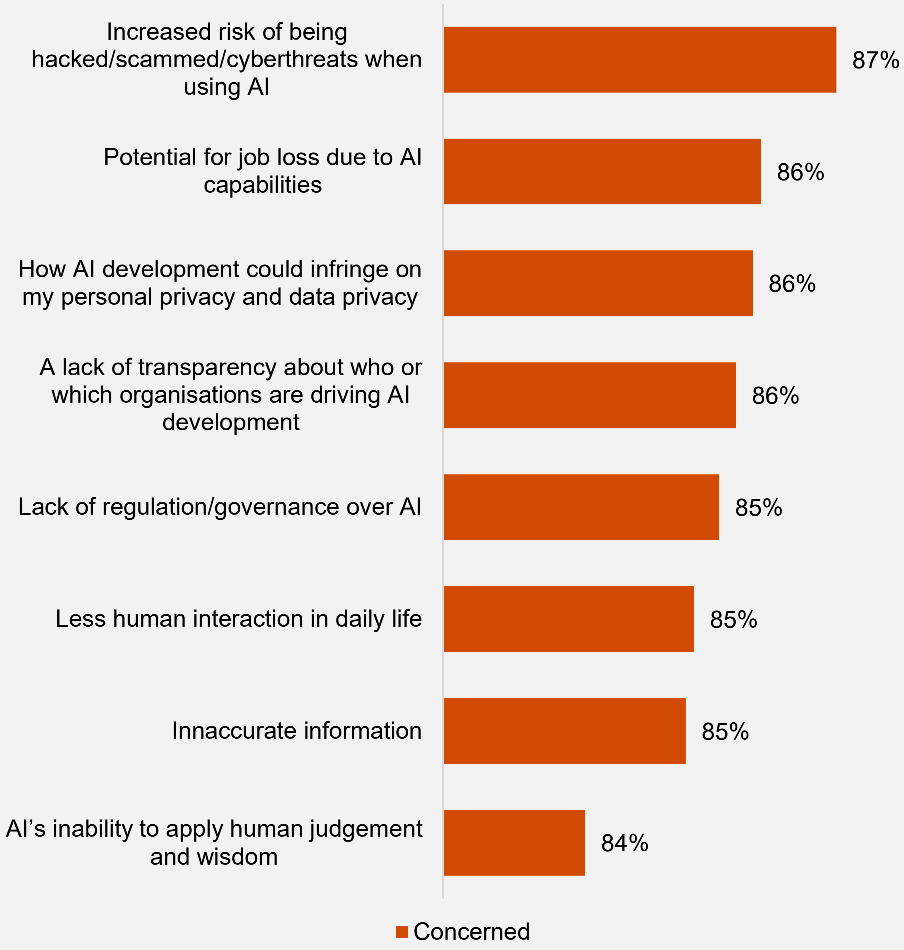
On an average, consumers indicated trust in only 4 of the 8 activities listed, with less than 50% of them trusting AI with high-risk activities.

Despite high interest among respondents in the use of chatbots, consumers demand direct connection with a sales representative.

Gen X and millennials are more keen to connect directly to customer service agents to enhance their experience (each at 47%) vs other respondents in India (45%).

Imperative 6: AI

Concerns around AI technology



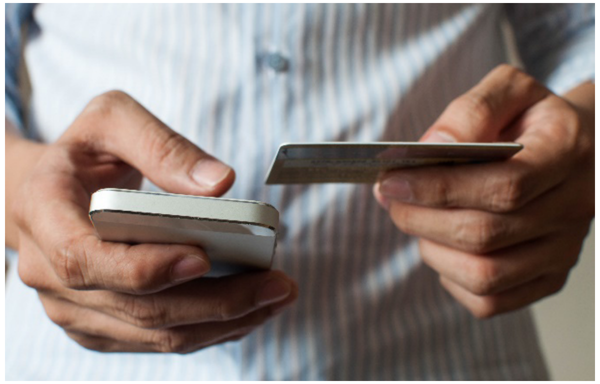
Q. How concerned, if at all, are you about the following potential outcomes of future development and capabilities of AI technology?

Base: All respondents = 1,000

Heightened worries over AI's potential risks, including cyberthreats and data privacy breaches

86%

of consumers on an average express concerns about future developments of GenAI.



The most pressing concerns regarding the future of AI development relate to cyber risks and job security.

A substantial 85% of consumers express concerns about less human interaction in daily life.

Gen Z are significantly more likely to indicate they are 'not at all concerned' across all options, except potential for job loss due to AI capabilities. Females are significantly more likely to indicate they are 'very concerned' across all options except AI's inability to apply human judgement and wisdom.

Actionable strategies for business transformation across the six imperatives

Based on these imperatives, we recommend the following actions:

Imperative	Action
Personal data	1. **Prioritise data protection:** Implement robust data security measures and clearly communicate these to consumers. Use data to enhance personalisation in a way that respects privacy and builds trust. 2. **Empower consumers with control over their data:** Provide consumers with transparent options to control their data, including the ability to opt in or opt out of data collection and personalised services.
Health and well-being	1. **Highlight health and environmental benefits:** Emphasise the environmental and health benefits of products in marketing messages, packaging information and other targeted communication. 2. **Innovate product offerings:** Innovate product offerings to cater to health-conscious consumers by introducing products such as wearables with health-tracking features, aligning with the preferences of a new generation of informed consumers focused on their well-being.
Social media	1. **Build credibility and trust:** Develop a robust social media strategy that includes engaging content and influencer partnerships targeted at specific generations (Gen Z, millennials, etc.) across various social media platforms. Ensure the content is credible and transparent to build trust. 2. **Enhance customer engagement and insights:** Use social media not only for promotion but also for customer engagement and support. Utilise social media analytics and listening tools to gather insights into consumer preferences, emerging trends, and feedback on products and services.

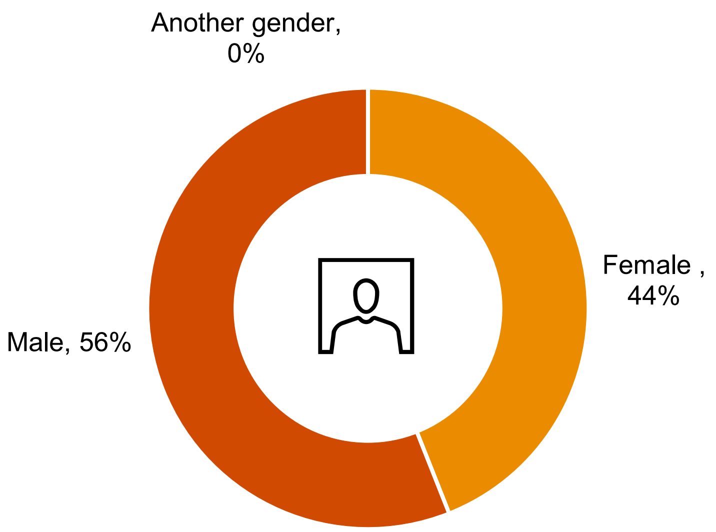
Based on these imperatives, we recommend the following actions:

Imperative	Action
Purchase journey and value	1. **Enhance the in-store experience with technology:** Enhance the in-store shopping experience by integrating technology, such as AR for product visualisation, contactless payment solutions and personalised offers through apps, and smart kiosks for information. 2. **Focus on value proposition:** Implement strategies such as loyalty programmes, exclusive in-store promotions, and personalised discounts to highlight the value proposition and encourage brand loyalty.
Climate	1. **Drive sustainable innovation:** Focus on developing eco-friendly products that prioritise sustainability, meeting consumer demand for environmentally conscious options while embracing premiumisation for differentiation and competitive advantage. 2. **Optimise supply chains for sustainability:** Invest in technology and innovation to build more sustainable and efficient supply chains, minimising environmental impact while maintaining operational efficiency.
AI	1. **Integrate AI while ensuring human oversight:** While adopting AI for internal improvements and consumer-facing tasks, prioritise human oversight to address complex or unresolved issues. 2. **Craft a regulatory-compliant AI strategy:** Given consumer concerns about GenAI, develop a responsible strategy aligned with emerging regulations to build trust and mitigate risks for the next few years.

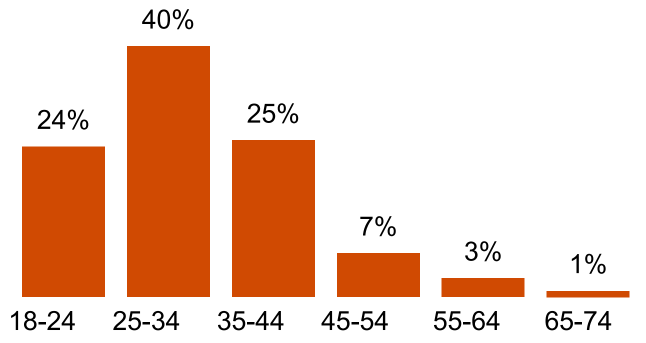
Survey demographics

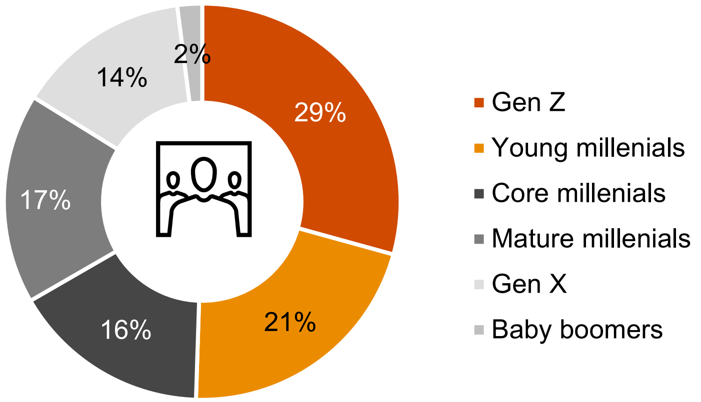
We ensured that the gender-balanced survey of 1,000 Indian consumers* was inclusive of different age groups and represented working and non-working populations

A1. Gender

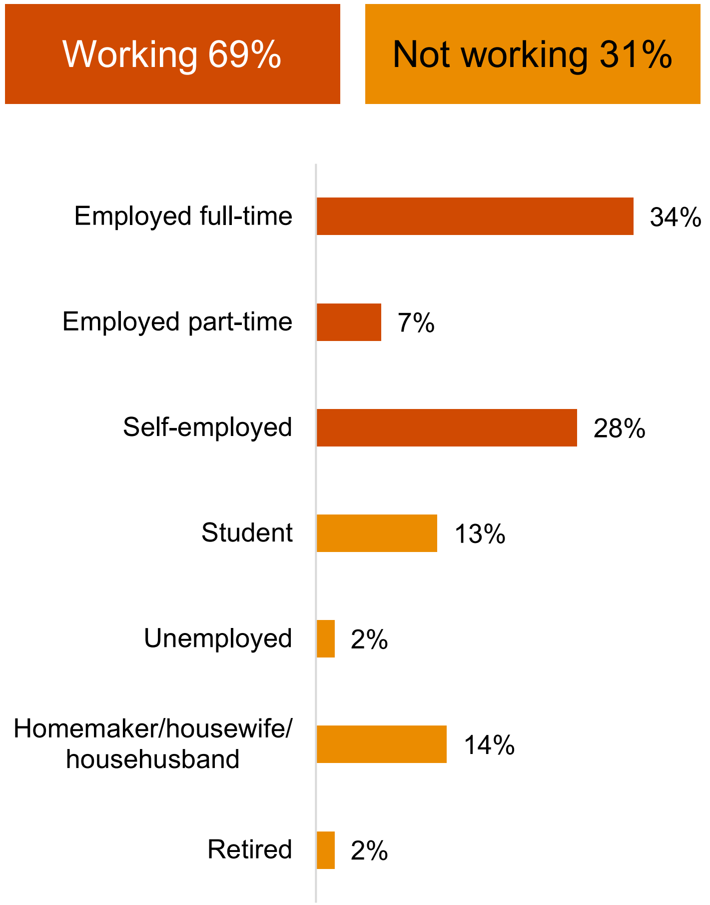


A2. Age/generation





A3. Employment status

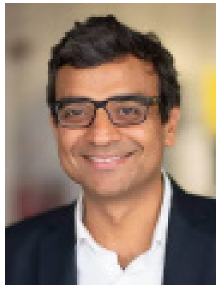


A1. Please select your gender. Base: All respondents = 1,000
A2. Please record your age. Base: All respondents = 1,000
A3. Please select your employment status. Base: All respondents = 1,000
*The total number of respondents to the global survey was 20,662 (across 31 territories).

Notes

Notes

Contact us



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