Axis My India launches India Consumer Sentiment Index; the overall Consumer Sentiment shows a positive shift in momentum

August, 2021: Axis My India, a leading consumer data intelligence company, announced the launch of India Consumer Sentiment Index (CSI), a detailed trend analysis which will track real time shifts in consumer sentiment nationally.

A monthly index, the CSI will focus on providing intelligence and insights from the length and breadth of the nation, analysing several subtleties and nuances that influence perceptions and compile them into a consolidated scoring system based index. The consumer sentiment scores will be based on a moving average of adult residents across all states and Union Territories in India.

The sentiment analysis will delve into 5 relevant sub-indices – Overall household spending, spending on essential and non-essential items, spending on healthcare, media consumption habits & mobility trends

The CSI follows the methodology of a national representative random probability sample as used in the standardised CATI (Computer aided telephonic interview) methodology, covering all geographic and demographic segments across all states and Union Territories in India.

Commenting on the launch of the report, Pradeep Gupta, CMD, Axis My India, said, *"The India Consumer Sentiment Index is our endeavour to capture the shifts in the pulse of the demographic as we navigate a radically altered post-pandemic world. We have selected relevant categories like inflation in household spends and expenditure on healthcare to account for everyday challenges affecting a significant percentage of the population. While the second wave negatively impacted economic sentiment around employment and business prospects, the index will aspire to demonstrate the accurate picture based on the remodelling of the vaccine distribution strategy, which has shown encouraging results. By plugging into economically and culturally significant data-points, the CSI will try to gauge, interpret, and predict the impact of macro factors on the lives of the average India across demography & geographies. Our mission is to bring out the most authentic voices via the rigour of data and analytics"*

All interviews are conducted through CATI, among nationally representative sample of 10865 adults. Surveys are weighted in each district by **age, gender, occupation, and region**.

Key findings:

- With the second wave of Covid subsiding and normalcy slowly starting up, the household spends has increased for 54% of the families. The household spend net score which is % increased - % decreased is at +39. This spend pattern is the same

across Urban & Rural markets but the increase is much more in North with 61% as compared to the other zones.
- Carrying the same trend, spends on essentials like personal care & household care products is up for 43% of families, while it's decreased for 27% families. The essential consumption net score is at +16. The difference is in eastern India where consumption has only increased in 31% households. Also housewives are more reluctant to spends on essentials as compared to the working population.
- Keeping in mind long term insecurity the spends on non-essential & discretionary items like durables, car has increased only for 15% families with 58% saying it is the same and decreased for 27% families. The non-essential consumption net score is at -12. Again, North shows a better sentiment on non-essentials with an increase for 22% families.
- Health still remains an important consideration, with consumption on health-related items has increased or remained same for 78% of families and decreased only for 22% families. This decrease is 27% in western India. The health score which has a negative connotation i.e. the lesser the spends on health items the better the sentiments, has a value of -19.
- Consumption of media has increased for 28% families, decreased for 25% & remained same for 47%. The net score of media is at +3. Media consumption increase is highest in the 18–25-year age group which are still not going out to the extent the other age groups are.
- In terms of mobility 92% families saying they are going out the same or less on short vacations/mall/restaurants, with the overall mobility score at -24.

The overall Consumer Sentiment Score is moving in the positive direction with a score of +0.5 over the previous month. The overall consumer sentiment score is calculated by % Increase - % Decrease and is expressed as a number from -100 to 100; the score is negative when the sentiments show more decrease as compared to increase, and positive in the opposite situation.

Apart from the capturing sentiments which is the measure of overall consumer confidence, the study also captured some interesting trends on topical matters:

- 59% people said either offices should be opened or there should be a hybrid model of working which should be applied in terms of work
- Interestingly 80% of families said schools should be open, which shows that parents are increasingly concerned about overall child development which has happened in the last one year. Surprisingly, in comparison to national average only 56% parents in South want the schools to open. Almost 100% of the younger age group want the schools to open.
- 74% mentioned that availability of Covid vaccines is now easier
- With special focus to the rural households, 81% of the individuals were confident of a good kharif season on the back of a normal monsoon this year.

INDIA CONSUMER SENTIMENT SCORE

Sub-Indices	%Increased	%Decreased	Same%	Net Score
Household Spend	54	15	31	39
Essentials Spend	43	27	30	16
Non-Essentials Spend	15	27	58	-12
Health Spends*	41	22	37	-19
Media Consumption	28	25	47	3
Mobility Trend	8	32	60	-24
Overall Consumer Sentiment				+0.5

* Health score has a negative connotation i.e., the lesser the spends on health items the better the sentiments.