



42% families to spend more or same this festive season, finds Axis My India study on Consumer Sentiment

- **Over 10482 people surveyed across 28 states and 7 UTs**
- *Discretionary spending rises for 21% households on account of festive season*
- *88% of office going individuals were happy with the offices reopening*
- *79% of the households report increased or same healthcare related expenditure*
- *83% of households still averse to domestic or international travel*

Mumbai, 09 September, 2021: Axis My India, a leading consumer data intelligence company, released its findings of the India Consumer Sentiment Index, a monthly analysis of consumer perception on a wide range of issues, for the month of August.

The net CSI score, calculated by subtracting the percentage increase from the percentage decrease in sentiment, was recorded at +6, rising at the fastest pace over the last month, indicative of a positive shift in consumer consumption metrics.

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

The surveys was carried out via Computer Aided Telephonic Interviews with a sample size of 10482 people. 72% of the people surveyed were male and 28% female. The respondents were from 28 states and 7 Union Territories.

Commenting on the August report, Pradeep Gupta, CMD, Axis My India, said, *“As the festive season approaches, consumers are slowly stepping out – as proven by increased numbers for non-essential spending and mobility. This should have a positive effect on the hospitality industry which has been severely affected due to the pandemic. Tourism, however, continues to be a concern as 83% of the respondents are still averse to travelling. Economic sentiment is looking buoyant with ~64% of the respondents expecting the Sensex to cross 60,000 before the end of this year. Along with the nation-wide vaccination drive, over 96% respondents pledging to adhere to all covid protocols, it is hoped that there will not be a surge in cases post the festive season. A net positive score of an additional 5.5 points over the last month indicates a steady progress towards social and economic normalcy, with this trend expected to improve further in the next few months. Overall, we hold a cautious but optimistic outlook on consumer sentiments. 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”*

Key findings:

- Overall household spending has increased for 56% of the families which is an increase of 2 percentage points, the same figure being 54% last month. Increase is highest in North India at 61%. The net score is at +42.
- The spends increase on essentials like personal & household care is at 47%, an increase of 4 percentage point over last month. The net score is +21.
- Spends on non-essential & discretionary products is still cautious with 21% families mentioning an increase but which is still a growth as the same figure was 15% in July. This shows the festive spirit slowing building up with the net score having increased to +9 from -12 last month. Interestingly, the sentiment increase is highest in Rural India.
- Health still remains an important consideration, with consumption on health-related items has increased or remained same for 79% of families and decreased only for 21% families. The health score which has a negative connotation i.e. the lesser the spends on health items the better the sentiments, has a net score value of -24.
- Consumption of media has increased for 25% families & remained same for 47%. The corresponding increase figure was 28% last month. Net score is at -3. The media consumption increase is highest in the 18-25 year old age group at 32%.
- In terms of mobility 93% families saying they are going out the same or less on short vacations/mall/restaurants, with the overall mobility score is at -8 which is an improvement over last month which was at -24.

On topics of current national interest:

- When asked will you shop more or less this festive season, 42% of families said they will shop more or same as compared to last year. This gives an indication that there is sense of cautious optimism and the pent-up demand or degree of revenge shopping which happened last year might not be the same this year. This expected increase in spends is higher among private & government service employees.
- 88% of the office going individuals were happy that offices are starting to open and felt that productivity is better from office.
- 83% are not yet looking at a travel/holiday this year and 15% mentioned they would only travel domestically.
- Showing a sign of self-maturity, 96% people said they will implement Covid appropriate behaviour this festive and hopefully this will reduce the level of cases in case the 3rd wave strikes.
- On current euphoria around the Sensex, of those who invest, 64% believe that the BSE Sensex will cross the mark of 60,000 in the next few months with 29% saying it will come down. Additionally, in a true reflection of Indian investor population there is still a vast majority of 74% who don't invest yet in stock market.

India Consumer Sentiment Index

August 2021

	% INCREASED	% DECREASED	% SAME	AUG NET SCORE	JULY NET SCORE
HOUSEHOLD SPEND	56	14	30	42	39
ESSENTIAL SPENDS	47	26	27	21	16
NON ESSENTIAL SPENDS	21	12	67	9	-12
HEALTH SPENDS*	45	21	34	-24	-19
MEDIA CONSUMPTION	25	28	47	-3	3
MOBILITY TREND	7	15	78	-8	-24
CONSUMER SENTIMENT SCORE				+6 ↑	+0.5

* Health score has a negative connotation i.e., the lesser the spends on health items the better the sentiments.
 The Overall Consumer Sentiment Score is an average of the mentioned sub-indices
 Net Score = % Increase - % Decrease

www.axismyindia.org

DELIVERING TRUST SINCE 1998