

Automechanika Dubai
19 – 21 October 2020 | DWTC

Automechanika Riyadh
2021

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- Engagement area – on the right
- Replay will be available on: www.automechanikaDubai.com/Webinars

Changes in Consumer Attitudes & Purchasing Habits due to COVID-19



Agenda

- Presentations by



ABDELRAHMAN KURDIEH
Project Manager &
Webinar Host
Messe Frankfurt ME



PRACHI SATOSHKAR
Sr. Business Group
Manager - MENAP
GfK Middle East & Africa

- Q&A Session

Automechanika Dubai

■ 19 – 21 October 2020

■ 2019 Show Statistics



32,720

Trade Visitors from



141

Countries



53%

International



1,880

Exhibitors from



63

Countries



92%

International

Automechanika Dubai

- Key Show Highlights:
 - Competencies:
 - Truck, motorcycle & agriculture
 - Academy:
 - Learning & development area of the show
 - Modern workshop:
 - Area for our garage/workshop audience – product demos & trainings
 - Product focus:
 - Body & paint
 - Oils & lubricants

Automechanika Riyadh 2020

- Exhibitors
 - 87 exhibitors from 13 countries
 - 52 exhibitors from 11 countries (Covid-19)
 - Country Pavilions: Turkey, USA, South Korea, China, Hong Kong, Taiwan

- Visitors
 - 2,470 visitors

- COVID-19 Effect
 - Lost 25 exhibitors due to travel restrictions
 - Rolled over China, Hong Kong and Taiwan to 2021

- New show dates in Q3 2021



Growth
from
Knowledge

How Disruption is Driving Consumer Transformation

**What's Next for Consumers &
Brands in Asia, Middle East &
Africa**

GfK Webinar # Master the Crisis

June , 2020



COVID-19 has become a worldwide pandemic dominating our lives

USA, 17/03/2020



UAE, 12/03/2020

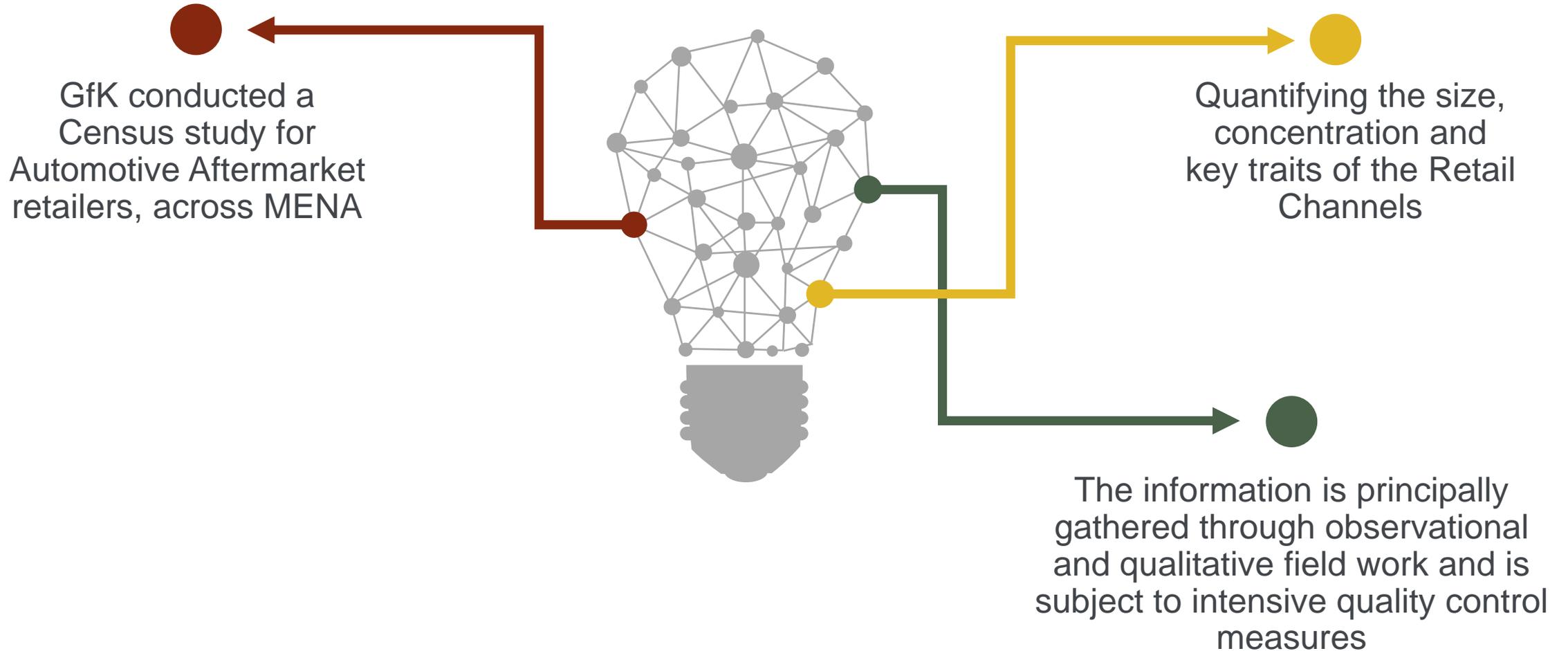
Indonesia, 16/03/2020

Australia, 10/03/2020

Japan, 07/04/2020

India, 12/03/2020

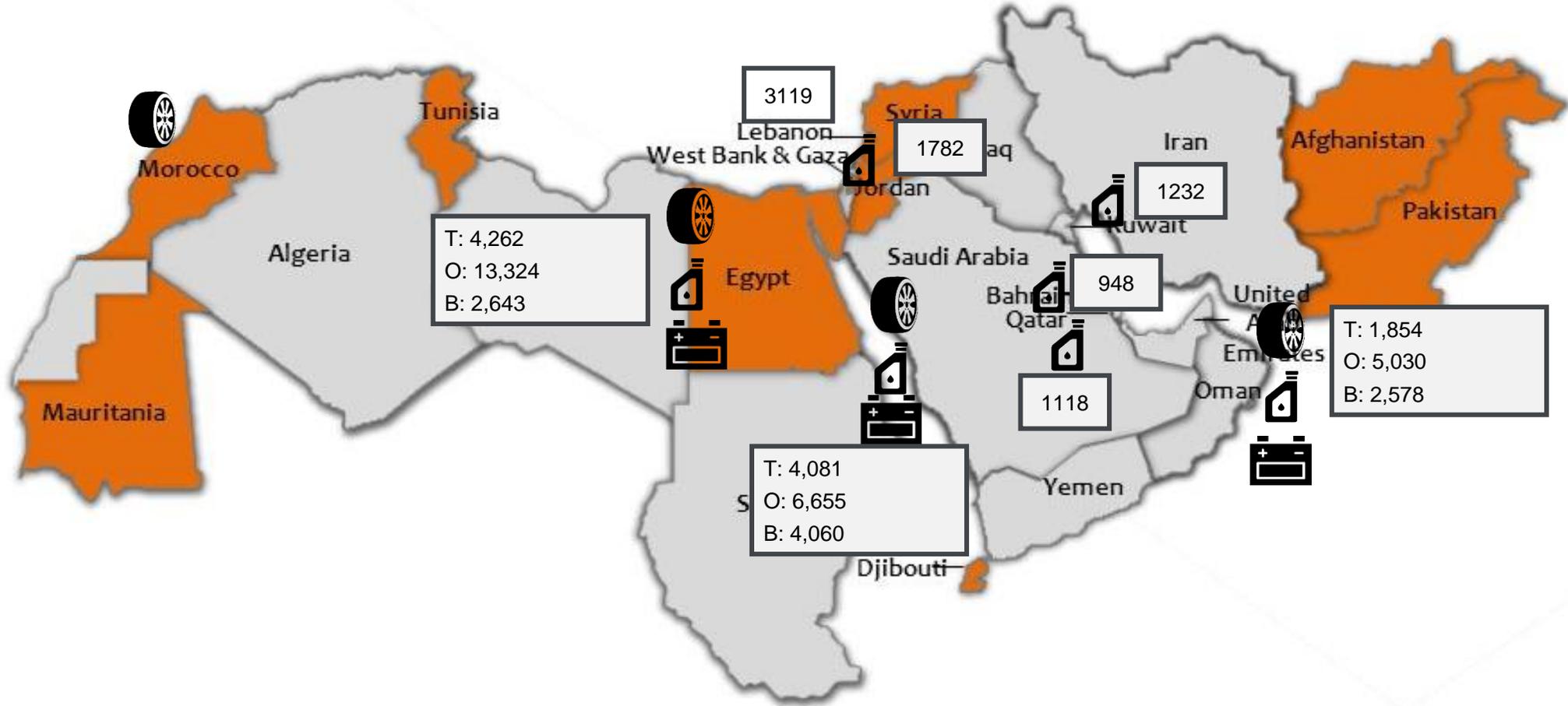
Overview: Census Study



Retail Landscape Across MENA



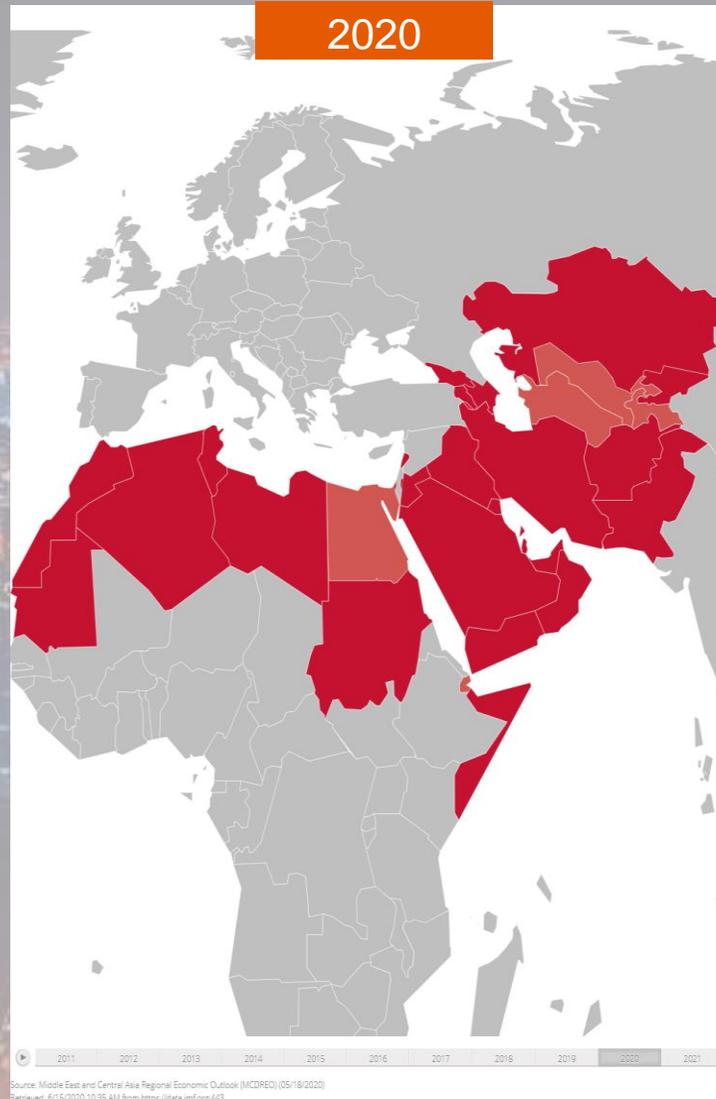
■ GfK Universe Study



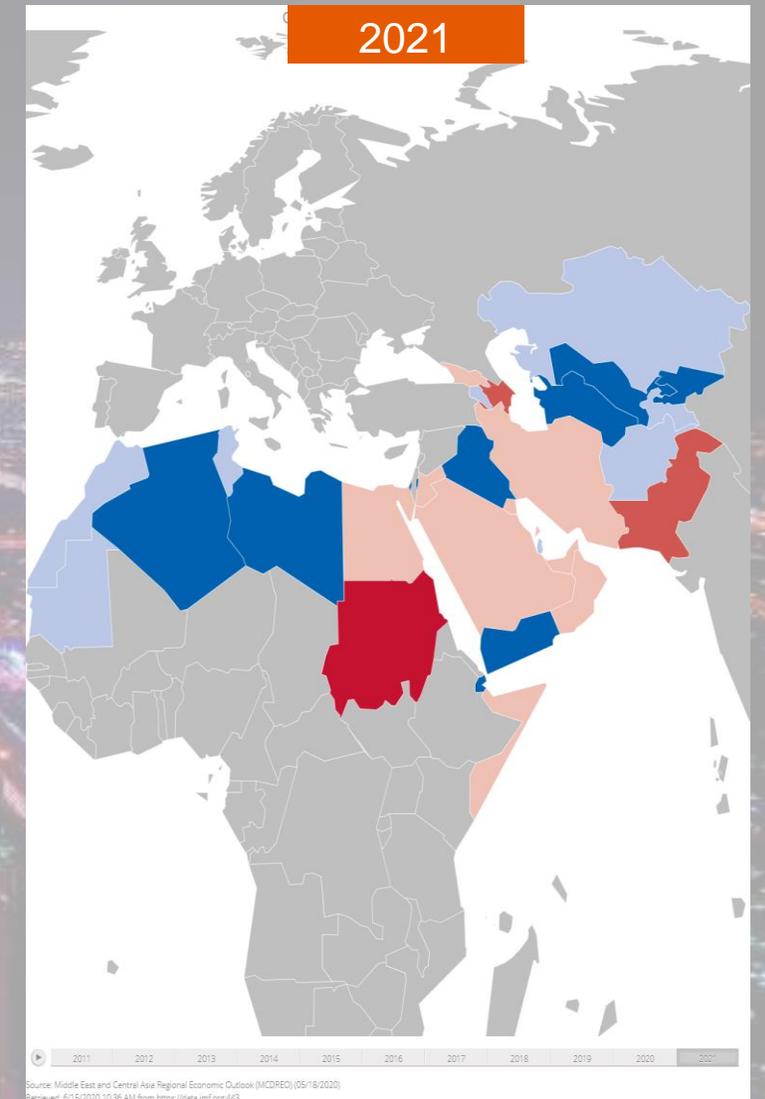
IMF GDP Outlook for 2020 - 2021



Countries	2016	2017	2018	2019	2020	2021
Egypt	4.35	4.08	5.31	5.56	1.95	2.83
Iraq	15.2	-2.5	-0.6	3.91	-4.7	7.19
Jordan	2.07	2.12	1.94	2.02	-3.7	3.66
Kuwait	2.93	-4.7	1.25	0.73	-1.1	3.44
Oman	4.9	0.35	1.76	0.47	-2.8	2.97
Pakistan	4.56	5.22	5.53	3.29	-1.5	1.97
Qatar	2.13	1.58	1.49	0.07	-4.3	5.04
Saudi Arabia	1.67	-0.7	2.43	0.33	-2.3	2.93
United Arab Emirates	3.06	0.49	1.73	1.29	-3.5	3.27
GCC	2.33	-0.4	2.04	0.58	-2.7	3.26
Maghreb	2	5.56	3	1.85	-6.2	9.29
MENA	5.46	1.7	0.97	0.34	-3.3	4.19



Source: Middle East and Central Asia Regional Economic Outlook (MCDREC) (05/18/2020)
Retrieved: 6/15/2020 10:35 AM from <https://data.imf.org/443>



Source: Middle East and Central Asia Regional Economic Outlook (MCDREC) (05/18/2020)
Retrieved: 6/15/2020 10:36 AM from <https://data.imf.org/443>

Covid-19 hampered the MENA economy on various front, and Government across the region trying to maintain the economy & the consumer confidence



Oil Price/Impacts on GDP

Gulf markets hammered by oil price plunge and virus shutdowns

Oil price war ends with historic Opec+ deal to cut output

Deal cuts output by nearly a 10th shows 'Opec+' is up and alive: Saudi energy minister

Global economy could shrink by almost 1% in 2020 due to COVID-19 pandemic: United Nations

The analysis by the UN Department of Economic and Social Affairs (DESA) said the COVID-19 pandemic is disrupting global supply chains and international trade. With nearly 100 countries closing national borders during the past month, the movement of people and tourism flows have come to a screeching halt.



Tourism/Consumer Sentiment

Expo 2020 Dubai might shift to 2021 to Coronavirus pandemic

Massive economic losses expected if COVID-19 closes down Hajj

Majority of UAE and Saudi consumers confident their countries' economies will rebound quickly

► Close to 60% of respondents said the economy will grow 'just as strong or stronger' than before Covid-19, finds new McKinsey survey



Government Action

UAE, Saudi Arabia announce special stimulus packages to help local businesses

Turkey's economic stability package acts like shield against pandemic

Turkey takes numerous measures to protect people, firms from economic impact of novel coronavirus pandemic

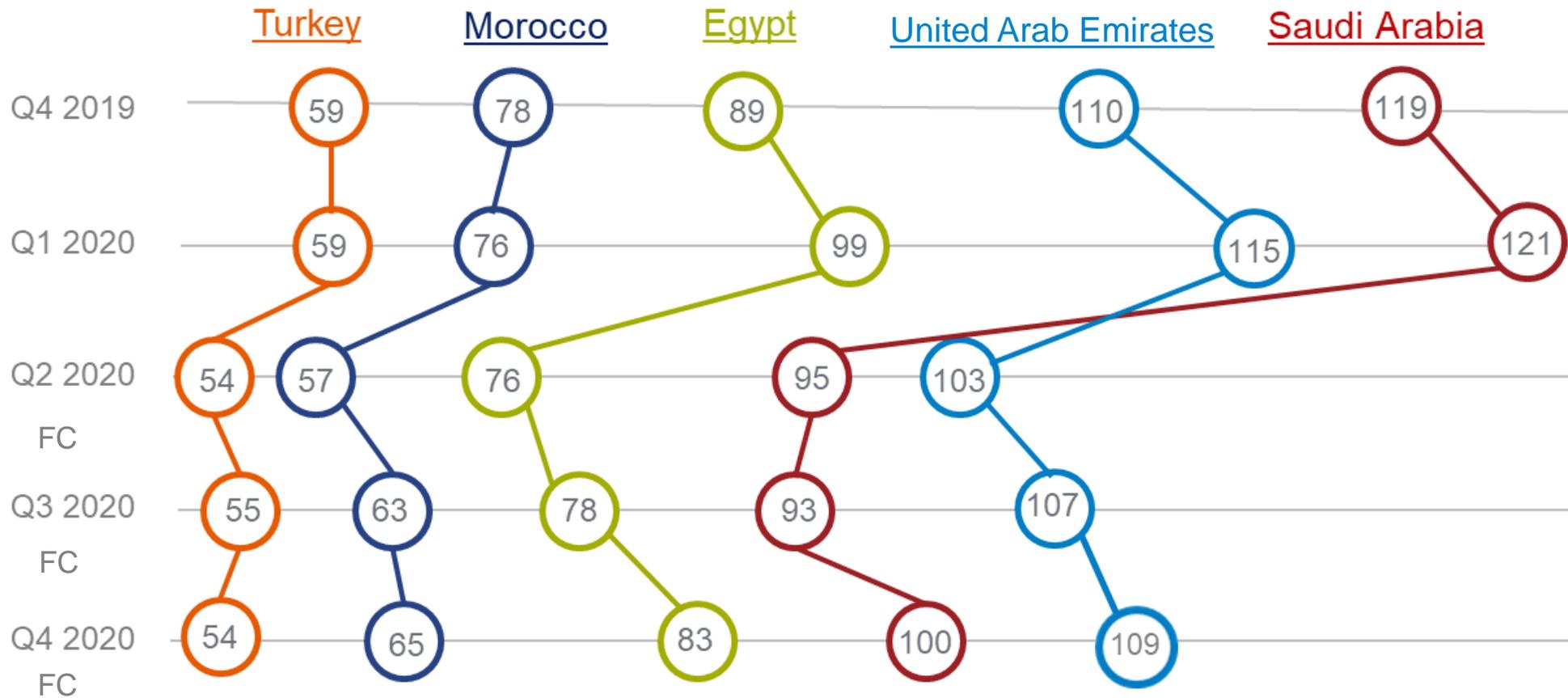
Egypt to allocate 20bn Egyptian pounds to support bourse amid virus fears

Israel to spend 80 billion shekels to help economy cope with coronavirus crisis

Morocco to create \$1 billion fund to counter coronavirus outbreak

Consumer Confidence projected to recover in H2 2020

Source: Consumer Confidence Index, Trading Economics



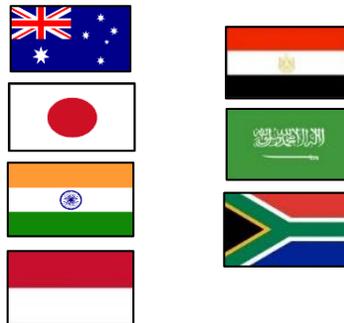
Source: Trading Economics.com

Coronavirus Consumer Pulse

Tracks concerns, attitudes & behaviors in 30 countries



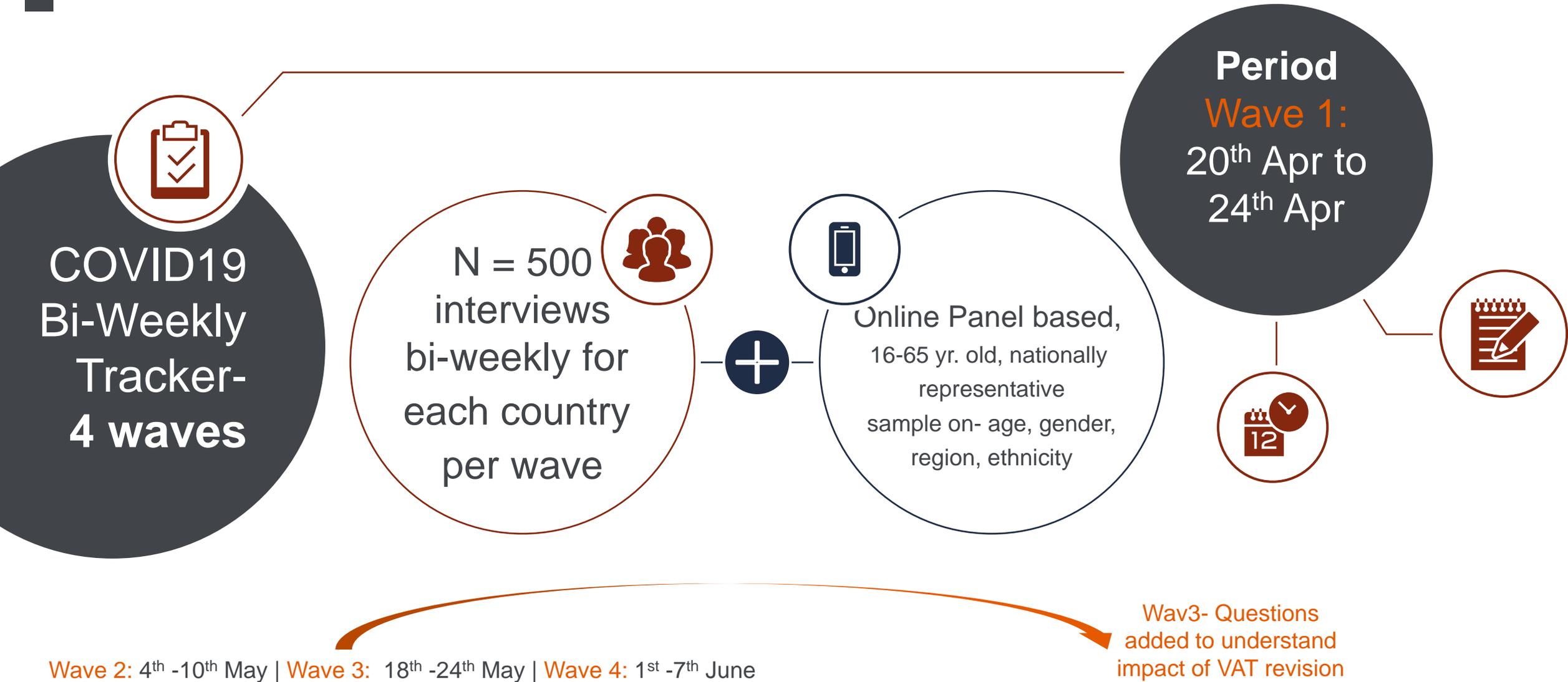
Weekly Insights for **Automotive**, Retail, FMCG, Health & Beauty, Technology, Media & Entertainment, Financial Services, Travel, Fashion, and more.



Weekly Tracking Across 30 markets March to July 2020

- Sample size: n = 500 per country per week except for India n=1000 per week

An In Depth Consumer Tracker To Understand The Evolving Sentiments Of Consumers In KSA & EGYPT



TOP CONCERNS FOR CONSUMERS

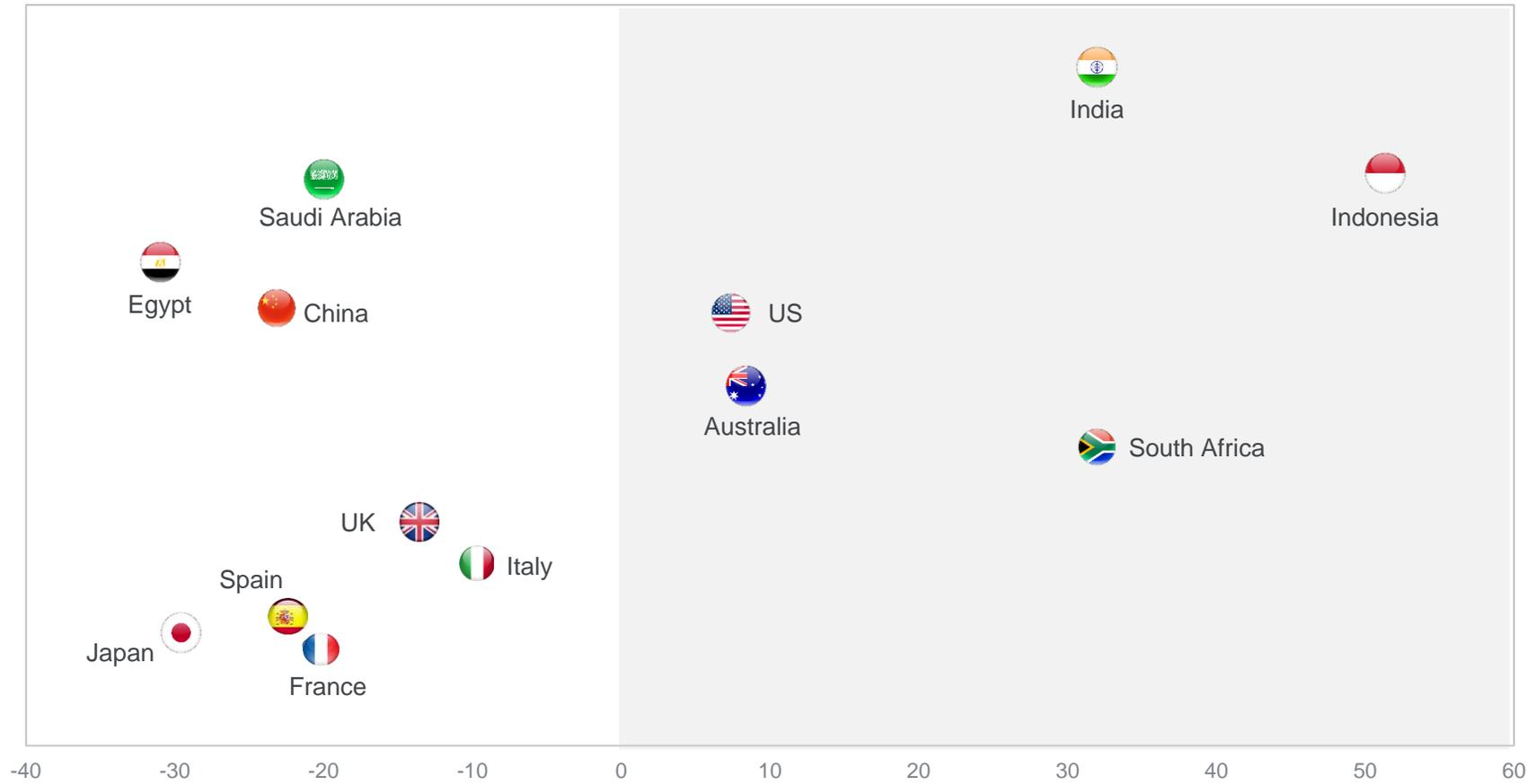
	KSA	Egypt
#1 CORONAVIRUS(Covid-19)	90%	88%
#2 Value Added Tax (VAT) revision	83%	
#3 INCREASE IN DISEASES	82%	84%
#4 ECONOMIC CRISIS	80%	84%
#5 UNEMPLOYMENT	80%	82%

Developing markets like India & Indonesia still optimistic about the future though



Country Economic forecast within 1 yr. would be Good

Country Economic forecast within 1 yr. would be worse



Family will be financially worse off than today

Family will be financially better off than today

- Overall in the next 12 months do you think things will be good, so-so or bad for your economy?
- In a year's time do you think you and your family will be financially better off or worse off than today?



So, How Can Brands Prepare For The Recovery Phase?

How Can Brands Prepare For The **Recovery Phase**?

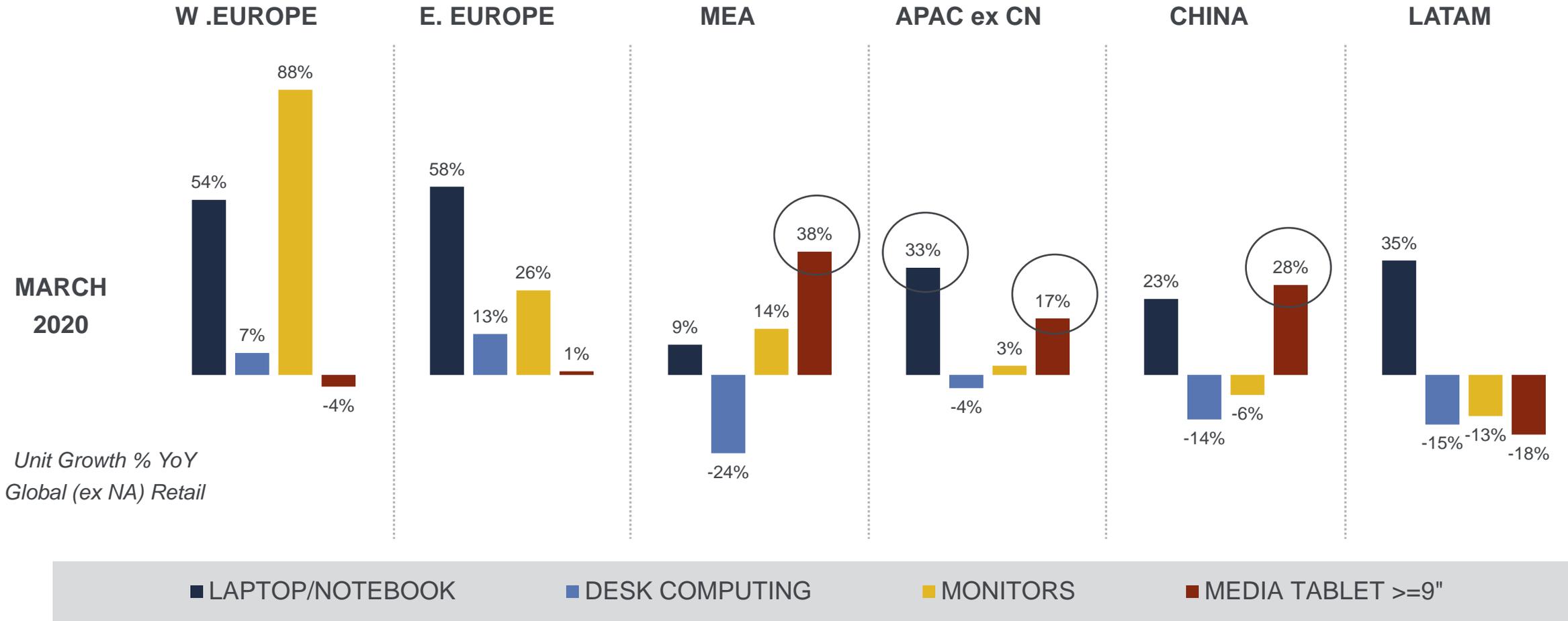
- ① Review Your Segments
- ② How You Act Matters
- ③ Hibernation isn't the Best Strategy
- ④ Rethink your Sales & Fulfillment Channels





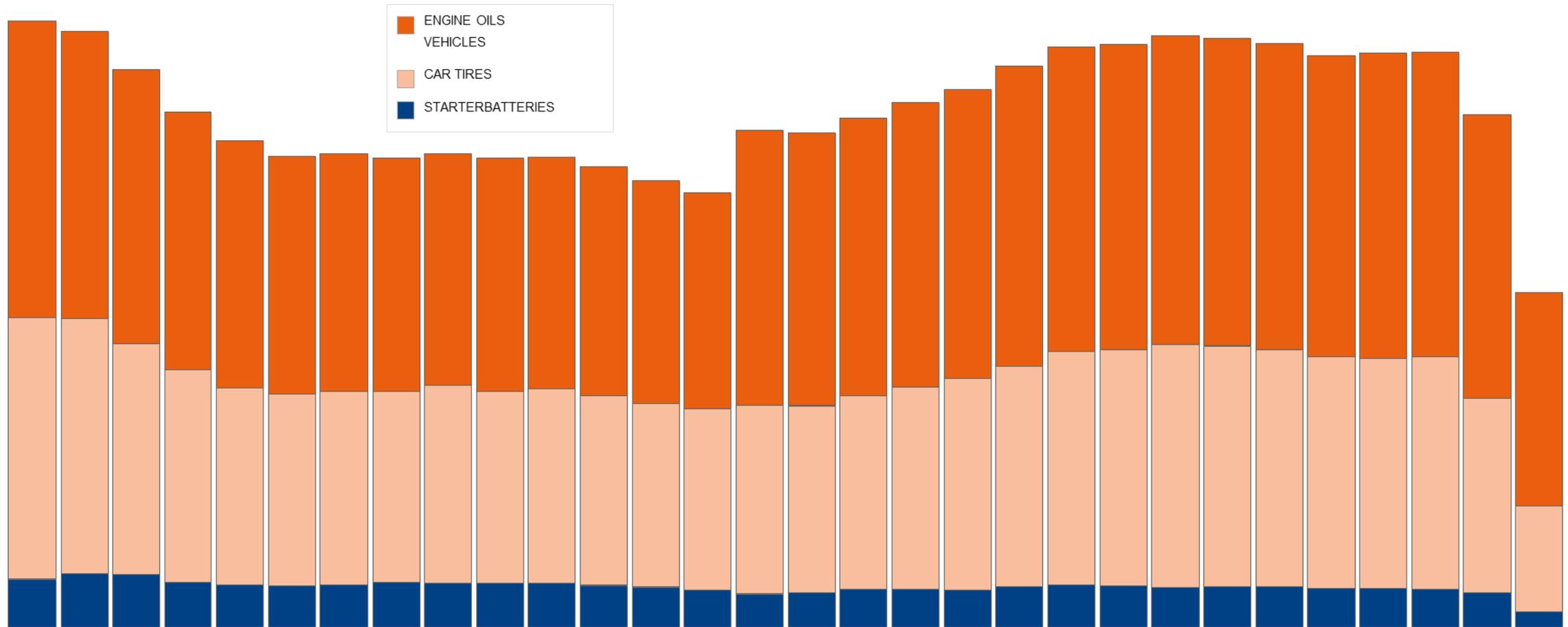
1. Review Your Segments

Across regions we are seeing a greater demand for working at home equipment ; Tablets the new Nanny ?



GfK Point-of-Sales Monthly Retail Panel, International coverage (excl. North America, India & Philippines), Sales Units Growth % Year-on-Year

Aftermarket again declining after a recovery period of H2 2019 and initial 2020

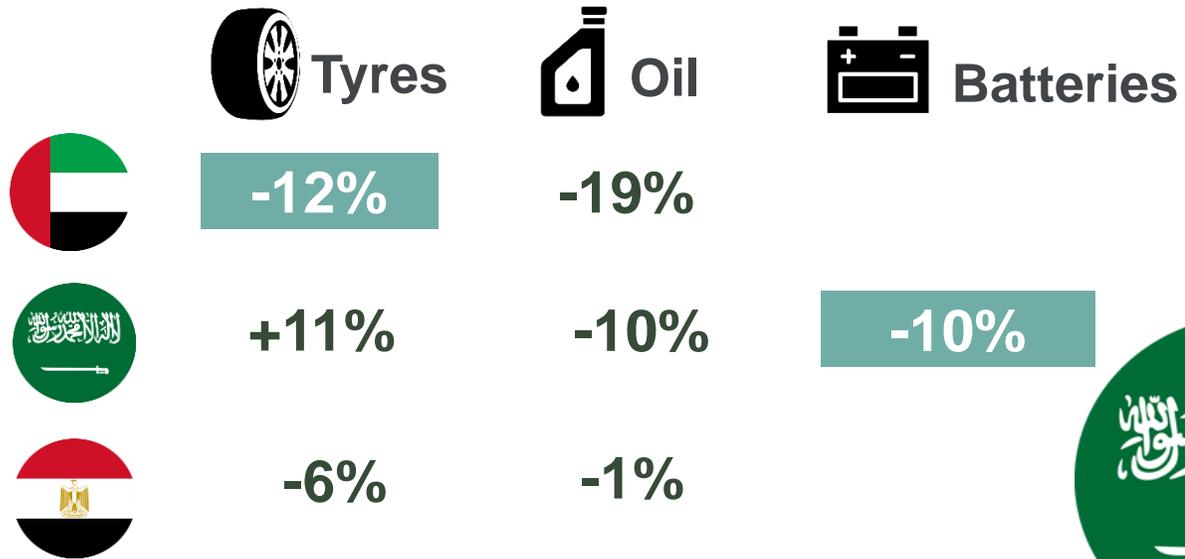


■ GfK Retail Audit – UAE, KSA, EG

Auto: Opportunities Exist Primarily In Commercial Segments



Growth Sales Volume Jan-Apr'20 vs Jan-Apr'19



KSA Jan-Apr'20 v/s Jan-Apr'19 Abs. Volume Growth

PCMO = -13%

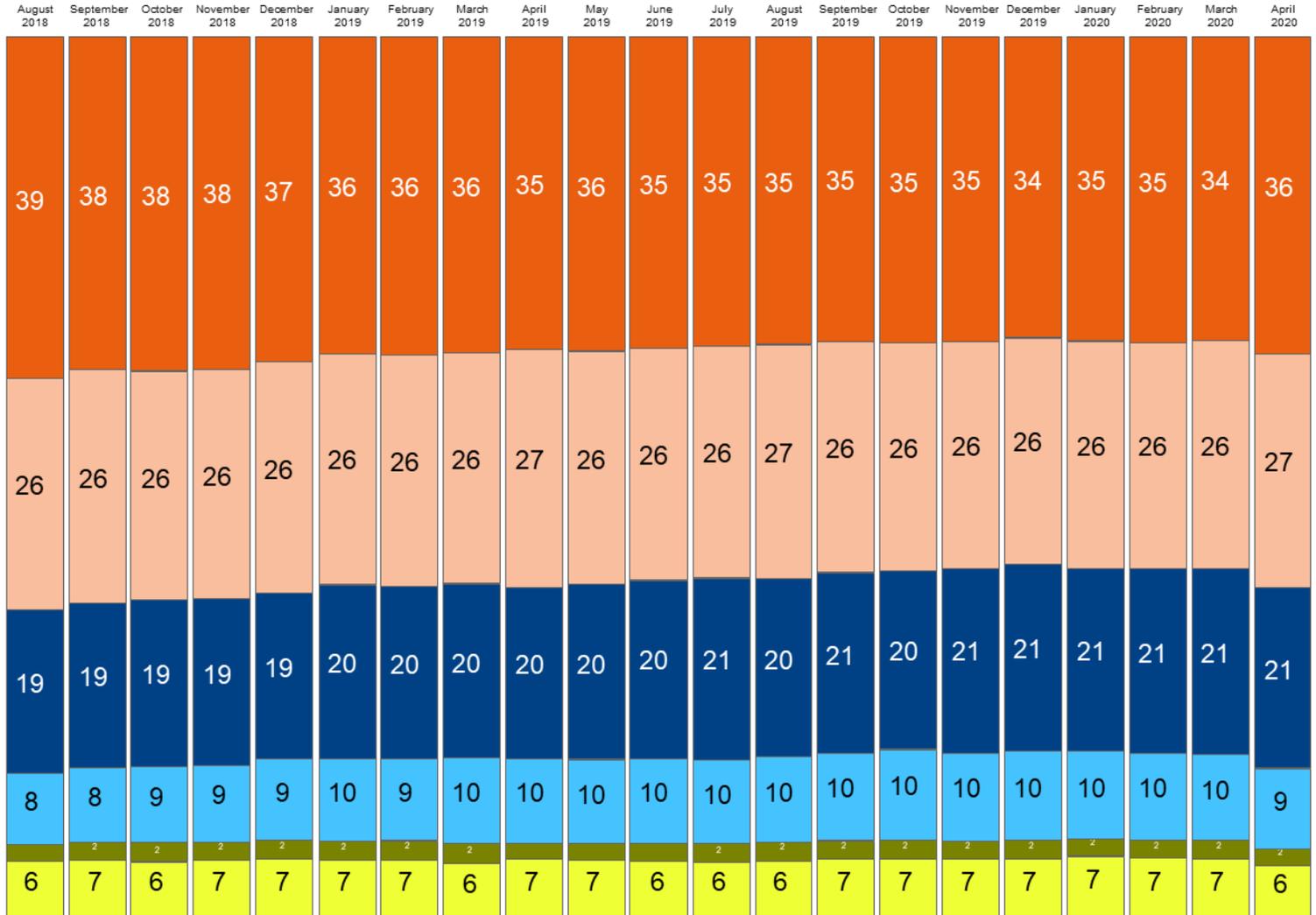
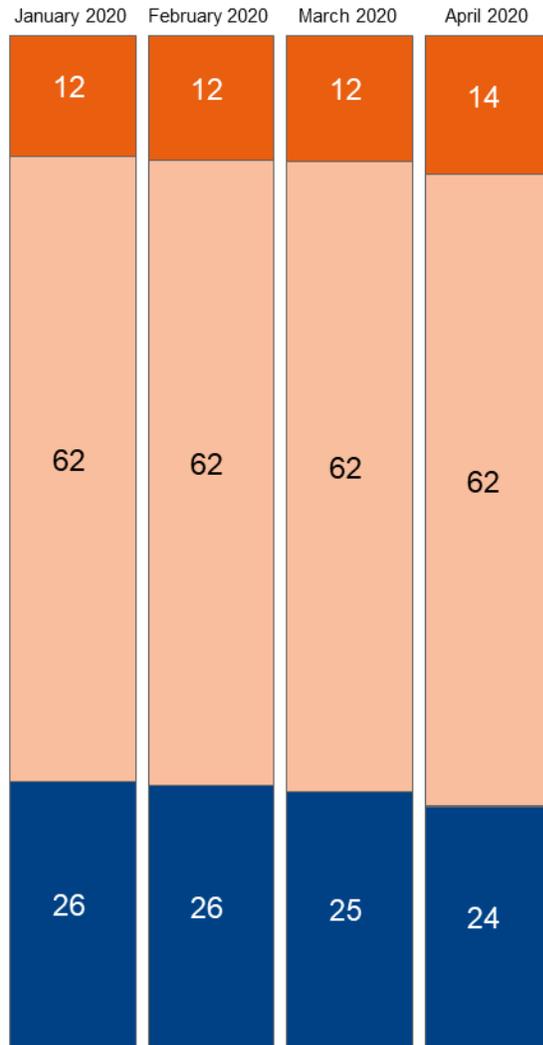
HDDEO = +2%

Batteries	Comm. Batteries +5%
	Truck Batteries + 28%
Tyres	Light Truck + 28%

Key take-aways in Jan-April – Automotive

- Commercial purpose tires, batteries and oil recorded positive numbers in KSA during March despite the overall gloom in the industry
- This is because transportation of good & services across the country continued to happen, even when signs of Pandemic reached the KSA shores

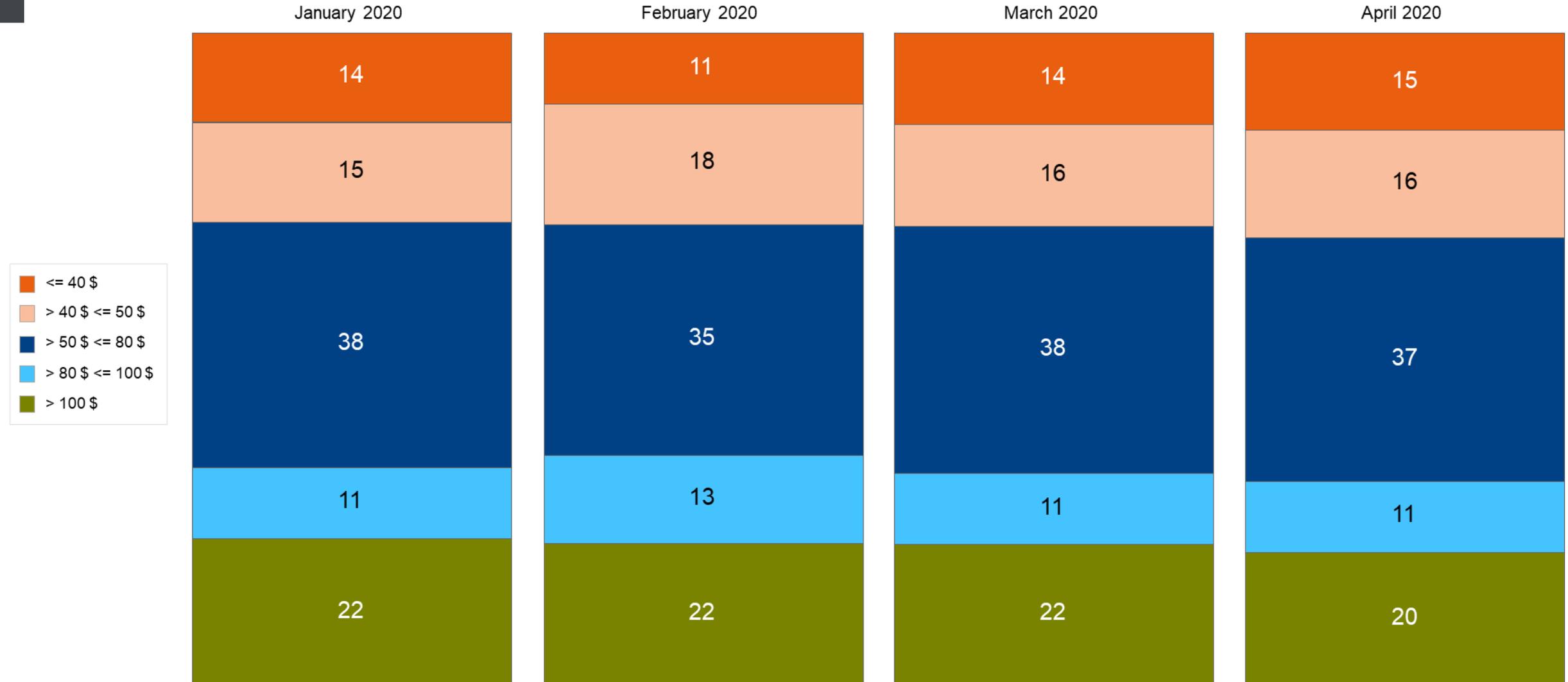
How did the demand for Tires change during these times?



Contribution from Diesel Oil increasing during the crisis



How did the Consumer react with respect to choices based on Price?

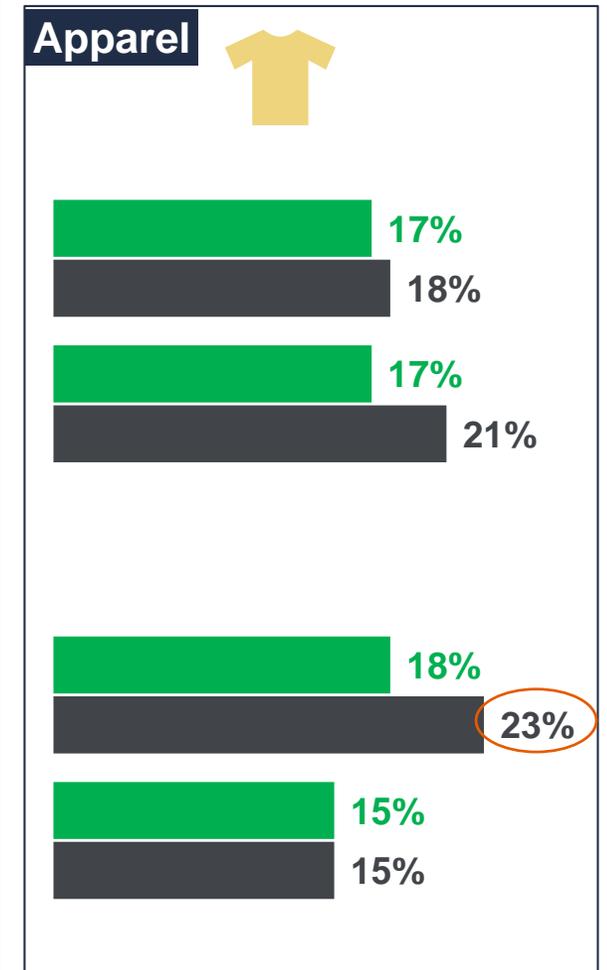
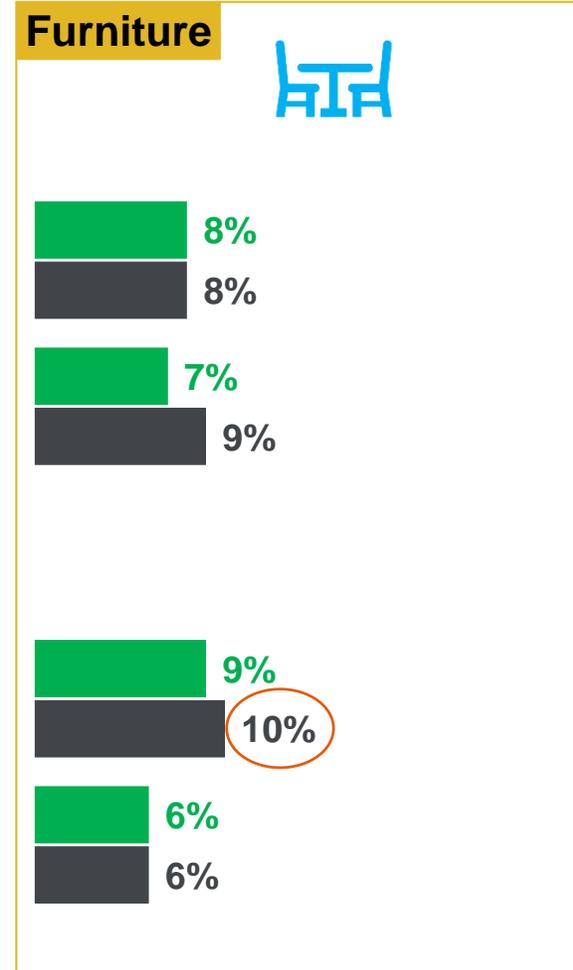
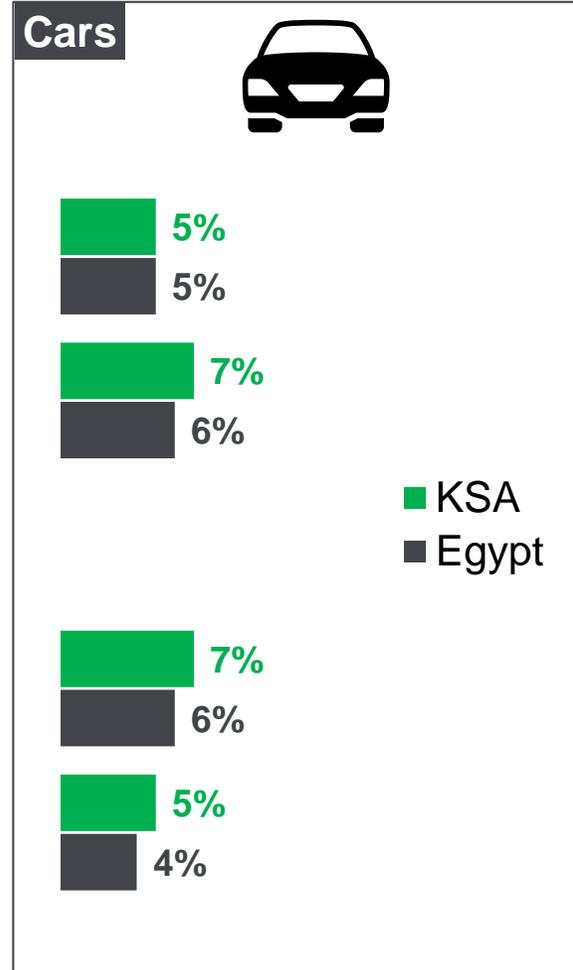
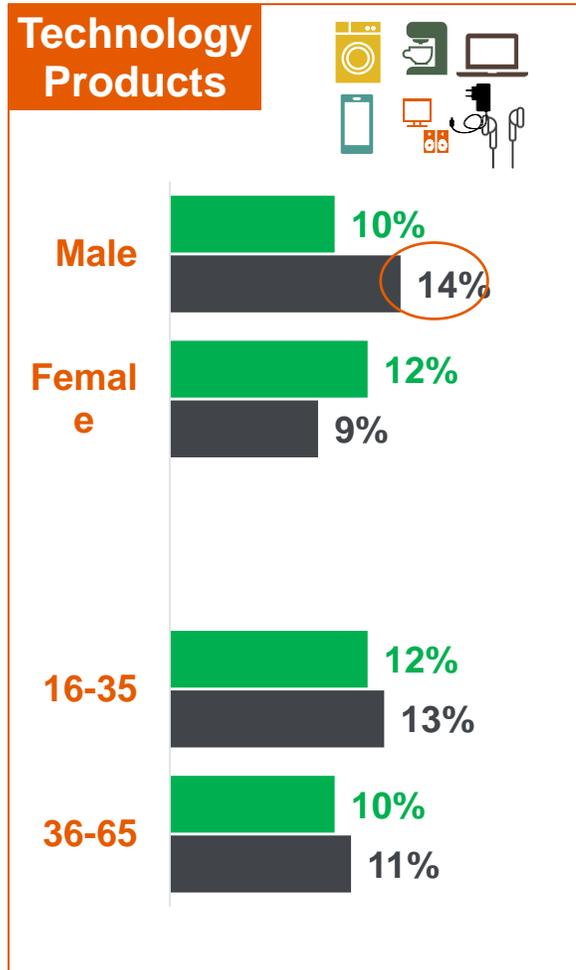


Intention to Purchase in Coming Weeks

Intend to purchase for TCG appears to be barely affected from Covid-19



Data collected during 20 – 24 April



■ KSA
■ Egypt

A blue sign with handwritten text in blue ink. The text is arranged in three lines: 'The', 'Internet', and 'REMEMBERS'. The sign is held up in a crowd, with other people's heads visible in the background.

The
Internet
REMEMBERS

2. **Brand** And
Business
Response Will
Have An Impact

NOW: People are Noticing the good *and* the bad



LUNCH:ON
WANTS TO HELP



75%

noticed examples of companies
being a **force for good**
during the coronavirus crisis

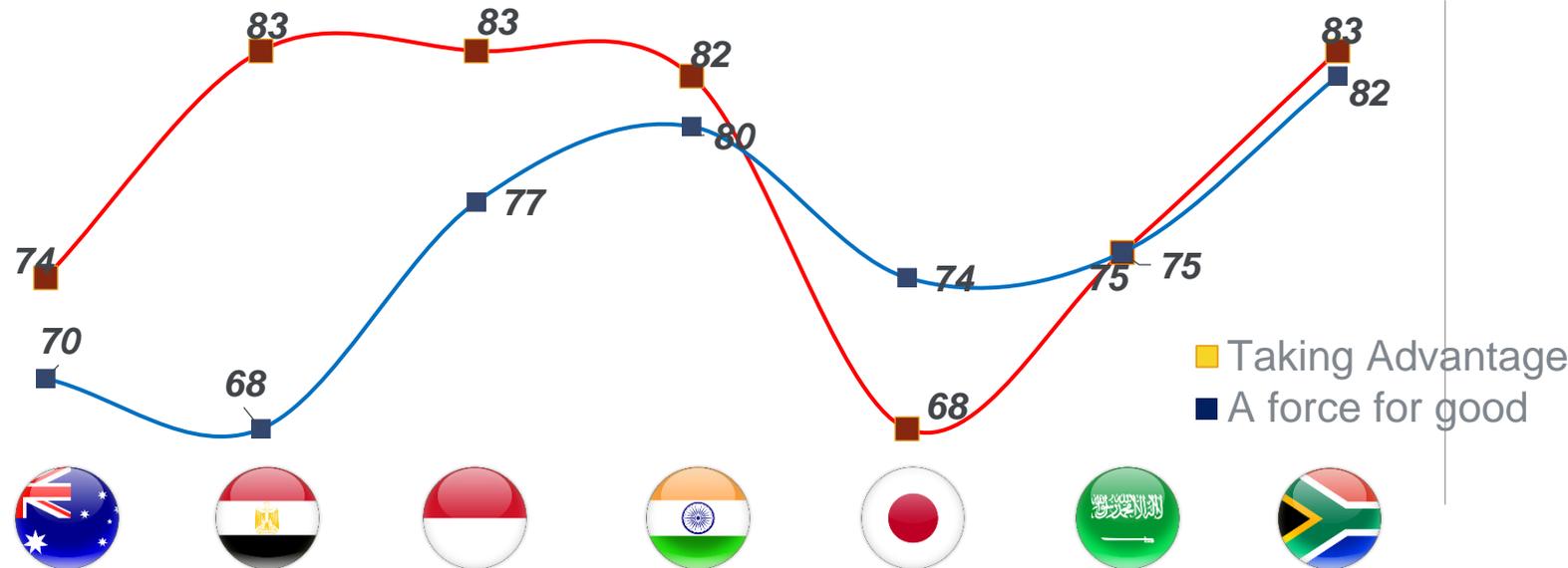
78%

noticed examples of companies
trying to **take advantage**
during the coronavirus crisis

Many of us have been hit by COVID-19 in many different ways. If you've lost your job and are feeling the pinch, we want to help you continue to eat well without breaking your budget. Get in touch with us before Thursday, June 4th so we can explore ways in which we can help out.

Socially distant or not, we're stronger together.

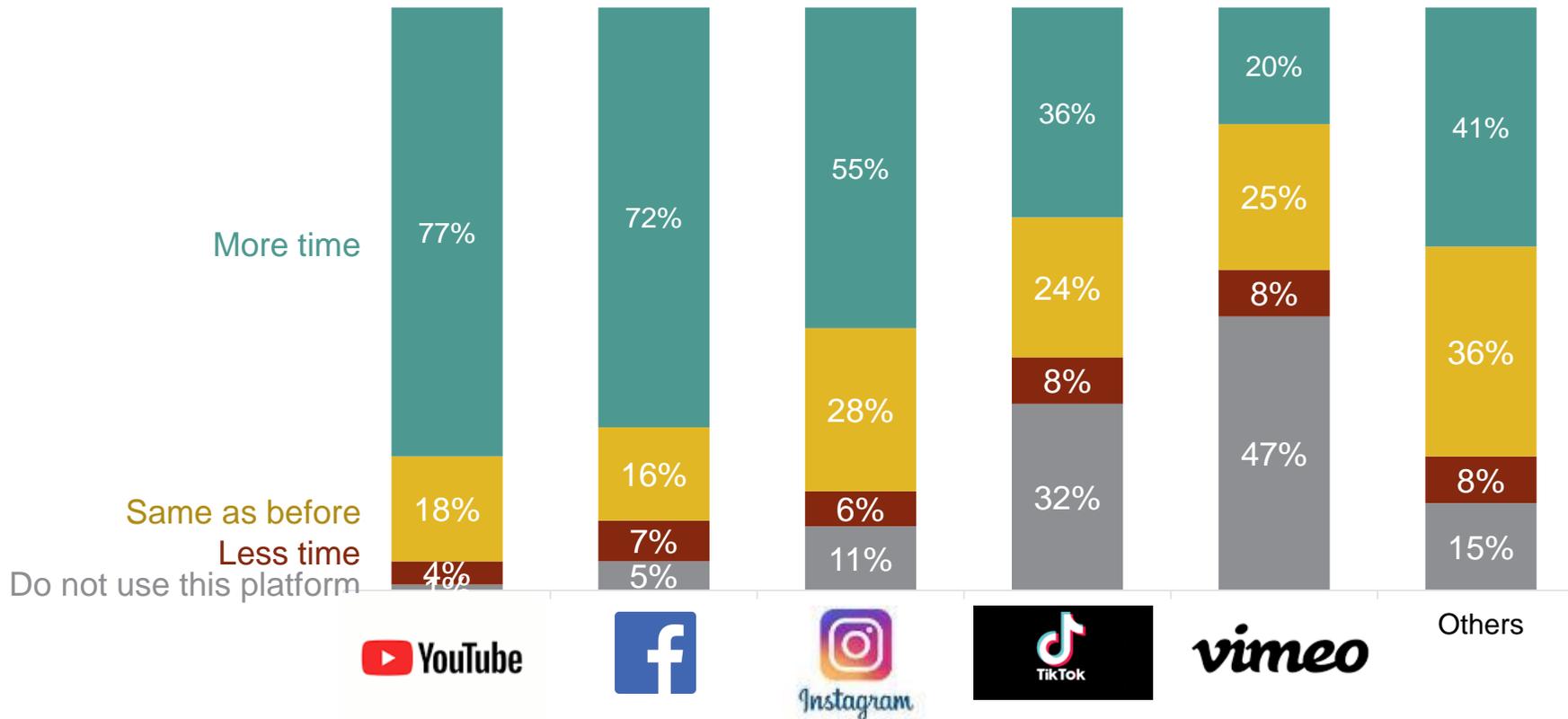
Email us via the button below, or DM us on any of our social channels.



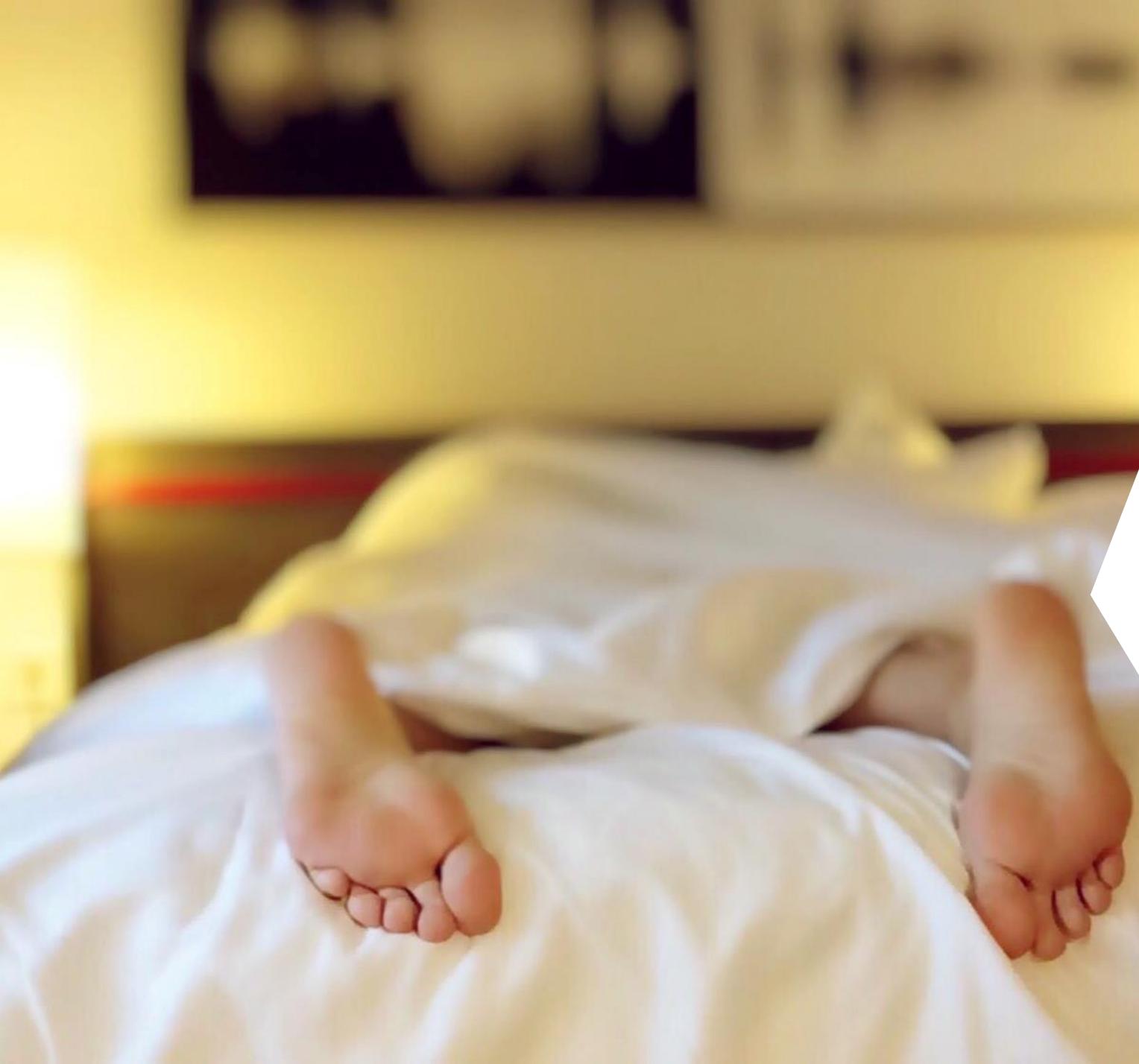
YouTube and Facebook continue to drive the online usage.



” Compared to the usual, last week did you increase the time spent watching videos, movies or other on these platforms?



Y2 Let's talk now about online platforms; compared to the usual, in the last week how has the amount of time spent watching videos, movies, or other media on these platforms changed?

A photograph showing a person's feet sticking out from under a white blanket on a bed. The background is a blurred room with a headboard and framed pictures.

3. Hibernation Isn't The **Best** **Strategy**

I Dedicated +/- Time To

Δ (More- Less)

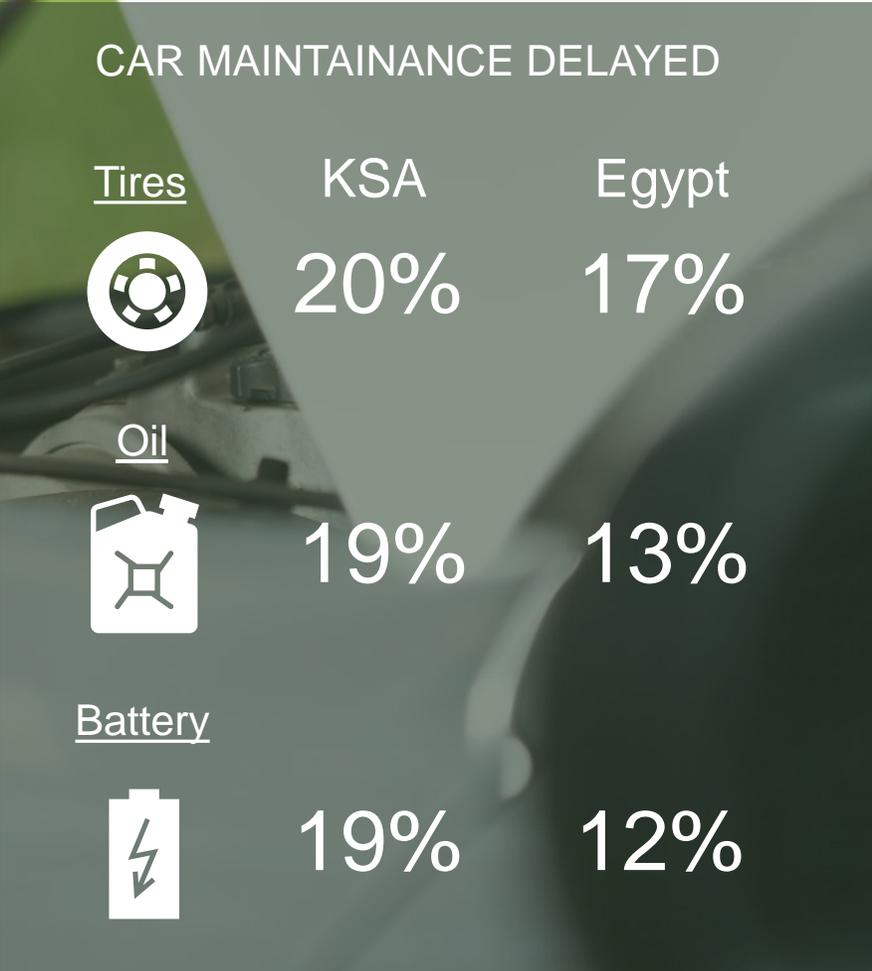


	KSA	Egypt
Time Spent looking after the family	58%	62%
Time spent at leisure activities at home	39%	44%





% of consumers who wanted to change, **but due to hygiene factors, did not feel safe to visit garages/workshops**



New: Shopping solutions retailers quick to pivot & adapt



Ola ANZ started
offering parcel
delivery

Contactless
Delivery



Suspended
Prime delivery



Mobil

Mobil 1 –
Online
Servicing



offering Click
and Collect in
India



free delivery of
prescription drugs
in Egypt



Zero contact & cashless
payment, by Domino's in
Japan

In India, Community orders, to
save delivery time and efforts in
same area

Top Choice
Service My Car
Tires.ae
Autopro

The Crisis Presents Both Opportunities And Threats



 **28%**

 **23%**

Encountered out of stock items



Disruption leads to accidental trial

Trying new things at the store



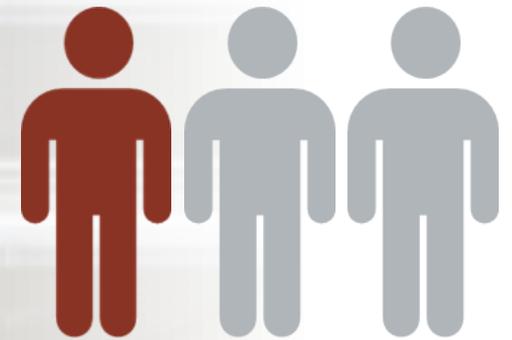
APMEA 7 Average

26%

Purchased a brand (past week) they wouldn't normally because preferred brand was out of stock

37%
India

8%
Japan



1 in 3 of those people say they discovered new brands they like better & will continue to buy them post crisis

A hand is shown holding the top handle of a white paper shopping bag. Inside the bag, a white surgical-style face mask is visible. The background is a light gray surface with a large, bright yellow circle partially visible behind the bag. The overall composition is clean and modern.

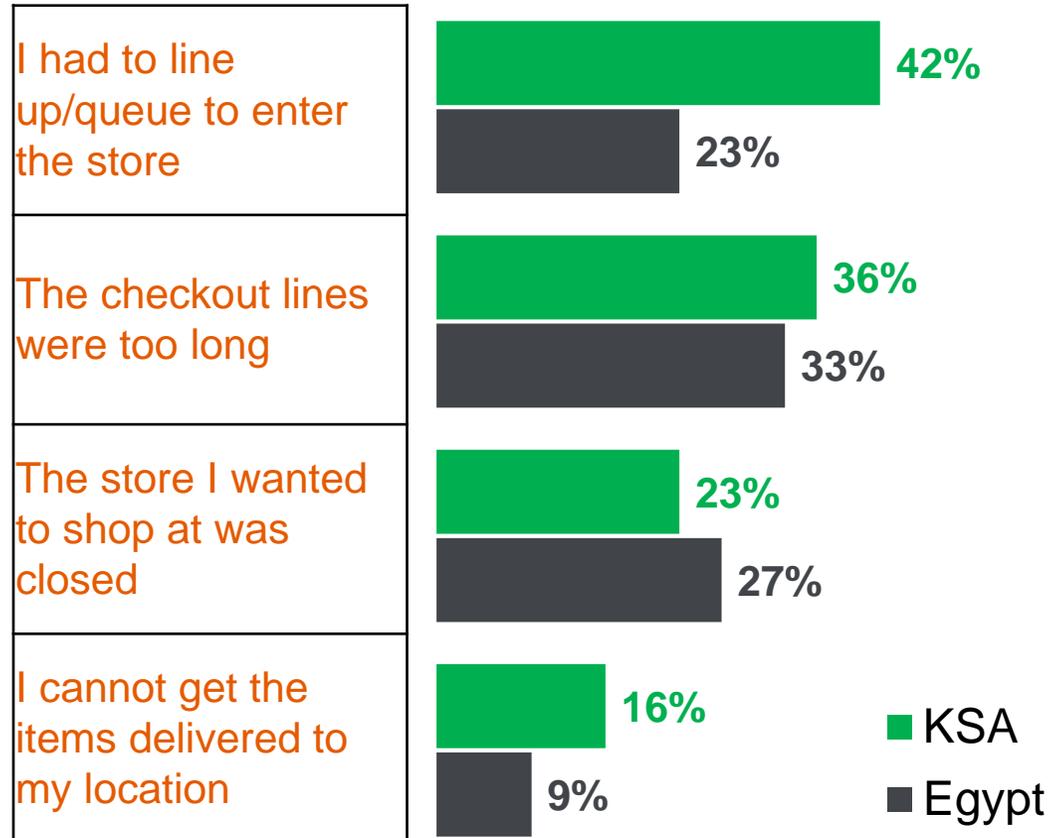
4. Rethink Your Sales & Fulfillment Channels

Rethink Traditional Sales & Fulfillment Channels



New Friction Points Are Emerging

Type of **shopping challenges** faced in the past week

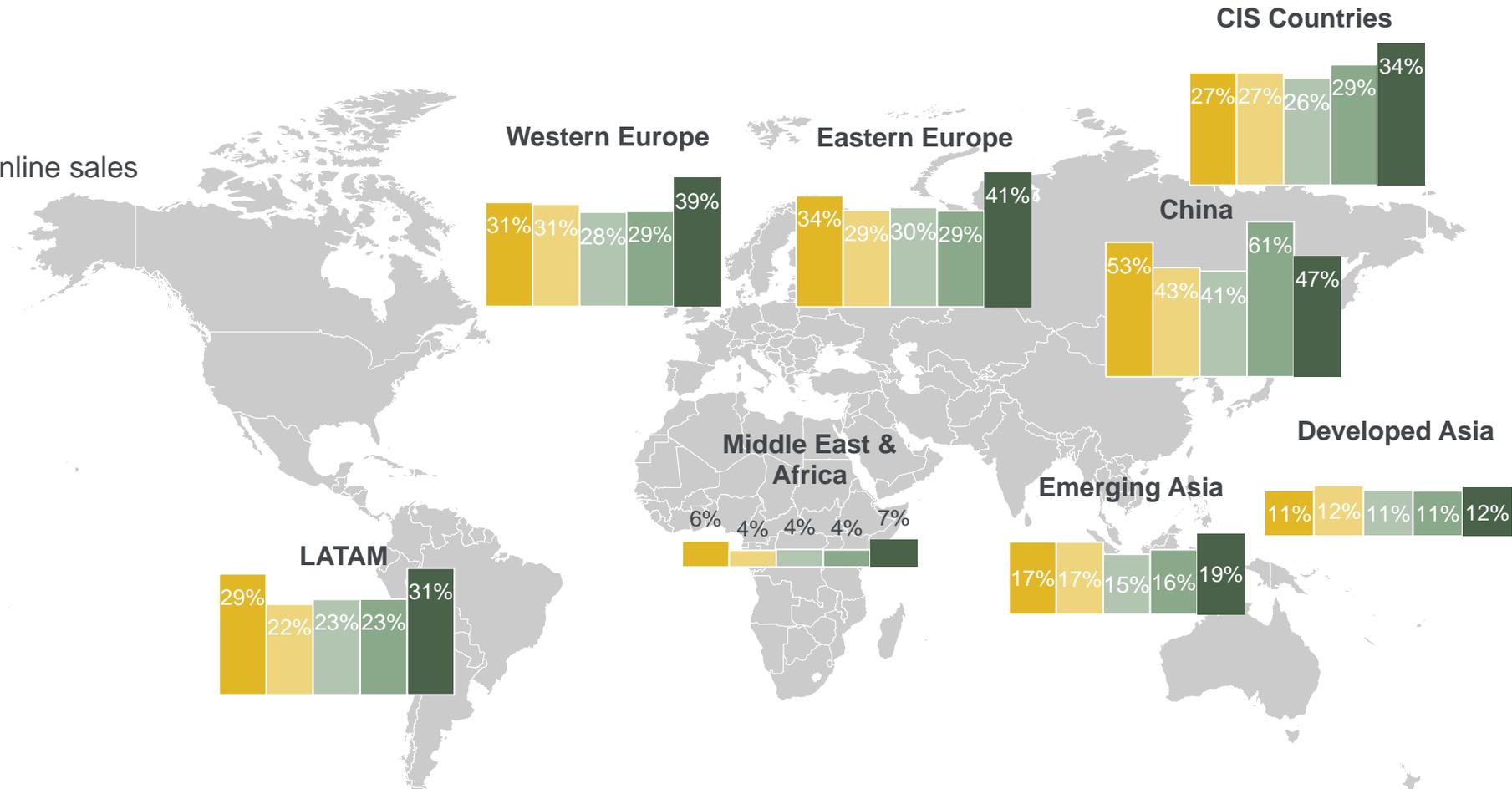


COVID-19 pushing the share of e-Commerce to unseen levels ; during lockdown China peaked but settling back to still a higher level



TCG online

Value share % online sales



Source: GfK Point-of-Sales Monthly Retail Panel, International coverage (excl. North America, India & Philippines), Sales Value USD with a fixed exchange rate, Value Growth % Year-on-Year
 Technical Consumer Goods (TCG): Consumer Electronics, IT, Office Equipment, Multifunctional Technical Goods, Photo, Telecom, Small & Major Domestic Appliances, Personal Diagnosis Devices
 PRJ 101566/206542 - RG 5481054 - RP 37600691 - ID 569248389

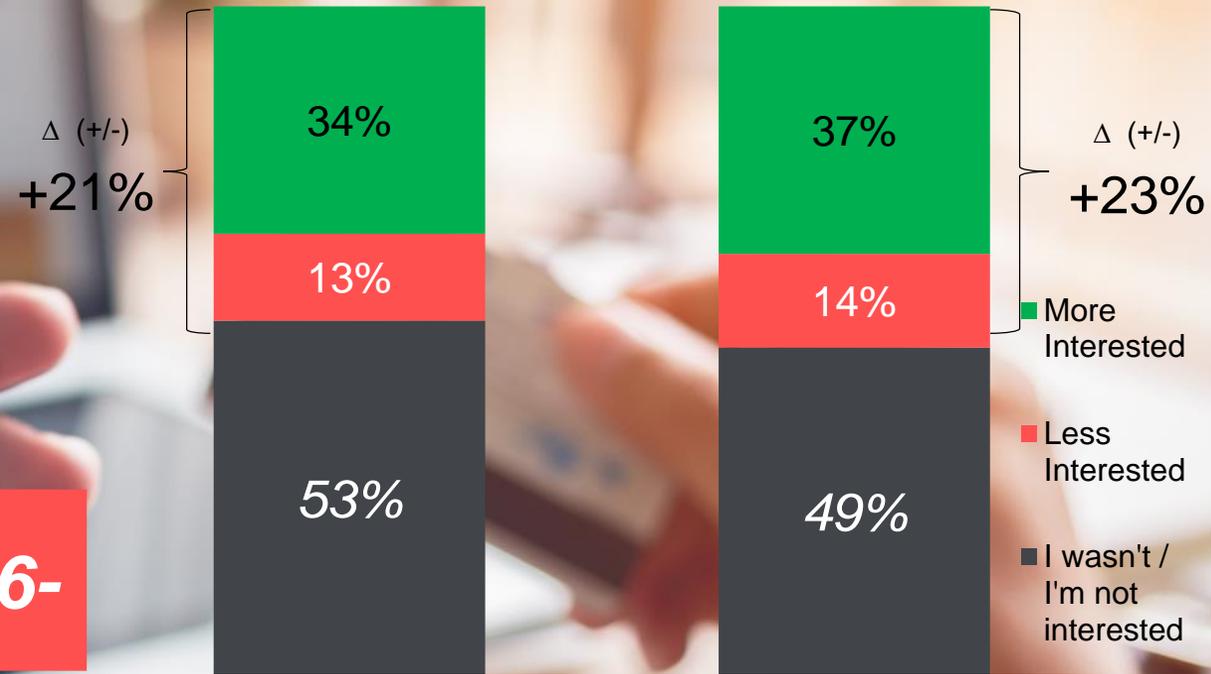
1. Rising Interest in Contactless Payments

Signup For Credit Cards?



Interest higher among Males and 36-50 yrs old

INCREASED INTEREST TO SIGNUP FOR CREDIT CARDS Δ (+/-)



KSA

Egypt

2. The Desire To Travel Is Still Very High!



 **70%**

 **66%**

I'll want to give myself a nice trip,
spending even more than usual
as soon as I can travel

 **66%**

 **60%**

I will travel in my country
and not abroad

GfK facts and figures

GfK is a digital organization with a global presence, headquartered in Germany.

60+
countries

We have a truly global footprint

8,000+
employees

We are a powerful workforce

10,000+
clients

We are a trusted company

3 million+
consumer panelists in
15 countries

We provide diverse insights

15 million+
products tracked

We have a broad portfolio

150,000+
retailer partnerships

We build strong relationships

2 million+
SKUs

We expand our database every year

+20%
CAGR in data volume

We steadily increased our data volume

GfK takes a holistic approach to providing the highest level of research quality



 **Quality standards** Building quality into our processes – internal & external

<p>Global</p>	<p>GfK International Quality Standards for internal GfK country affiliates and preferred external partners</p>	<p>GfK Best Practices applied throughout all our engagements</p>	<p>ISO compliance for global quality assurance</p>
<p>Operational</p>	<p>Fieldwork is conducted under industry quality standards ESOMAR, CASRO</p>	<p>Data processing, tabulations and reporting with GfK ROC Quality Standards</p>	
<p>External</p>	<p>Fieldwork is conducted under industry quality standards ESOMAR, CASRO</p>		





Growth
from
Knowledge

THANK YOU.



Prachi Satoskar
Sr. Business Group Manager -
MENAP

Coronavirus Consumer Pulse Study

Tracking the changing lifestyles and behaviors from fear of the coronavirus; how to navigate the impacts on activities/industries and come out on top (tracking since April 2020)

Global Consumer Life Study

A global data & insight service providing values, attitudes & behavioral insights in the globally since 1997; the largest, longest-standing, most robust study of its kind: 25+ markets, 30k+ consumers

GfK PoS

Understand what the consumers are buying, market size, brand shares, segments and pricing. Adjust your strategy in line with the market for different industries including Automotive, Telecom, IT, Consumer Electronics, Domestic Appliances, Optics

FOR MORE INFORMATION

Contact your GfK Sales Representative or visit the GfK COVID-19 Resource Center at www.gfk.com/coronavirus



Thank you for joining us!

- Replays will be available on www.automechanikaDubai.com/Webinars
- Follow us [@automechanikaDu](https://twitter.com/automechanikaDu) for all updates
- Email us at automechanika@uae.messefrankfurt.com

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