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## RAMADAN - 2021

# WHAT TO EXPECT THIS YEAR?

# EXECUTIVE SUMMARY

While the essence of Ramadan, with its spirituality and sense of community, remains the same, the way consumers celebrate and connect has changed. This report seeks to identify transformed consumer sentiments and trends so that brands and agencies can rethink the way they approach their Ramadan communications in order to not only reach their audiences but also entertain and inspire them.

Despite the uncertainty surrounding COVID-19, the majority of Arab consumers remain optimistic. However, comparison of Ramadan 2021 and Ramadan 2020 findings do show some divergence. While we see a drop in optimism levels, and a greater feeling of exhaustion and loneliness the comparison also highlights a slowly returning confidence.
As a result of this variation, Arab consumers are less likely to prioritize needs over wants and limit their purchases to essentials compared to last year.
Consumers have high hopes for the upcoming month of Ramadan, in spite of their expectations regarding restrictions.
Compared to last Ramadan, they report a higher intent to spend on non-essentials.
Consumers are growing accustomed to a hybrid retail. Yet, during Ramadan, they still want to visit physical stores for shopping.

## ABOUT THE RESEARCH

This document draws on the results of CG Ramadan 2021 Survey, designed to explore the sentiments and behaviors of over 4,000 Arab consumers across key MENA markets: KSA, UAE and Egypt.

# GENERAL CONSUMER SENTIMENTS

Despite the general uncertainty surrounding COVID-19 worldwide, the majority of Arab consumers remain optimistic, with the most optimistic being UAE residents [119].

## TOP 5 SENTIMENTS

| 33% | 30% | 24% | 23% | 23% |
|---|---|---|---|---|
| OPTIMISTIC | CALM | AT PEACE | TIRED | WORRIED |

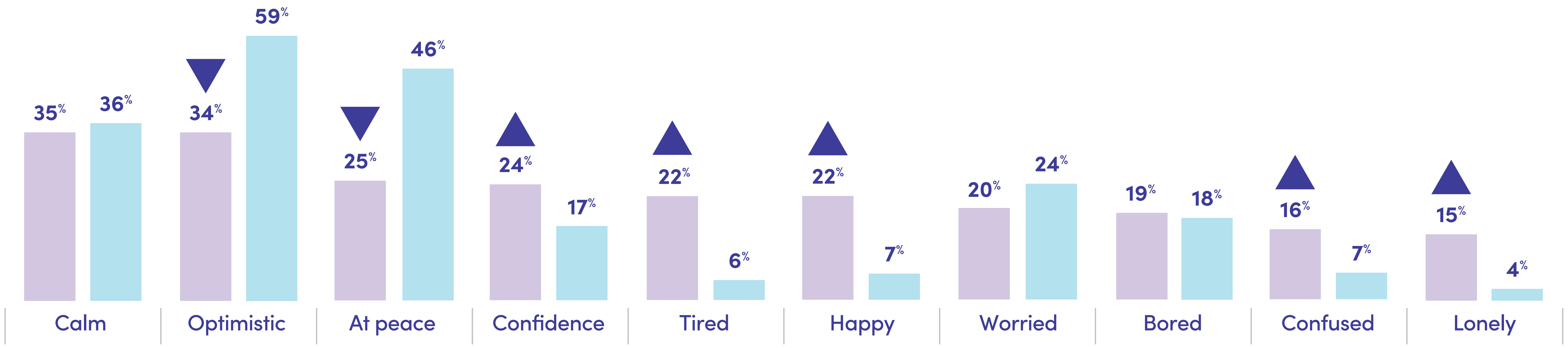
Among the 3 markets, consumers in UAE and KSA express the most positive sentiments. Consumers in UAE tend to feel happier [Index 117] and less confused [74], and consumers in KSA are more likely to feel happy [128], confident [116], and calm [115]. Egyptian consumers, on the other hand, show a higher tendency of feeling confused [120] and a lower tendency of feeling confident [84].

These deviating sentiments echo last year's findings [CG Ramadan/COVID-19 Research - May'20] and can be linked to the way decisions and arrangements are made in the respective countries.

While both the 2020 and 2021 findings highlight optimism as the prominent sentiment, a comparison of the findings shows a drop in optimism levels, and greater feelings of exhaustion and loneliness.
The comparison also highlights a slowly returning confidence.

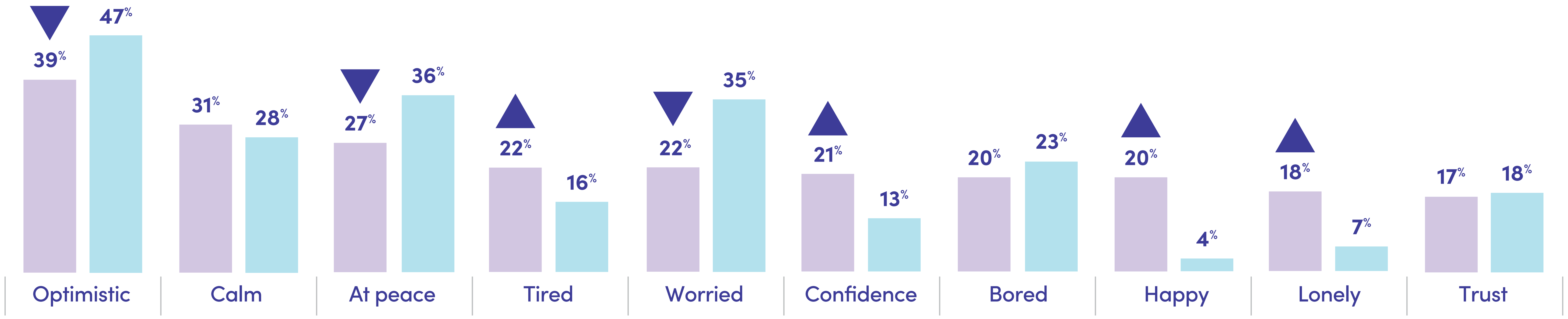
# GENERAL CONSUMER SENTIMENTS

## Top 10 Sentiments - 2021 vs 2020



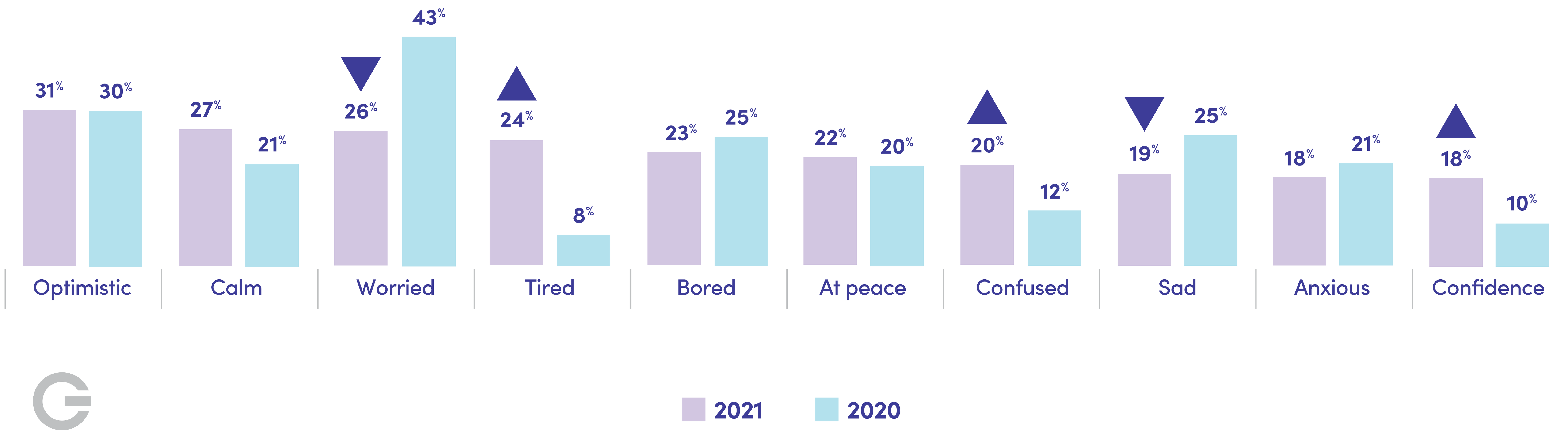

### KSA

Despite being more tired and confused, people in the kingdom feel more confident and happier as compared to the beginning of the pandemic.




### UAE

In addition to the dominant optimism, there is a growing feeling of exhaustion and loneliness.




### EGY

Egyptians seem to worry and fear less than earlier pandemic days. Yet, they show a growing sense of confusion, loneliness, and tiredness.

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Now, a year into COVID-19, the majority of Arab consumers are striving to adapt to the next new normal by reorganizing their lives and shifting their priorities.

Although they try to maintain a positive outlook for the future [71%], more than two thirds [65%] expressed concern regarding the ongoing spread of the virus, despite the availability of vaccines.

## HOW CONSUMERS ARE RESPONDING TO THE CRISIS

**79%** *I now see life from a different perspective – the things I value have changed significantly*

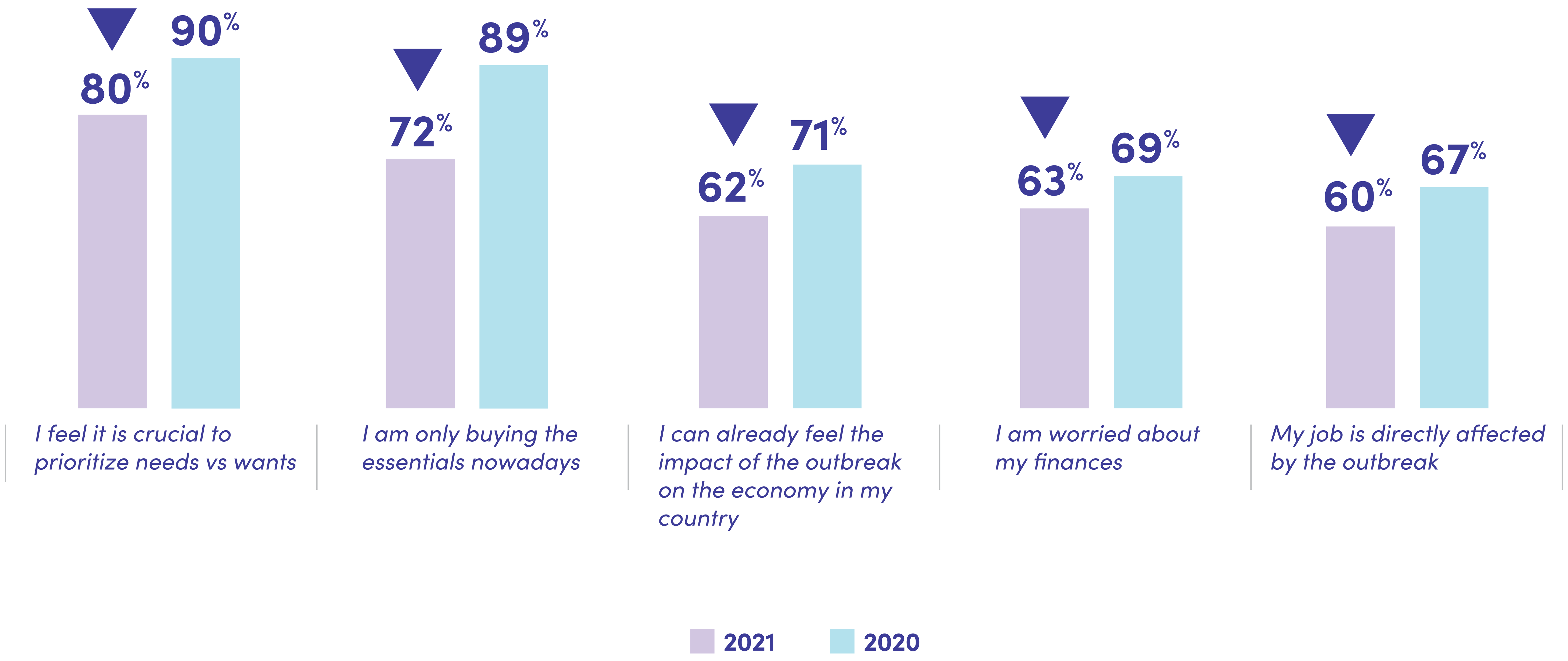
**71%** *I have a positive attitude for the future*

**65%** *Even though there are vaccines available now, I'm still concerned about the increased daily cases*

**48%** *I am more worried today than I was a month ago*

**47%** *I am finding it difficult to cope with this "new" life*

Even with these concerns, less consumers are planning to prioritize needs over wants and limit their purchases to essentials, compared to last year.



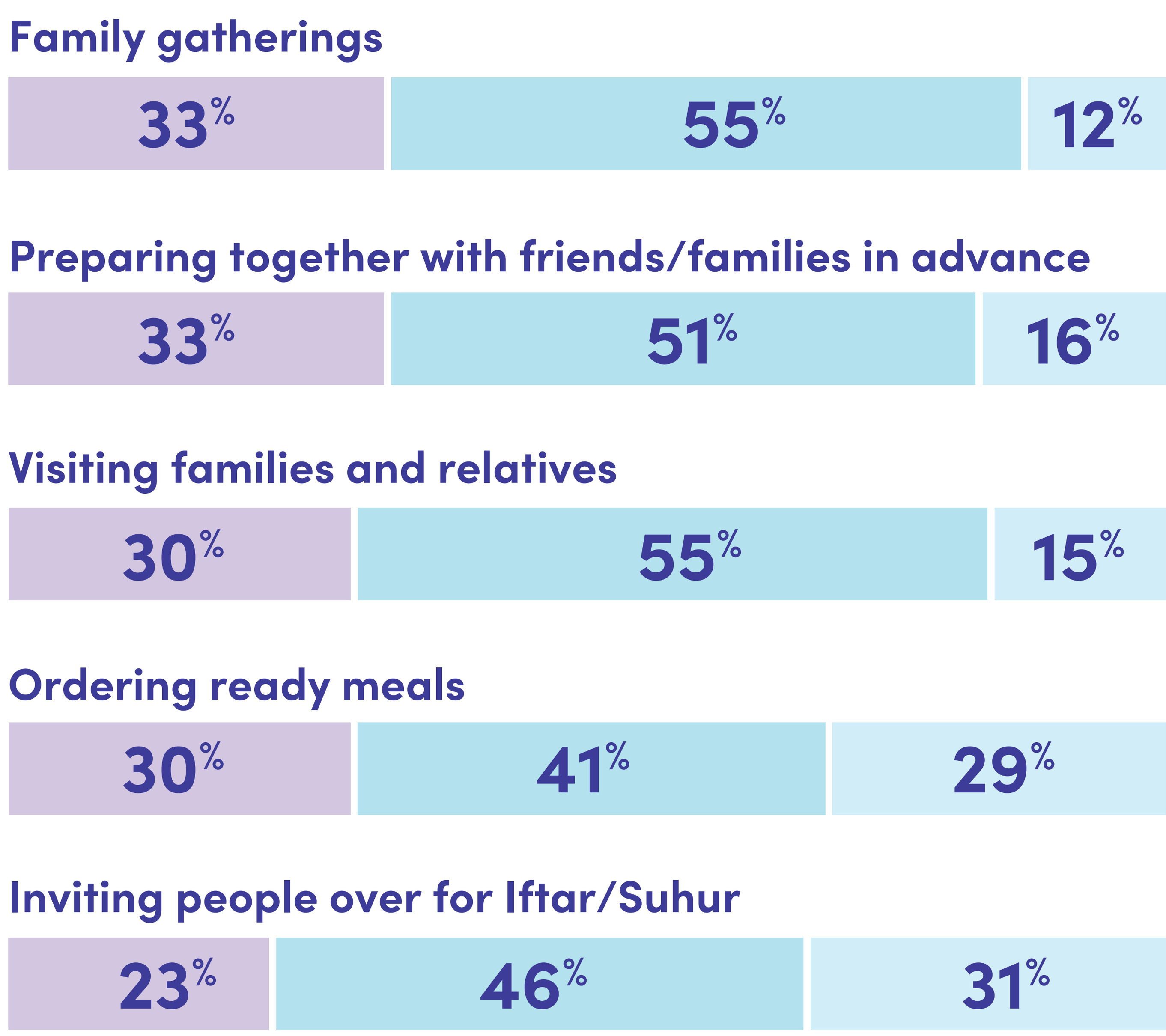
# LIVING RAMADAN

Consumers maintain high hopes for the upcoming holy month of Ramadan and look forward to connecting, reflecting, and being close to their loved ones.

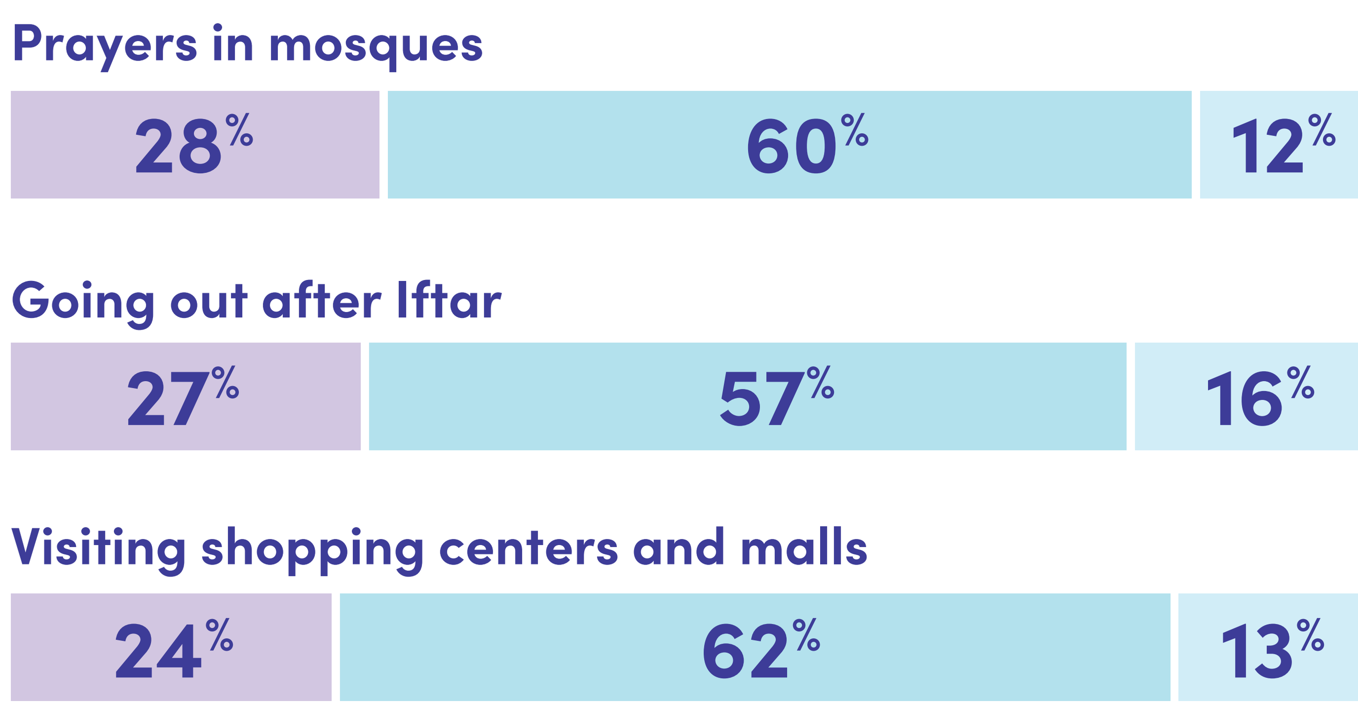
*"I cannot wait for the month of Ramadan to come; I feel it is bringing lots of hope".* **71%**

Having already experienced Ramadan during the outbreak, less uncertainty hangs over this year's holy month and the restrictions that will likely be put in place.

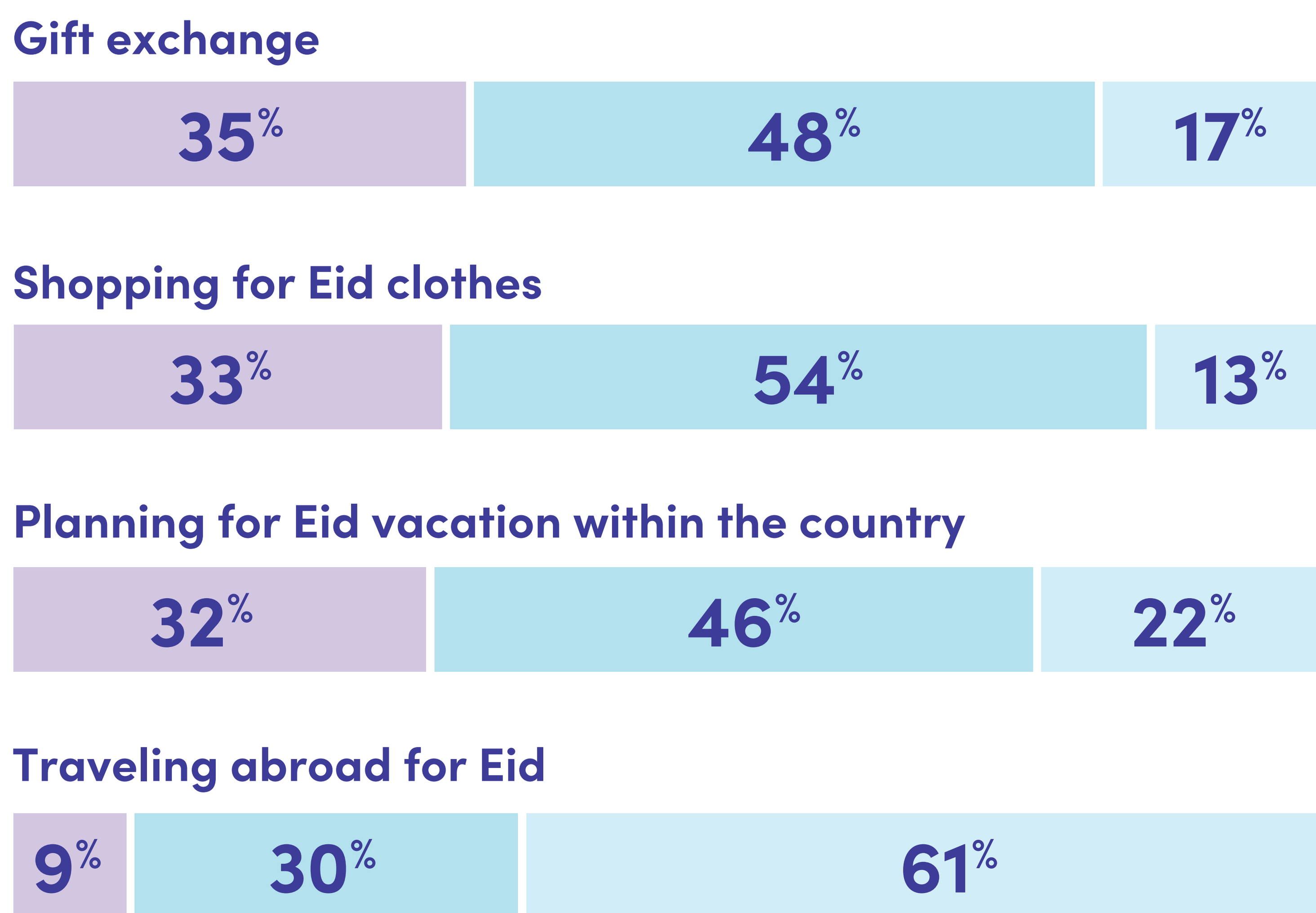
Activities that involve socialization prior to and during Ramadan are expected to be controlled.




Stricter measures are expected to be imposed on public places such as malls, and restaurants as well as activities such as prayer and shopping.




As for Eid Al-Fitr, most consumers believe it will be possible to exchange gifts, shop for Eid, and plan staycations, whether restricted or unrestricted. However, regarding international travel, the majority assume it will not be possible.

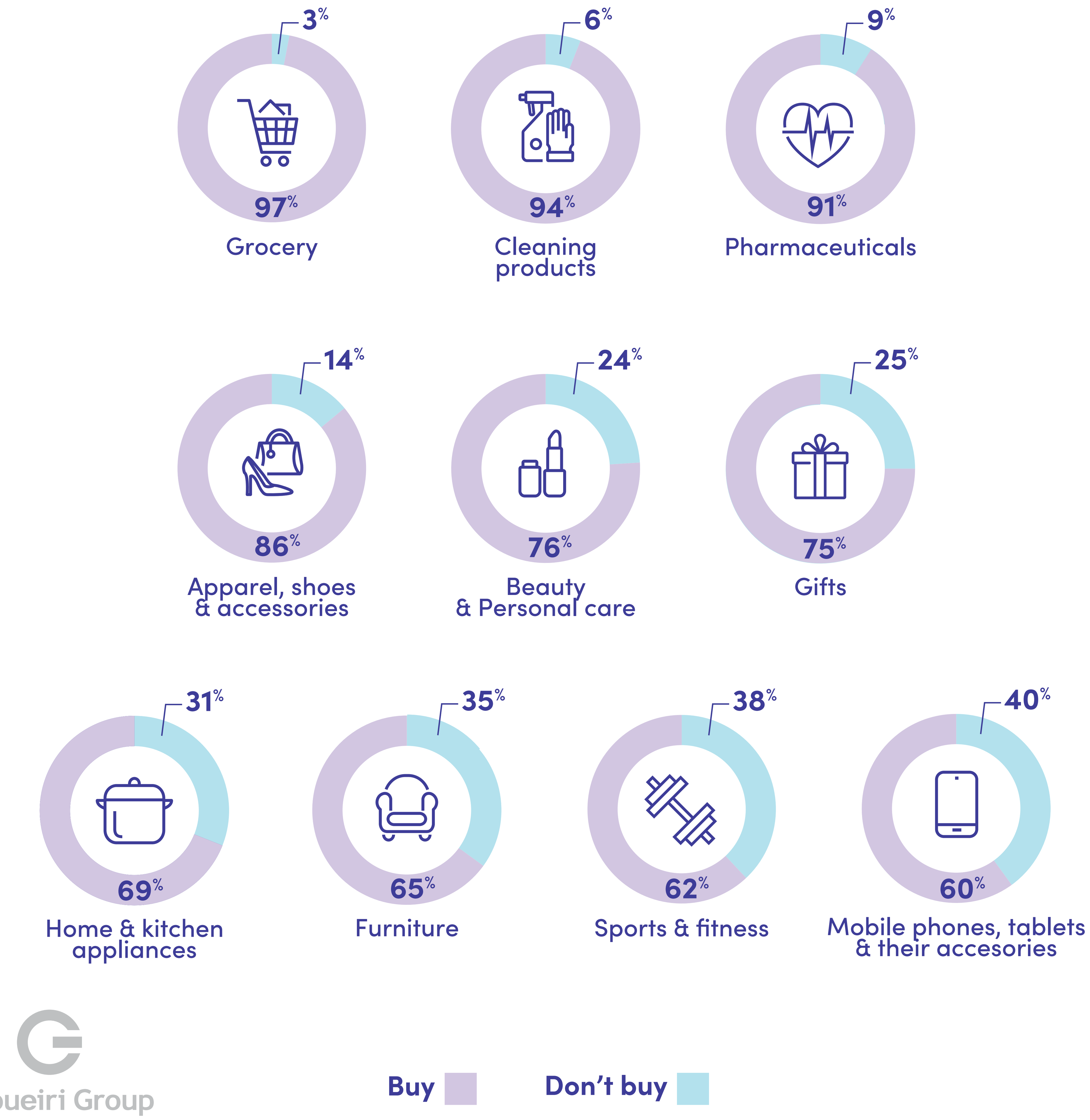



Will be possible as usual | Will be possible with certain restrictions | Won't be possible at all (like last year)

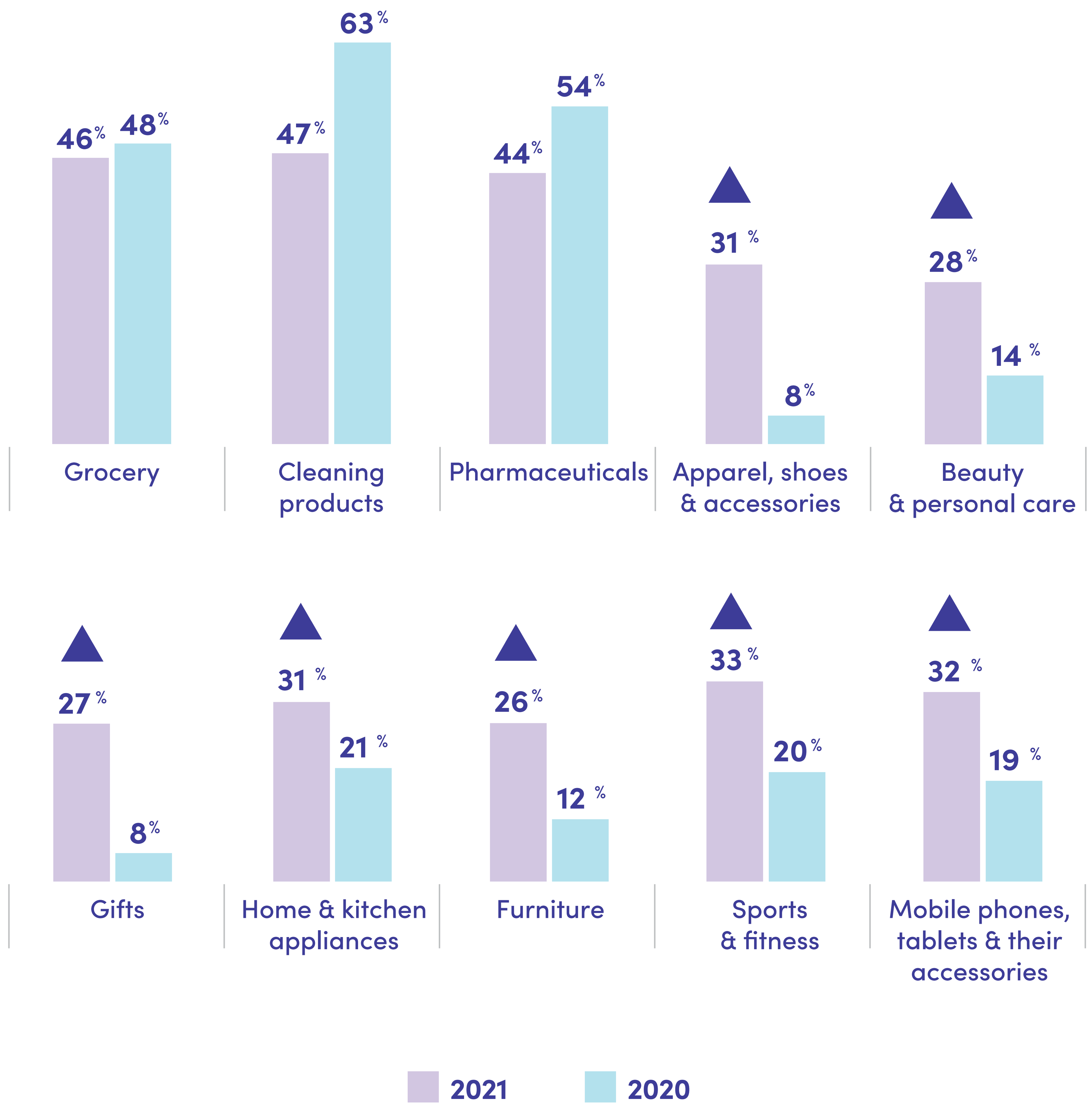
# SHOPPING

Shopping is, was, and always will be a social experience. With sentiments playing a key role in influencing consumer behavior and decisions, it comes as no surprise that Arab consumers are expecting their spending to bounce back beyond grocery and household supplies. Compared to last Ramadan, consumers across markets report a higher intent to spend on non-essentials as the holy month approaches.

## TOP 10 PURCHASED CATEGORIES




## TOP 10 CATEGORIES - INCREASE IN SPENDS

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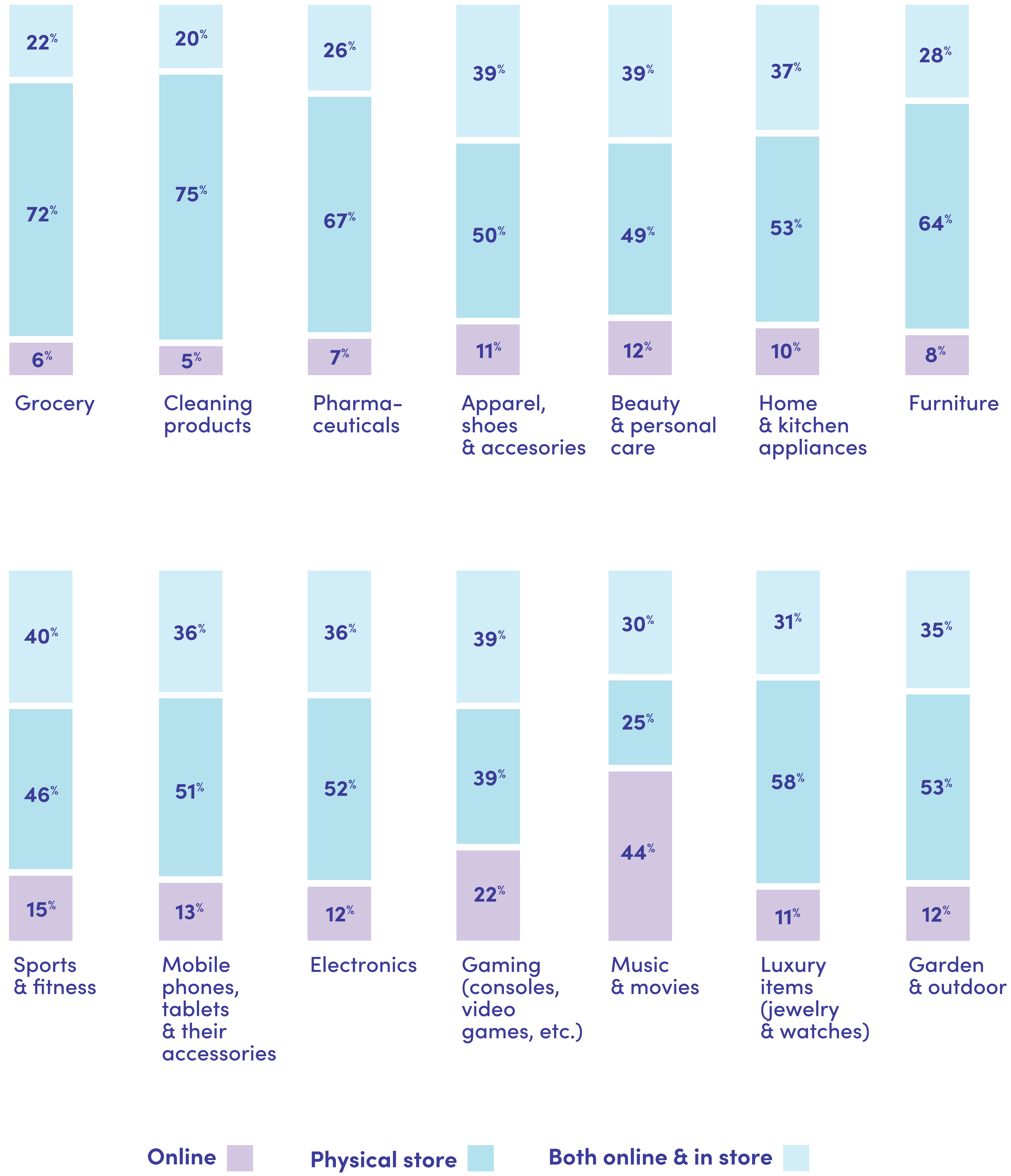
Research also found that while consumers are growing accustomed to a hybrid retail experience (both online and in-store) across categories and markets (but especially in UAE), they prefer to visit physical stores for shopping during Ramadan.

The preference towards online vs offline shopping varies by product category and market. While there is a higher tendency for consumers to visit physical stores for basic necessities, they tend to consider online shopping more for non-essentials, especially electronics (including music and movies, gaming, mobile phones, tablets and their accessories).

UAE residents are more likely to adopt hybrid shopping than consumers in Egypt, who prefer to shop in-store for most categories. This may be due to several factors, one of which is their access to bank accounts and credit cards. Only 23% of Egyptians say they have an active credit card that they currently use compared to 36% in KSA and 41% in UAE.

More than two-thirds of Arab consumers are planning on exchanging gifts on Eid, with clothing [33%], chocolate and sweets [31%], and toys [24%] being the top choices in addition to money (cash or transfer) [20%], especially in KSA and UAE.

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## AUTOMOTIVE

With consumers having shelved plans for major purchases, less people intend to buy a car this year compared to last year [43% vs. 56%], with only 38% intending to buy a car during Ramadan (down from 58% last Ramadan).

Among the auto intenders, nearly 60% believe that Ramadan offers are capable of shifting their brand preference and 70% believe it is necessary to test-drive the car during the purchase process.

Moreover, nearly half [49%] will consider pre-booking the test drive whether online [31%] or through a phone call [18%].

## BEAUTY

Arab female consumers choose to maintain their beauty and personal care habits during this time of the year.
Based on the belief that they are more dehydrated during Ramadan, an increased demand for the use of skin care products [79%] is registered. In comparison to Egyptian women, women in KSA and UAE are more likely to use perfume/makeup during Ramadan and also more likely to worry about their image, especially in regard to social gatherings and occasions.

Clothing continues to be of utmost importance for women in KSA.

However, while abayas seem to be of a great deal for women in UAE and Egypt during Ramadan, less women in KSA consider it as important nowadays (only 34% compared to 50% in 2016, a trend that we started seeing back in 2020 with 37%).

## ENTERTAINMENT

Overall, VOD, Social Media, TV and Video platforms users report the highest increase in time spent during Ramadan.

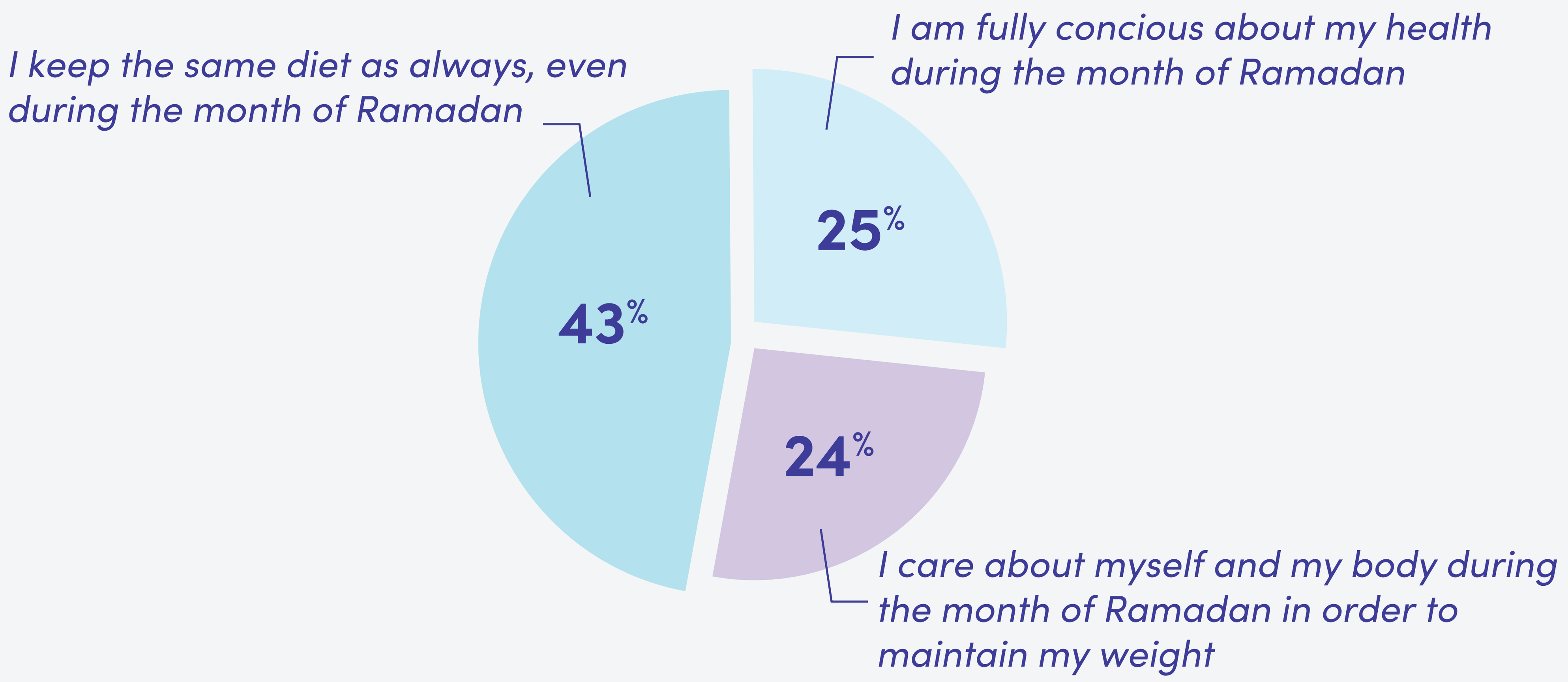
5 out of 10 Video on demand (VOD) users are subscribed to Netflix, with almost half of non-VOD subscribers considering subscribing in the near future.

1-in-5 of non-VOD subscribers are planning to subscribe within the next 3 months (before Ramadan), with Netflix being the most popular platform of choice [45%].

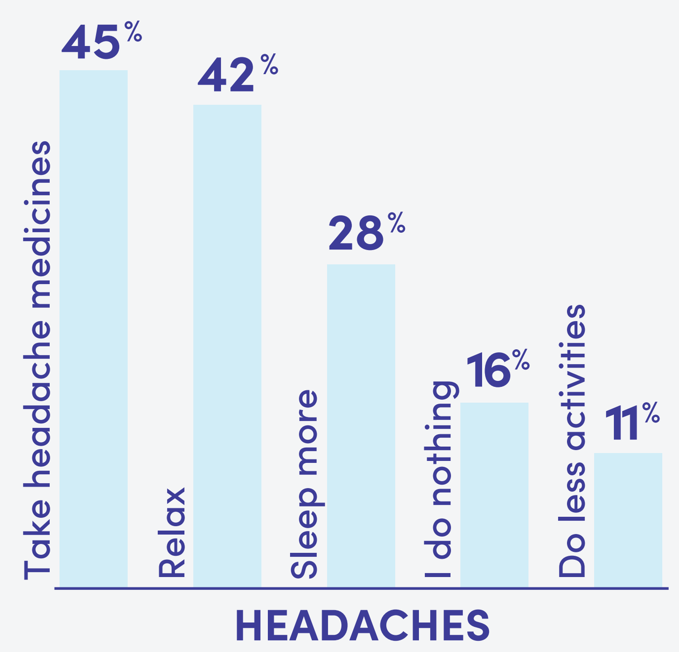
Although music streaming apps are not among the top used media during Ramadan, 50% of their users spend either the same amount of time or more on the apps during the holy month, especially while checking social media platforms [47%], working out [37%], or cooking [32%].

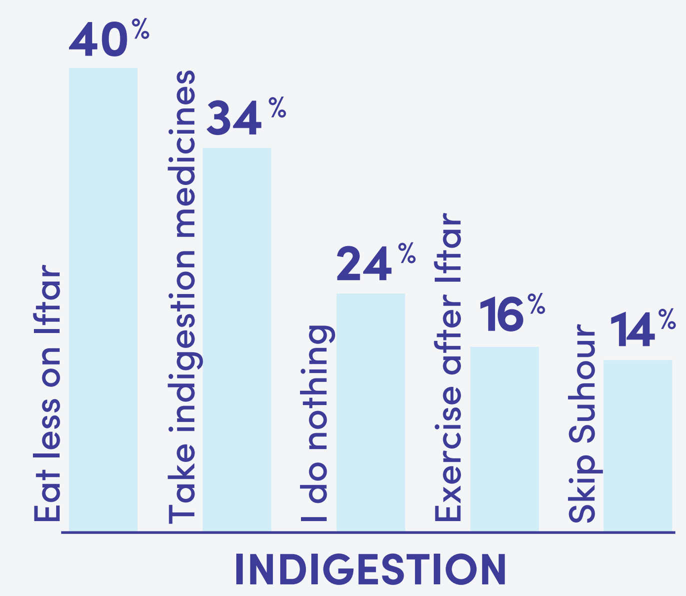
# HEALTH

Ramadan fasting has a unique effect on dietary habits. Many people tend to watch their diets in order to maintain their weight and stay healthy [especially among UAE residents]. Yet, the vast majority tend to maintain their regular eating habits.



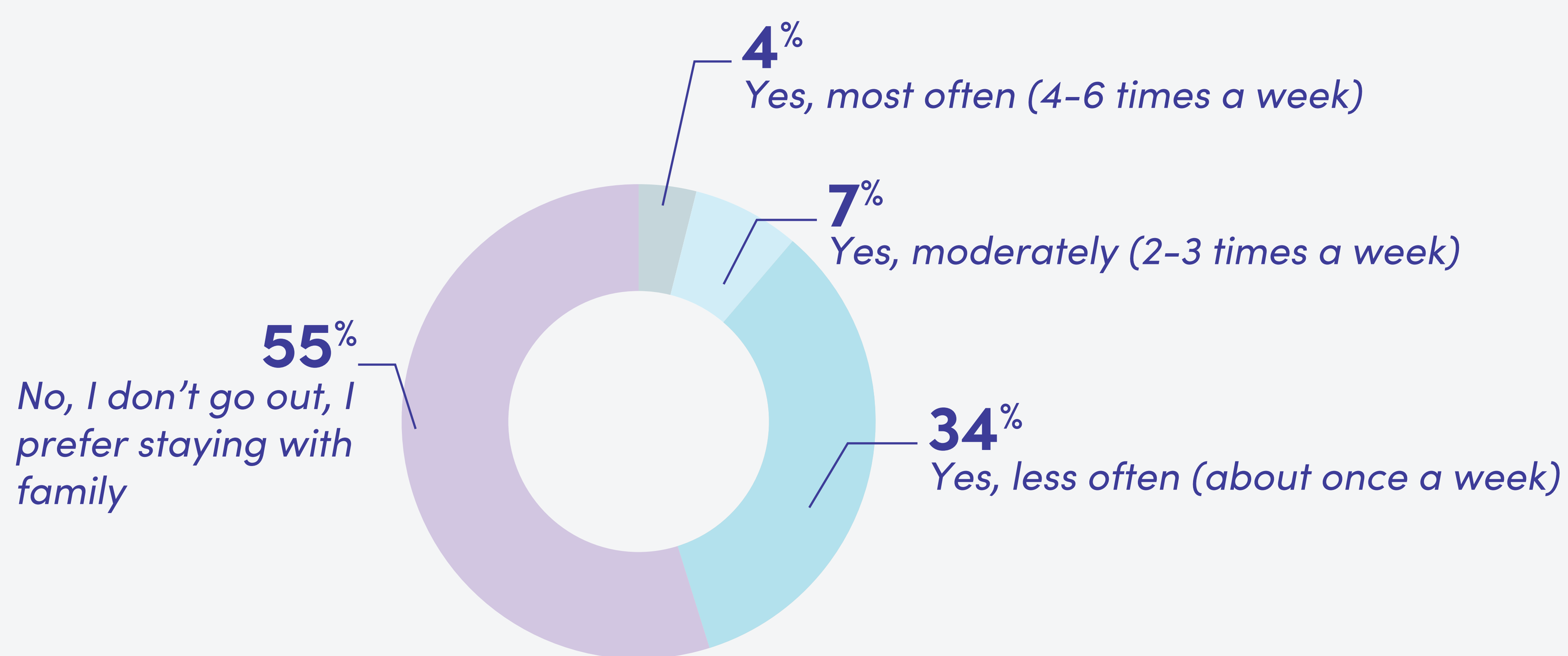

Fasting fatigue is the most common problem faced by people during Ramadan [43%] followed by dehydration [37%], headaches [36%], heartburn [13%], and indigestion [12%]. To tackle dehydration, the majority of people consume water [73%] followed by juice [37%] and yoghurt [32%]. For indigestion, people tend to favor natural treatments such as reducing food consumption during Iftar. As for headaches caused by fasting, medication is preferred by most.




# EATING OUT

Half of the Arab consumers surveyed order food during Ramadan, the majority of which order fast food [48%] followed by main courses [42%] and sweets [37%].
While 45% of Arab consumers said they would go out for Iftar [around once a week], the majority [55%] prefer to stay home.



# CONCLUSION

In 2020, the global pandemic and resulting restrictions disrupted most peoples' plans for celebrating Ramadan, preventing families from coming together and worshippers from visiting mosques. Consumers shifted online, and brands had to quickly adapt their strategies in order to reach consumers virtually. This year, having already experienced Ramadan during the outbreak, consumers are more certain about what to expect. Despite ongoing challenges and strict measures, they remain optimistic and look forward to the Ramadan experience.

COVID-19 has reshaped the way Arab consumers prepare for the holy month, affecting nearly every aspect of consumer behavior and experience, from what and how consumers purchase to the ways in which they respond to advertising. Given the rapidly evolving environment and with Ramadan 2021 fast approaching, there has never been a more crucial time for brands and advertisers to communicate with their audiences and establish meaningful connections at scale. With a higher intent of spending on non-essentials and increased online media consumption and engagement, brands have a unique opportunity to take their creativity further and accommodate consumers' needs with fresh offerings and frictionless online experiences.

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