Global Insights Report
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Consumer behaviours and business strategies during times of uncertainty
The global pandemic created a seismic shift in volume of online activity and experiences in the past four to five months. Not only are people relying on mobile and digital channels to bank, shop, work and socialise — and anticipating more of the same in the coming months — they’re closely watching how businesses respond to their needs.

Between late June and early July this year, we surveyed 3,000 consumers and 900 businesses in 10 countries, including: Australia, Brazil, France, Germany, India, Japan, Singapore, Spain, the United Kingdom and the United States. This report is the first of three in a longitudinal study exploring the major shifts in consumer behaviour and business strategy pre- and post-Covid-19, with economic perception at the epicentre.

There exists equal amounts of optimism and pessimism for how economies are perceived to be recovering. According to our research, some businesses and industries are feeling more bullish than others, and consumers, many already feeling depleted, are bracing for an expected second wave of Covid-19.

Beyond their intense focus on the safety and security of their employees and customers, our research shows that businesses are making strategic investments to give consumers greater access to goods and services and manage customer relationships. They are also exploring automation and cloud technology to relieve operational constraints.

Consumers, however, are seeking reassurance and looking for a sense of security throughout their online experiences. In fact, perhaps more significant, people are making a trade-off between physical risk and online risk — despite lingering doubts about security, it’s still safer online than engaging with people physically.
Top 15 Global Survey Insights

Business operations and consumer financial health

- **65%** of consumers surveyed believe their country has not yet recovered from the economic impact of the pandemic and **30%** reported a decline in household income. India saw the largest decline at 43%.

- **53%** of businesses believe their operational processes have mostly or completely recovered since Covid-19 began. The U.S. (80%) is the most confident and Germany (27%) is the least.

- Since Covid-19 began, the number of consumers having difficult paying their bills has doubled.

- Regardless of income, most consumers are reducing discretionary spend, building up an emergency funds, and tapping into financial reserves.

- Top challenges faced by most businesses are the health and safety of their employees and customers, adjusting operations to support customers, and managing increased demand across channels and functions.
Consumer demand for digital engagement

Half of consumers expect to increase their online spending within the next 12 months and are aware of the potential risk of fraud – but only 39% are concerned about fraud.

80% of businesses say they have a digital identity strategy in place for recognising customers to prevent fraud, a 30-point increase since Covid-19 began.

Consumers cite security as the most important factor in their online experience. 60% of businesses plan to increase their fraud detection budgets in the next 12 months.

42% of consumers are concerned about fraud and have lingering doubts about security of their information.

Top trusted industries are payment service providers, such as PayPal® and WePay®, and retail banks.
Business focus for improving credit risk and fraud operations

1 in 5 businesses lack confidence in the effectiveness of their credit risk and collection decisions since Covid-19 began.

To solve for the lack of economic precedent, 51% of businesses say they’re asking customers to contribute more information and 49% say they’re exploring new or alternative data sources.

The top 3 solutions businesses believe will improve operational efficiency when supporting customers’ financial needs are: automated decision management, cloud-based applications and AI.

Businesses are investing in – strengthening the security of mobile and digital channels, new credit risk analytics and artificial intelligence (AI) models and increasing digital customer acquisition and engagement.

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60% of businesses plan to increase budget for analytics and credit risk management. Businesses in the U.K., U.S., Australia and Spain have already increased adoption of AI and advanced analytics.
Lenders and retailers play a critical role in helping consumers and getting economies back on track. Experian Decision Analytics helps clients around the world to seamlessly integrate data, analytics and technology so that they can quickly adapt decisioning strategies to minimise risk, preserve valuable relationships and remain fair and compliant. From consumers needing short-term support like payment holidays to those facing longer-term challenges like unemployment, businesses are accelerating their digital transformation initiatives to address individual customer needs safely, conveniently and at scale.

Fieldwork dates for this first study was June 20 – July 7, 2020. People were starting to transition out of lockdown and many businesses were starting to re-open. The dates for re-opening in each country, state and city have been different which should be taken into consideration when reviewing these results.