

**Sentiment towards the Coronavirus Impact on Commodity Prices and Skincare Product Buying Behavior**

# **Taiwan December 2021 Update**

The spread of COVID-19 has impacted many aspects of the Taiwanese' s lives, so in our December update, we investigated how they make post-COVID purchase decisions for everyday commodities and skincare products.

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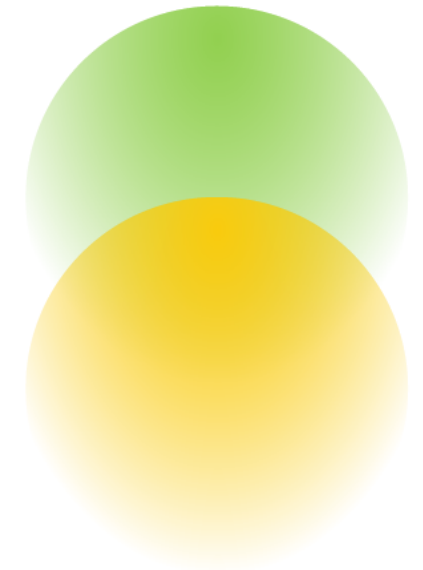
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# Executive Summary

The quintuple stimulus vouchers program that went live in October and numerous shopping festivals along the way towards the end of the year have surely triggered and encouraged spending. However, the surge of commodity prices has also come along with economic recovery. While consumers are fully aware of the rising prices, the demand for skincare products remains the same. Consequently, they are fairly rational when they make purchase decisions or when they see special offers/great deals. They choose to shop according to their plans and buy items with reasonable prices.

- Nearly 90% have used their quintuple stimulus vouchers, mainly on daily necessities including groceries, food/dining/restaurant vouchers. On the other hand, the majority of those who haven't said they are waiting for better deals or rebate programs.
- Overall, 85% of Taiwanese use skincare products. The most frequently used are face cleansers, lotions and toners. As the weather changes, there's a slight increase seen in products with more sticky feel or moisturizing features such as hand cream, and cream/facial cream. In addition, 23.2% said they will use skincare products more often in the next 3 months.
- 47.9% have bought skincare products during shopping festivals, mostly during Singles Day, followed by anniversary sales. The majority of consumers shopped according to their plans. As the shoppers said their incentives are lower prices/special offers, and purchasing more items to qualify for the deal/gift rewards, this shows they are shopping rationally and discounts remain to be the most effective incentive.

# Report Details





# Outline



## Data Collecting

953 samples were collected during 1 Dec – 5 Dec 2021 via our online panel on those aged 18-60 in Taiwan



## Data Weighting

The collected data was processed and weighted to better represent the Taiwanese online population

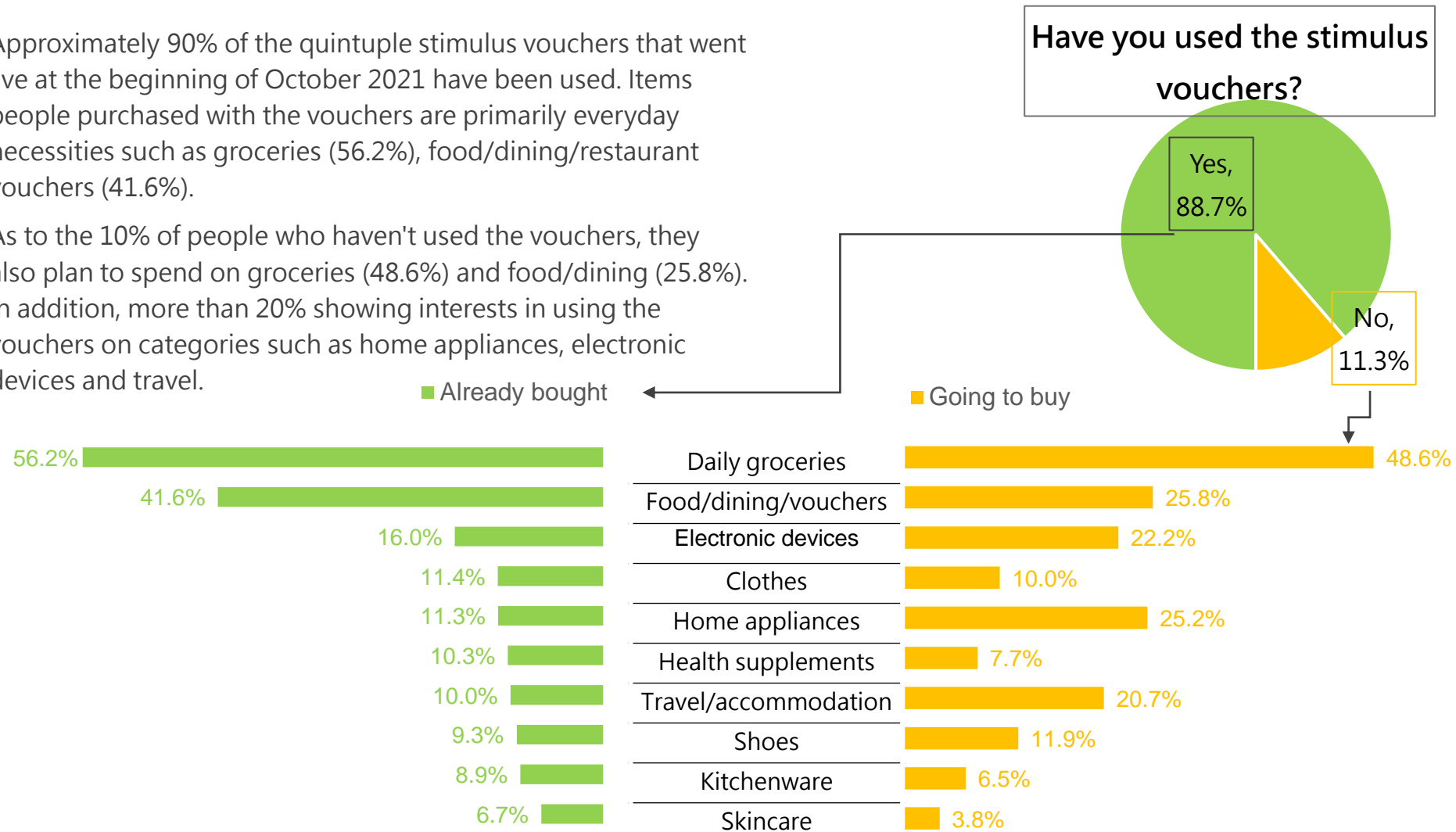


## Insight Sharing

The results are now shared to help inform decision makers about Taiwanese people's sentiment towards the current situation

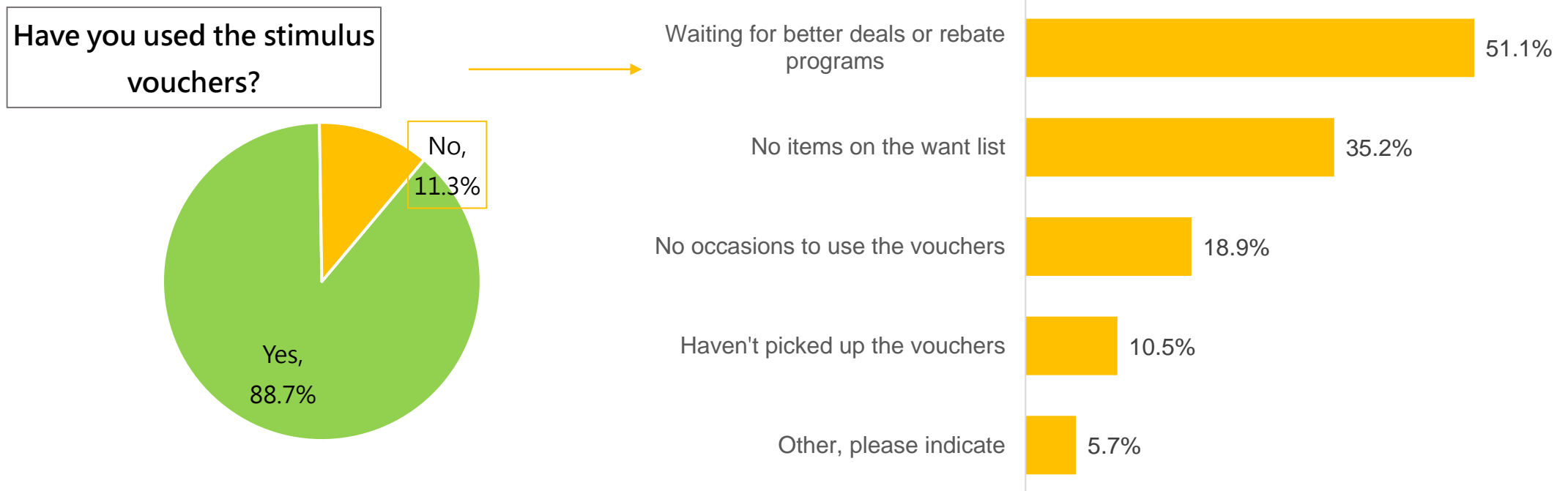
# How Taiwanese use quintuple stimulus vouchers

- Approximately 90% of the quintuple stimulus vouchers that went live at the beginning of October 2021 have been used. Items people purchased with the vouchers are primarily everyday necessities such as groceries (56.2%), food/dining/restaurant vouchers (41.6%).
- As to the 10% of people who haven't used the vouchers, they also plan to spend on groceries (48.6%) and food/dining (25.8%). In addition, more than 20% showing interests in using the vouchers on categories such as home appliances, electronic devices and travel.



# Reasons for not having used the vouchers

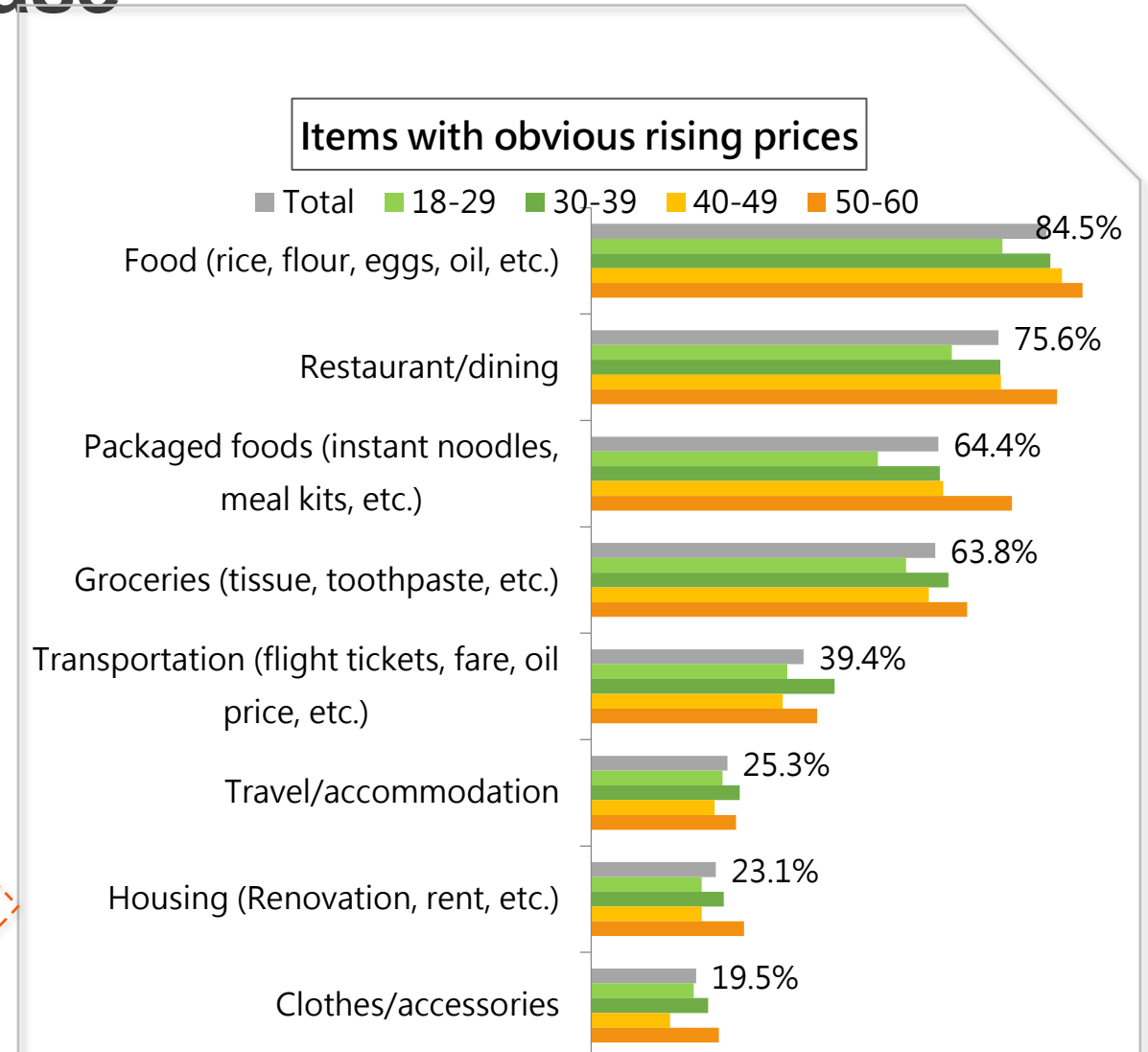
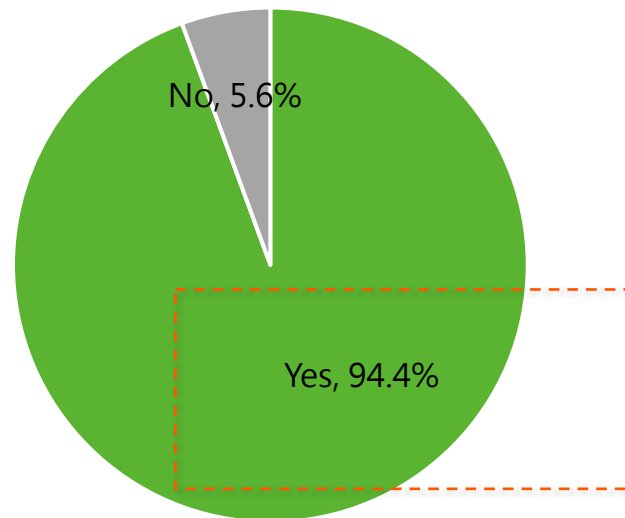
- Among those who haven't used the vouchers, the majority are waiting for better deals/rebate programs (51.1%). Besides, 35% said there's nothing they want to buy for now.



# Perception of price increase

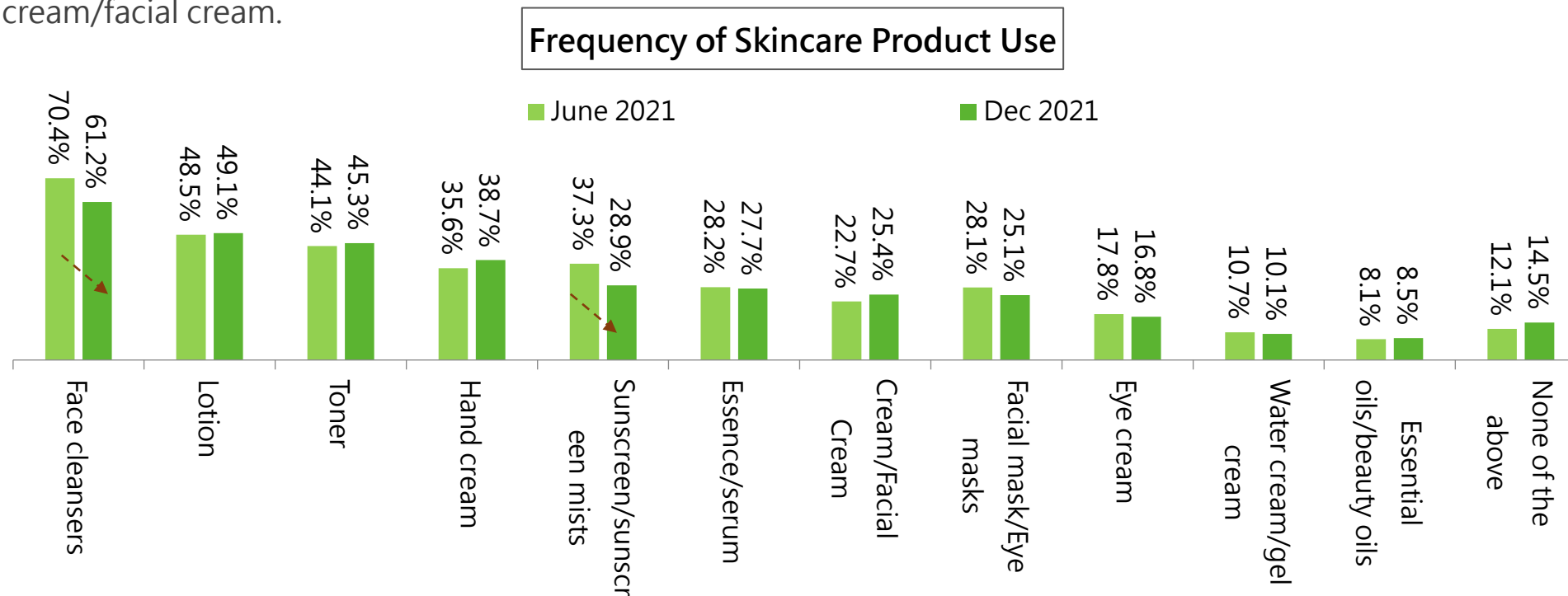
- 94.4% said it's obvious that the prices have gone up based on recent shopping experiences, especially items like dining at restaurants (84.5%)
- As a whole, people between 50-60 are the most attentive to the price increase. Moreover, people in the 30s are the most conscious about the increase of transportation, and travel/accommodation cost.

## Are you aware of the rising prices?



# Frequency of skincare product use

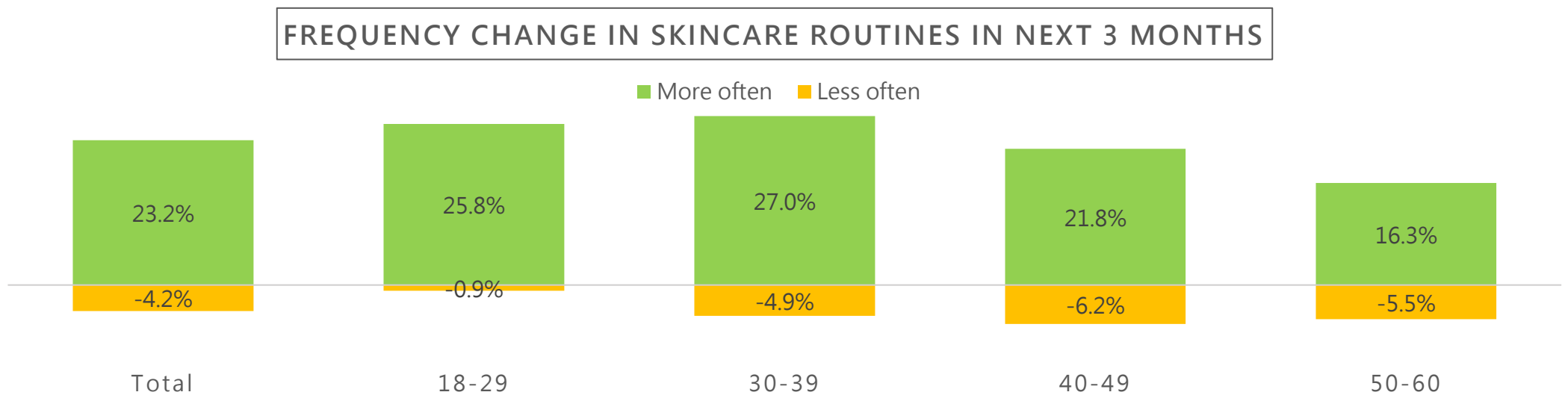
- This year, our June survey found 87.9% of Taiwanese using skincare products whereas it's 85.5% in Dec survey, which shows no much difference from June.
- The two surveys also found similar skincare routines. The most frequently used products are face cleansers, lotions and toners. As the weather changes, there's a significant drop in cleansing products and sunscreens. However, there's been a slight increase in products with more sticky feel or moisturizing features such as hand cream, and cream/facial cream.





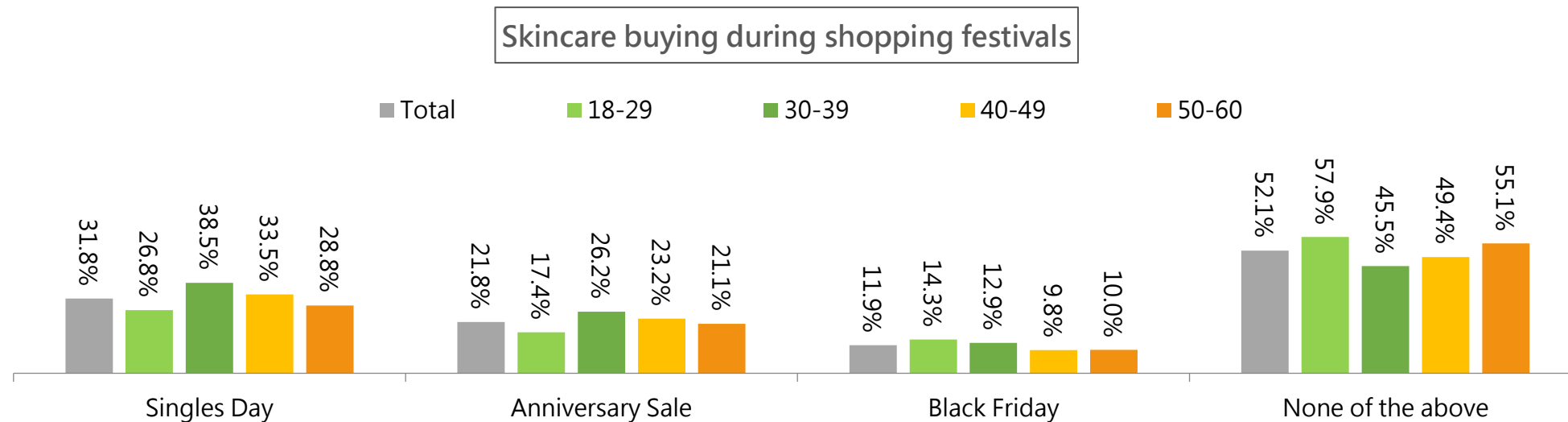
# Frequency change in skincare routines in next 3 months

- 23.2% of people believe they will use skincare products more often in the next 3 months. Those between 30-39 will increase their frequency of use the most, followed by the 18-29-year-olds.



# Skincare buying during shopping festivals

- 47.9% have bought skincare products during shopping festivals, mostly during Singles Day (31.8%), followed by anniversary sales (21.8%). Black Friday has the lowest percentage, with only 11.9%.
- People in their 30s demonstrate the strongest buying power during shopping festivals among all age groups, especially during Singles Day and anniversary sales. As to Black Friday, people between 18-29 spend slightly more.

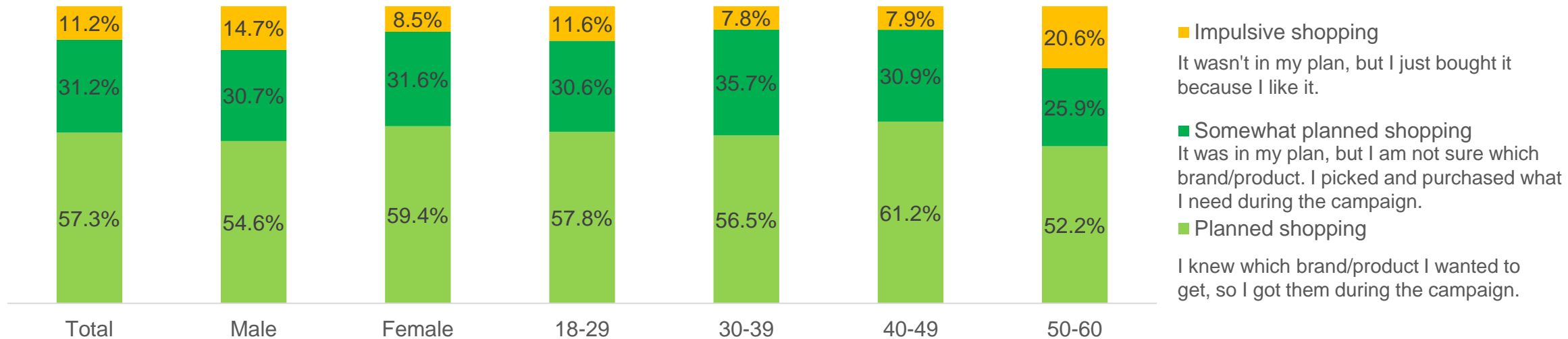


Q. Have you bought skincare products because of any of the following shopping festivals/events, whether it's online or at physical stores (multiple choices)

# Attitudes towards skincare buying during shopping festivals

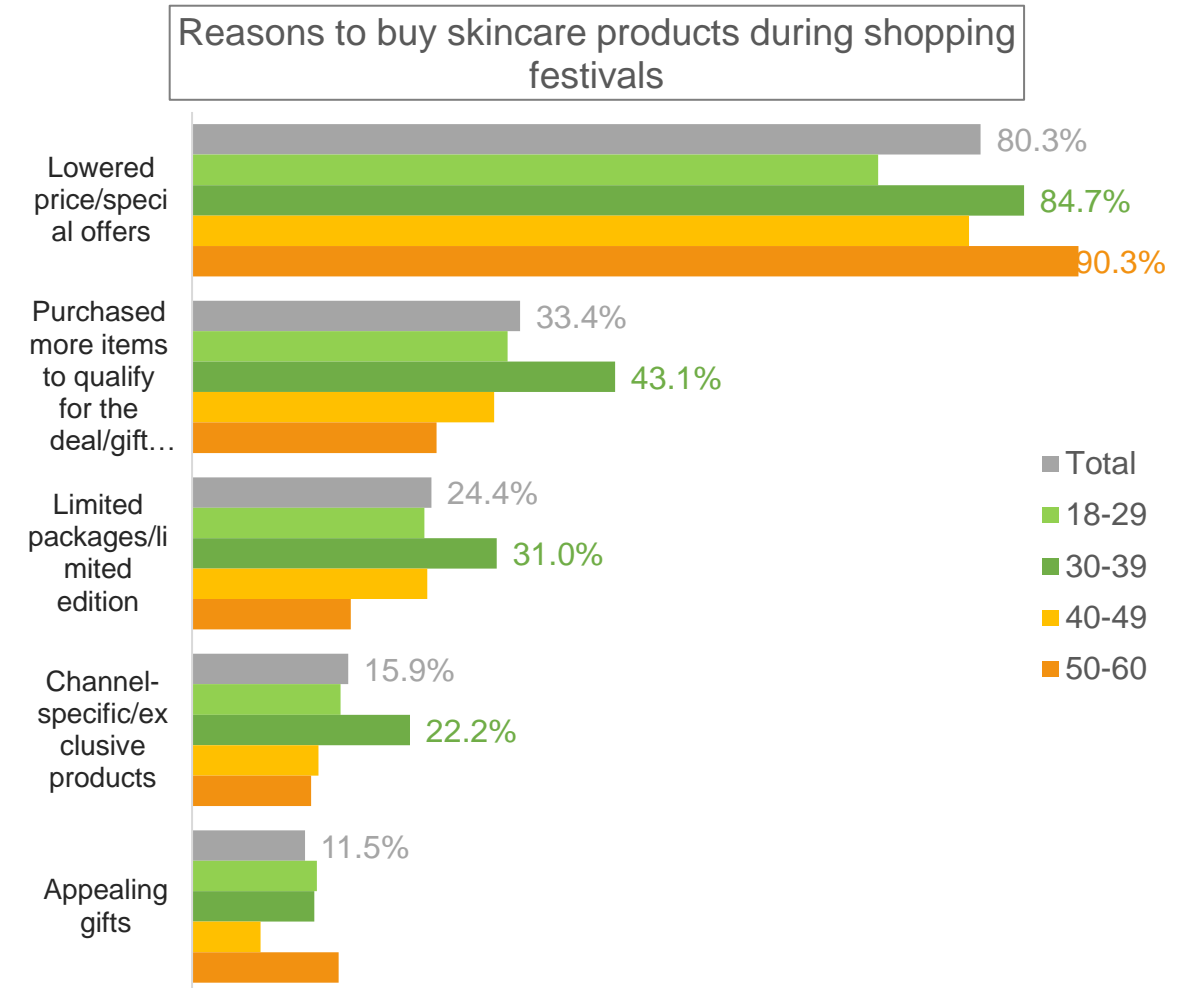
- We asked people who had made purchase during the shopping festivals about their attitudes. The majority said they shopped according to their plans (57.3%), which means they had a certain brands/products in mind and successfully purchased what they need during the campaigns. There's also 30% of people who somewhat stuck to their shopping plans, which means they had what they need in mind but unsure about the brands or the products, so they picked and made choices during the campaigns. The replies show that the majority of consumers are making purchases purposefully to satisfy their needs.
- In contrast, male and consumers between 50-60 show higher percentage of impulsive shopping. The survey result shows that they are more easily affected by the festive campaigns and inclined to make unplanned purchases.

Attitudes towards shopping during shopping festivals



# Purchase incentives of skincare products

- For people who had made purchases during shopping festivals, we followed up and asked what had encouraged them to spend. 80% believed it's because of lowered price/special offers, and 33.4% purchased more items to qualify for the deal/gift rewards. The replies show that it's still all about the price war.
- What's more, 24.4% said it's because of limited product package while 15% were attracted by channel-specific/exclusive products. Therefore, limited edition and exclusiveness are also influencing factors to trigger buying in addition to more favorable prices.
- In general, reduced prices are the main trigger for people in the 50s to spend, followed by people in the 30s. This group is also the most vulnerable to limited editions/exclusive products, and thus decided to buy skincare products during shopping festivals.



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