



Responding to COVID-19

India country report

December, 2020

About this report

- 2020 has been difficult for all. The COVID-19 pandemic, the only event in the past 100 years with such unprecedented impact, has claimed 1,713,152 lives (and counting) across the globe and crippled the economies of numerous countries. The year has witnessed restricted mobility, a constant fear of exposure to the deadly virus, loss of loved ones, and loss of income.
- We have been tracking the impact of the pandemic on low- and middle-income (LMI) households, which have uncertain and irregular incomes. The daily income in these households ranges between USD 0-12.
- This report presents the impact of COVID-19 based on the second round of data collected in July, 2020. We spoke to 219 LMI households across India between 25th June to 22nd July, 2020 for round 2 and 144 households between 1st to 17th April for round 1.
- Please see the annexes for the research methodology and a note on the difference between data from rounds 1 and 2.
- This report has the following four subsections: (i) Key insights and recommendations; (ii) Knowledge, attitude, and practices of LMI segments toward COVID-19; (iii) Impact of the pandemic on households; and (iv) Impact of the pandemic on digital life.
- Wherever possible, we have provided a comparison with the data obtained in round 1 during April, 2020. We encourage you to visit our interactive data dashboard [here](#).

Lead authors:

Mohak Srivastava

Parul Tandon

Reviewers:

Akhand J. Tiwari

Rahul Chatterjee

Contributions:

Data quality assurance and dashboard:

Mohak Srivastava

Data collection support:

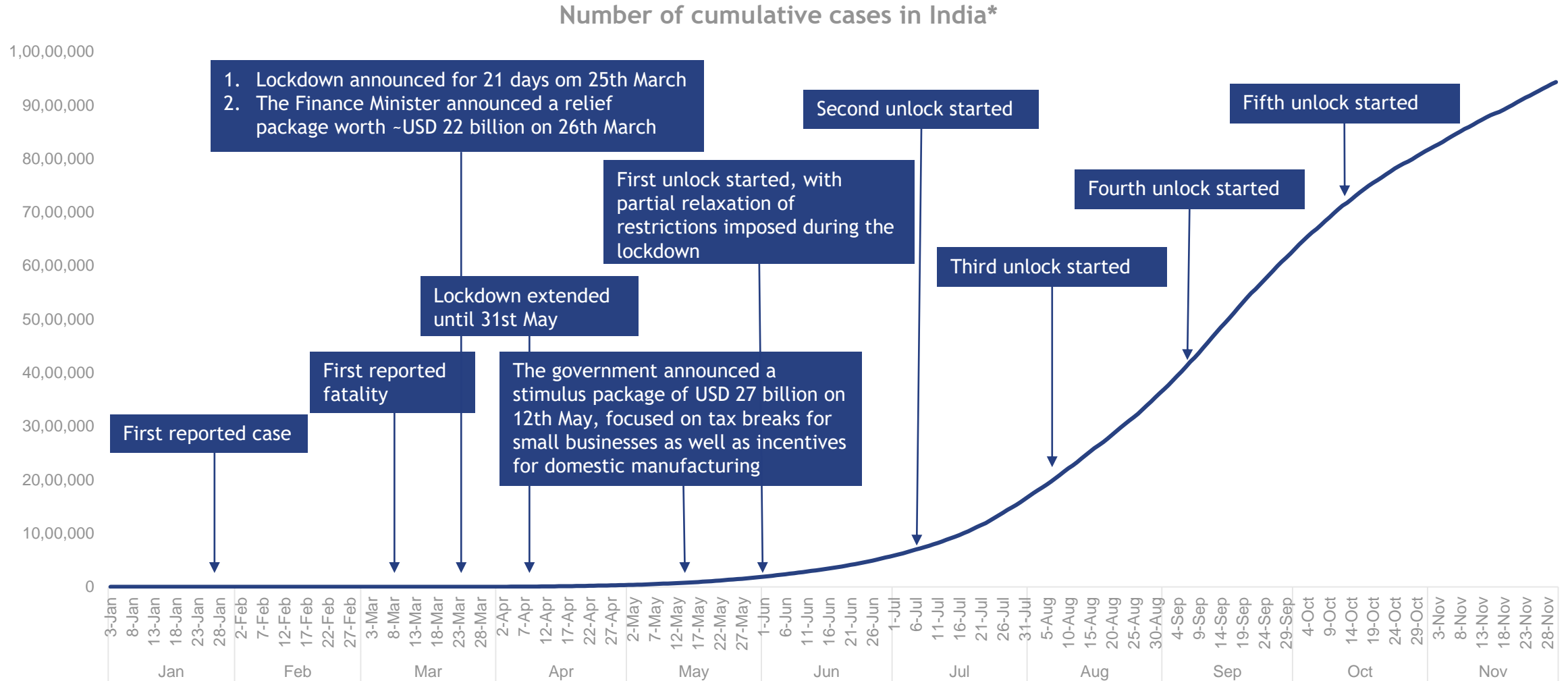
Aeon Research (India)

Copy edit support: Dhruvi Sharma

Design support: Vinod Hatwal

The COVID timeline in India

India witnessed a rapid increase in infections despite the government's efforts to curb the spread of the virus



*Data source - [WHO COVID dashboard](#)



Key insights and recommendations



The need for communication and behavioral change

Recommendation 1: Refined messaging and behavioral change communication is needed to address nuanced information gaps and, in particular, maintain protective behaviors like masks and social distancing

Key insight

Despite a basic awareness of COVID-19, respondents lack holistic information

- 90% of the respondents can rightly identify the basic symptoms and mode of transmission of COVID-19.
- However, gaps in information persist, such as the knowledge of asymptomatic cases and fatality, among others.

Recommendations

Expand and refine the current communication content

- The identification of knowledge gaps among the masses is essential. For example, people lack the existence of asymptomatic cases and fatality rate from COVID-19, as identified in this and this report. The government should then incorporate these into its communication campaigns.

Key insight

Improper and inadequate practices lead to a steady rise in infection

- Almost 70% of the population believes that most, if not all, of the population follows the right practices though the cases of infection continue to rise.
- Anecdotal evidence suggests that masses have not been following the right practices.
- People need to adhere to these practices with a focus on proper sanitation and social distancing, among others.

Recommendations

Develop communication messages to address behavioral issues and use the right channels to deliver messages

- The government should use a 360-degree marketing campaign for behavioral guidance under the new normal.
- Emphasis on right practices using an SBCC approach (Social and Behavior Change Communication) should be the core message.
- With 96% of people who rely on TV for information, it should be the key channel to drive behavioral change and reduce misunderstandings.

COVID-19 has affected women more adversely

Recommendation 2: The promotion of gender-intentional services and support systems is essential to restore the balance.

Key insight

COVID-19 has affected women more severely

- The rise of the care economy and additional household responsibilities have affected women more severely than men. Around 81.2% of women, as compared to 26.1% of men, participate in unpaid domestic services. These women spend, on average, 4 hours and 59 minutes on domestic activities each day, as compared to 1 hour and 37 minutes for men.

Recommendations

Push women-inclusive design of services and support systems.
The government should focus on the following measures:

- Revise the draft form of [National Policy for Women \(NPW\)](#) to account for the damage caused by COVID-19 and help women recover faster
- Better utilize [gender-disaggregated data \(GDD\)](#) for decision-making. Data-based insights should play an integral role in the development of gender-inclusive strategies and policies in the public and private sectors
- Formalize the care industry of India, as it has the potential to absorb [10 million women](#) into the workforce and create another 4 million jobs. This would provide a much-needed push for women currently out of work. [Uruguay](#) has followed a similar approach.

Households remain affected by COVID-19 but many respondents have been returning to work

Recommendation 3: Prioritize employment generation to boost the economy, increase incomes, and reduce vulnerability. An effective implementation of the recommendations of the Group of Ministers can help achieve this goal

Key insight

Household economies continue to feel the impact of the pandemic. However, Round 2, conducted in July, saw a greater number of respondents returning to the workforce, as compared to the previous study conducted in April, 2020. 26% of the respondents in round 1 reported a loss of jobs or wages, compared to 8% in round 2.

- More than half of the respondents reported a decrease in their income since the onset of the pandemic.
- The Prime Minister has formed a Group of Ministers (GoM) for skill development and employment generation amid the COVID crisis to come up with a National Employment Policy (NEP) within four months.

Recommendations

Prioritize employment generation to boost the economy

- The efforts of the government need to move from palliative support to employment generation.
- Interventions like skill mapping and upskilling of the population are needed to stimulate employment generation.
- The GoM should ensure thorough and efficient implementation of its recommendations.
- Monitoring and tracking should be conducted at regular and frequent intervals, and reported on rigorously for sustained impact.
- The government should focus on building local economies through agriculture, rural manufacturing, improved access to credit for street vendors, and the development of infrastructure.

The increase in digital adoption has not been uniform and women continue to lag

Recommendation 4: Regulatory support, agent outreach, and behavioral nudges play a crucial role in digital adoption

Key insight

Digital adoption has been increasing but not uniformly among the population segments

- Despite an increase in digital adoption during the pandemic, [gaps in gender](#) still exist.

Recommendations

Regulatory support

- Interventions like reduced transaction charges, incentives for digital transactions, increase in the daily limits of transactions, among others, from regulators and financial service providers can help push the agenda of DFS. [Kenya](#) and [Bangladesh](#) followed a similar approach.
- Regulators can also set up a specified task force for this purpose, identify more P2G and G2P opportunities, and support financial institutions with digital interventions like [eKYC](#), among others.

Provider-level support

- The recently introduced [doorstep banking](#) in India seeks to provide customer service at the doorstep through banking agents and universal touchpoints including call centers, web portals, or mobile apps. This can prove beneficial for the financially unserved segments of the population. The application of similar strategies on a larger scale by various stakeholders, such as private banks and mobile money providers, among others, can lead to a more inclusive environment in the country.

Nudge intervention for late adopters

- Nudge interventions are needed to facilitate conversion to digital payments. The involvement of frontline workers, such as bank agents, SHGs, bank Sakhis, and other stakeholders can help increase the rate of digital adoption.
- Training these frontline workers on gender-specific issues can encourage greater adoption of digital payments among women customers.
- Educating and hand-holding the vulnerable sections of society on customer protection can help overcome their [risk aversion](#) and increase the adoption of digital payments.

**Knowledge, attitude, and
practice of the LMI segment
toward COVID-19**



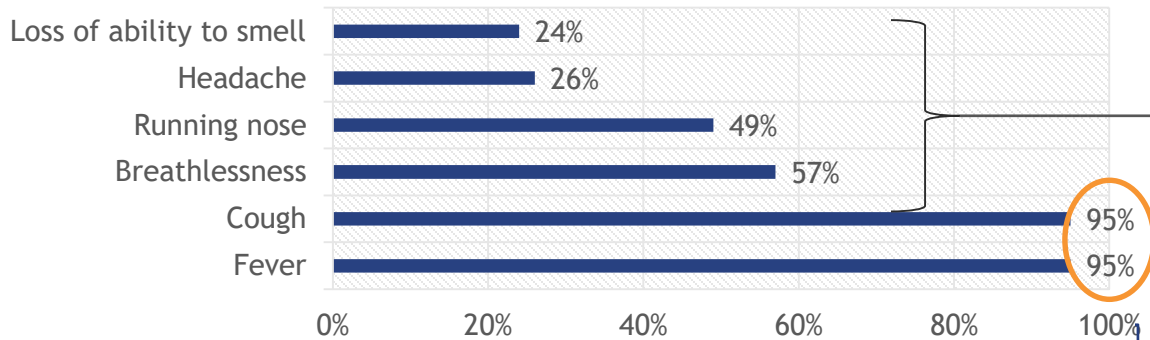
Though most respondents have a basic level of awareness about COVID-19, there is a lack of understanding of the nuances on several aspects of the disease

Most COVID-19-related communication is focused on common symptoms and practices. A significant portion of the LMI segment lacks a nuanced understanding.



Most people are aware of how the disease spreads. 98% of respondents identify contact with an infected person or object as the major reason for the transmission of COVID-19

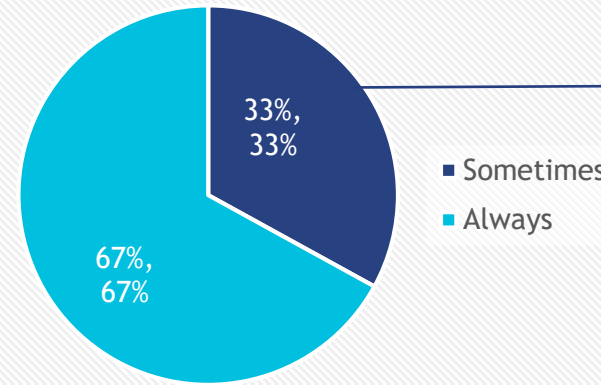
What are the symptoms of COVID-19?



90% respondents can identify the two primary symptoms of COVID-19



Will an affected person always show symptoms?



One in three respondents remain unaware of asymptomatic cases

The knowledge of secondary symptoms is still low

Public practice-needed to counter COVID-19 lacks on several fronts

Lack of stringency in following regulations and adjusting to the new normal leads to people worry about the future COVID holds for them

Changes in public

- Masks have become essential, with 90% of respondents who report they wear a mask while going out. 88% of respondents in round 2 purchased masks for their family members, compared to only 32% in round 1.
- 84% of respondents claimed they washed hands with soap. The same number of people state they cover their mouths with a handkerchief while sneezing or coughing.
- Almost 70% of respondents believe that most or all of the population follows the guidelines to prevent COVID-19.



Image Credit: AFP



Image Credit: TOI



Image Credit: Reuters

Gaps that persist

- Despite high awareness of the right practices to prevent COVID-19, a recent survey by a leading business daily stated that only 40% of people comply with these practices.
- Several instances of the incorrect use of masks have been noticed, such as masks pulled under the chin, not covering the nose, and hung loose, among others. Both government and private initiatives have been launched to educate people on the correct practices but there is a gap in the enforcement of necessary nuances for these practices.
- 49% of respondents report maintaining a social distance while going out. However, various articles highlight the difficulty faced in the strict implementation of social distancing in densely populated countries like India.

The relaxation in restrictions have led to an increase in socializing. Our data highlights that the number of people who occasionally leave their houses to socialize has doubled from 5% in round 1 to 10.5% in round 2. This, coupled with a lack of nuances in following the correct practices, can make it harder to contain the spread of COVID-19.



Impact on households

Despite a dip in the incomes of more than half of the respondents, most remain optimistic and believe the decline is only temporary

Early signs of recovery are visible as more respondents in round 2 rejoined work

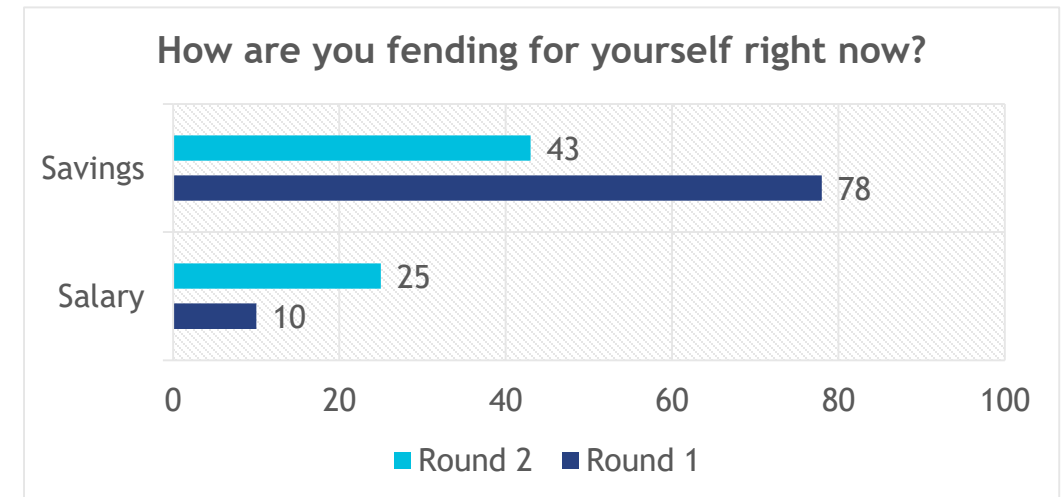
Impact on the household income

- More than half of the respondents reported a dip in income (55%) due to the lockdown, as compared to 60% in round 1. However, a comparison of data from both rounds reveals that more people have rejoined the workforce, with 26% of respondents in round 1 who mentioned a loss of jobs or wages, as compared to only 8% in round 2.
- Moreover, most respondents (94%) believe the impact of COVID-19 on their income is only temporary.

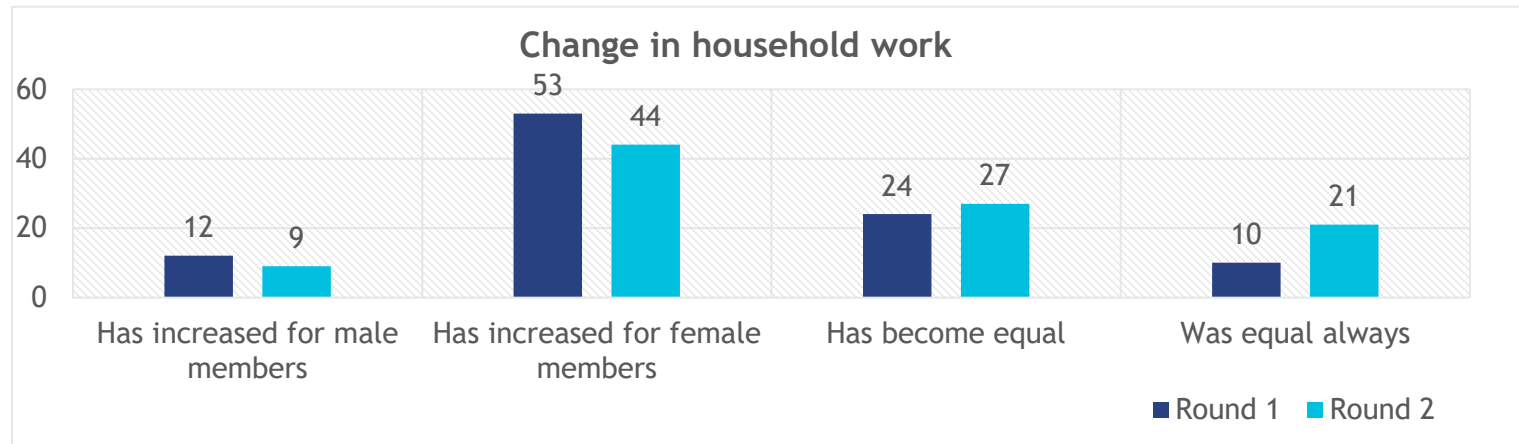
- The nationwide lockdown, which brought a halt to most industrial and commercial activities, also led to the displacement of over 10 million migrant workers.
- As the country continues to gradually unlock, people have been returning to work. Migrants have also been traveling back from their home states in hope of jobs.
- With early signs of recovery evident in the Indian economy, the government has initiated measures to accelerate the pace of employment by promoting the SME sector. Such endeavors need to continue and expand.

Coping strategies

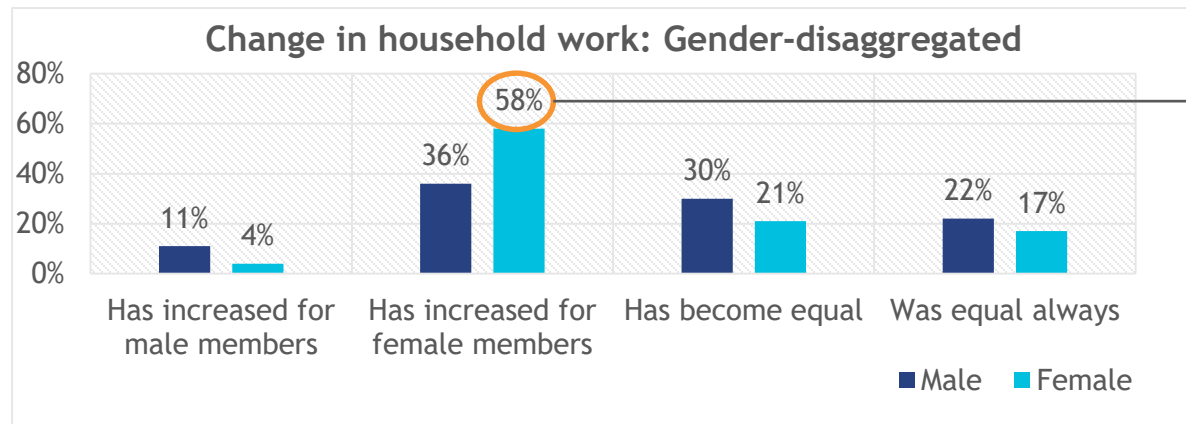
- 77% of respondents controlled their expenses to cope with the situation.
- More than 53% of respondents stated they started working again.
- Savings and salary continue to be the most common method to withstand the current crisis. However, people's reliance on salary increased substantially from round 1, while the reliance on savings has reduced.



The increase in unpaid domestic work affected women more severely than men



- 44% of people believe that work has increased for female members of the household. Though the numbers are lower, a similar trend was witnessed in round 1 as well.



More women than men believe that women face an increased burden

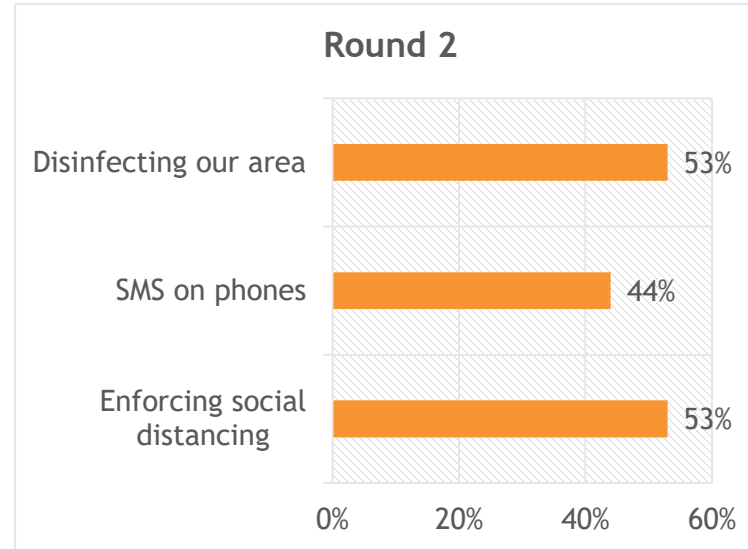
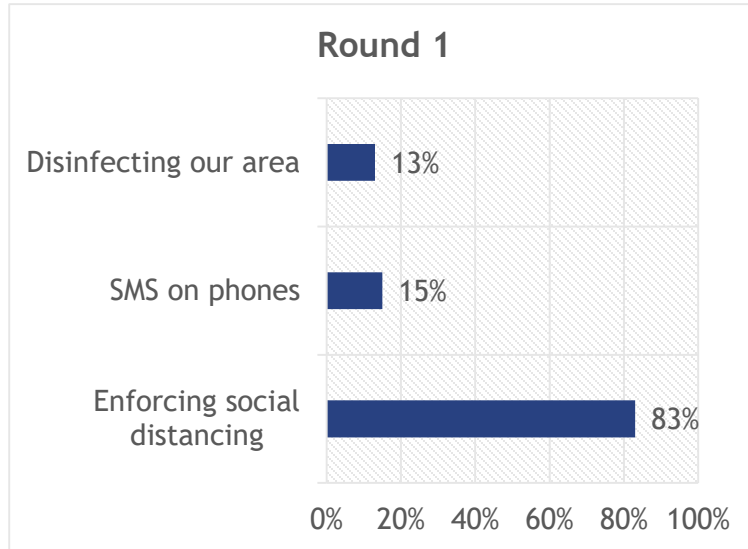
Reasons for the increased burden on women

- [The care economy](#) is on the rise, which has burdened women and diluted their contribution to the core economy.
- Studies suggest that women's economic and productive lives are disproportionately affected due to COVID-19. (See [this](#) and [this](#))
- 32% of the male respondents reported no change in income due to COVID-19, compared to 18% of women.
- The crisis has led to additional burden in the household with children being schooled from home and increased needs of the elderly.

The pandemic has the potential to worsen the already unfinished business of gender equality

Government focus has widened with interventions to prevent infections, increase awareness, enforce best practices, and provide benefits to the population

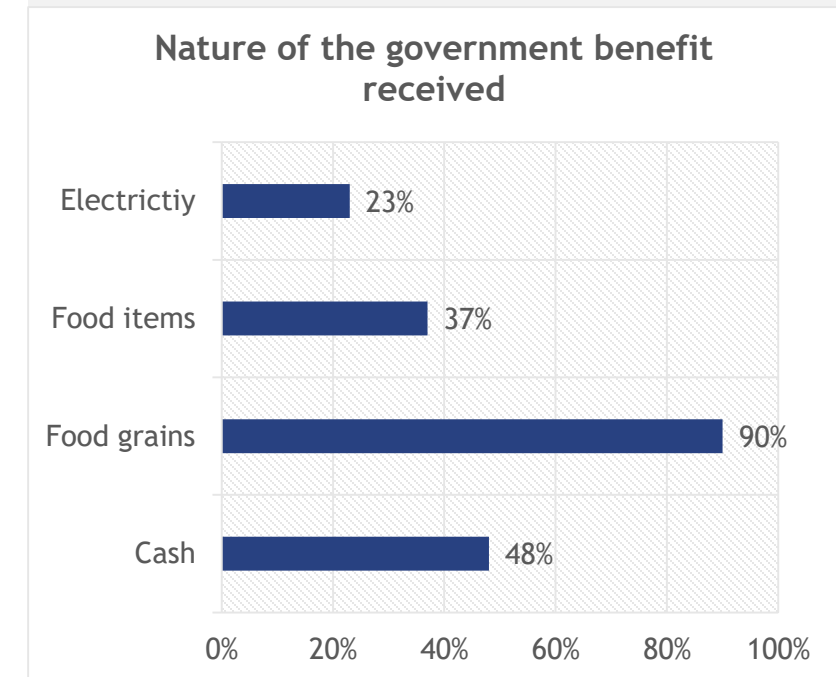
How has the government been helping you cope with COVID-19? (Top three choices by respondents)



- The government's effort to enforce social distancing was the most acknowledged support in round 1. In round 2, measures like disinfecting areas and providing COVID-related SMS on phones gained more prevalence.
- Fewer people mentioned social distancing as an activity enforced by the government. The reasons behind this include the re-opening of the economy and relaxations in restrictions on mobility imposed to curb the spread of the virus.

Nature of the benefit or subsidy received

56% of respondents reported that they received government benefits





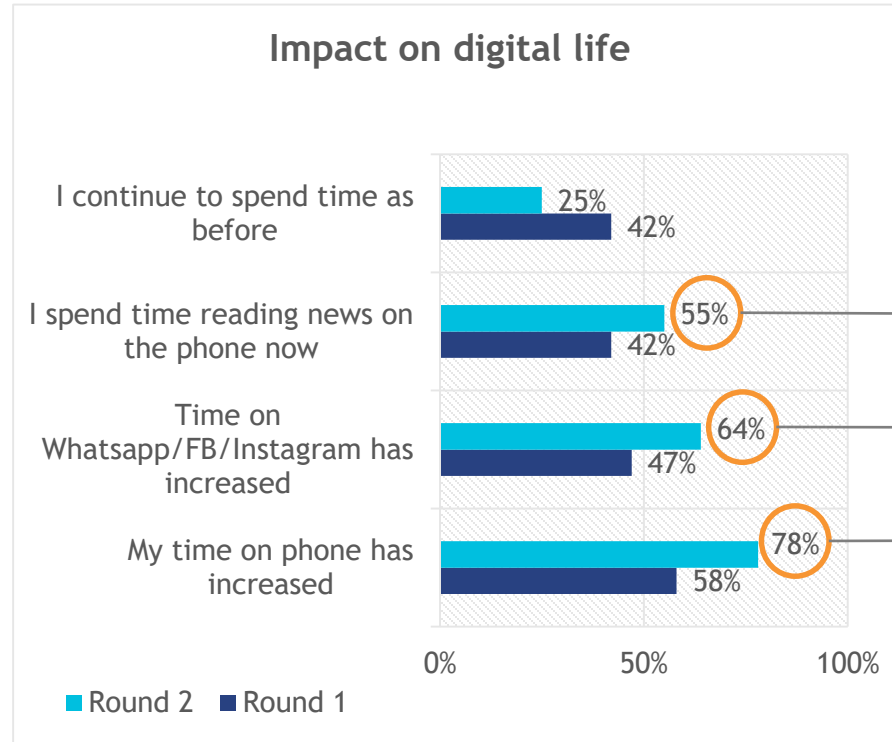
Impact on digital life



Digital adoption saw a surge during the pandemic

Payment channels like bank branches and DFS agents remain affected. Though digital adoption has witnessed a marked increase for various use-cases, there is a clear gender divide

Impact on payment channels		
(N: Round 1=144, Round 2=219)	Round 1	Round 2
Use of ATMs has increased	7%	35%
Use of bank branches has increased	3%	6%
Use of DFS agents has increased	12%	3%
Use of debit cards has increased	10%	21%



Impact: A gender perspective

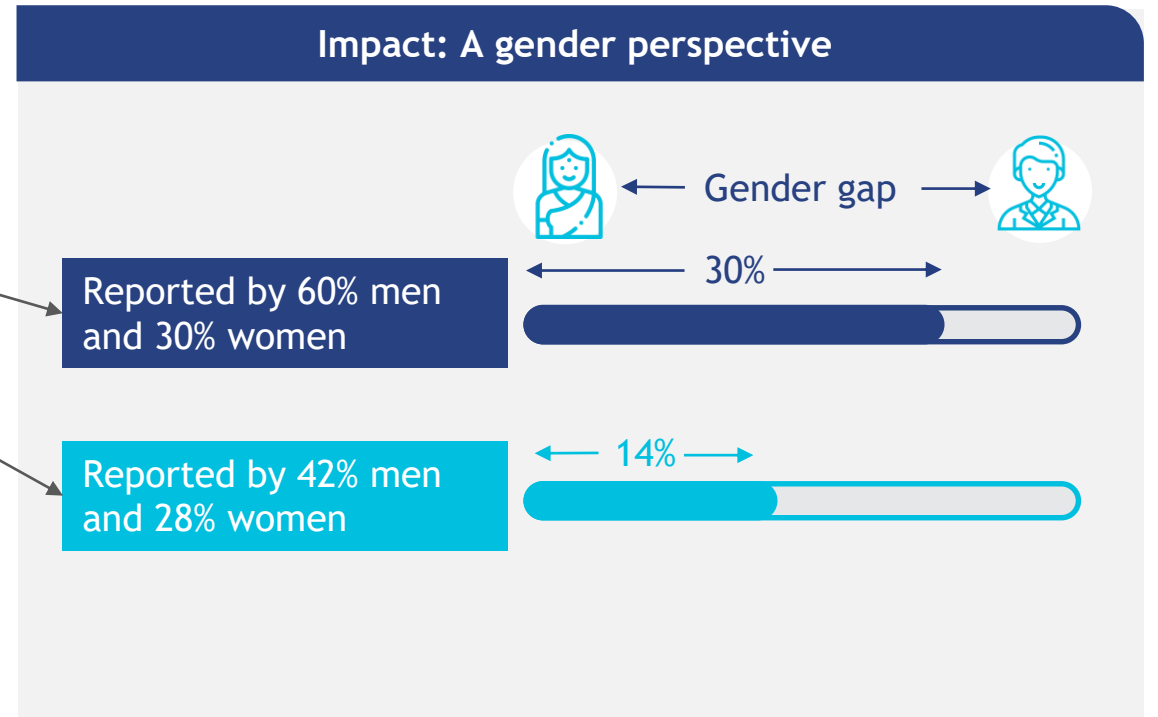
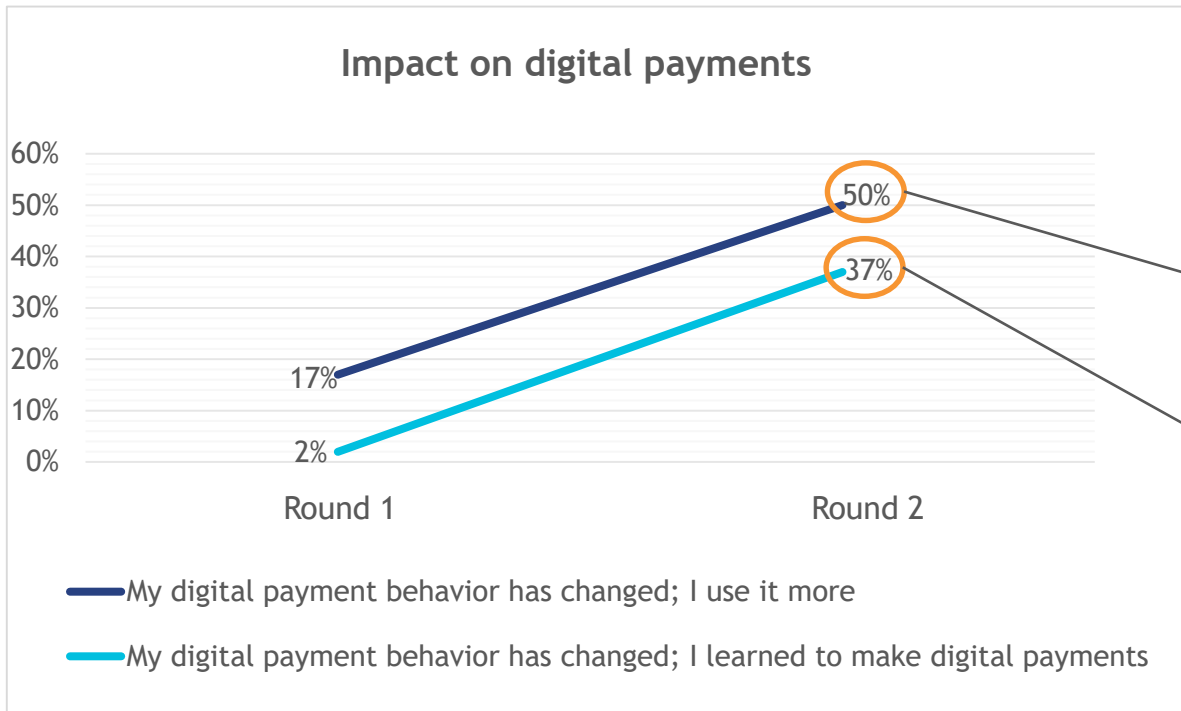
Reported by	Gender gap	
	Female (%)	Male (%)
I continue to spend time as before	42%	62%
I spend time reading news on the phone now	47%	73%
My time on phone has increased	71%	82%

ATM transactions increased as cash usage reached 90% of pre-COVID levels. Bank agents, on the other hand, continue to experience losses. This is possibly due to trust issues, as explained in [this MSC study](#).

Nature of use: According to respondents interviewed in round 2, government-sponsored COVID-19 apps, news apps, and games are the top three downloaded applications.

Digital payments have picked up but the challenges persist

Despite an increase in the adoption of digital payments, gender-specific issues and gaps continue to exist



The digital payment gap

- 38% of the respondents did not use a digital payment platform.
- 26% of the users reported connectivity as the major issue in using digital payment platforms.

A N N E X

Annexes



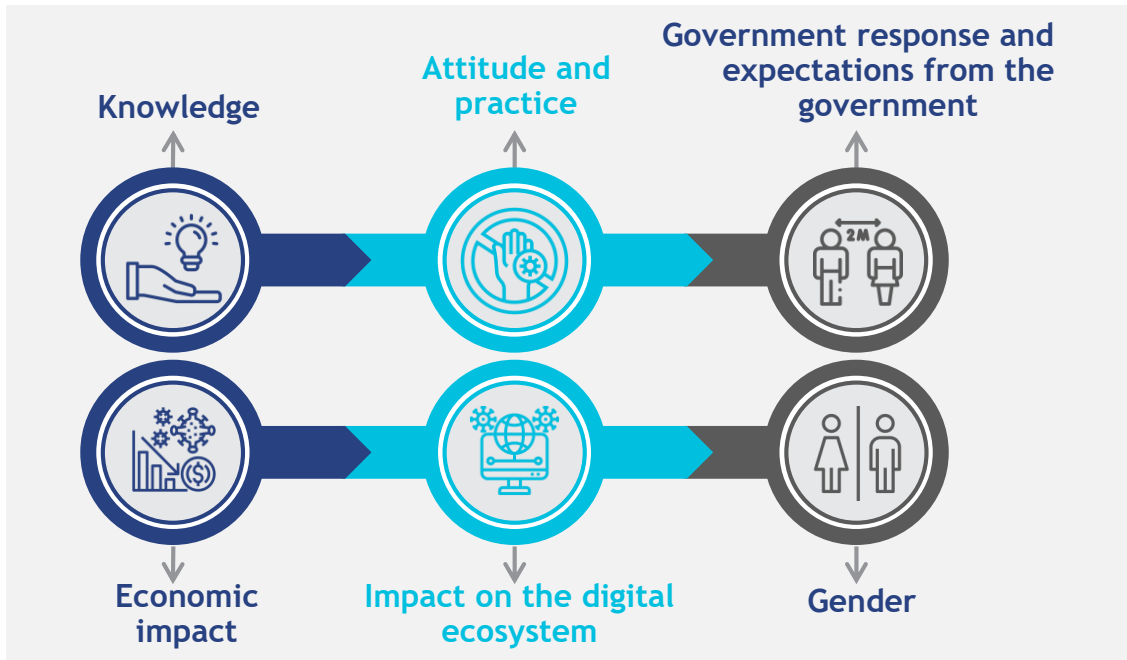
Annex 1: Study design



The objective of the research

The objective of the research was to assess the following:

- Knowledge, awareness, and attitude toward the COVID-19 virus
- Practices adopted to prevent COVID-19
- Impact on social behavior, gender roles, digital life, and household economics
- The government’s response: Actual and expectation

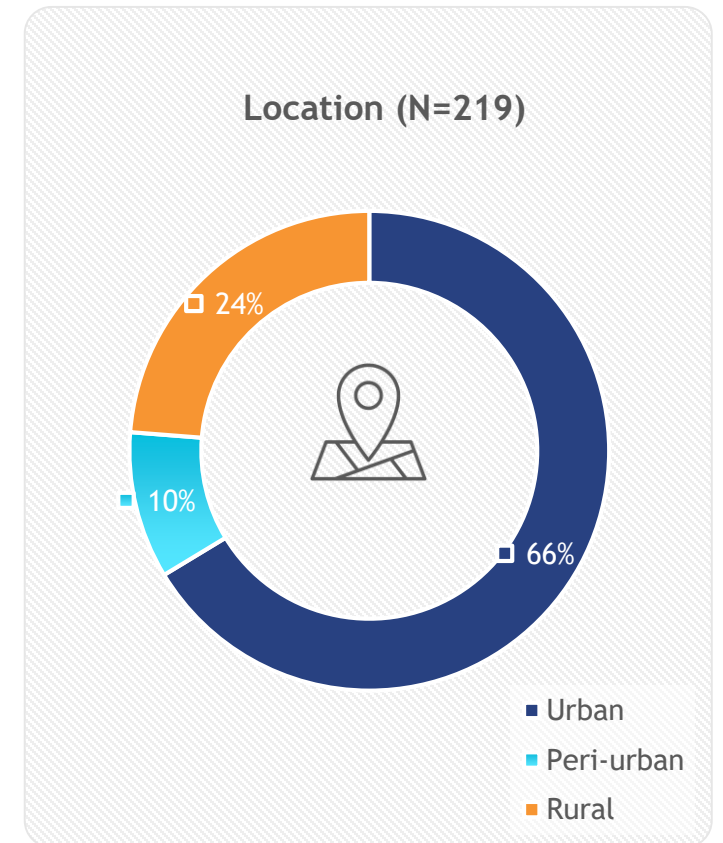
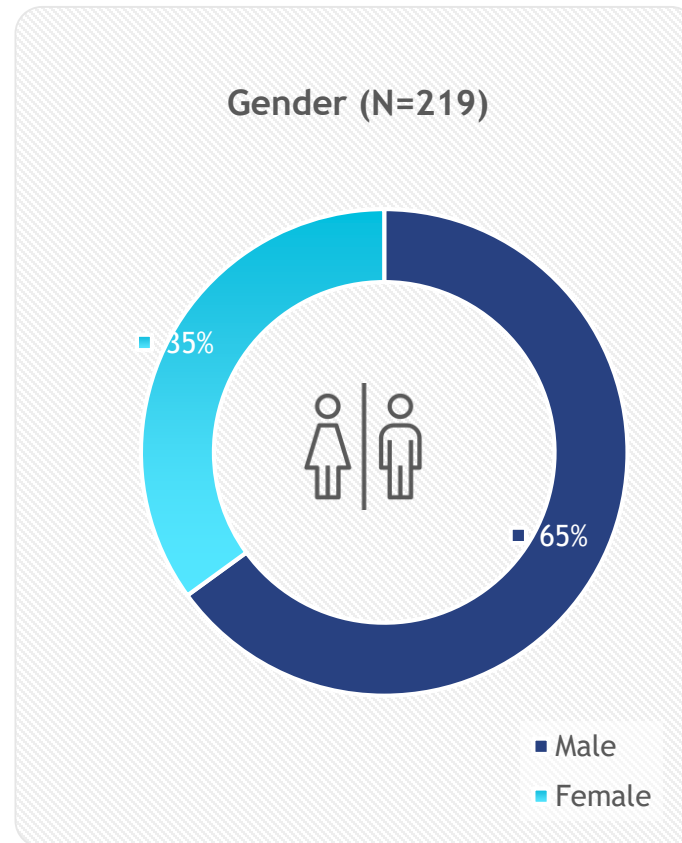
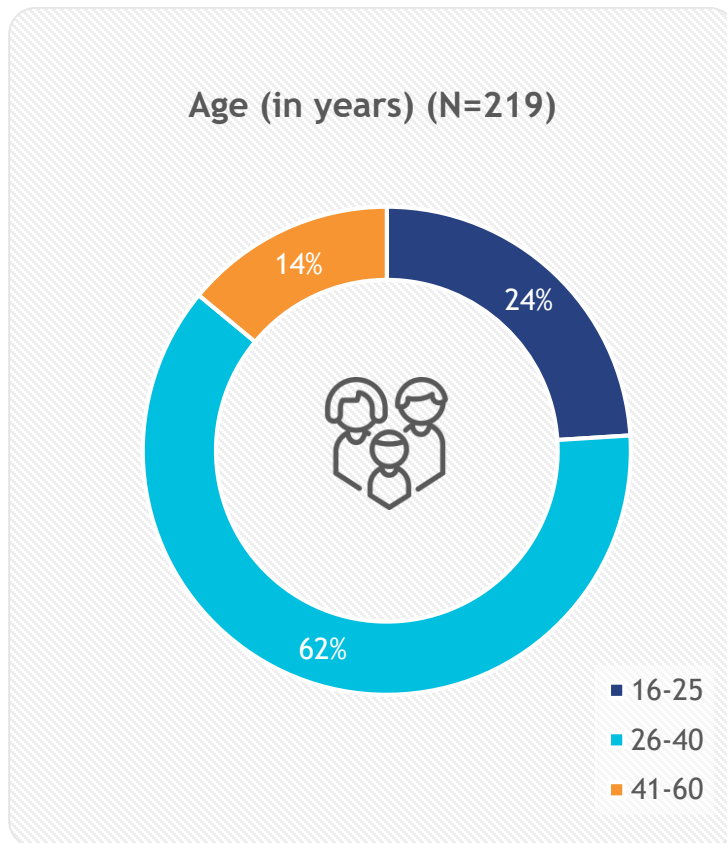


Study design

- **Countries:** Round 1 covered India, Bangladesh, Indonesia, Kenya, and Uganda. Round 2 covered India, Bangladesh, Indonesia, and Kenya.
- **Location divide:** Rural, urban, and peri-urban areas
- The total sample size for India was 144 for round 1 and 219 for round 2.
- Method: Telephonic survey in both rounds
- Data collectors were trained in detail on how to ask questions, where to probe, how to record responses, etc.
- Data quality was assured through virtual spot checks, telephonic back checks, review of audio recordings, and concurrent checking of data.
- Owing to low and non-representative samples from each country, the findings are directional and indicative, and cannot be generalized.

Annex 2: Sample distribution

The sample of round 2 comprises mostly young to middle-aged individuals and has more men than women. In terms of the location, the sample is skewed toward urban areas.



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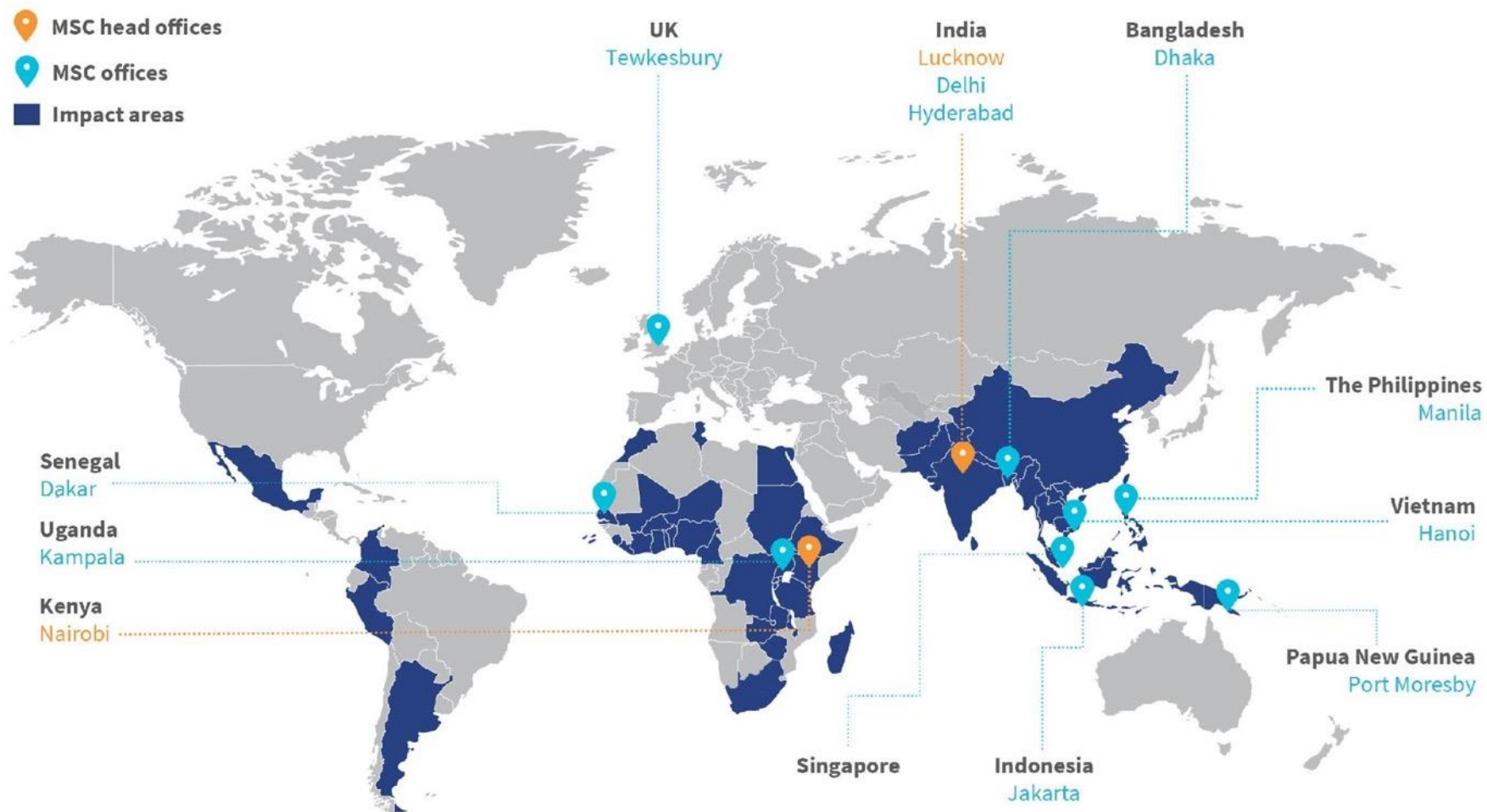
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Asia head office

28/35, Ground Floor, Princeton Business Park,
16 Ashok Marg, Lucknow, Uttar Pradesh, India 226001
Tel: +91-522-228-8783 | Fax: +91-522-406-3773 | Email: manoj@microsave.net

Africa head office

Shelter Afrique House, Mamlaka Road,
P.O. Box 76436, Yaya 00508, Nairobi, Kenya
Tel: +25-420-272-4801 | Fax: +25-420-272-0133 | Email: anup@microsave.net

