KANTAR WORLDPANEL

Consumer Insights

ASIA Q3 2017

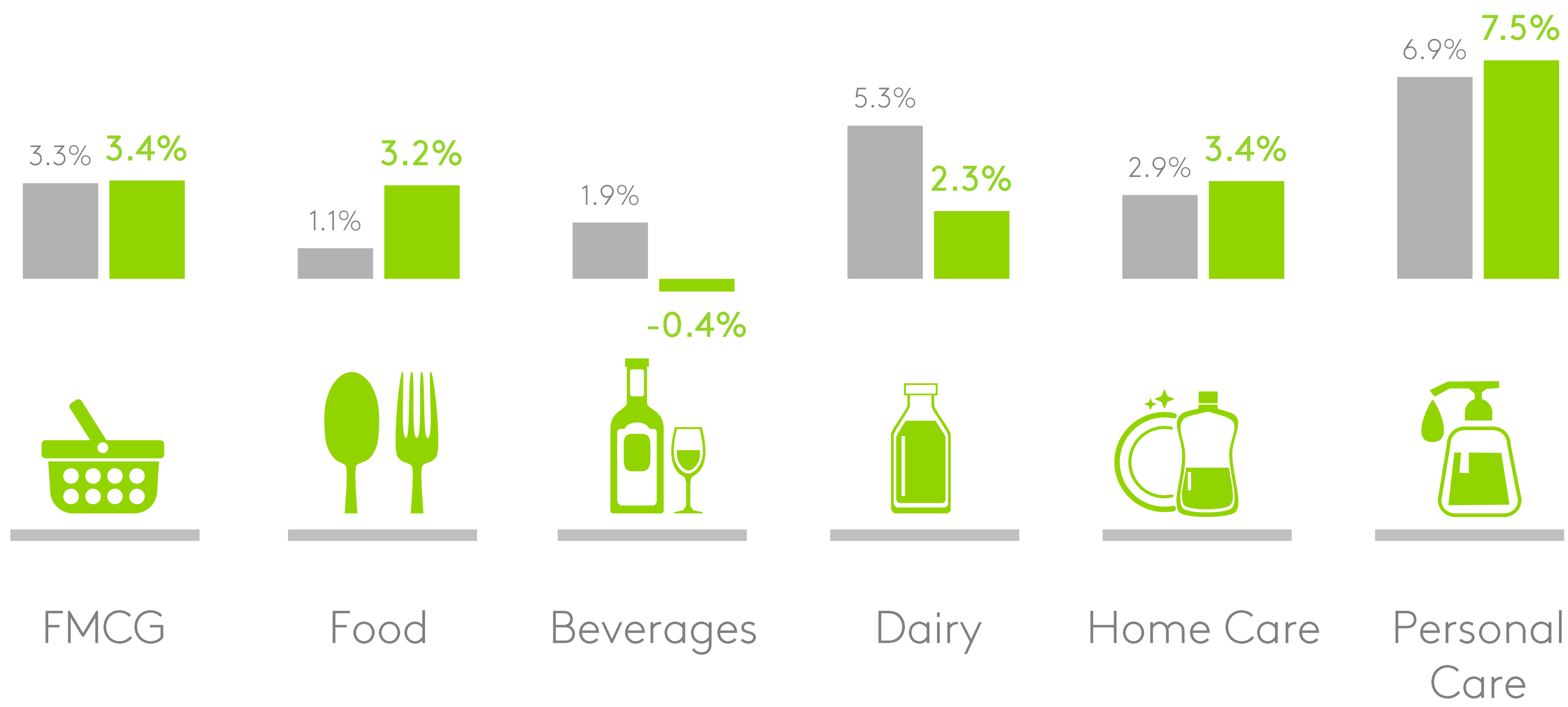
Q3 2017 | SUMMARY ASIA

	Northeast Asia			West Asia		Southeast Asia					
	China	Taiwan	South Korea	India (Urban)	Saudi Arabia	Indonesia	Malaysia	Thailand	Philippines	Vietnam (Urban)	Vietnam (Rural)
FMCG Total	2.9	5.4	4.0	5.9	-5.9	9.3	-0.1	0.3	1.9	5.2	4.7
Food	1.6	8.2	3.3	6.0	-6.8	10.9	1.1	3.8	4.3	6.7	-0.9
Beverages	-1.3	4.4	4.1	2.6	-3.1	1.9	-3.7	-6.2	-3.2	9.8	7.8
Dairy	2.9	5.2	0.3	12.5	-5.6	6.5	-3.0	-0.7	3.1	-1.8	4.4
Home Care	2.3	8.8	3.1	7.6	-8.0	4.7	0.7	3.1	3.4	8.7	10.1
Personal Care	8.5	3.4	7.2	5.4	-9.2	18.2	2.3	0.7	0.3	10.4	10.5

Growth ≤ -0.5% -0.5% < Growth ≤ 5% Growth > 5%

% Value Change FMCG – MAT Q3 2017 vs. Year Ago

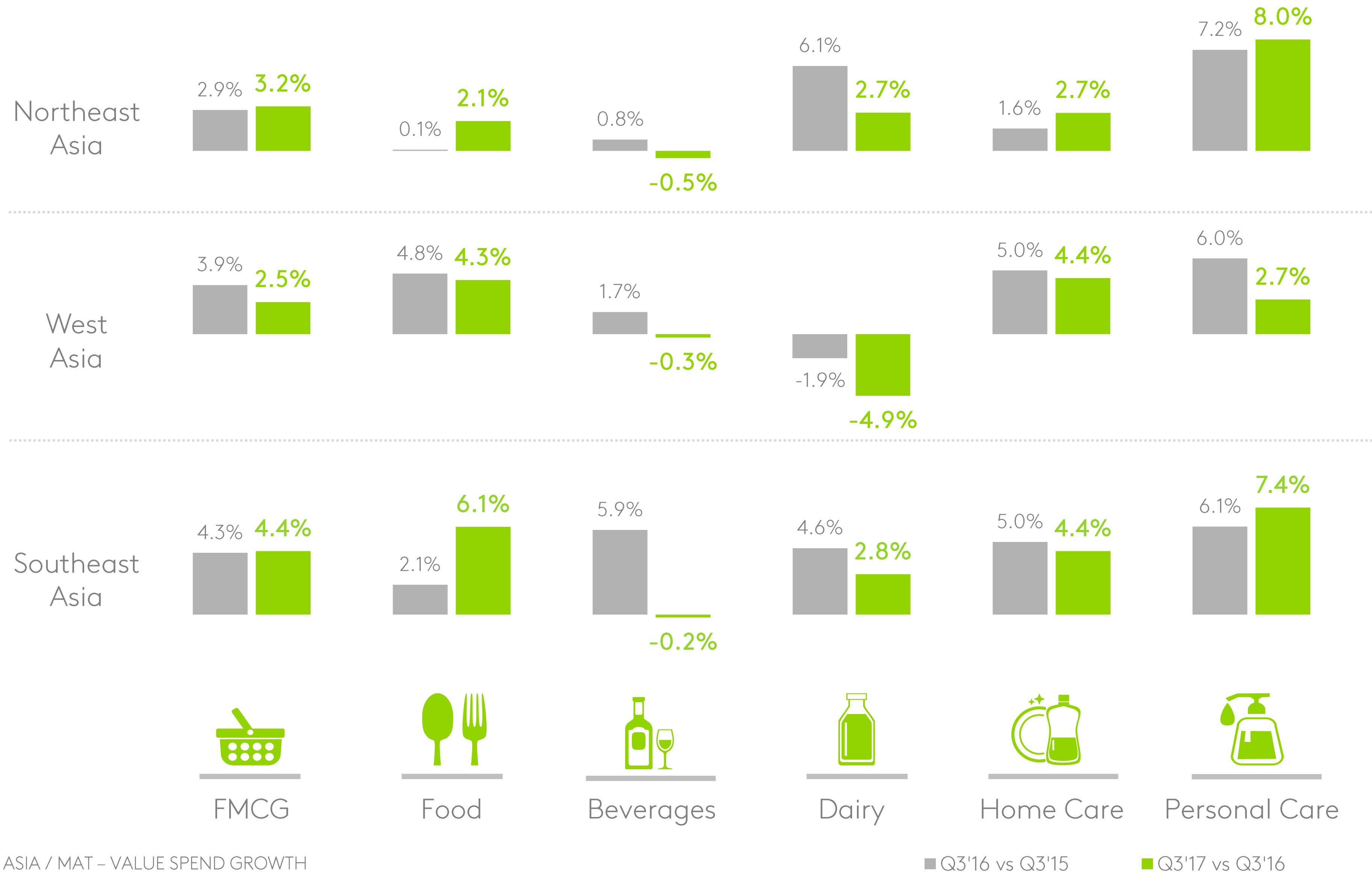
FMCG GROWTH IN ASIA : YOY



ASIA / MAT – VALUE SPEND GROWTH

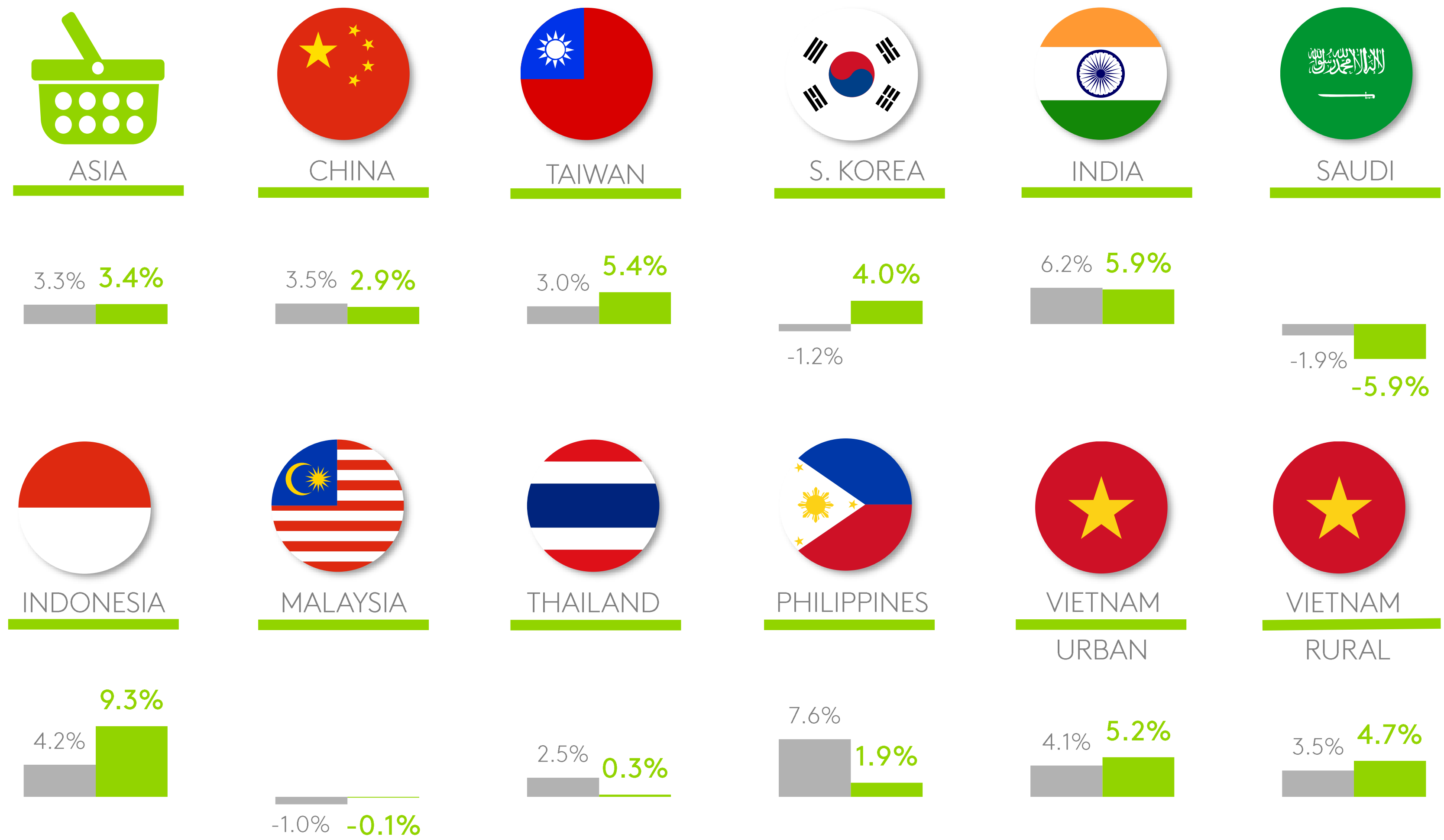
Q3'16 vs Q3'15
Q3'17 vs Q3'16

FMCG GROWTH IN ASIA : YOY



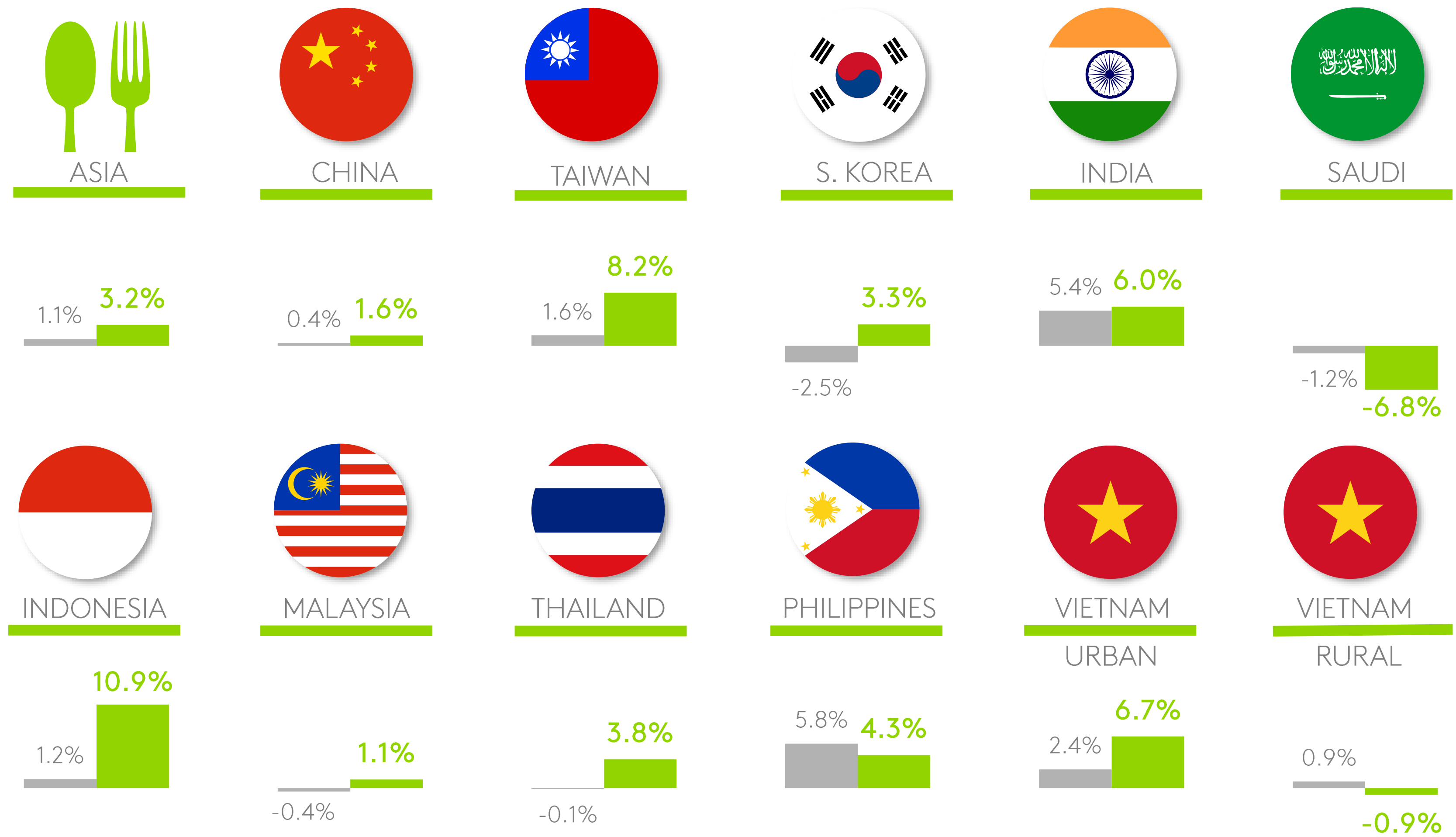
ASIA / MAT – VALUE SPEND GROWTH

FMCG: Overall market was stable; Indonesia the best performer among all other countries, followed by India and Taiwan



ASIA / MAT Q3 2017 – Value Growth FMCG

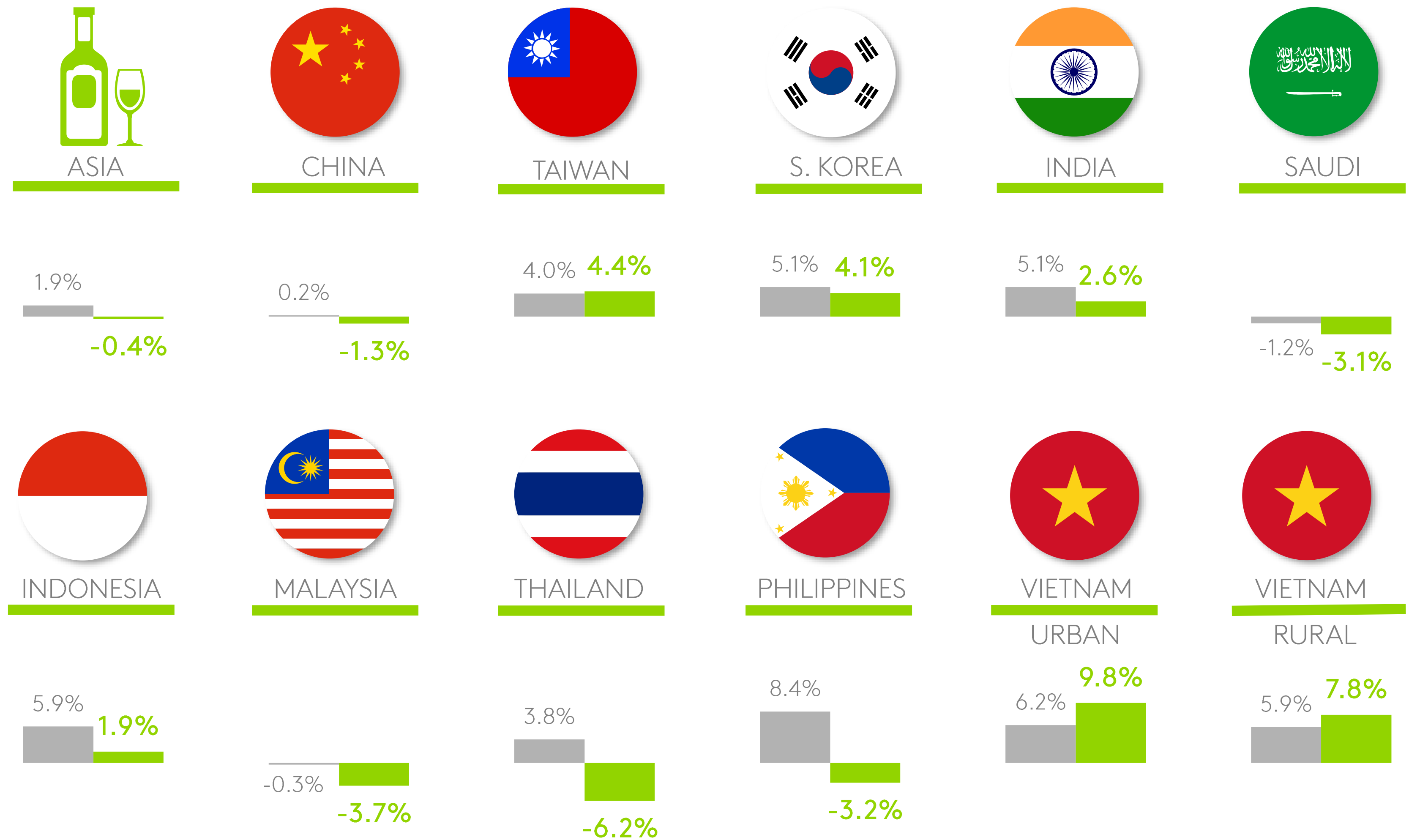
FOOD: Increased consumer spending in Food sector leads to overall value growth in Asia



ASIA / MAT Q3 2017 – Value Growth FOOD

■ Q3'16 vs Q3'15 ■ Q3'17 vs Q3'16

BEVERAGES: More innovation required for continued growth, as seen in Taiwan.



ASIA / MAT Q3 2017 – Value Growth BEVERAGES

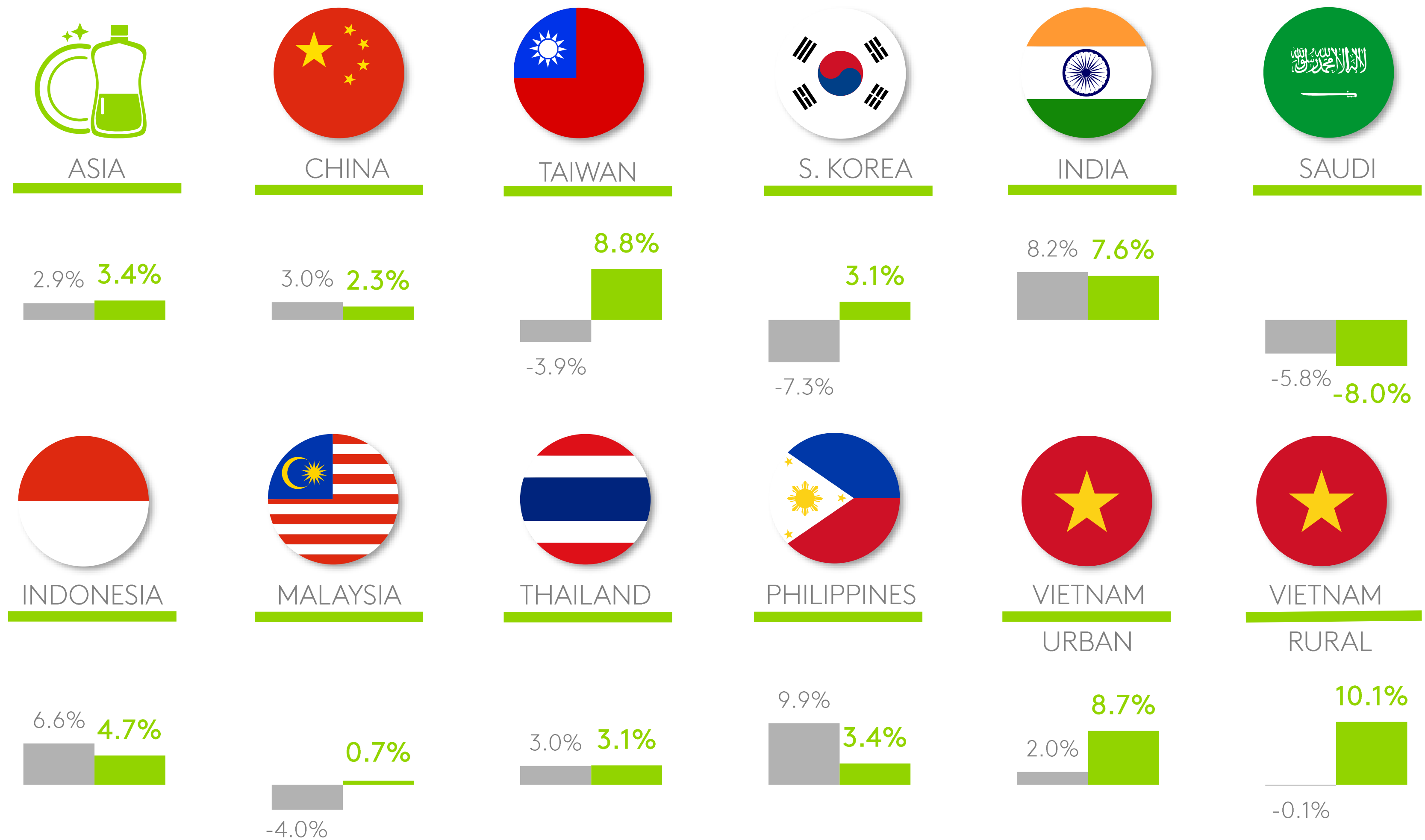
■ Q3'16 vs Q3'15 ■ Q3'17 vs Q3'16

DAIRY: India is the star performer in this category – healthy and nutritious are the tag attached with dairy product

ASIA / MAT Q3 2017 – Value Growth DAIRY

■ Q3'16 vs Q3'15 ■ Q3'17 vs Q3'16

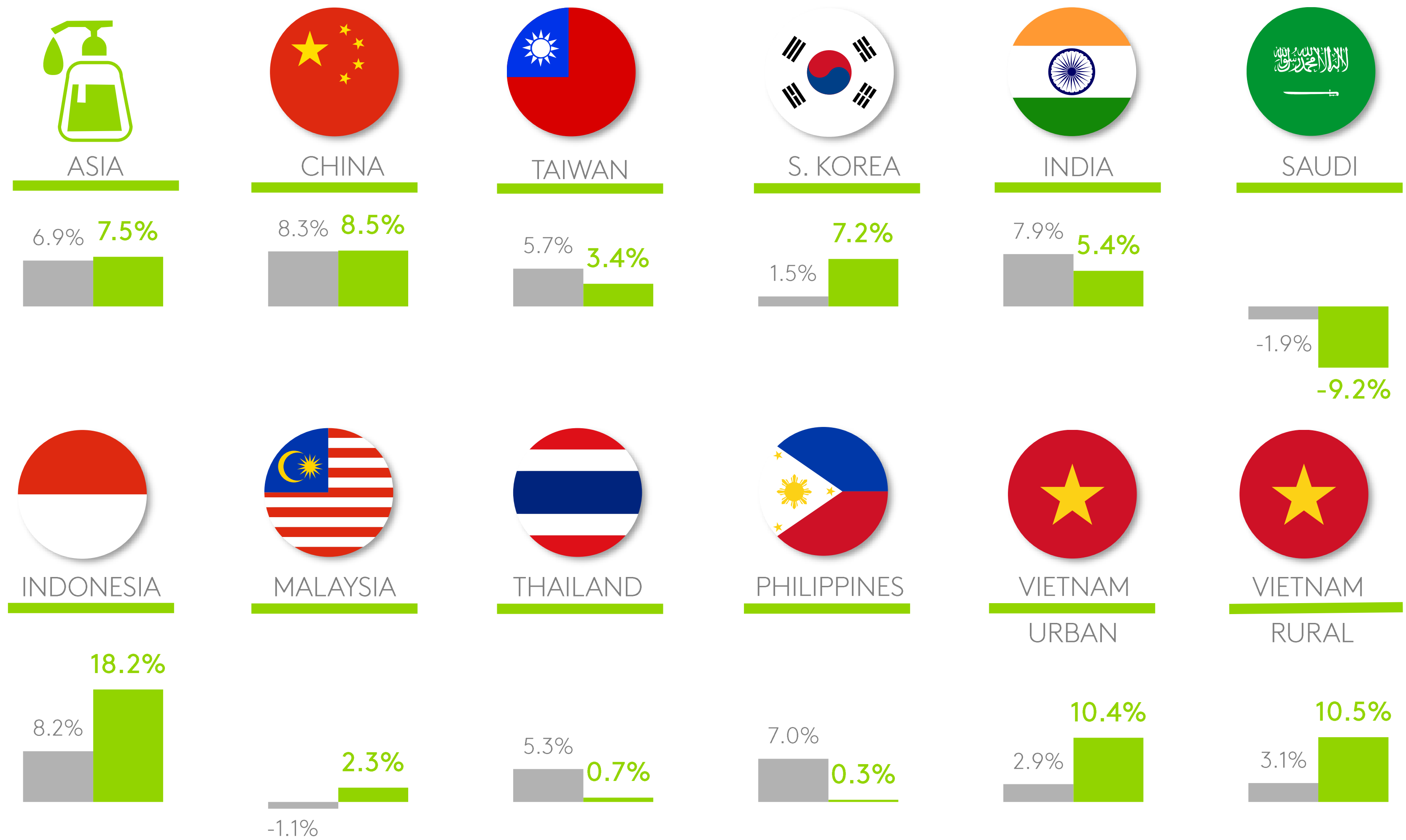
HOME CARE: Taiwan, Vietnam and India posted stellar performance in this category – hygiene is one of the factor leading this growth



ASIA / MAT Q3 2017 – Value Growth HOME CARE

■ Q3'16 vs Q3'15 ■ Q3'17 vs Q3'16

PERSONAL CARE: Still the best performing category as consumers focus on self-image and cleanliness



ASIA / MAT Q3 2017 – Value Growth PERSONAL CARE

MAT Q3 2017 | SUMMARY ASIA

CHINA

#SolidGrowth China posted relatively solid economic growth in Q3, with GDP growth at 6.8%. FMCG grew 2.9% in Q3.

#E-Commerce 58% of China shoppers used to buy FMCG products through online channels, revealing the sign of strengthening growth in e-commerce.

#StableDemand Personal care category is still the main driver for FMCG market growth, both in value or volume. This category is dominating the online channel as well.

TAIWAN

#SlowDown After valley low in 15H2, recovery trend was clear since 16H2. A recess occurred this quarter, ranging from GDP, stock market, to FMCG.

#QualityLife Consumer needs for better quality increased, especially in non-food categories- detergent, shampoo, and toilet paper.

#NPD Innovation Beverage market was impacted by bubble tea stands and CVS coffee. Packaged beverages strived to grow by launching various innovations, introducing new flavors or packaging materials.

S.KOREA

#InHighGear Korea economic growth soared to a seven-year high in Q3. Consumer spending improved with FMCG market value sales rose to 4% in Q3.

#KidultTrend Offline retailers are moving towards this trend as it is growing into mainstream culture. Still in its infancy stage but expected to continue to grow.

#Catch1-2HHs! Manufacturers in various industries including FMCG are developing small-volume products, customized services and promotions to target small households which close to 54% of total population.

MAT Q3 2017 | SUMMARY ASIA

INDIA

#StructuralReforms The Indian economy has seen major structural changes in last one year due to demonetisation move, followed by implementation of Goods and Services Tax (GST) on July 01, 2017.

#DairyOnTheRise Value and Volume growth observed across all the FMCG sectors, with Dairy sector growing the fastest.

#FastGrowingBrand Patanjali continues to expand its portfolio and gains traction across all markets, mainly driven by North and West.

SAUDI ARABIA

#ToughEconomic Saudi shoppers continue to spend lesser for the overall FMCG, with volumes also declining now across sectors in Q3 2017.

#CautiousShopper The decline is seen across income groups & nationalities with all households making conscious choice of "need-to-have" vs "nice-to-have".

#RightPromotion All households are picking more on promotions leading to the drop in spends. Driving the right promotion strategy in alignment with retailers is key to arresting the decline in spends.

MAT Q3 2017 | SUMMARY ASIA

INDONESIA

#SteadyGrowth Indonesia's growth remain steady at 5% threshold despite improved government spending and private consumption.

#ConfidenceUplift Stable inflation rate able to hold consumer confidence. Lower Class consumers continued to increase their FMCG spending with bigger basket size purchase in new categories.

#Premiumization Personal care sector has improved value contribution from last year as a result of both premiumization and price hike.

MALAYSIA

#OptimisticView Consumer Confidence continues to climb since the dip at Q4 2016 but overall market sentiments remain conservative.

#FMCG Recovering FMCG market started to recover. Consumers focus on basic necessity and essential categories.

#Convenience Hypermarkets and General Trade continues to lose traction to close proximity modern trade such as modern day mini-market and personal care stores.

THAILAND

#SpendingConstraint GDP is still growing at 4.3% but this doesn't reflect FMCG growth. Shoppers continue to exercise caution due to economic landscape.

#SeesawEffect Shoppers increased trip spend on essential products however, this doesn't offset against fewer shopping trips.

#MultiChannelStructureShift Interplay of modern trade channels, large traditional trade, continued expansion of convenience stores and emerging online are now the channel trends in Thailand.

PHILIPPINES

#UpUpUp Philippines' GDP growth of 7.5% is still on track given strong consumption and resurgence of manufacturing.

#HairConscious There seems to be a clamor for healthy hair as hair treatments aggressively grow in reach and consumption.

#QuickAndRich There is sign of growing demand for quicker food preparation and richer taste as more households are buying semi-processed meat, liquid seasoning and mayonnaise/salad dressings.

VIETNAM

#RobustPerformance Vietnam's economy expanded 7.46% in Q3, boosted by the strong performance of export and wholesale & retail.

#ModernRetailOutpace Both big and small retail formats keep up their momentum as a result of lots of M&A deals and foreign investments in recent time.

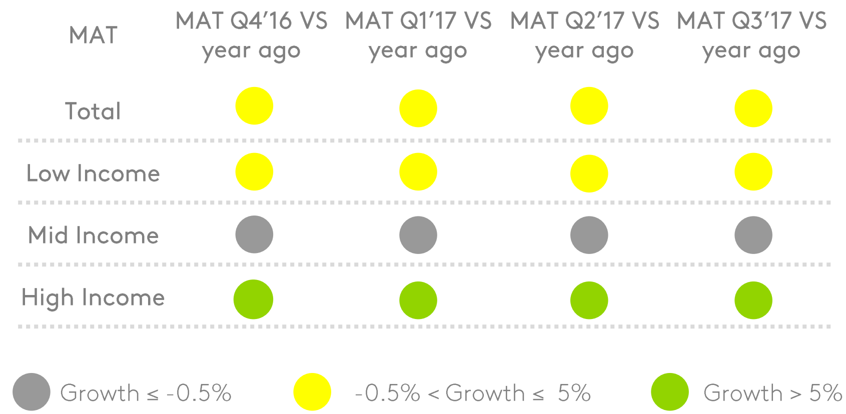
#Hygiene&Cleanliness Impressive growth of Personal Care & Home Care is largely attributed to the rising consumers' awareness on personal needs and hygiene.

CHINA

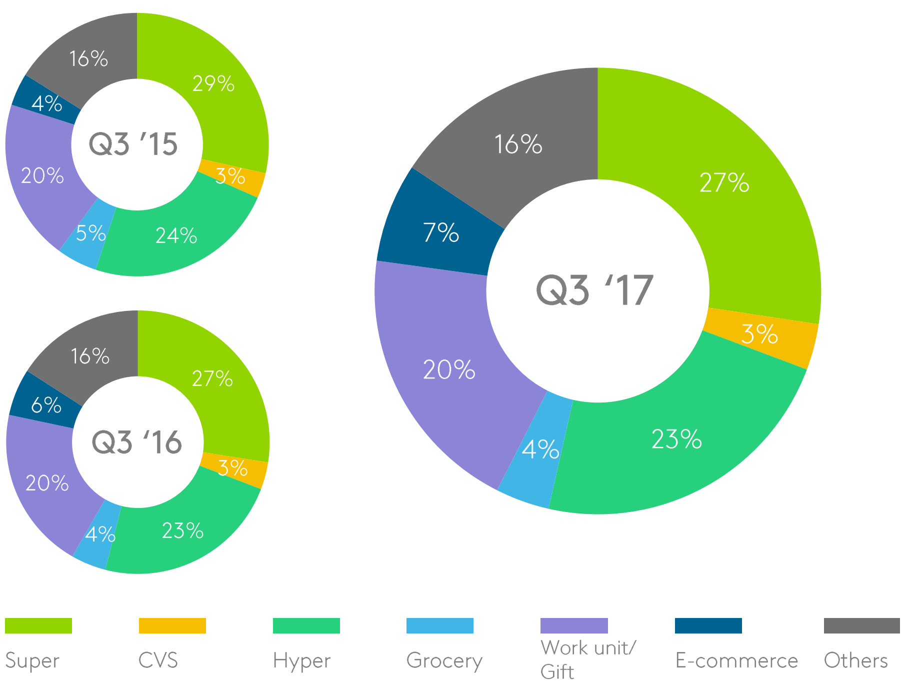
Top 5 Categories with Positive Impact – MAT Q3'17 vs Q3'16

Value	Volume	Penetration
Mouthwash	Mouthwash	Mouthwash
Bleach	Wet Tissues	Kitchen Rolls
Kitchen Rolls	Bleach	Bleach
Intimate Hygiene	Kitchen Rolls	Make Up
Nutrient Solid Drinks	Mint Candy	Hand Wash

%CHANGE FMCG BASKET PER SOCIAL ECONOMIC LEVEL

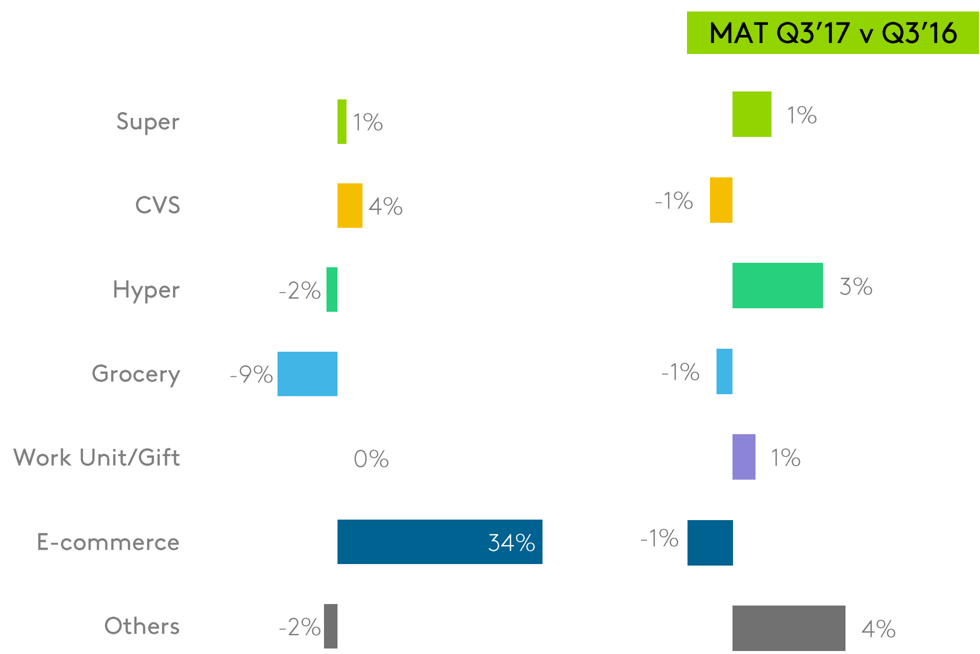


Channel Importance - %Value



Shopping Occasions

Spend/Trip

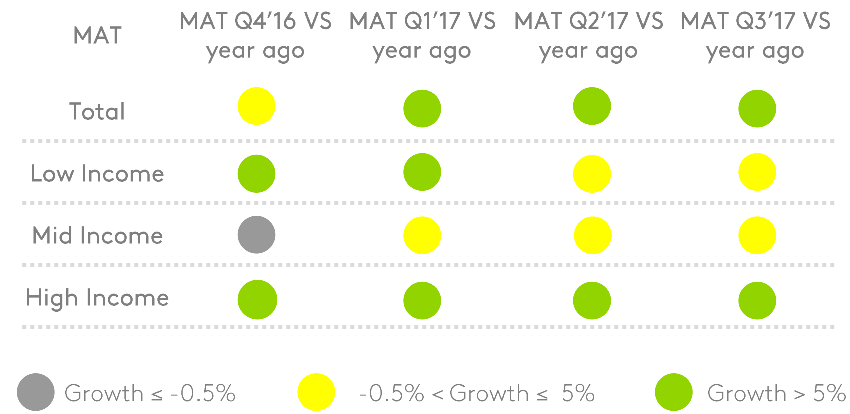


TAIWAN

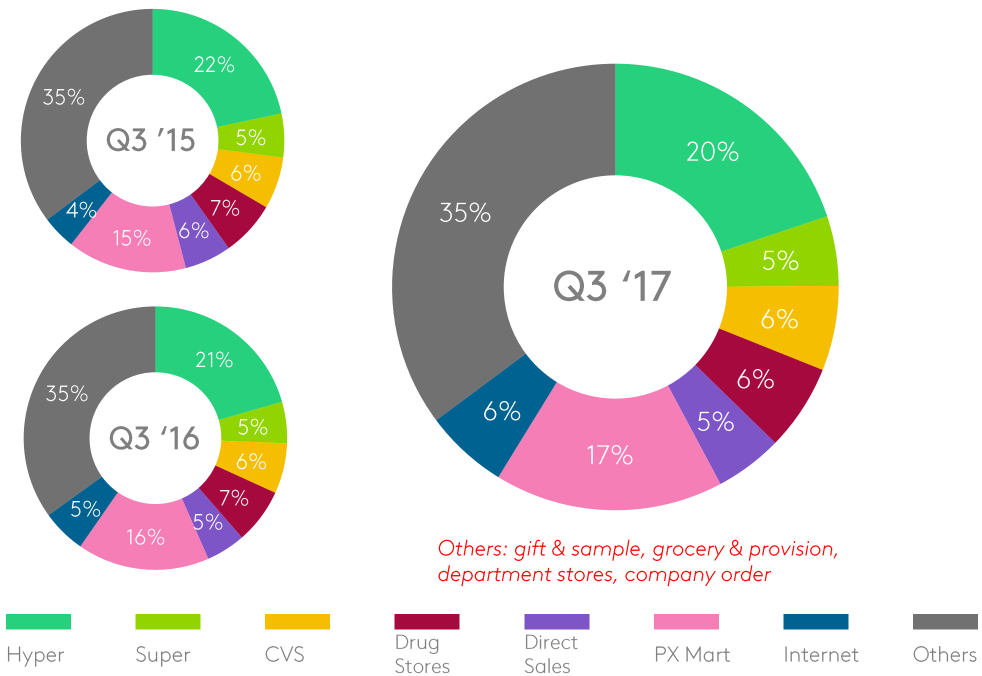
Top 5 Categories with Positive Impact – MAT Q3'17 vs Q3'16

Value	Volume	Penetration
Multi Purpose Cleaner	Multi Purpose Cleaner	Toothbrush
Razor Blades	Cooking Vinegar	Ice Cream
Peanut Butter	Peanut Butter	Liquid Detergent
Air Fresheners	Chili Sauce	Cooking Oil
Ice Cream	Razor Blades	Razor Blades

%CHANGE FMCG BASKET PER SOCIAL ECONOMIC LEVEL



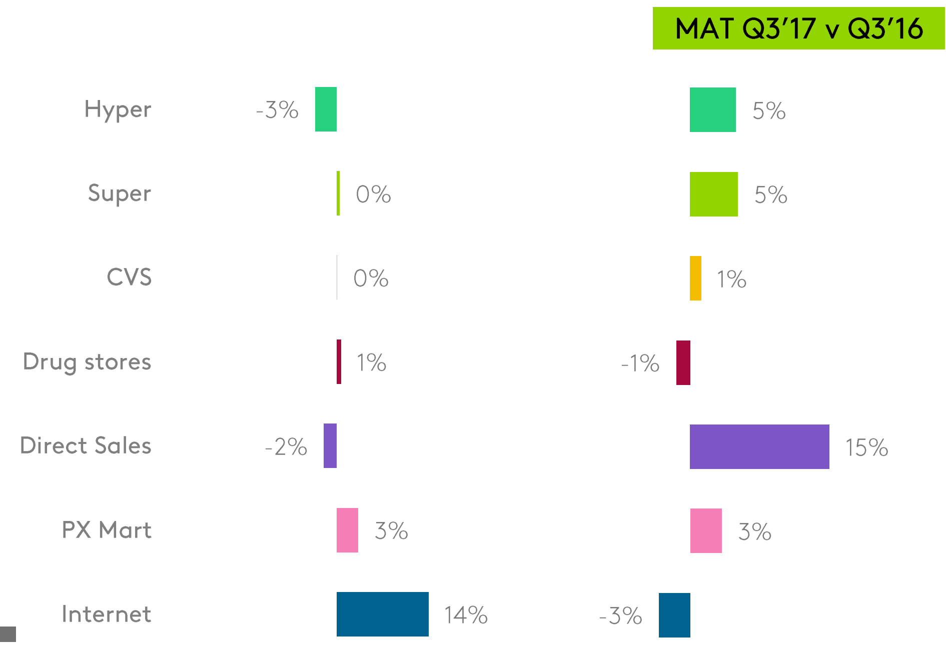
Channel Importance - %Value



Others: gift & sample, grocery & provision, department stores, company order

Shopping Occasions

Spend/Trip

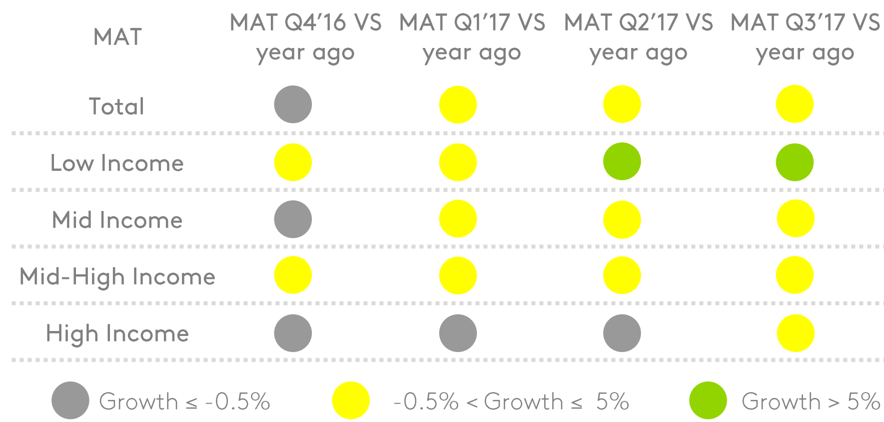


KOREA

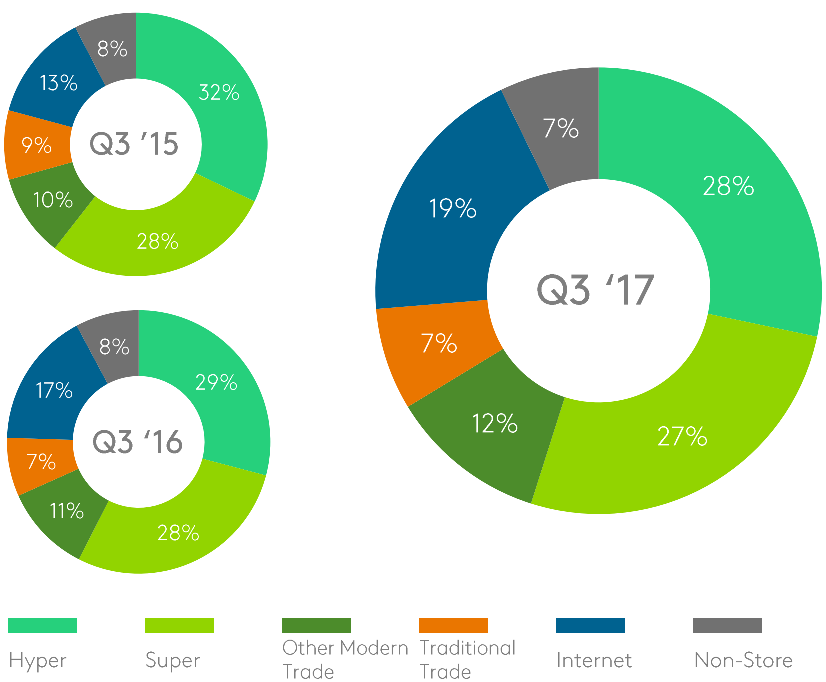
Top 5 Categories with Positive Impact – MAT Q3'17 vs Q3'16

Value	Volume	Penetration
Retort	Spread	Retort
Kimchi	Multi Lip	Foundation
Spread	Foundation	Frozen Prepared Food
Foundation	Kimchi	Kimchi
Shading	Retort	Body Cleanser

%CHANGE FMCG BASKET PER SOCIAL ECONOMIC LEVEL

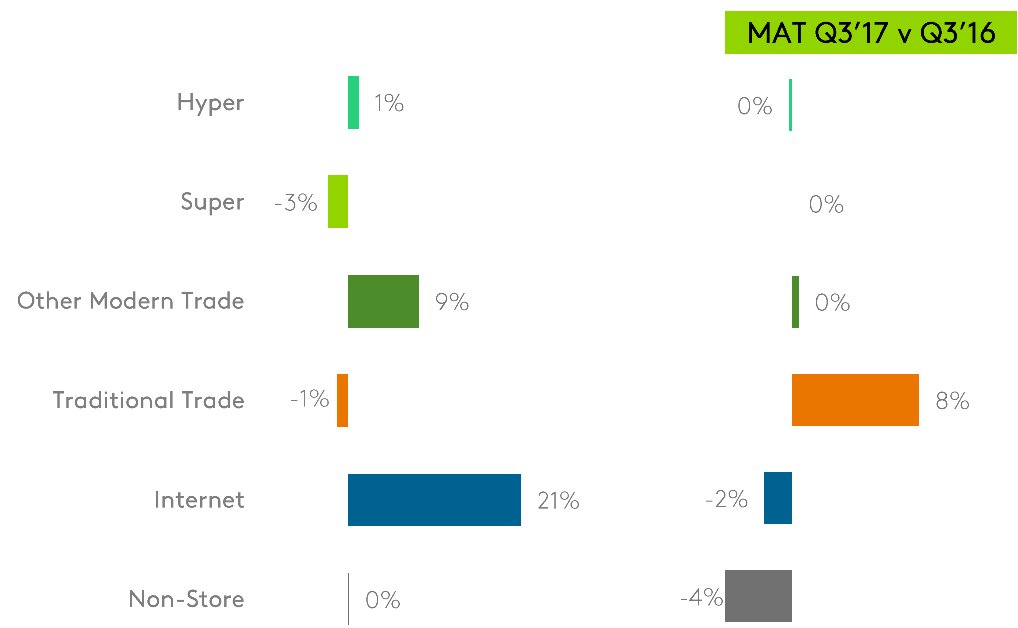


Channel Importance - %Value



Shopping Occasions

Spend/Trip



INDIA

Top 5 Categories with Positive Impact – MAT Q3'17 vs Q3'16

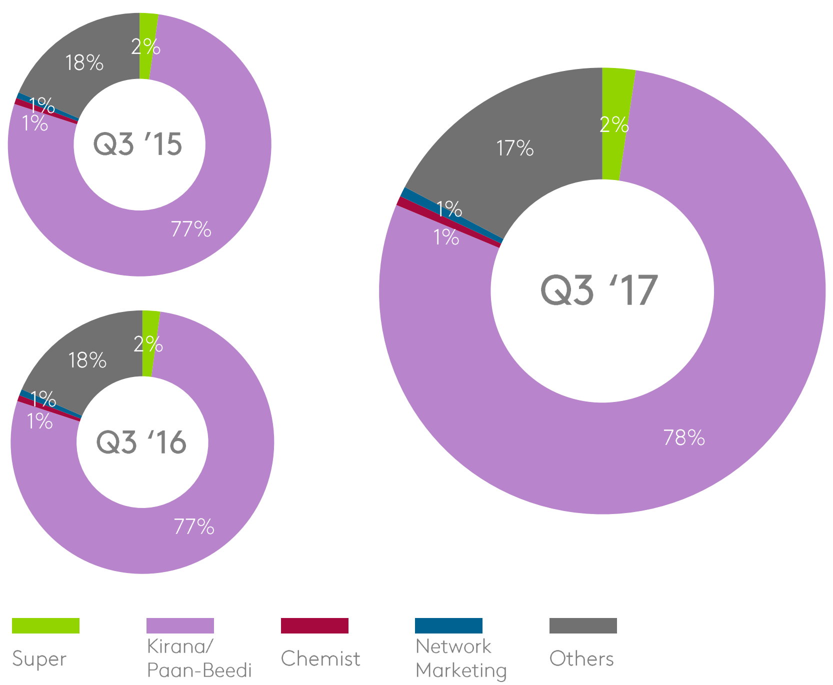
Value	Volume	Penetration
Noodle/Macaroni	Noodle/Macaroni	Toilet/Bathroom Cleaner
Toilet/Bathroom Cleaner	Toilet/Bathroom Cleaner	Noodle/Macaroni
Ice Cream/Kulfi	Ice Cream/Kulfi	Coffee
Sauces	Sauces	Floor Cleaner
Coffee	Floor Cleaners	Sauces

%CHANGE FMCG BASKET PER SOCIAL ECONOMIC LEVEL

MAT	MAT Q4'16 VS year ago	MAT Q1'17 VS year ago	MAT Q2'17 VS year ago	MAT Q3'17 VS year ago
Total SEC	●	●	●	●
SEC AB	●	●	●	●
SEC C	●	●	●	●
SEC D/E	●	●	●	●

Growth ≤ -0.5% -0.5% < Growth ≤ 5% Growth > 5%

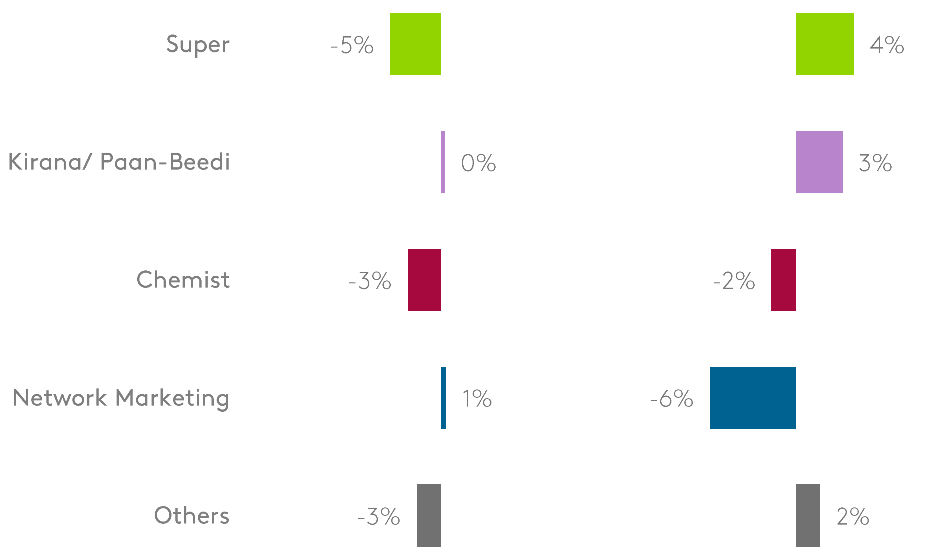
Channel Importance - %Value



Shopping Occasions

Spend/Trip

MAT Q3'17 v Q3'16

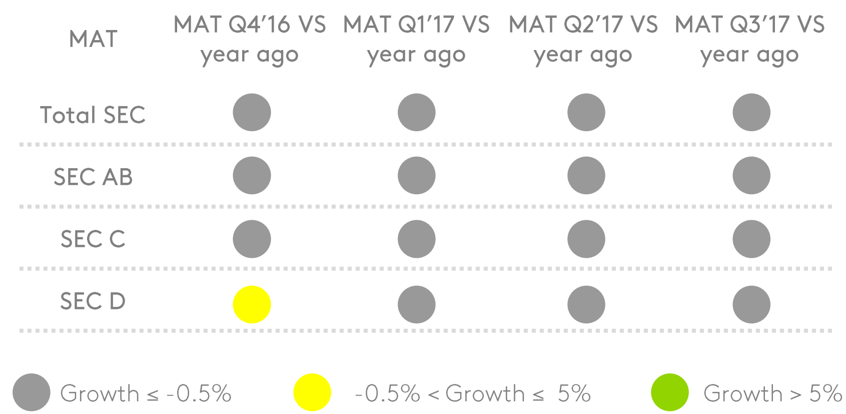


SAUDI ARABIA

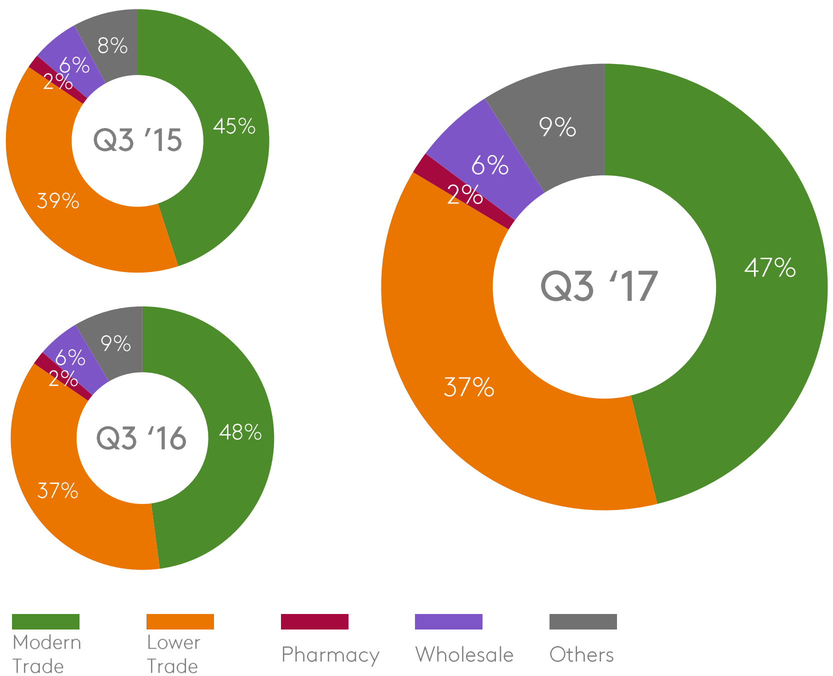
Top 5 Categories with Positive Impact – MAT Q3'17 vs Q3'16

Value	Volume	Penetration
Sliced Bread	Chocolate Spreads	Chocolate Spreads
Bottled Water	Sliced Bread	UHT Flavoured Milk
Chocolate Spreads	Bottled Water	Evaporated Milk
Honey	Yoghurt (Zabadi)	Full Cream Milk Powder
Energy Drinks	UHT Flavoured Milk	Coffee

%CHANGE FMCG BASKET PER SOCIAL ECONOMIC LEVEL

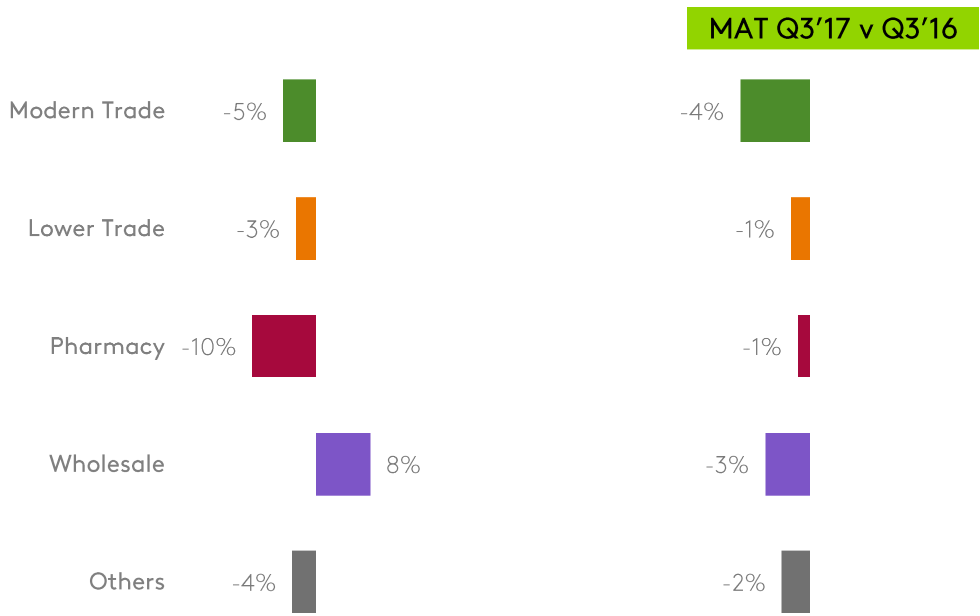


Channel Importance - %Value



Shopping Occasions

Spend/Trip

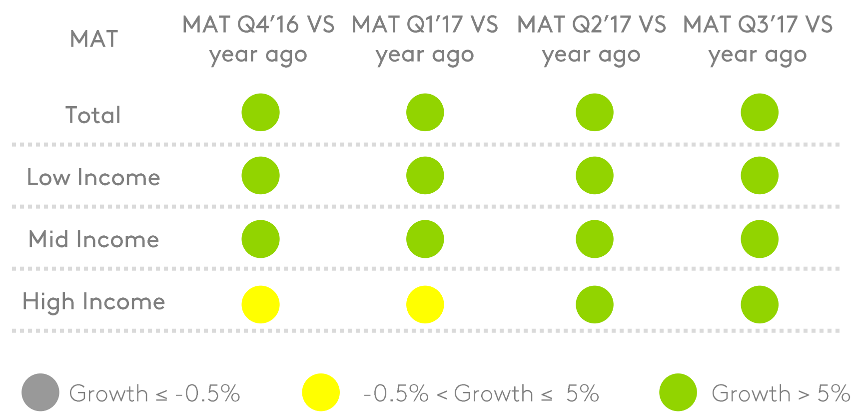


INDONESIA

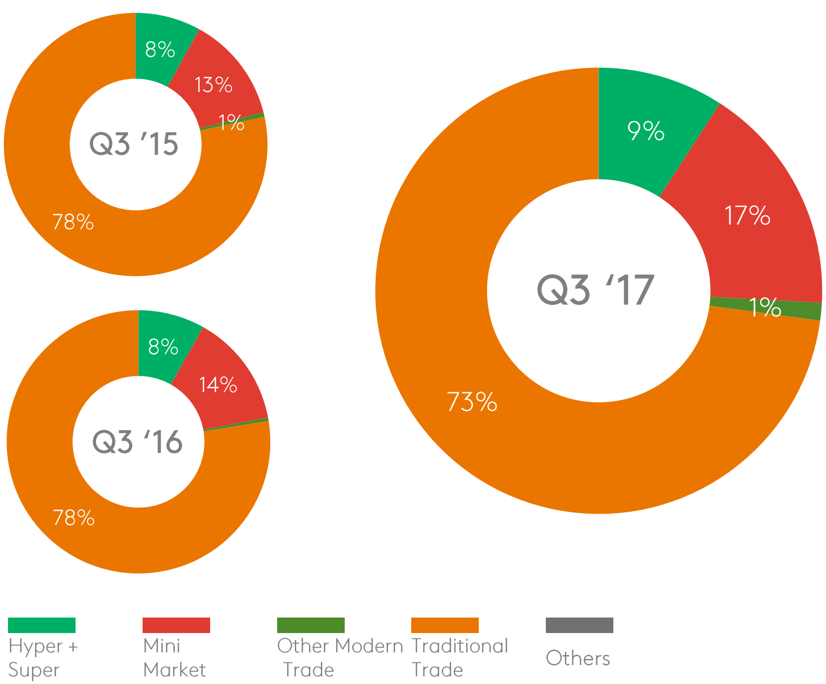
Top 5 Categories with Positive Impact – MAT Q3'17 vs Q3'16

Value	Volume	Penetration
Lip Cosmetic	Lip Cosmetic	Cold Cereal/cereal bar
Potato Snack	Cold cereal/cereal bar	Lip cosmetic
Eye Cosmetic	Yoghurt Drink	Potato Snack
Hair Colorant	Eye Cosmetic	Facial Moisturizer
Snack (Excl. Potato)	Potato Snack	Facial Cosmetic

%CHANGE FMCG BASKET PER SOCIAL ECONOMIC LEVEL



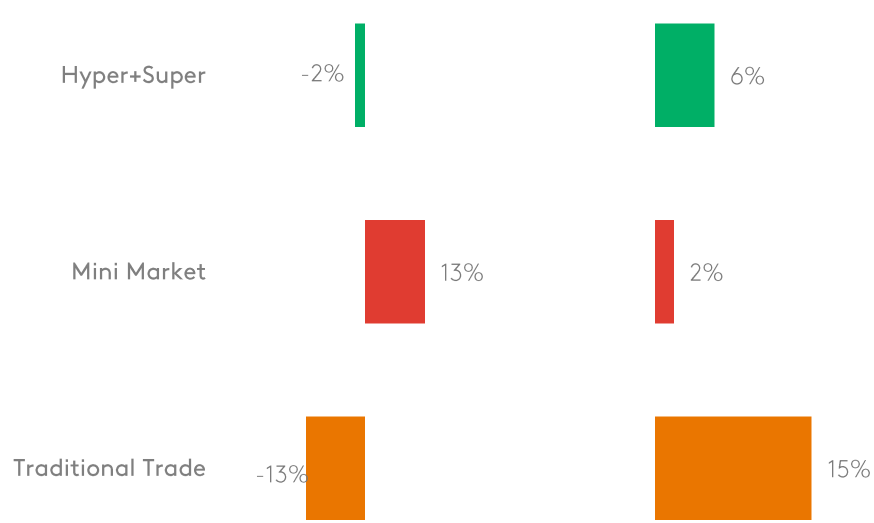
Channel Importance - %Value



Shopping Occasions

Spend/Trip

MAT Q3'17 v Q3'16

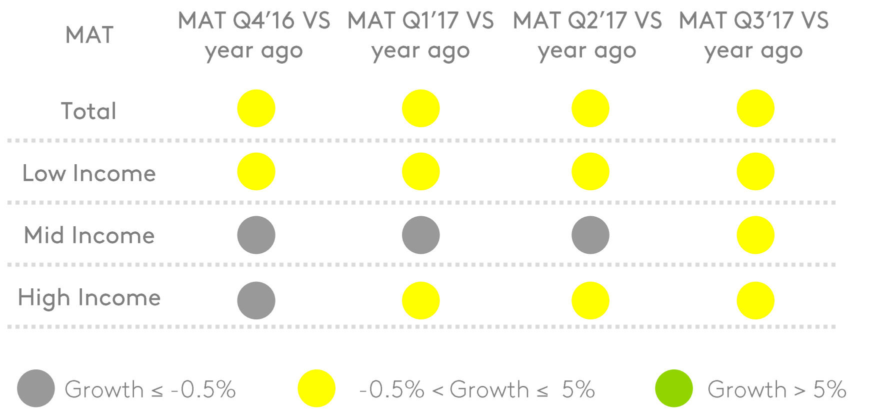


MALAYSIA

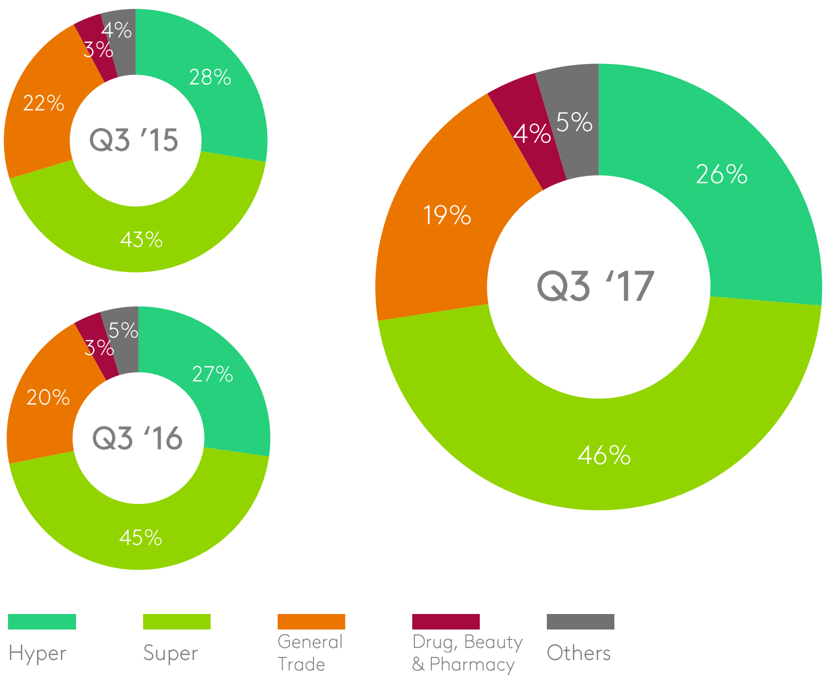
Top 5 Categories with Positive Impact – MAT Q3'17 vs Q3'16

Value	Volume	Penetration
RTD Coffee	RTD Coffee	RTD Coffee
Toi/Bathr/Cleaner	Mask	Chocolate
Cosmetics	Toi/Bathr/Cleaner	One Step
Drinking Water	Hair Treatment	Coconut Milk
Belacan	Cosmetics	Flour

%CHANGE FMCG BASKET PER SOCIAL ECONOMIC LEVEL

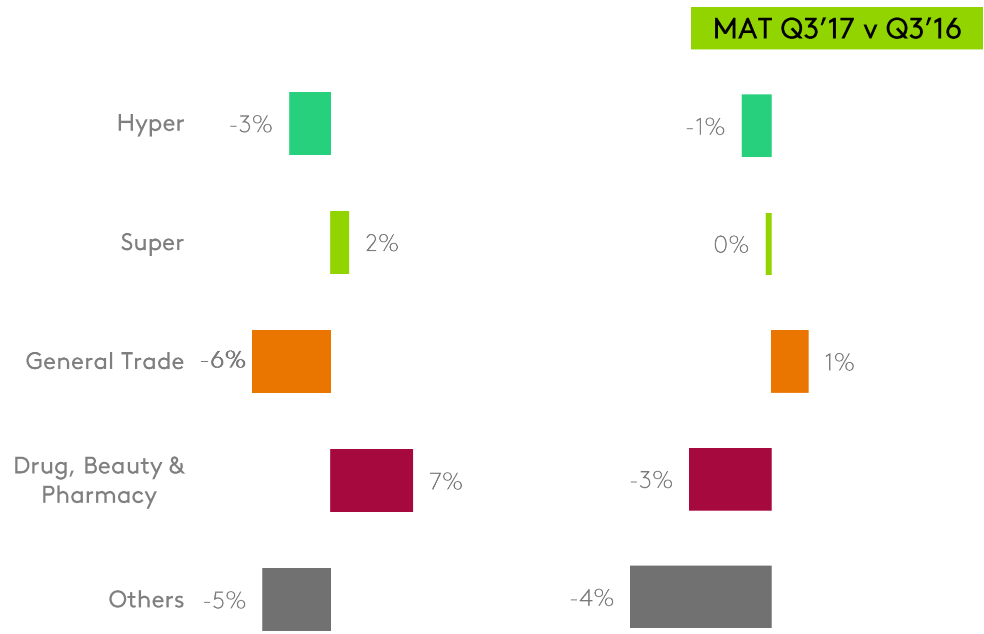


Channel Importance - %Value



Shopping Occasions

Spend/Trip

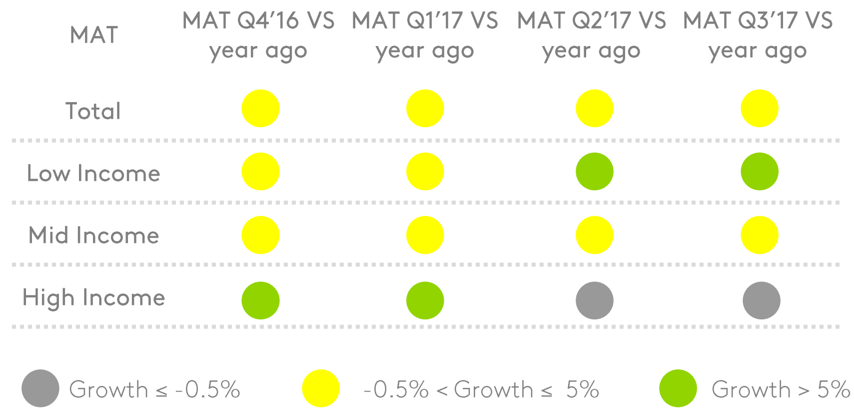


THAILAND

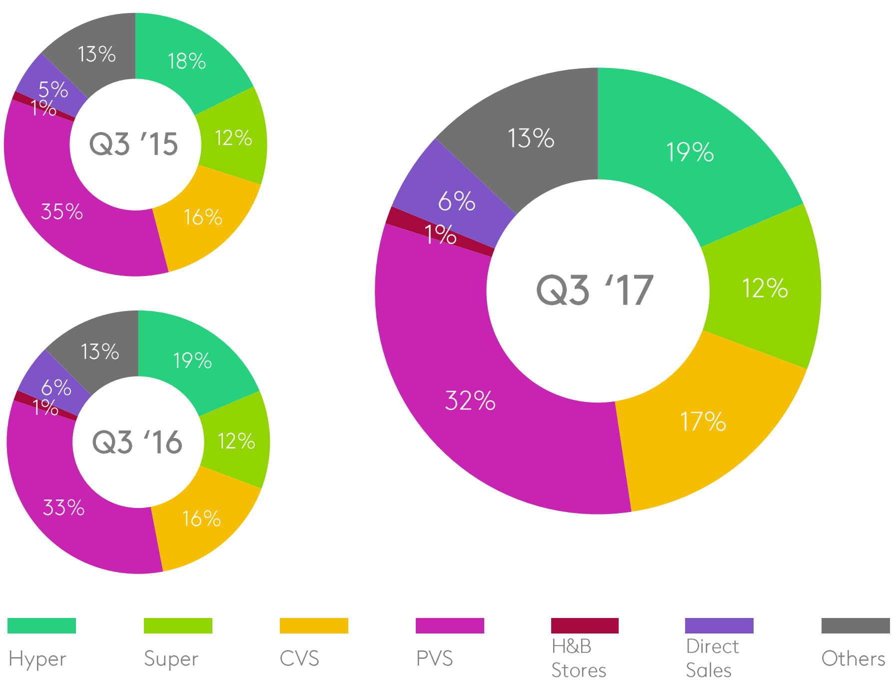
Top 5 Categories with Positive Impact – MAT Q3'17 vs Q3'16

Value	Volume	Penetration
Spread	Jam	Mask
Essence of Chicken	Mask	Facial Tissue
Facial Tissue	Spread	Make Up
Jam	Sun Protection	RTD Coffee
Cooking Oil	Essence of Chicken	Rice

%CHANGE FMCG BASKET PER SOCIAL ECONOMIC LEVEL

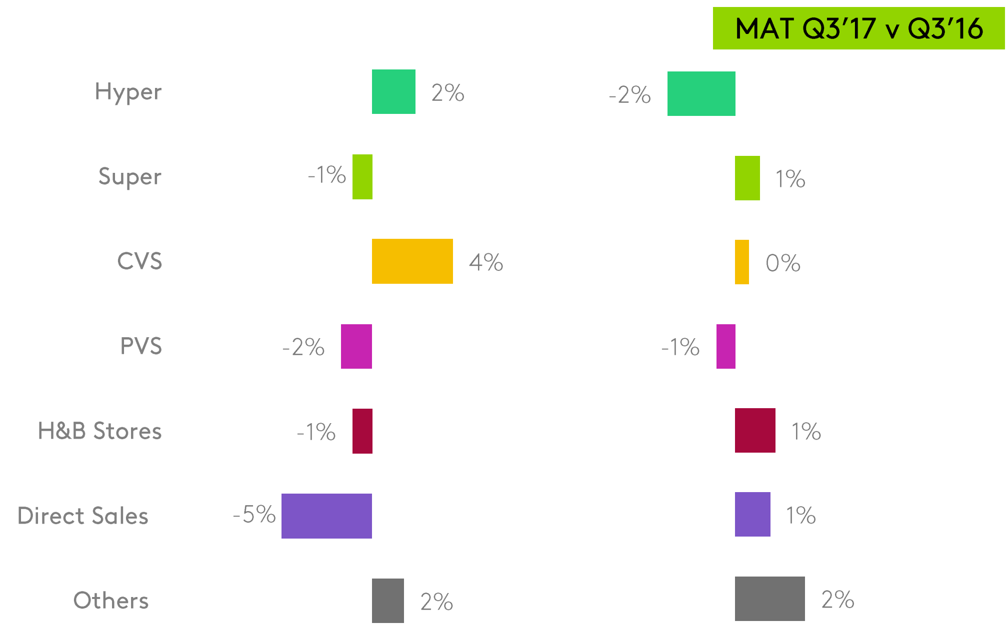


Channel Importance - %Value



Shopping Occasions

Spend/Trip

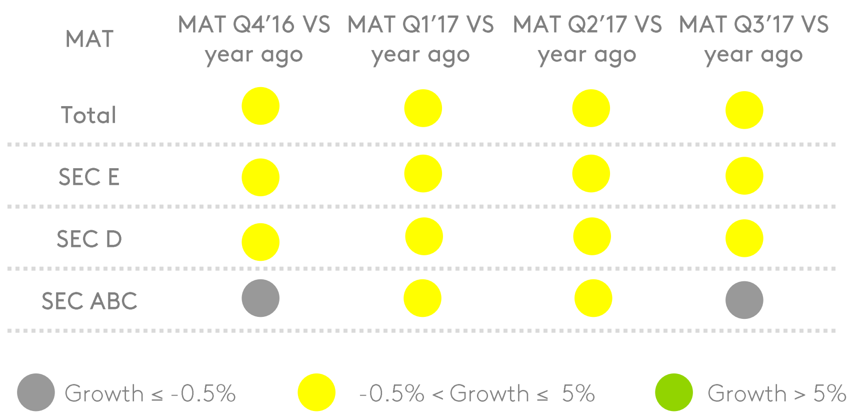


PHILIPPINES

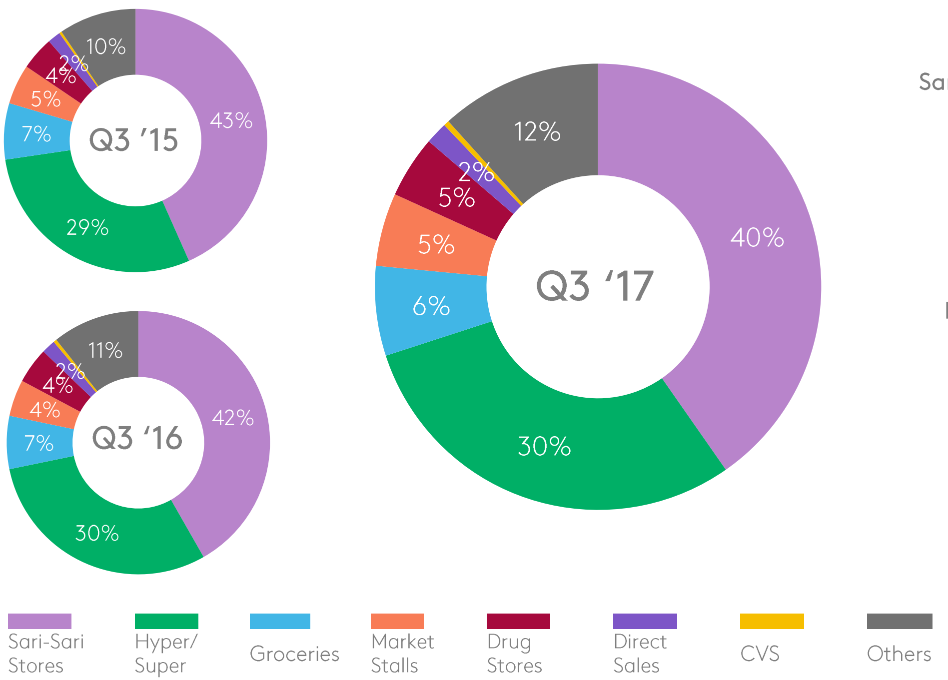
Top 5 Categories with Positive Impact – MAT Q3'17 vs Q3'16

Value	Volume	Penetration
Hair Treatment	Hair Colorant	Hair Treatment
Chocolate	Hair Treatment	Mouthwash
Semi-Processed Meat	Semi-Processed Meat	Liquid Seasoning
Liquid Detergent	Baby Food	Mayonnaise/Salad Dr.
Instant Pasta	Scouring Pads	Semi-Processed Meat

%CHANGE FMCG BASKET PER SOCIAL ECONOMIC LEVEL

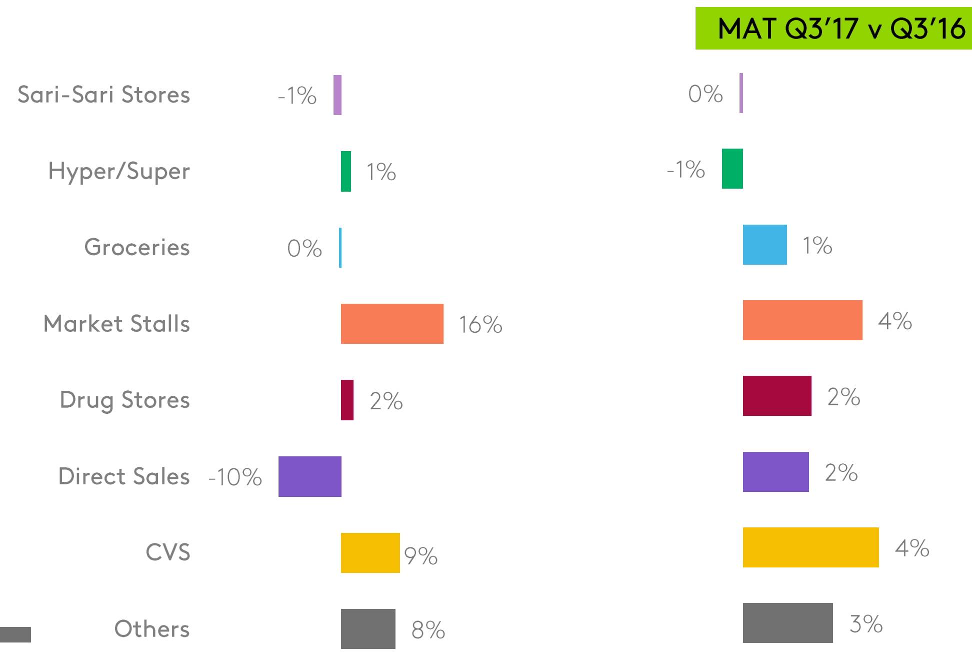


Channel Importance - %Value



Shopping Occasions

Spend/Trip

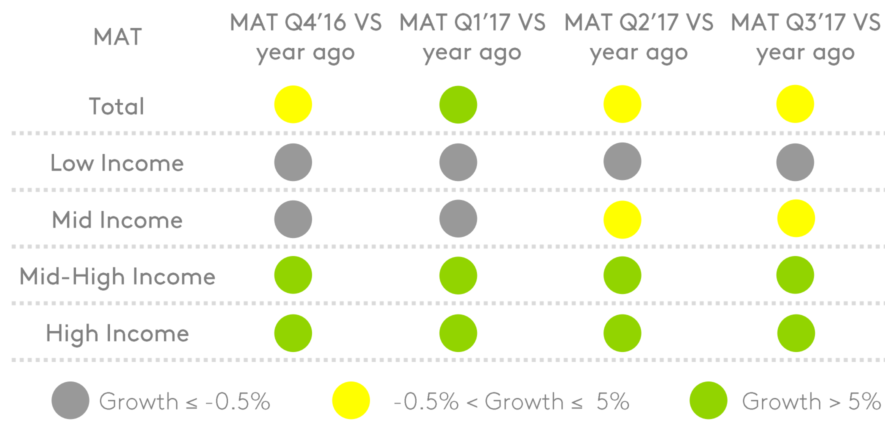


VIETNAM URBAN

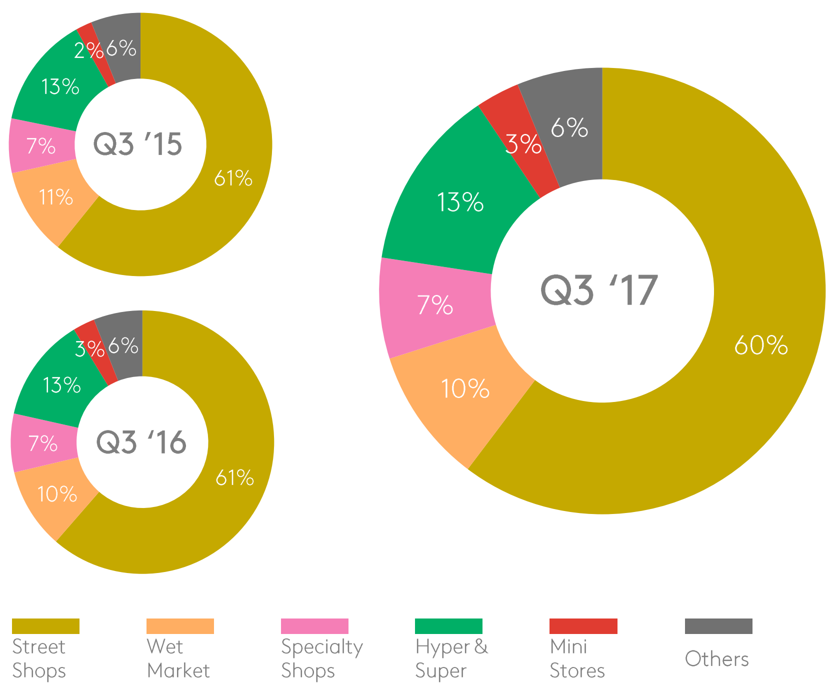
Top 5 Categories with Positive Impact – MAT Q3'17 vs Q3'16

Value	Volume	Penetration
Sun Protection	Sun Protection	Ketchup/Tomato Sauce
RTD GUM	RTD GUM	Mayonnaise
Air Freshener	Liquid Detergent	Instant Tea
Hair Colorant	Functional Drinking Yogurt	Cakes
Lipstick	Mayonnaise	Rice Soup

%CHANGE FMCG BASKET PER SOCIAL ECONOMIC LEVEL



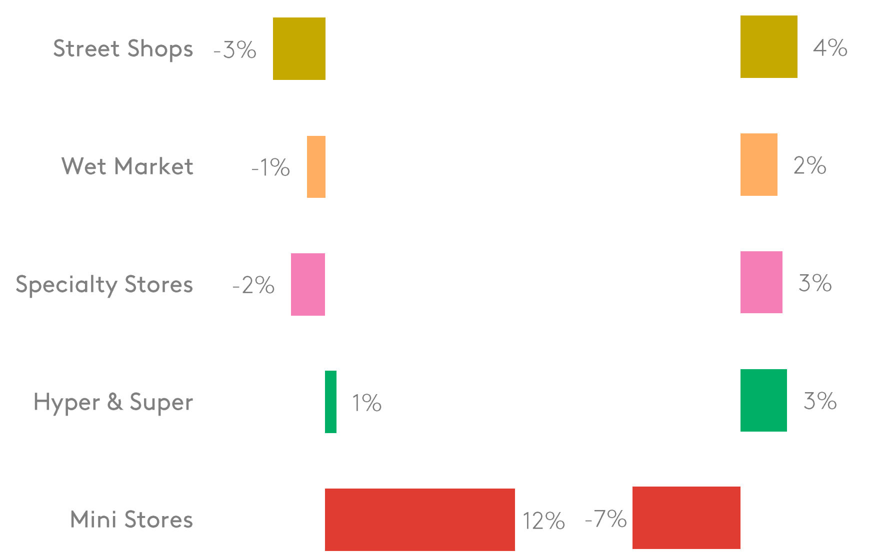
Channel Importance - %Value



Shopping Occasions

Spend/Trip

MAT Q3'17 v Q3'16

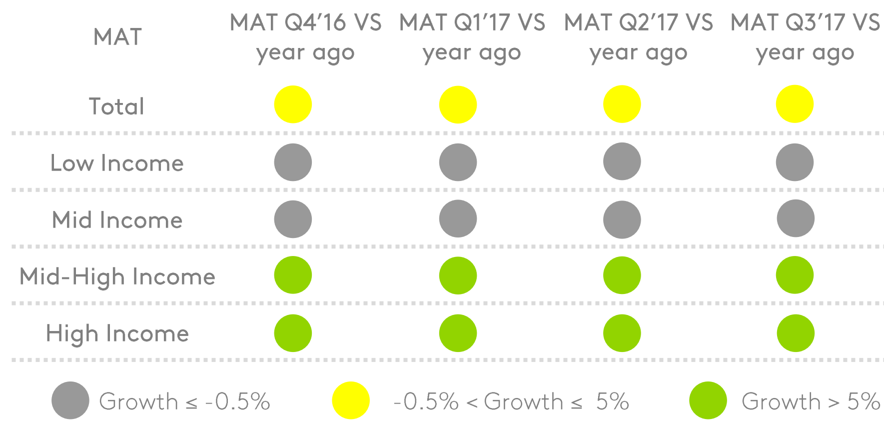


VIETNAM RURAL

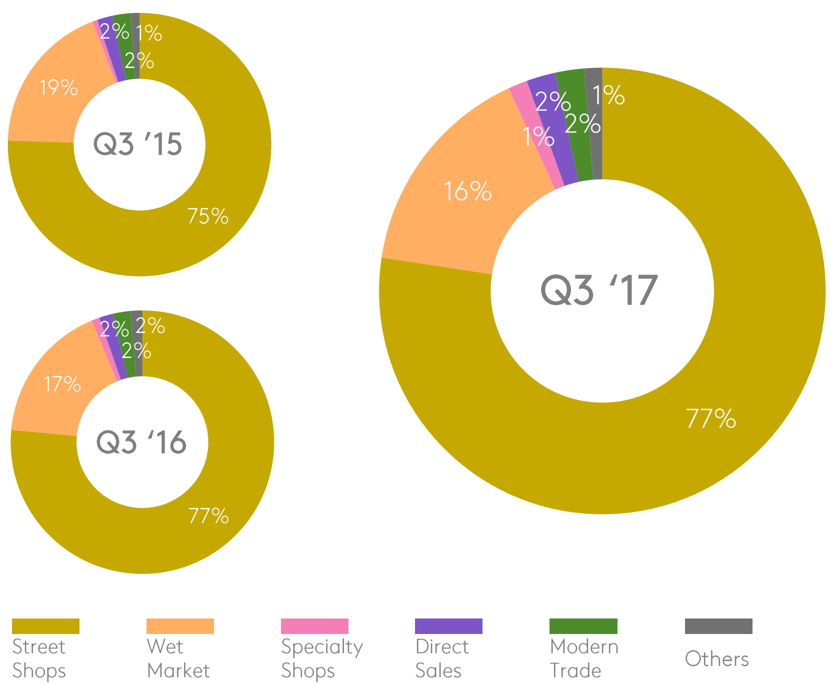
Top 5 Categories with Positive Impact – MAT Q3'17 vs Q3'16

Value	Volume	Penetration
Liquid Detergent	Liquid Detergent	Liquid Detergent
RTD GUM	RTD GUM	Biscuits
Tonic Food Drink	Tonic Food Drink	Loose Leaf Tea
Adult Milk Powder	Deodorant	CSD
Facial Cleanser	Shaving Products	Insecticide

%CHANGE FMCG BASKET PER SOCIAL ECONOMIC LEVEL

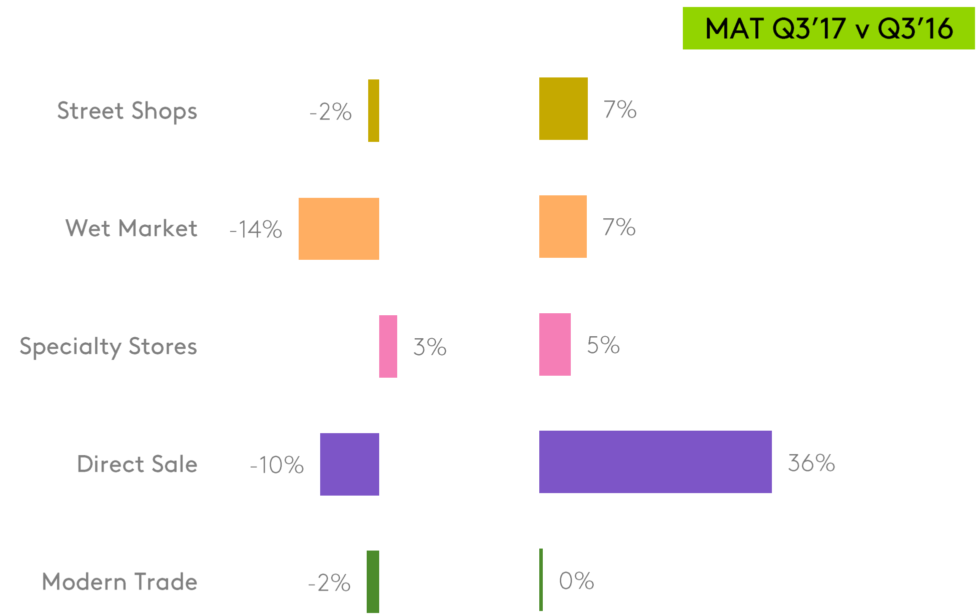


Channel Importance - %Value



Shopping Occasions

Spend/Trip



KANTAR WORLDPANEL