FMCG MONITOR

An integrated view of Indonesia FMCG market

MAT JUNE	**2018**

EXECUTIVE SUMMARY

1 MARKET UPDATE

Indonesia economy growth is on a healthy trajectory.

2 FMCG OUTLOOK

Despite buyers shopping less often, FMCG still shows positive growth as price increase decelerates.

3 SHOPPER BEHAVIOUR

Ergo, consumers are buying and spending more each trip, where the biggest improvement coming from the less affluent households.

4 RETAILERS SNAPSHOT

Discerning shopping is rising, and specialty store is becoming more important. As the specialty store shoppers usually have higher purchasing level, and are more engaged to the category.

5 SEGMENT PERFORMANCE

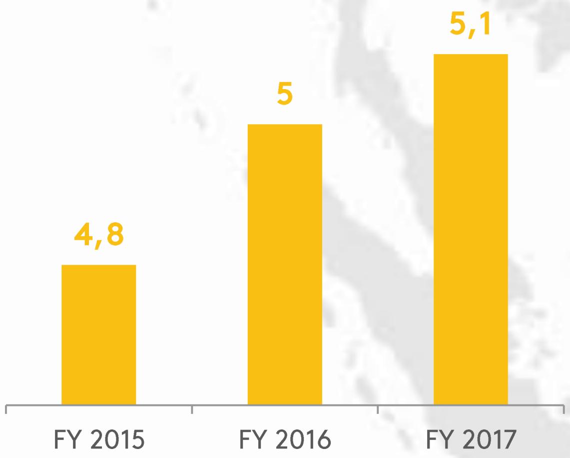
The trip size continues to grow, with Foods and Beverages leading the growth.

6 EMERGING TRENDS

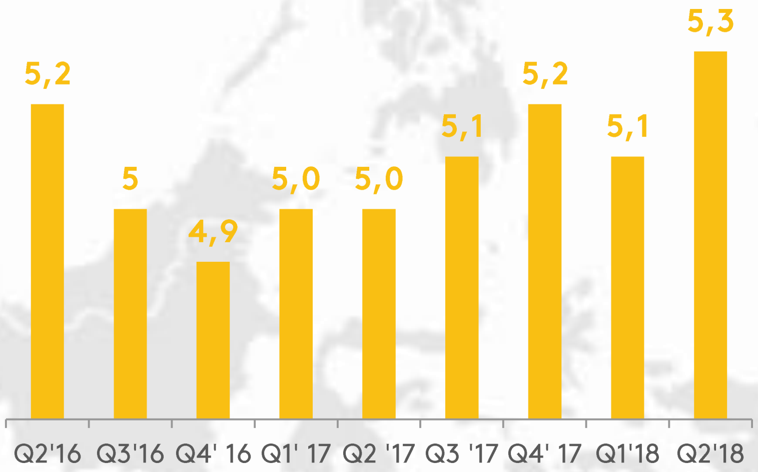
Indonesians are spending more time out of home thanks to busier lifestyles and seeking more experiential spending.

INDONESIA ECONOMY GROWTH
IS ON A HEALTHY TRAJECTORY

INDONESIA GDP
ANNUAL GROWTH RATE%



INDONESIA GDP
QUARTERLY GROWTH RATE%



GDP Growth Q2 2018	
THAILAND	+4.6%
PHILIPPINES	-3.9%
MALAYSIA	+4.5%
VIETNAM	+6.8%

INDONESIA

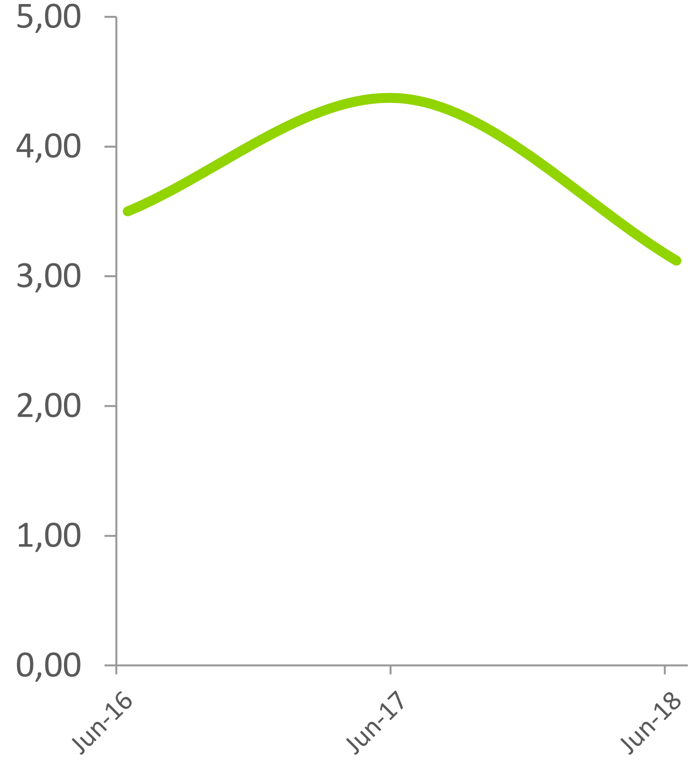
Source: Kantar Worldpanel

INDONESIAN CONSUMERS

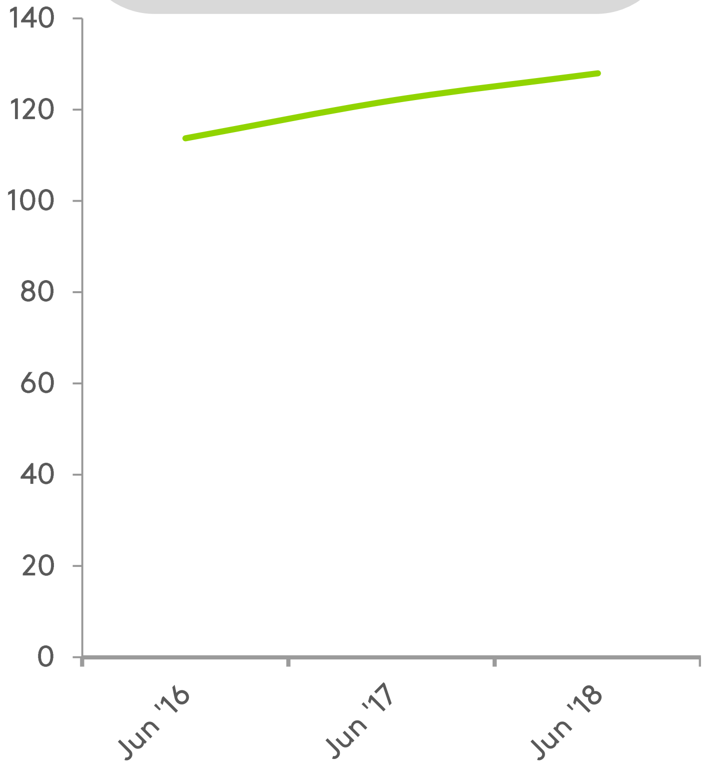
CONTINUE TO INCREASE SPENDING

Consumer confidence shows a positive growth despite the weakening Rupiah while inflation rate is on a steady decline.

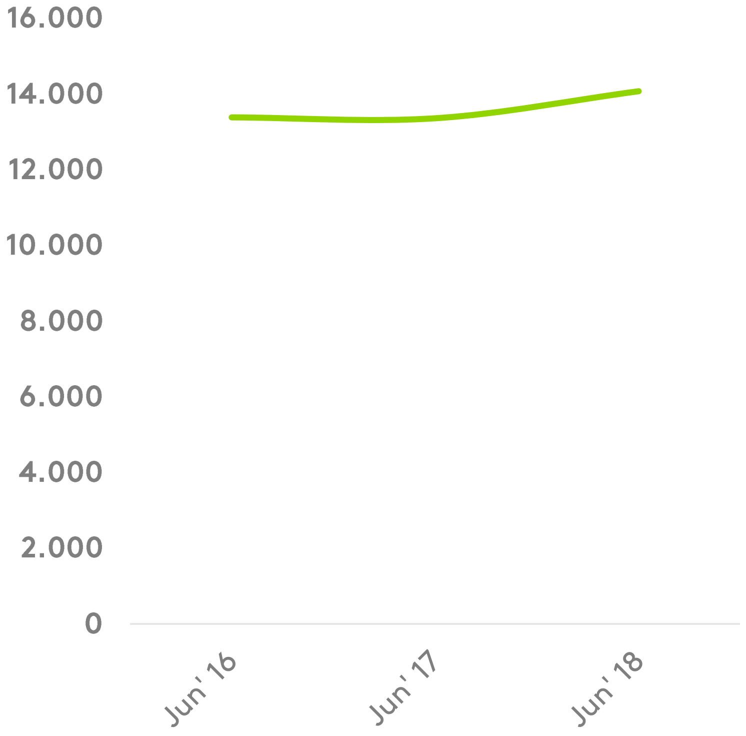
MONTHLY INFLATION RATE



CONSUMER CONFIDENCE INDEX



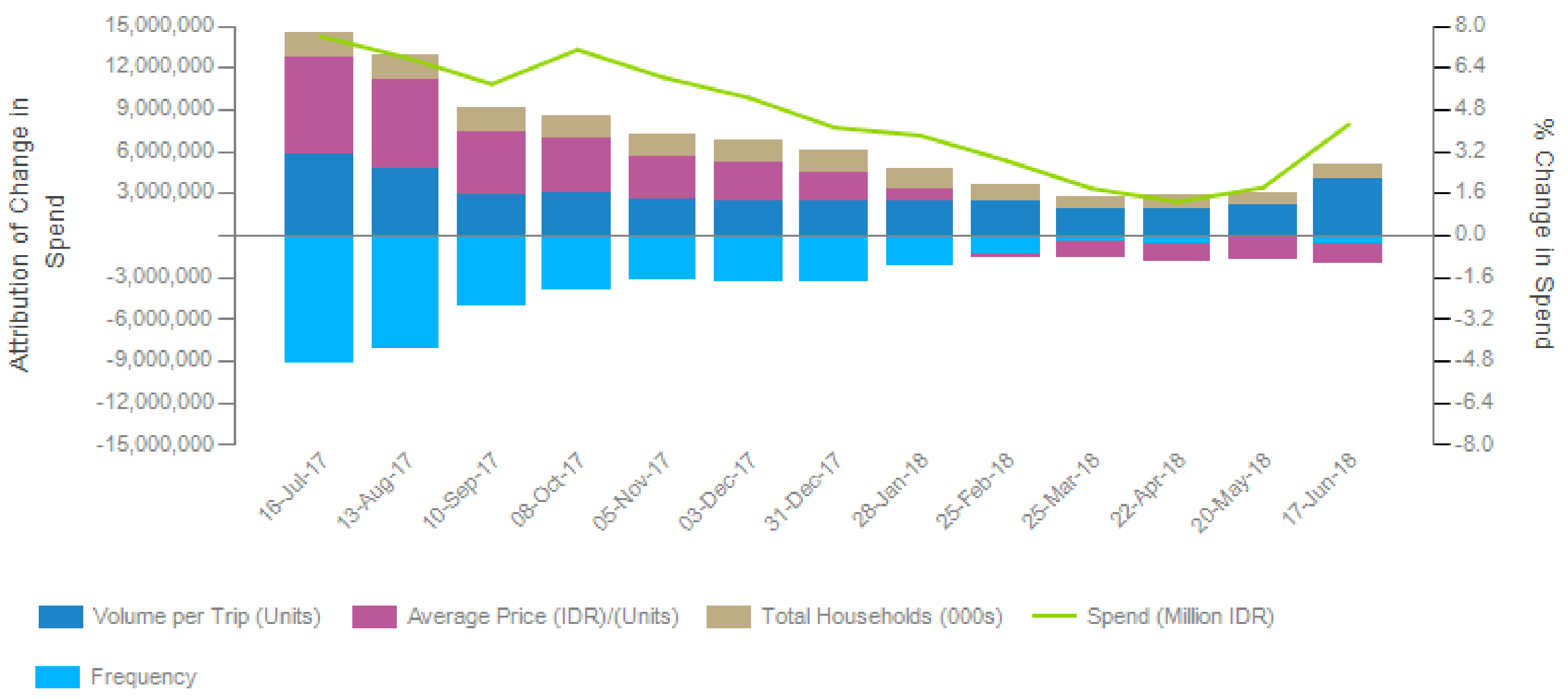
USD EXCHANGE RATE



FMCG OUTLOOK

Despite buyers shopping less often, FMCG still shows positive growth as price increase decelerates

FMCG IN HOME | INDONESIA URBAN+RURAL | 12 weeks YoY Trend



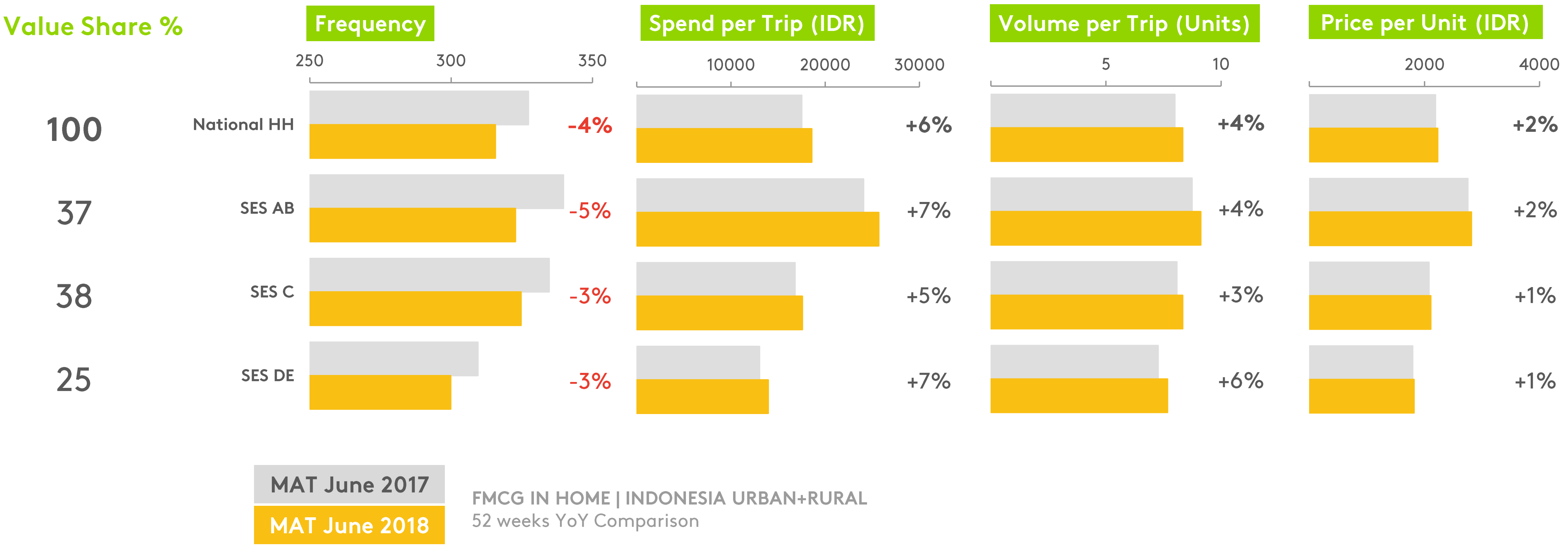
FMCG IN HOME	MAT June 2017	MAT June 2018
Value %	+7.7%	+4.2%
Volume % (units)	-2.7%	+2.4%
Price per unit	+10.7%	+1.7%
Frequency	-10%	-3.6%

FMCG IN HOME | INDONESIA URBAN+RURAL | MAT YoY

KANTAR WORLDPANEL

CONSUMER
PURCHASE BEHAVIOUR

Ergo, consumers are buying and spending more each trip, where the biggest improvement coming from the less affluent households



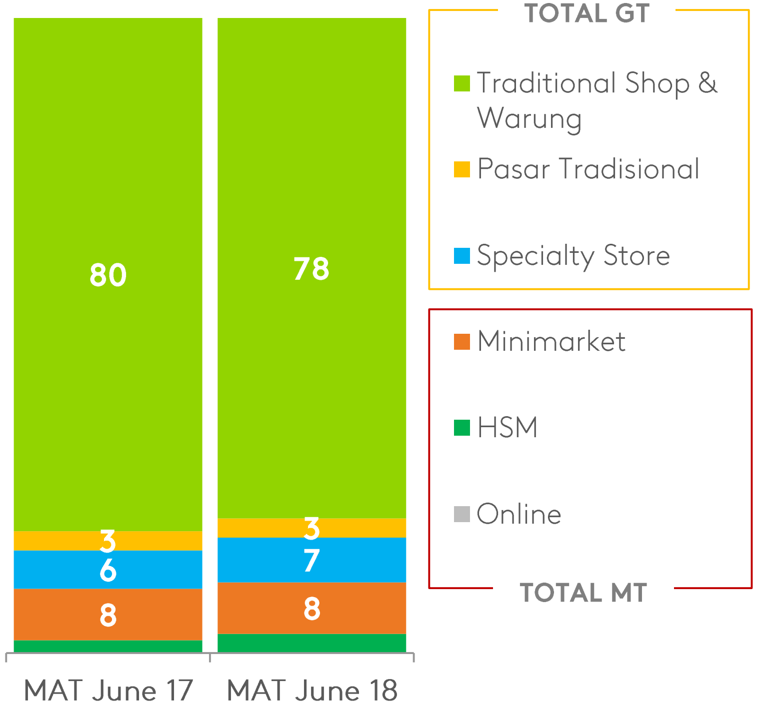
FMCG IN HOME | INDONESIA URBAN+RURAL
52 weeks YoY Comparison

SNAPSHOT

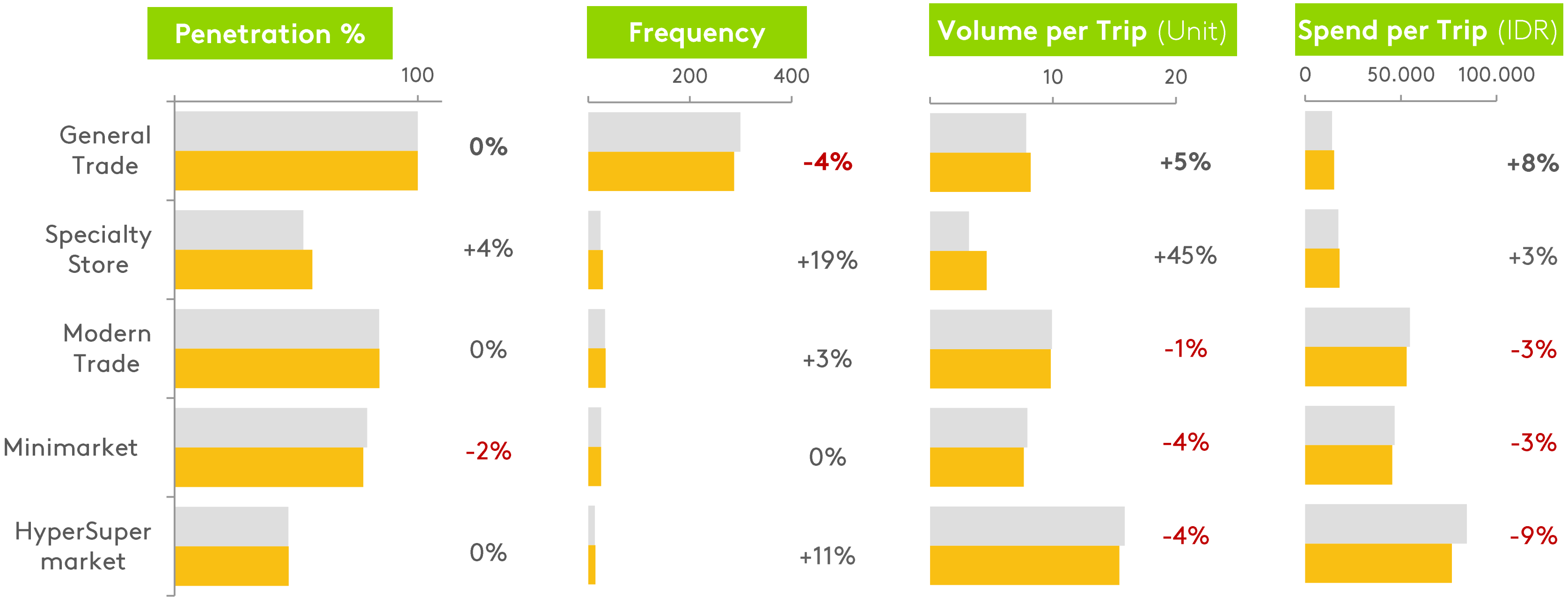
RETAILERS

Discerning shopping is rising, and specialty store is becoming more important. As the specialty store shoppers usually have higher purchasing level, and are more engaged to the category.

Occasion %



Purchase Behavior Across Channel



MAT June 2017

MAT June 2018

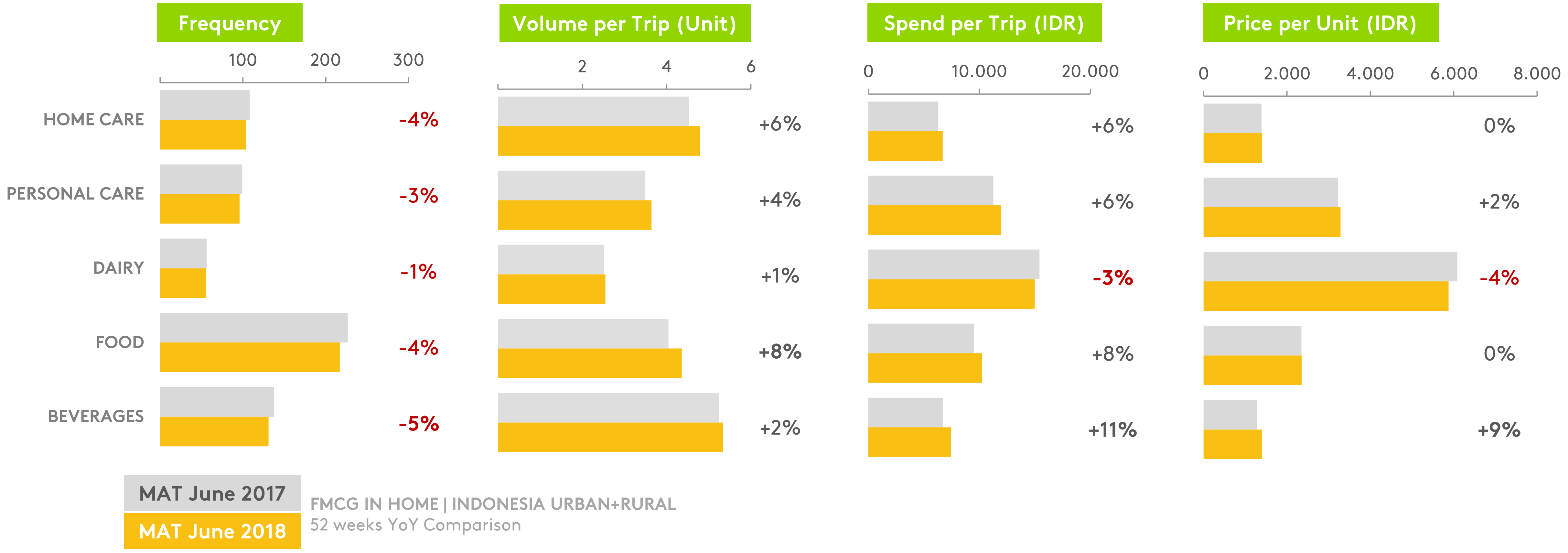
FMCG IN HOME | INDONESIA URBAN+RURAL

52 weeks YoY Comparison

PERFORMANCE

FMCG SEGMENTS

The trip size continues to grow, with Foods and Beverages leading the growth.



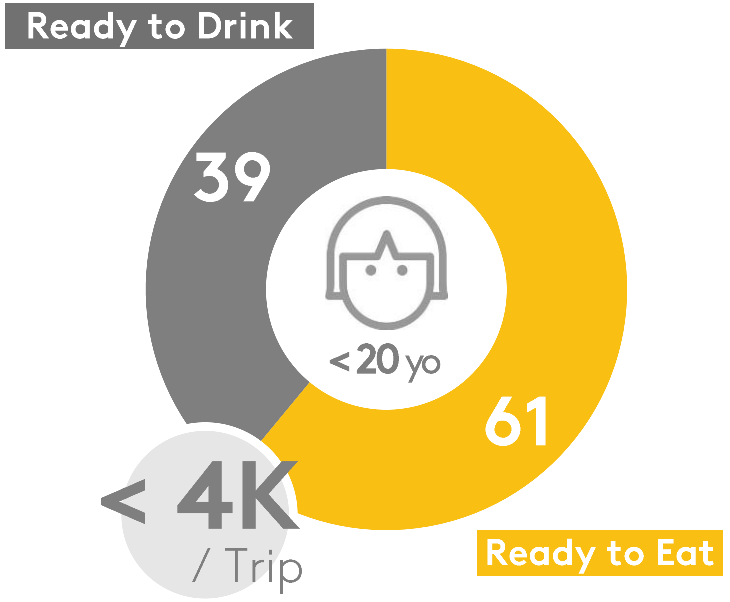
FMCG IN HOME | INDONESIA URBAN+RURAL
52 weeks YoY Comparison

FMCG

EMERGING TREND

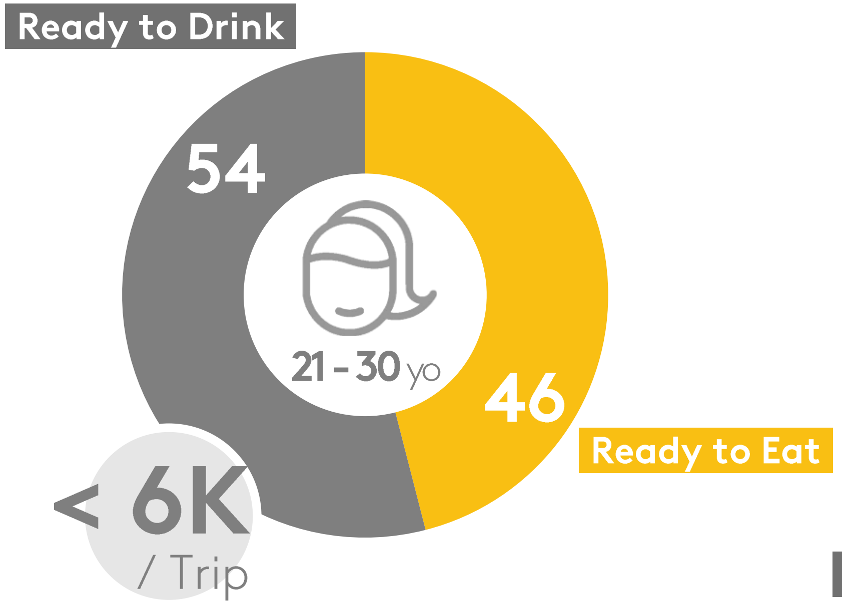
OUT OF HOME CONSUMPTION IS ON THE RISE

Indonesians are spending more time out of home thanks to busier lifestyles and seeking more experiential spending.



HUNGER

FILLER



TASTY THIRST

QUENCHER

THIRST

QUENCHER

TERMS GLOSSARY

TRADE CHANNEL DEFINITION

Specialty Store	Milk Store, Baby Store, Cosmetics Store, Drug Store, Apothecary, Refill Water Kiosk
Online	Internet based marketplace which displays products virtually via dedicated websites that can be accessed anytime. No direct face-to-face transaction occurs in the purchasing process.

MEASUREMENT DEFINITION

Penetration	The percentage of households do purchase at least once in a given period of time
Frequency	The average number of shopping trips made to purchase the product in a given period of time
Occasion / Trip	The actual number of purchase occasion / shopping trip in a given period of time
Spend per Trip	The average amount that buyers payed in a single shopping trip
Volume per Trip	The average volume that buyers purchased in a single shopping trip
Price per Unit	The average price that buyers payed for a single unit

IN HOME CONSUMPTION

The consumption of FMCG products within home of panelist after the purchase made and being reported in In Home dairy

Category Tracked	113 (Exclude tobacco and fresh food)
Scope	Indonesia Urban + Rural
Household representatives	53+ Million

OUT OF HOME CONSUMPTION

The consumption of FMCG products outside panelist home and it is consumed right away after the purchase made at the shop. The panelist will bring the used pack as proof of consumption and being reported in out of home dairy.

Category Tracked	22
List of Categories	**Ready to Drink (RTD)** RTD coffee; isotonic drink; RTD tea; energy drink; RTD juice; RTD milk; carbonated soda drink; mineral water; cultured milk; soya milk; yoghurt drink; health food drink; **Ready to Eat (RTE)** potato snack; extruded snack; chocolate; ice cream; candy; cold cereal; biscuits; cup noodle; RTE sausages; chewing gum
Scope	Indonesia Urban
Individuals representatives	100+ million from the same Household

ABOUT KANTAR WORLDPANEL

Kantar Worldpanel is the global expert in shoppers' behavior. Through continuous monitoring, advanced analytics and tailored solutions, Kantar Worldpanel inspires successful decisions by brand owners, retailers, market analysts and government organizations globally.

With over 60+ years' experience, a team of 3,500+, and services covering 60 countries directly or through partners, Kantar Worldpanel turns purchase behavior into competitive advantage in markets as diverse as FMCG, impulse products, fashion, baby, telecommunications and entertainment, among many others. Kantar Worldpanel is part of the Kantar, one of the world's largest insight, information and consultancy networks. Kantar is the data investment management division of WPP.

In Indonesia, Kantar Worldpanel – Inspiring Successful Decision™ tracks household purchase of over 113 different FMCG categories for In Home consumption across food and non food from its sample of 9,000 households across urban and rural Indonesia on a weekly basis; representing around 53 million households, as well as over 18 categories for Out of Home consumption from 33,000+ individual sample from the same Household of In Home tracking across urban area on a weekly basis.

CONTACT US

Kantar Worldpanel Indonesia
World Trade Center 6, 7th Floor
JL Jendral Sudirman Kav 29-31
Jakarta, 12920

Fanny.Murhayati@kantar.com
Arga.Adhiningrat@kantarworldpanel.com

www.kantarworldpanel.com/id