



Vietnam consumer trends 2018

Pushing the limits in Vietnam



Population of 94 million

GDP/Capita US\$2,250

Urban 35%

Under 30s 46% of population

National internet penetration 67%

National smart phone 68% national (87% urban)

% of page internet page views on mobile 62%

64 million on Facebook

Poor  Rich

3.5 billion : 5 globally
90,388,350 : 272 Vietnam

272 UHNW (>30 US\$ million)
22,000 HNW (>1 US\$ million)

1 in 2 urban households now with USD500 or more income
(4 million households or 17 million people)

Rural



Urban

Rural population in decline
for the 1st time in 2018.

Urban population now 35%.
Will be 45% in 17 more years.

Urban contributes 60%
of economy in 2018.

Hanoi



HCMC

HCMC urban population at 7.5 to 8.5 million
more than double Hanoi.

Economic contribution (24%) more than double.

Various indices place HCMC as one of worlds
top 5 dynamic cities.

Momentum will push HCMC further ahead.

Spacious



Dense

463 cars / day
8,961 motorbikes / day
65,000 new apartment sales

Urban density in HCMC higher than Tokyo in 2018
Dense cities are more efficient,
but offer less quality of life

Opportunities abound for ultra convenience

Risk averse



Entrepreneur

New private business registrations
18% growth per annum (2010 to 2017)

Expect 125,000 new businesses in 2018

Homogenous



Fragmented

Consumer product categories have matured

Much more expensive to break in and establish new brands

Greater fragmentation

More modern retailers, more media channels, more fragmentation, more work

Greater sophistication and hence consumer segmentation

Young  Old

Birth rate falls below 60% (females 15-49) in 2018 and dropping fast.

Life stages are maturing.

Highest household growth 1) old single 2) empty nesters 3) married with teens

Less pester power, different purchase priorities.

Under 30s now at 46%.

Highest growth is in over 40s, adding 7 million in next 7 years (160% growth).

Ownership



Experience

Experiences and achievements trump ownership

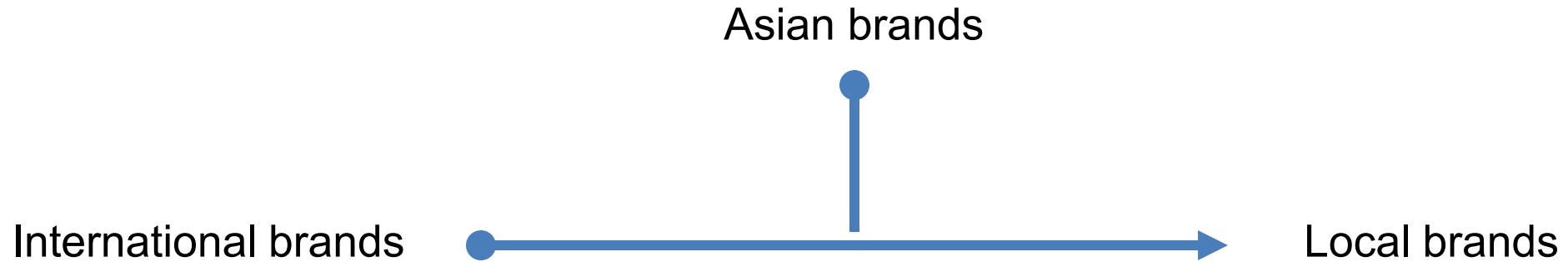
Reinforced by 64 million Facebook users

Education: US\$764 million spent in US on education

Healthcare: US\$2.4 billion spent overseas.

Travel: 30% growth, 37 million domestic / 27 million international

Leisure and entertainment: Plethora of chain brands for FSR, Café, Bubble Tea and Casual Dining



Local brands surge ahead
They are less afraid to fail and far more agile

US\$30 billion FDI (65% disbursed) in 2017
S Korea, Thailand and Japan being biggest B2C

US\$ 10.1 billion M&A in 2017
A Thai land grab; Vinamilk, Sabeco, Masan, Mega (Metro), Big C, Zalora, Nguyen Kim

Fresh



Branded

Food scares impact consumer trust

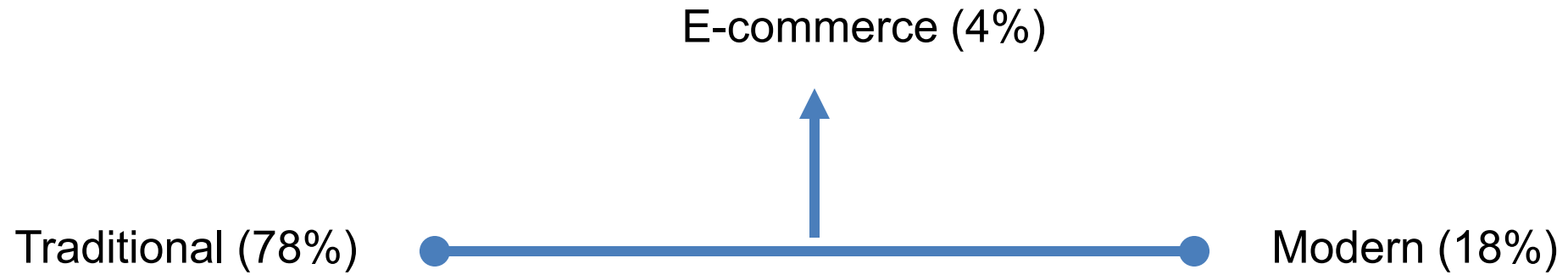
Provenance (origin)

Natural and organic

What is not in the food e.g. preservatives

Manufacturer vs. retail own brands

Modern trade and e-commerce enabling more branded categories



Rapid share grab ahead of profits
320 Pharmacy / Health and wellness
2,700 convenience stores
1,100 Super and mini markets

Independent



Chain

Independent outlets driving more experiential concepts to compete
(boutique, artisan, craft, specialty)

Chain operators' driving operational efficiencies
(standards, safety and consistency)

More data



Phức tạp hơn

More marketing illusions

More hype, more fools

Tide begins to turn on people farming
(by Facebook and Google)

More disruptive platforms being reigned in
e.g. Uber, Airbnb, Facebook stores

Pushing the limits in Vietnam

Poor	→	Rich
Rural	→	Urban
Hanoi	→	HCMC
Spacious	→	Dense
Risk averse	→	Entrepreneur
Young	→	Old
Homogenous	→	Fragmented
Ownership	→	Experience
International brands	→	Asian brands
Fresh	→	Branded
Traditional (78%)	→	E-Commerce (4%)
More data	→	Phức tạp hơn

All digital market research



7 offices nationally



600 strong tablet armed field force



40,000 online active panel members



40 CATI stations



400 m sq. CLT space



4 group rooms



Cimigo **OnMobile** native app



Cimigo MROC **community** platform

Cimigo is the leading independent data collection agency in Vietnam. Cimigo has interviewed 950,000 consumers, 700,000 retailers and 30,000 healthcare professionals in the past 24 months. Let us bring our unrivalled resources to bear on your market research in Vietnam.



ask@cimigo.com