

A hand is shown reaching for a carton of orange juice in a supermarket refrigerator. The carton is blue and orange, with the words "Orange Juice" printed on it. The refrigerator shelves are filled with other cartons of orange juice. The background is slightly blurred, showing more shelves of products.

**MAY
2017**

KANTAR **WORLD**PANEL

FMCG MONITOR

**An integrated update
of Vietnam FMCG market**

12 weeks period ending 21 May 2017 (12 w/e P5'17)
Urban 4 Key Cities & Rural Vietnam

EXECUTIVE SUMMARY

1

KEY
INDICATORS



The average CPI of the first 5 months is still over 4%. The 2017's economic growth target remains **CHALLENGING**.

2

FMCG
GROWTH



Urban 4 key cities FMCG market has been on an **UPWARD TREND**. While Rural market keeps recovering.

3

HOT
CATEGORY



FRUIT JUICE comes up as the top rising category.

4

RETAIL
LANDSCAPE



Medium-sized Street Shops and Modern Trade retain their **GREAT MOVEMENTS**.

5

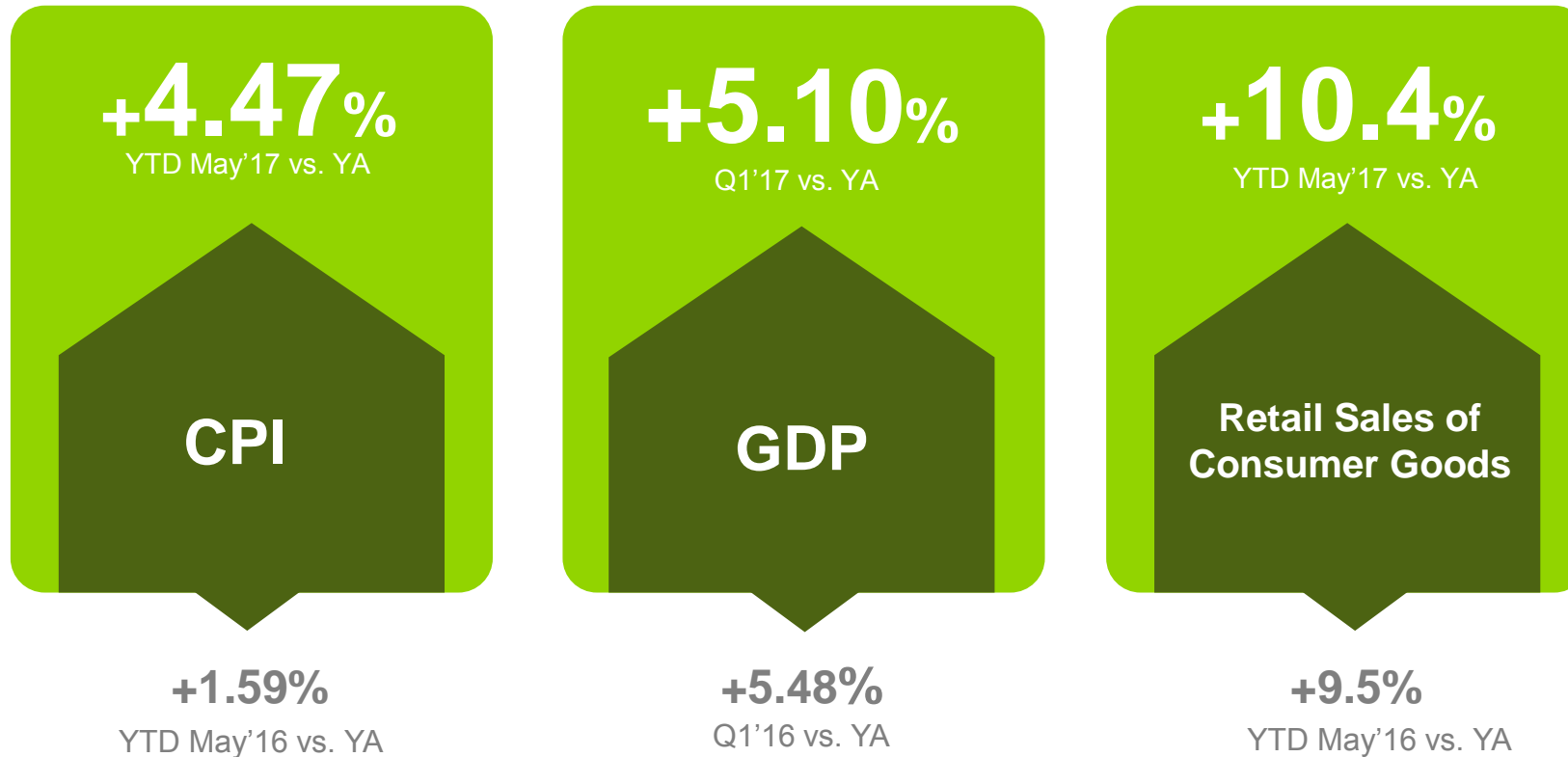
SPOTLIGHT



CONVENIENCE STORE (CVS): A game changer for Vietnam's retail?

KEY INDICATORS

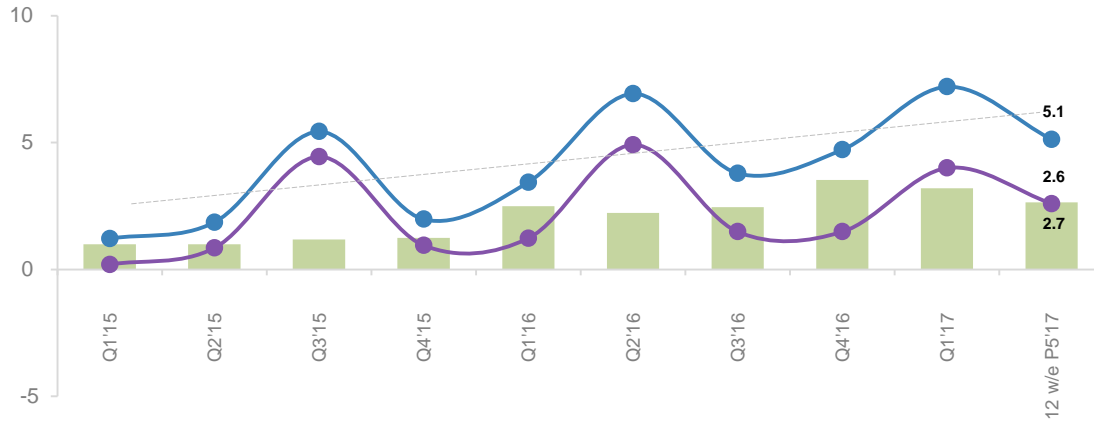
The average CPI of the first 5 months is still over 4%. Although retail sales grow steadily, FDI and export are expected to continue improving, the 2017's target of economic growth remains challenging for Vietnam.



Source: GSO Vietnam

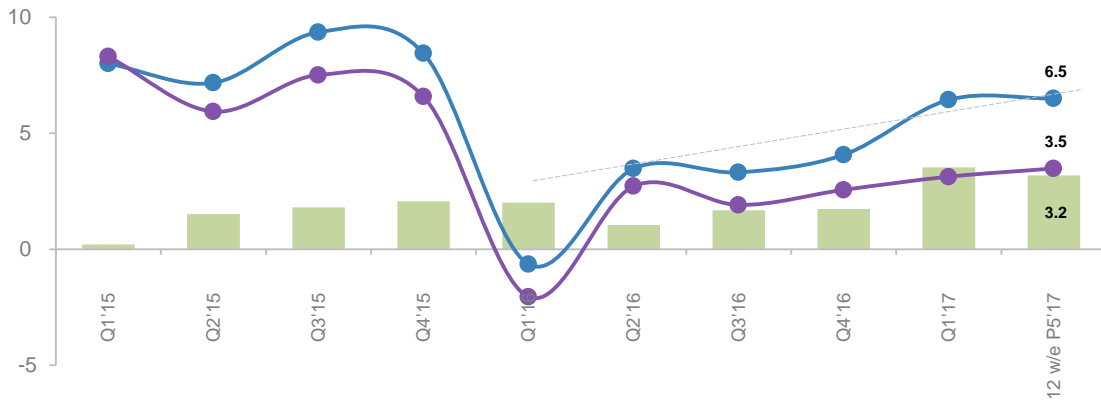
FMCG GROWTH

FMCG – 12 WEEKLY YEAR-ON-YEAR CHANGE (%)



% change

Avg. Price paid* Value Volume**

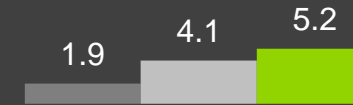


In short term, Urban 4 key cities FMCG market slows slightly compared to previous period, yet still shows an upward trend. While Rural market keeps recovering thanks to the uplift in volume consumption.

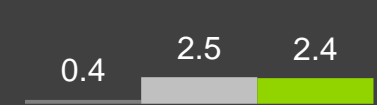
Urban 4 Cities



Value Growth%



Volume Growth%



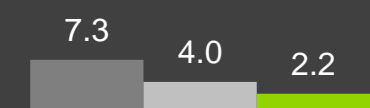
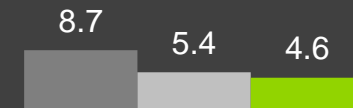
One year ending P5'17

2015 vs YA

2016 vs YA

2017 vs YA

Rural

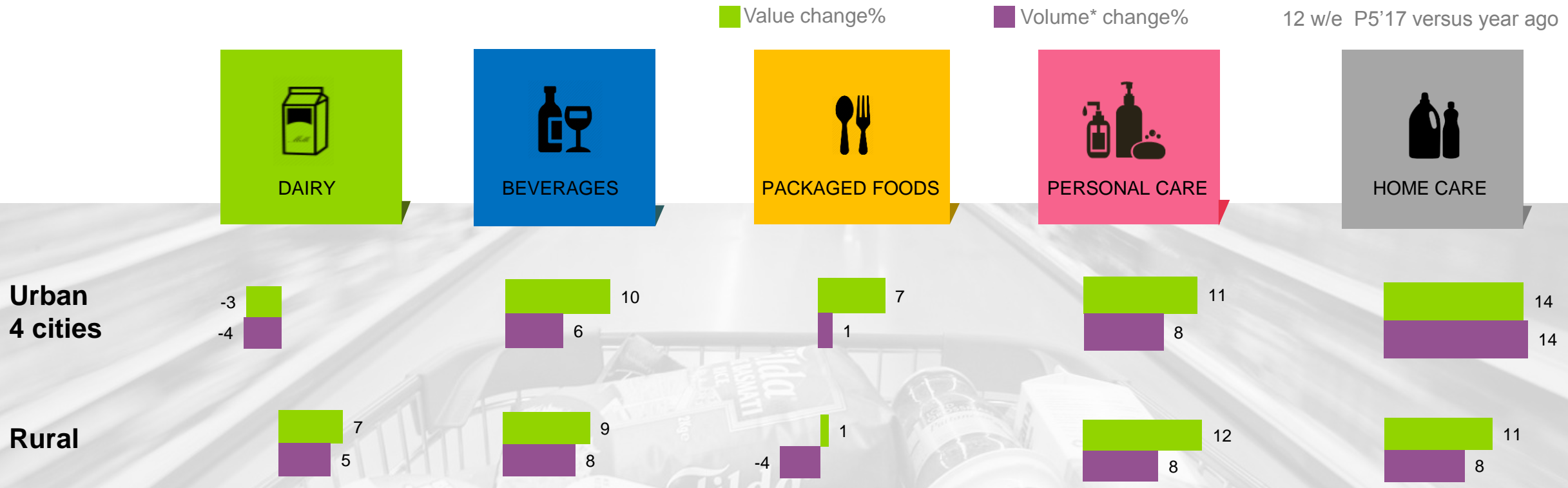


*: To calculate FMCG price paid change, we calculate how much price contributes to the value change for each category, sum up these contributions and relate to value YA

** : To calculate FMCG volume change, we calculate how much volume contributes to the value change for each category, sum up these contributions and relate to value YA (this results in an average category change in volume)

FMCG GROWTH BY SECTOR

Beverages enjoy good performance in both Urban 4 cities and Rural, many nice-to-have categories in Personal Care and Home Care also grow well. Most of Personal Care products increase volume consumption while arising products from Home Care such as box tissue, pocket tissue, liquid detergent, cleaning products... continue attracting new buyers. Are consumers now paying more attention to both personal and environmental hygiene!?



*: To calculate FMCG volume change, we calculate how much volume contributes to the value change for each category, sum up these contributions and relate to value YA (this results in an average category change in volume)
 Source: Kantar Worldpanel | Households Panel | Urban 4 Key Cities & Rural Vietnam | Total FMCG excluding Gift

HOT CATEGORY

Fruit Juice is a top rising category in both Urban 4 cities and Rural in this period. Its growth is driven by higher consumption however the category also sees huge room to expand further in terms of shopper base. Can Fruit Juice brands be able to capture the health trend and leverage the growth?



FRUIT JUICE (in-home consumption)

12 w/e P5'17 versus year ago

	Urban 4 Cities	Rural
Volume growth	+23% vs YA	+54% vs YA
% Buyers	12% of Urban households	7% of Rural households
Volume per buyer	282ml/ week (+25% vs YA)	282ml/ week (+37% vs YA)

Did you know...

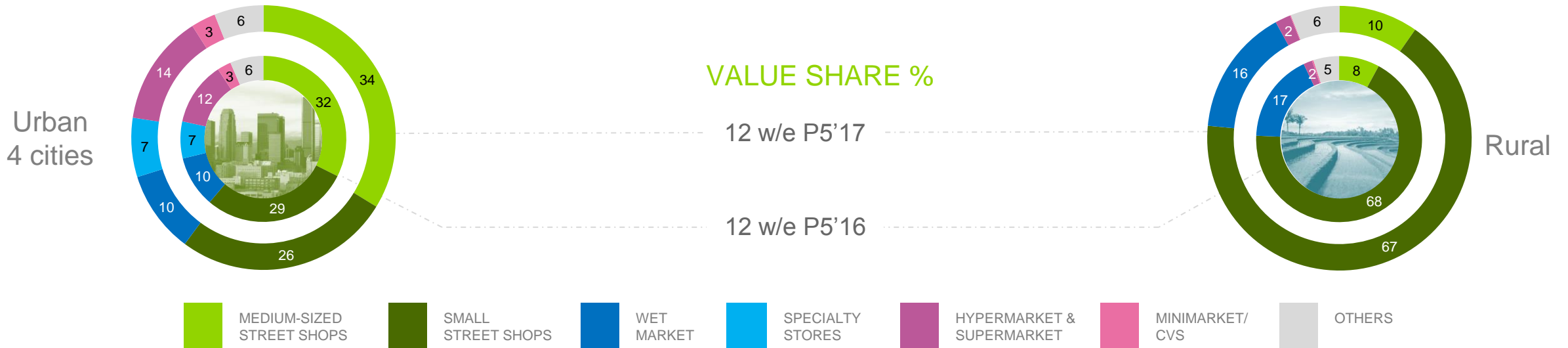
...In a week, only **4%** of individuals* drink **branded Fruit Juice** while 56% drink unbranded ones.

*Source: Kantar Worldpanel | Drinking Usage panel | Urban 4 Key Cities | Individual 4YO+ | In-home & Out of home Consumption

Source: Kantar Worldpanel | Households Panel | Urban 4 Key Cities & Rural Vietnam | Total FMCG excluding Gift

RETAIL LANDSCAPE

Modern Trade channels are now growing faster than traditional channels in Urban areas thanks to the recovery of H&S as well as continued development of Mini-Stores. In Rural, Medium-sized Street Shops keep widening, adding over 800 thousand households to their shopper base. It seems that Rural shoppers are now also heading toward upgraded and modernized shopping places.



VALUE CHANGE % (12 w/e P5'17 versus year ago)

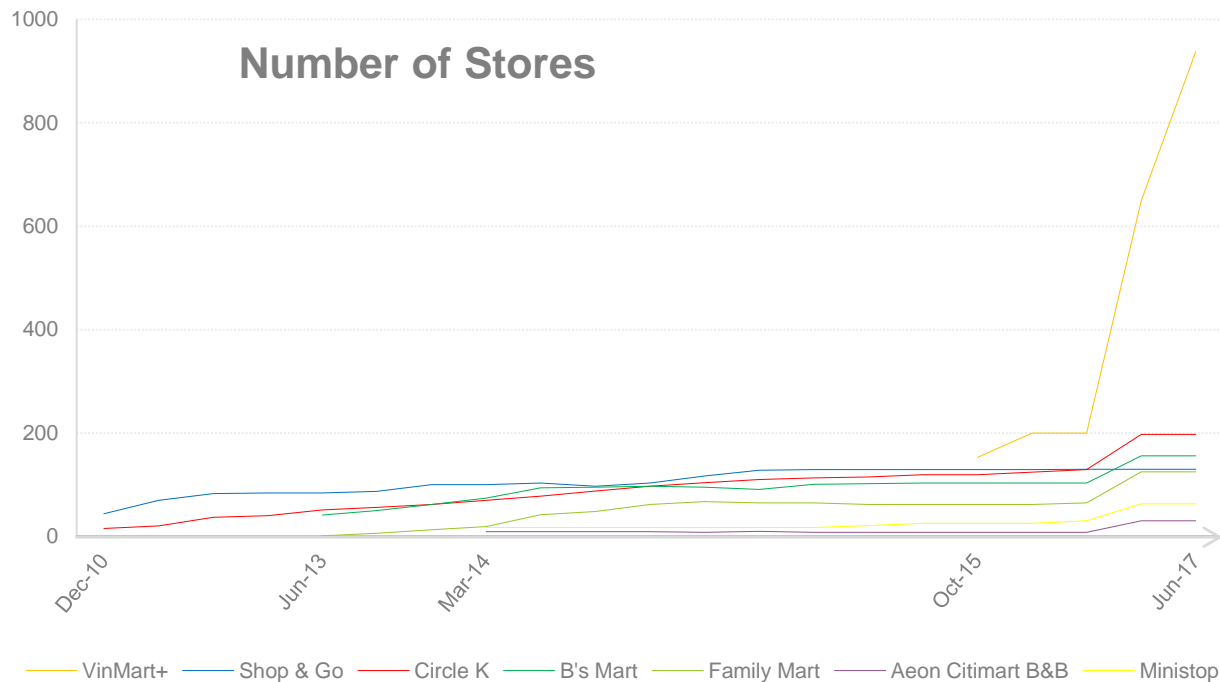


Source: Kantar Worldpanel | Households Panel | Urban 4 Key Cities & Rural Vietnam | Total FMCG excluding Gift

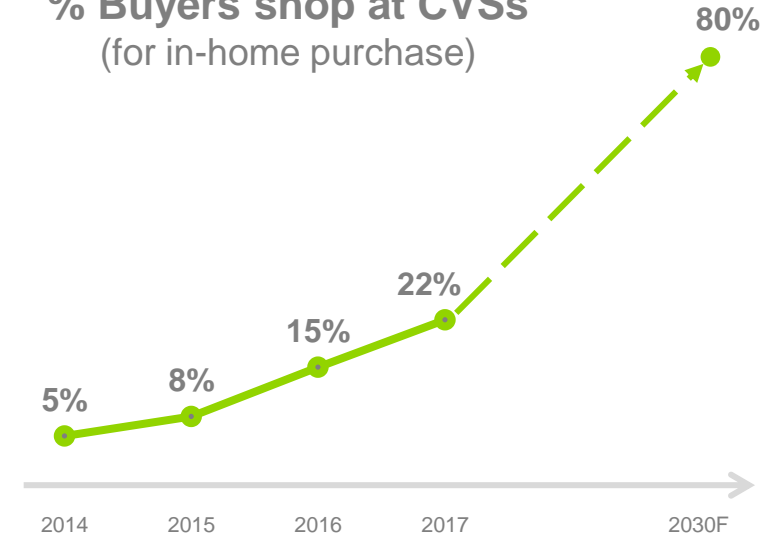
SPOTLIGHT OF THE MONTH

Convenience store (CVS): A game changer for Vietnam's retail?

Japan's store chain 7-Eleven come to Vietnam and open its first store in June that promise the market getting more dynamic. More players enter the market, more stores open, this retail format is expanding its way into every street in Urban area. With proximity, modernity, fast and convenient shopping experience CVSs offer and "motorbike culture", Vietnamese consumers might skip over the stage of modern trade development and leapfrog straight to this shopping channel!?



% Buyers shop at CVSs (for in-home purchase)



Source: Kantar Worldpanel | Households Panel | Urban 4 Key Cities | Total FMCG excluding Gift



MAY
2017

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.

For further information, please visit us at
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