



SEPTEMBER
2017

KANTAR **WORLD**PANEL

FMCG MONITOR

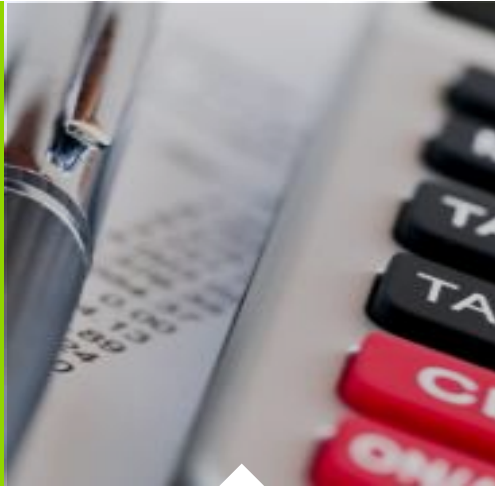
An integrated update
of Vietnam FMCG market

12 weeks period ending 10 September 2017 (Q3'17)
Urban 4 Key Cities & Rural Vietnam

EXECUTIVE SUMMARY

1

KEY
INDICATORS



Vietnam economy improves, boosted by the strong performance of the wholesale & retail and export.

2

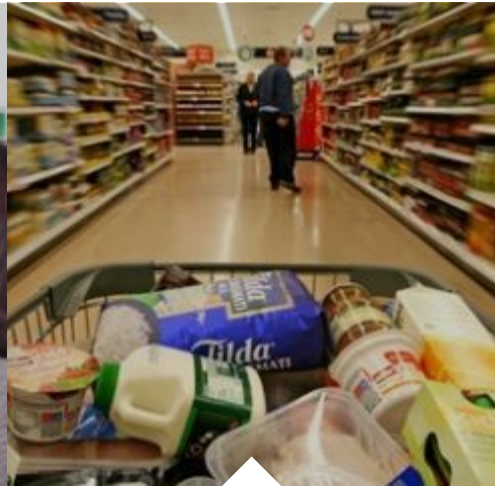
FMCG
GROWTH



Urban 4 cities market picks up while Rural consumption sees an uncertainty to rebound.

3

HOT
CATEGORY



RTD Tea gains back buyers in Urban, **Household Cleaner** continues expanding consumer base in Rural.

4

RETAIL
LANDSCAPE



Specialty stores and **modern channels** keep up their momentum.

5

SPOTLIGHT



Biscuits: Hot season is coming!

KEY INDICATORS

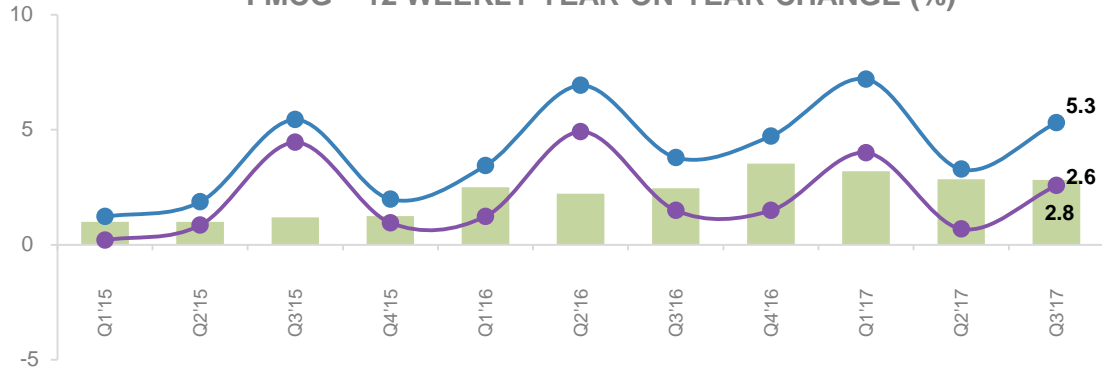
CPI September remains stable, the average CPI of 9 months is kept under +4%. Vietnam economy continues to improve, hitting the highest growth rate over the last 2 years, boosted by the strong performance of the wholesale & retail and export.



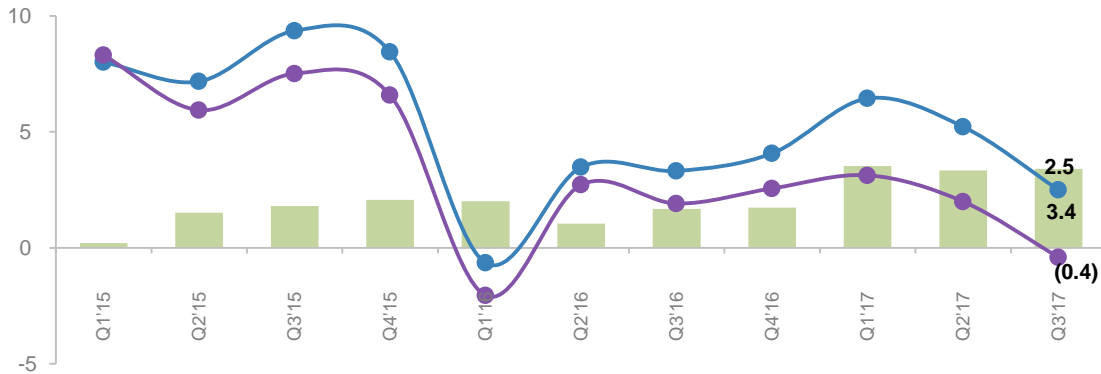
Source: GSO Vietnam

FMCG GROWTH

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



% change Avg. Price paid* Value Volume**



In short term, Urban 4 cities market picks up while Rural consumption sees an uncertainty to rebound from the economic difficulties in 2016. In long term, however, both Urban and Rural market growth observe an upturn though consumption still grows lowlier than last year.

Urban 4 Cities



Value Growth%

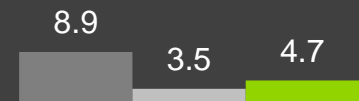


Volume Growth%



One year ending Q3'17 2015 vs YA 2016 vs YA 2017 vs YA

Rural



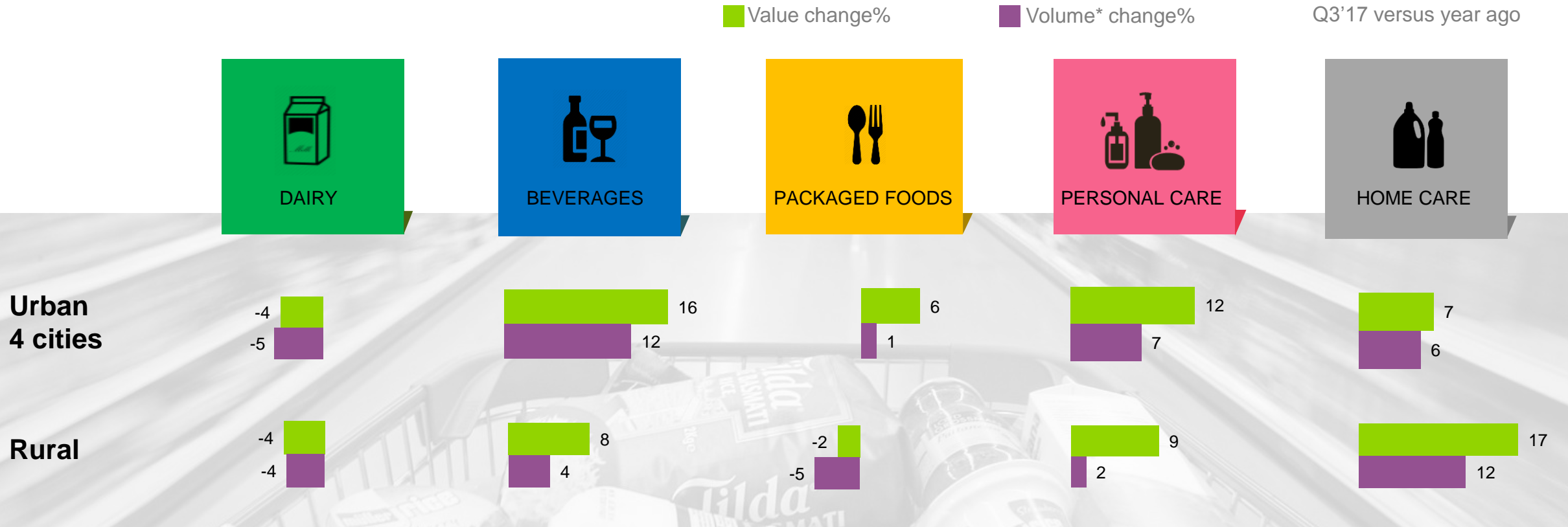
*: To calculate FMCG price paid change, we calculate how much price contributes to the value change for each category, sum up these contributions and relate to value YA

** : 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)

Source: Kantar Worldpanel | Households Panel | Urban 4 Key Cities & Rural Vietnam | Total FMCG excluding Gift | 12 weeks period ending 10 September 2017

FMCG GROWTH BY SECTOR

Dairy has not shown any sign of healing due to the continued downturn of Milk Powder for kids. Meanwhile, Beverages bounce back, leading the Urban growth and Home Care continues shining in Rural. Packaged Foods remain weak performance especially in Rural areas, mainly driven by the gradual shrink of consumer base and volume consumption in necessities like Cooking Oil, Fish Sauce and Instant Noodle.



*: 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 | 12 weeks period ending 10 September 2017

HOT CATEGORY

In Urban, ready-to-drink tea has been gaining back buyers and also seeing an improved consumption since Tet 2017, largely pushed by the recovery of some key players. Yet, striving to innovate to catch up consumer trends is still needed to sustain and develop the category further. In Rural, household cleaner continues recruiting new buyers, partly attributed to rising hygiene awareness along with better living conditions.

URBAN 4 CITIES

Volume growth
+19%

% Buyers

+ 2.2 points
22% of Urban Households

Volume
per buyer

432ml/ week



RTD Tea

Q3'17 versus year ago



Household Cleaner*

RURAL

Volume growth
+20%

+ 2.8 points
25% of Rural Households

% Buyers

125ml/ week

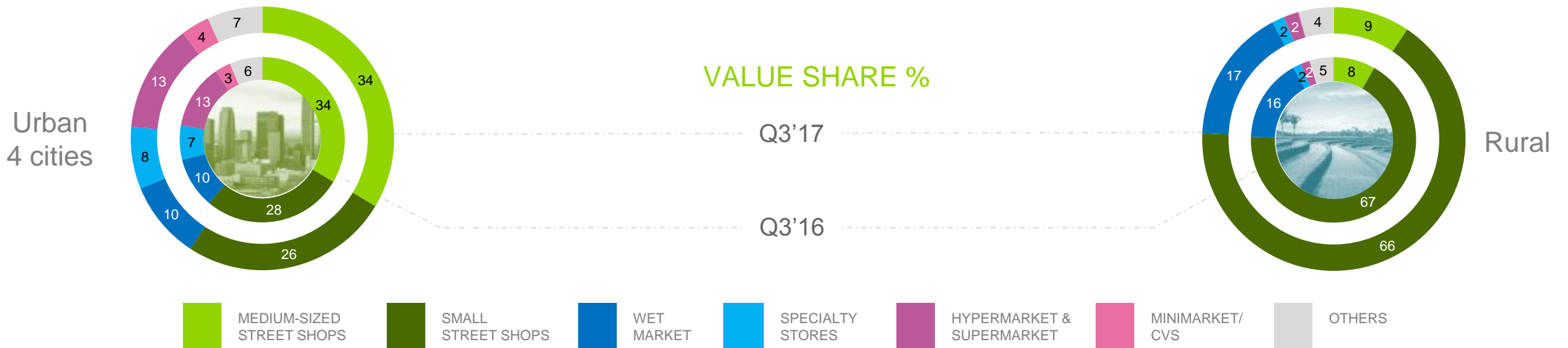
Volume
per buyer

* Household cleaner: Floor Cleaner, Bathroom & Toilet Cleaner, Small Surface Cleaner.

Source: Kantar Worldpanel | Households Panel | Urban 4 Key Cities & Rural Vietnam | Total FMCG excluding Gift | 12 weeks period ending 10 September 2017

RETAIL LANDSCAPE

Specialty stores and modern channels keep up their momentum in Urban market. Some H&S retailers are performing very well and ministores continuously attract lots of new shoppers. Meanwhile, Rural shoppers keep moving towards upgraded channels but surprisingly wet market gets growth back thanks to the South region.



VALUE CHANGE % (Q3'17 versus year ago)



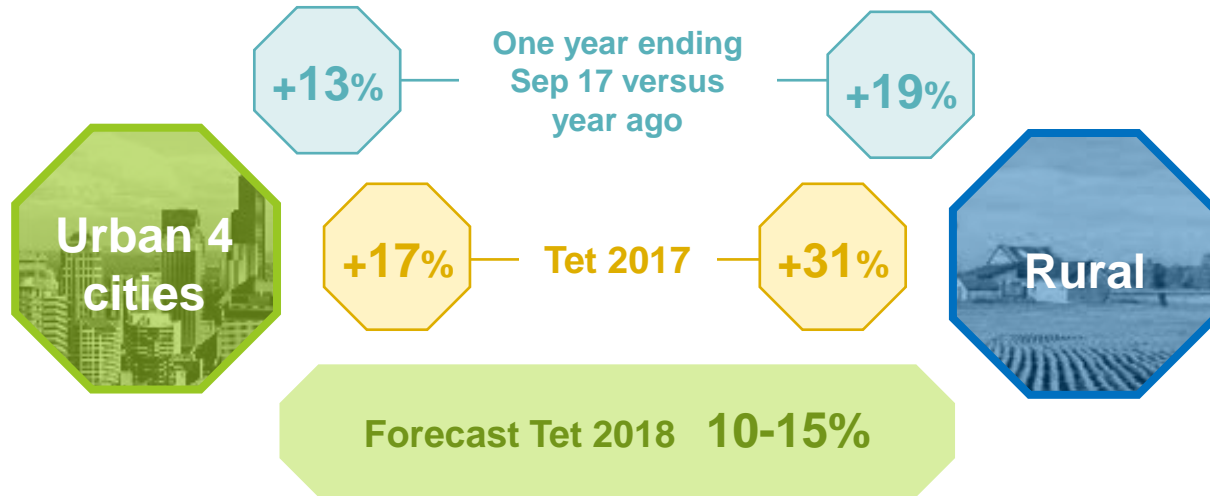
Source: Kantar Worldpanel | Households Panel | Urban 4 Key Cities & Rural Vietnam | Total FMCG excluding Gift | 12 weeks period ending 10 September 2017

SPOTLIGHT OF THE MONTH

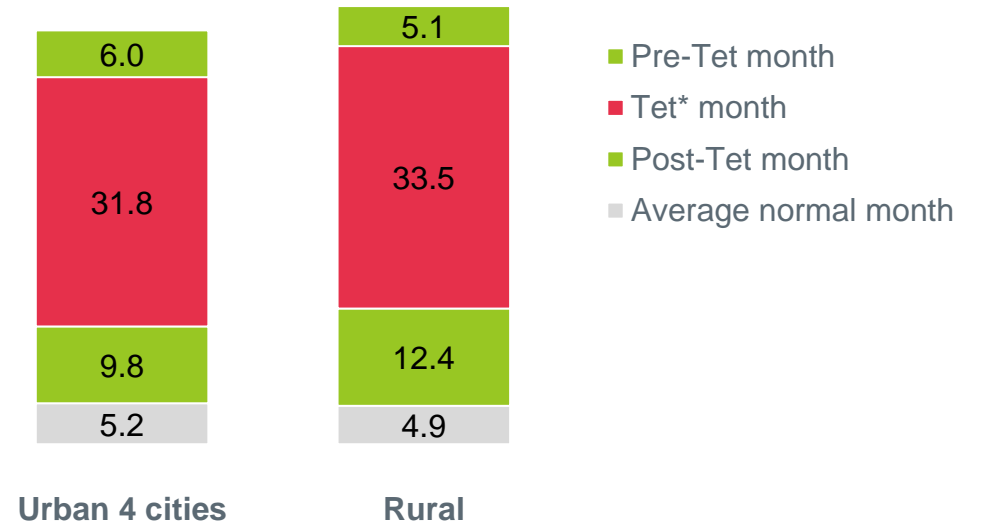
Biscuits: Hot season is coming!

Biscuits have achieved outstanding growth for recent years, mostly driven by Tet season where one third of total Biscuits sales were earned from. With its strong momentum, the category is forecasted to continue enjoying double digit growth in Tet 2018. And in order to leverage further Tet's success, businesses should plan well for not only Tet season but also post Tet period which seems to double value of a normal month.

Value Growth of Biscuits



Monthly value sales contribution in a year ending Sep 17



*Tet month: 4 weeks before the 1st day of Lunar New Year

Source: Kantar Worldpanel | Households Panel | Urban 4 Key Cities & Rural Vietnam | Biscuits including Gifting for In-home consumption | 52 weeks period ending 10 September 2017



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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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