KANTAR WORLDPANEL

# Consumer Insights

## ASIA Q2 2017

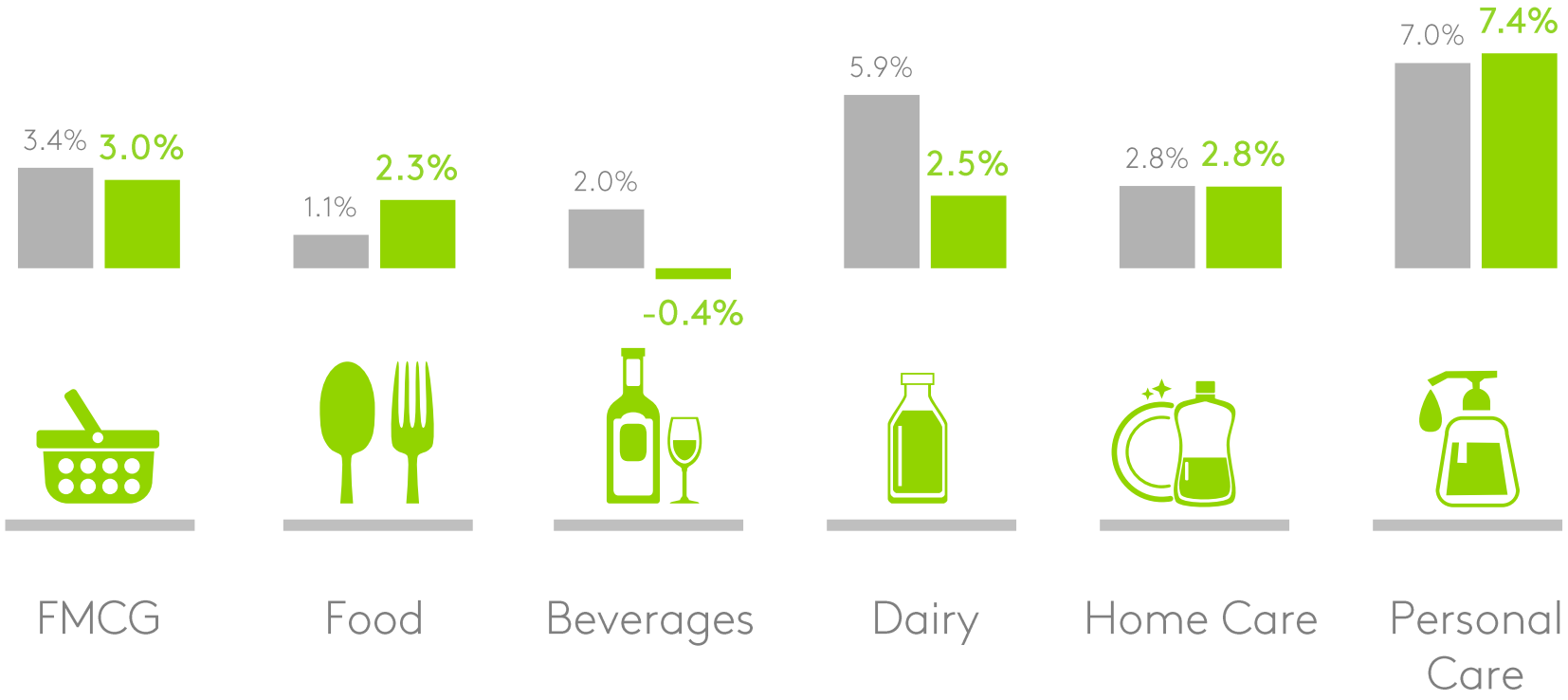
# Q2 2017 | SUMMARY ASIA

| | Northeast Asia | | | West Asia | | Southeast Asia | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | China | Taiwan | South Korea | India (Urban) | Saudi Arabia | Malaysia | Thailand | Philippines | Vietnam (Urban) | Vietnam (Rural) |
| FMCG Total | 3.1 | 6.3 | 1.6 | 6.7 | -4.7 | -0.5 | 1.0 | 3.0 | 4.9 | 4.9 |
| Food | 1.4 | 8.5 | -0.3 | 7.2 | -2.1 | 0.6 | 4.1 | 4.3 | 6.2 | 0.0 |
| Beverages | -1.0 | 4.8 | 2.7 | 3.3 | -4.0 | -3.5 | -3.9 | -1.5 | 6.9 | 6.6 |
| Dairy | 3.0 | 6.7 | 1.3 | -0.9 | -5.4 | -3.3 | 0.3 | 4.4 | 0.4 | 7.8 |
| Home Care | 2.5 | 8.1 | -4.6 | 7.9 | -7.3 | -0.2 | 3.6 | 5.0 | 7.8 | 5.7 |
| Personal Care | 9.3 | 4.5 | 5.4 | 6.0 | -7.5 | 2.1 | 0.7 | 3.0 | 8.4 | 9.3 |

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

% Value Change FMCG – MAT Q2 2017 vs. Year Ago

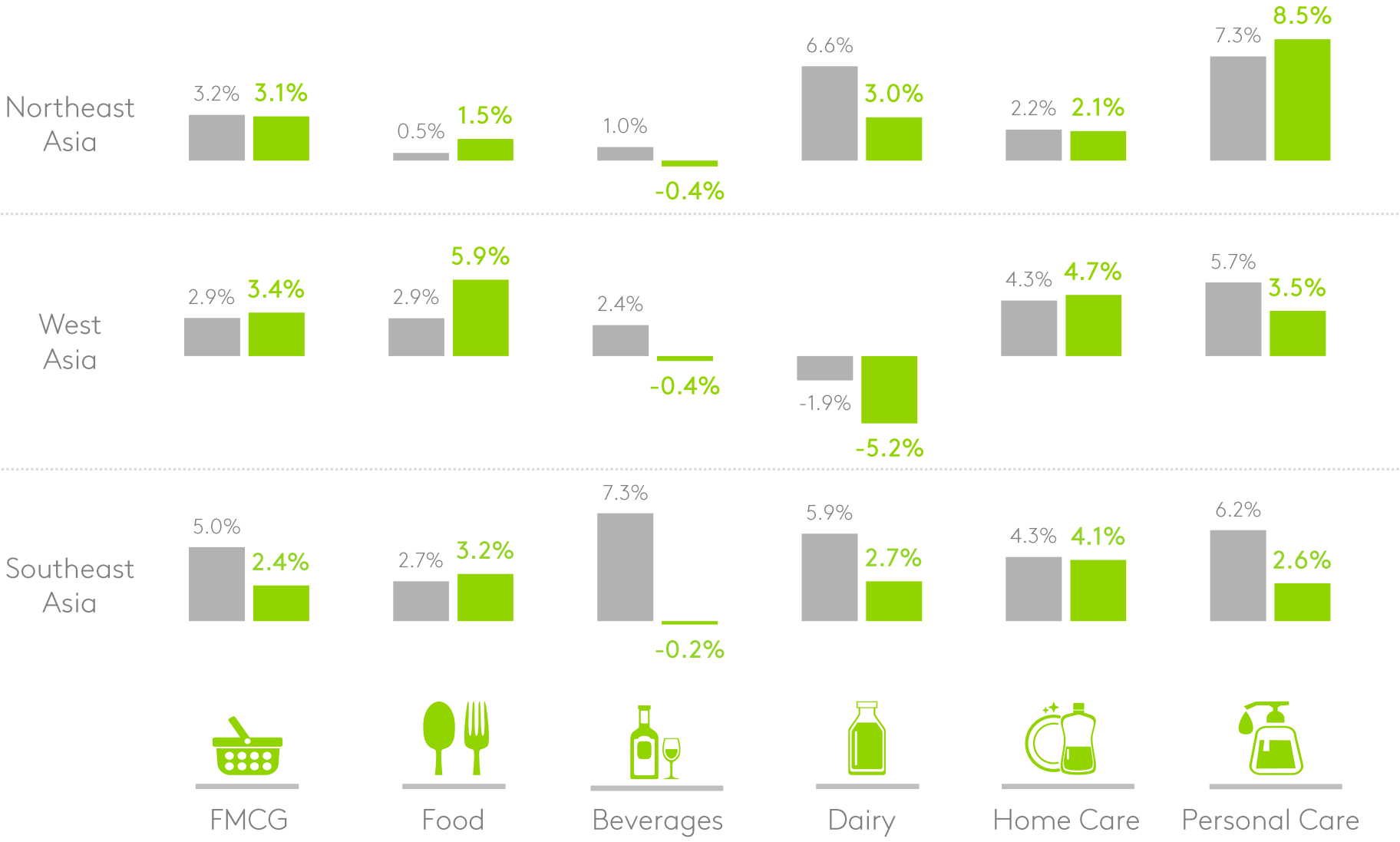
# FMCG GROWTH IN ASIA : YOY




ASIA / MAT – VALUE SPEND GROWTH

Q2'16 vs Q2'15 Q2'17 vs Q2'16

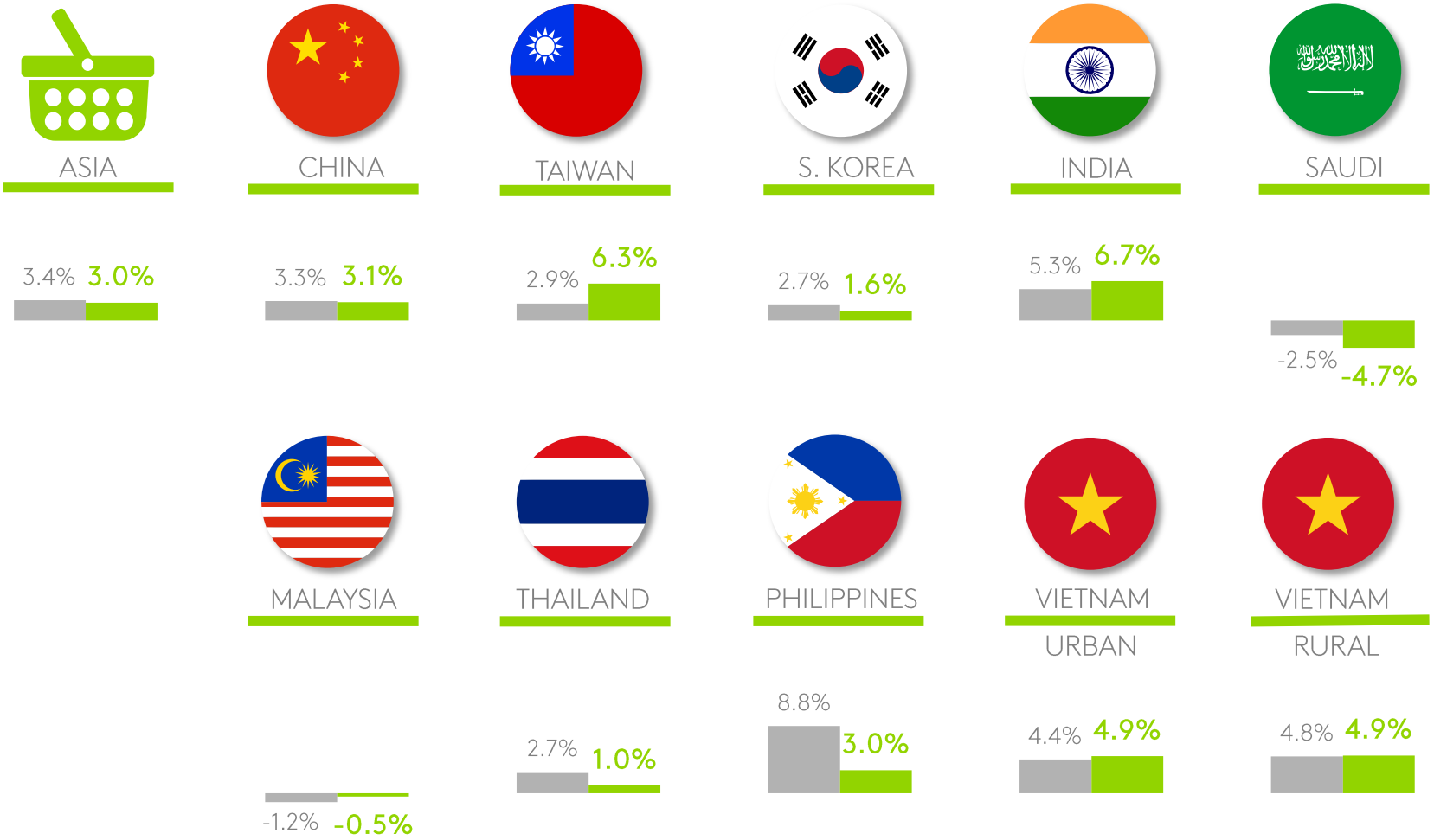
# FMCG GROWTH IN ASIA : YOY




ASIA / MAT – VALUE SPEND GROWTH

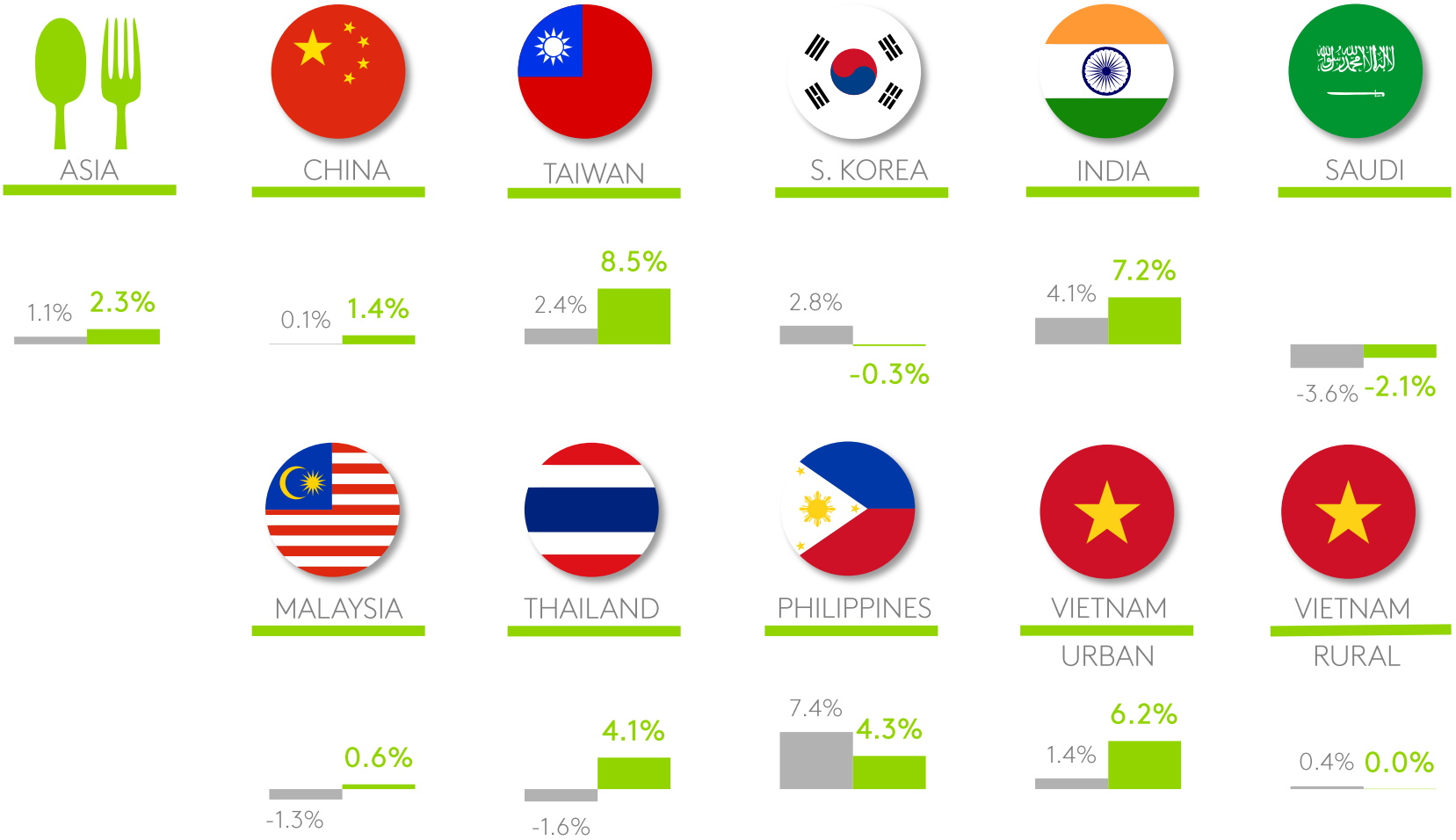
■ Q2'16 vs Q2'15 ■ Q2'17 vs Q2'16

# FMCG: Overall market was flat; India the best performer amongst all other countries




ASIA / MAT Q2 2017 – Value Growth FMCG

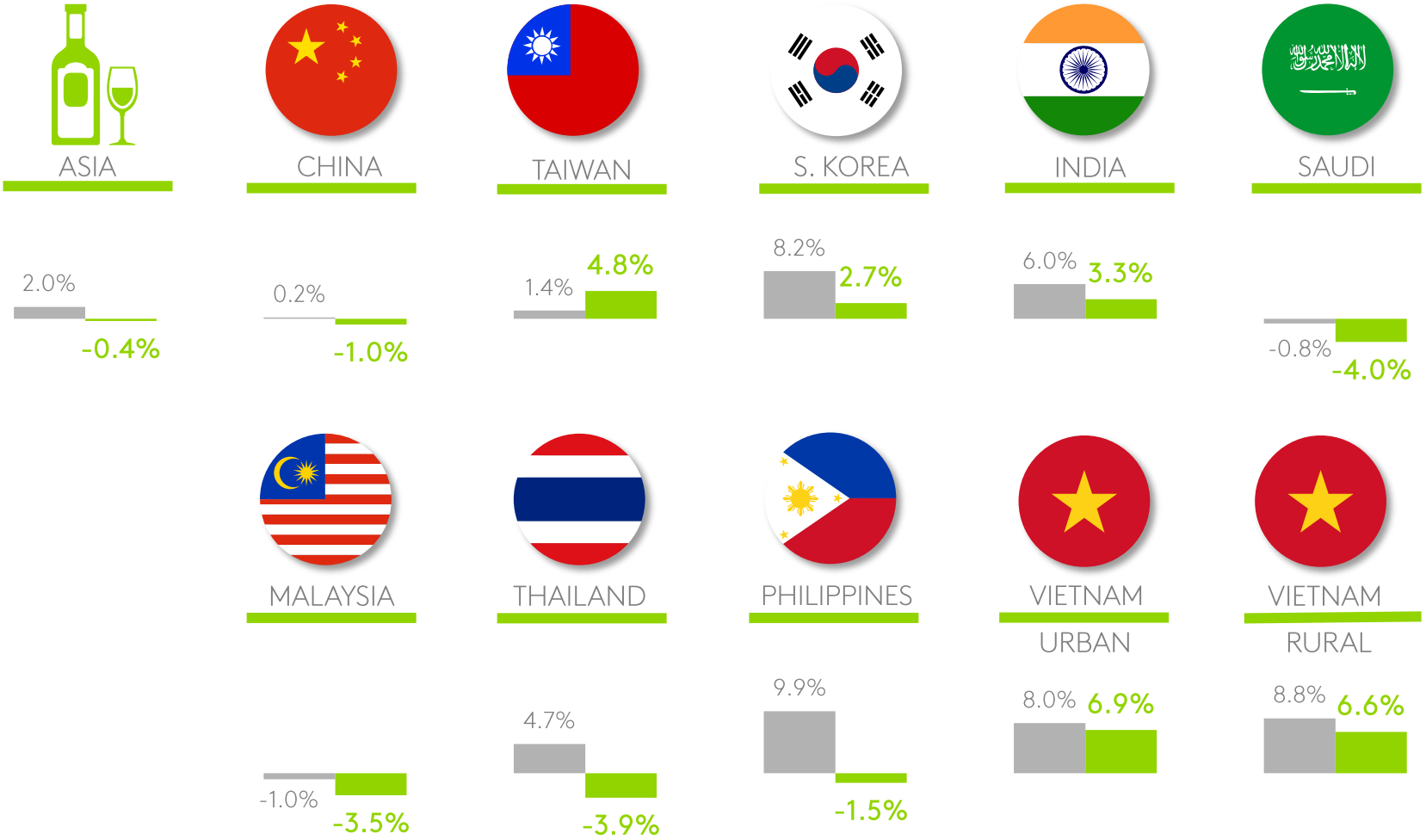
# FOOD: Registered positive growth in Q2 as is still basic necessity and priority




ASIA / MAT Q2 2017 – Value Growth FOOD

Q2'16 vs Q2'15 Q2'17 vs Q2'16

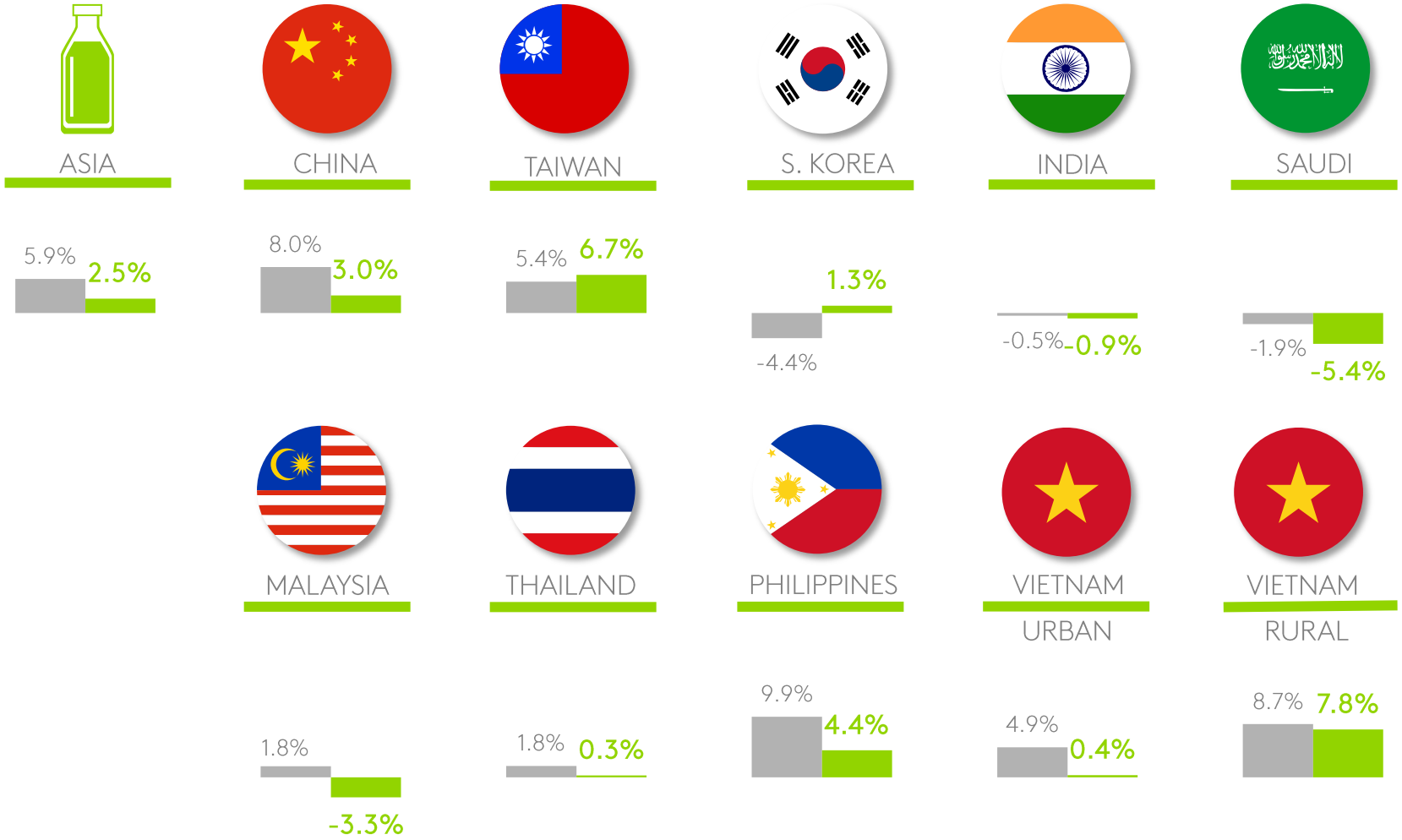
# BEVERAGES: Continued to slow down due to growth from more affordable categories like water




ASIA / MAT Q2 2017 – Value Growth BEVERAGES

Q2'16 vs Q2'15 Q2'17 vs Q2'16

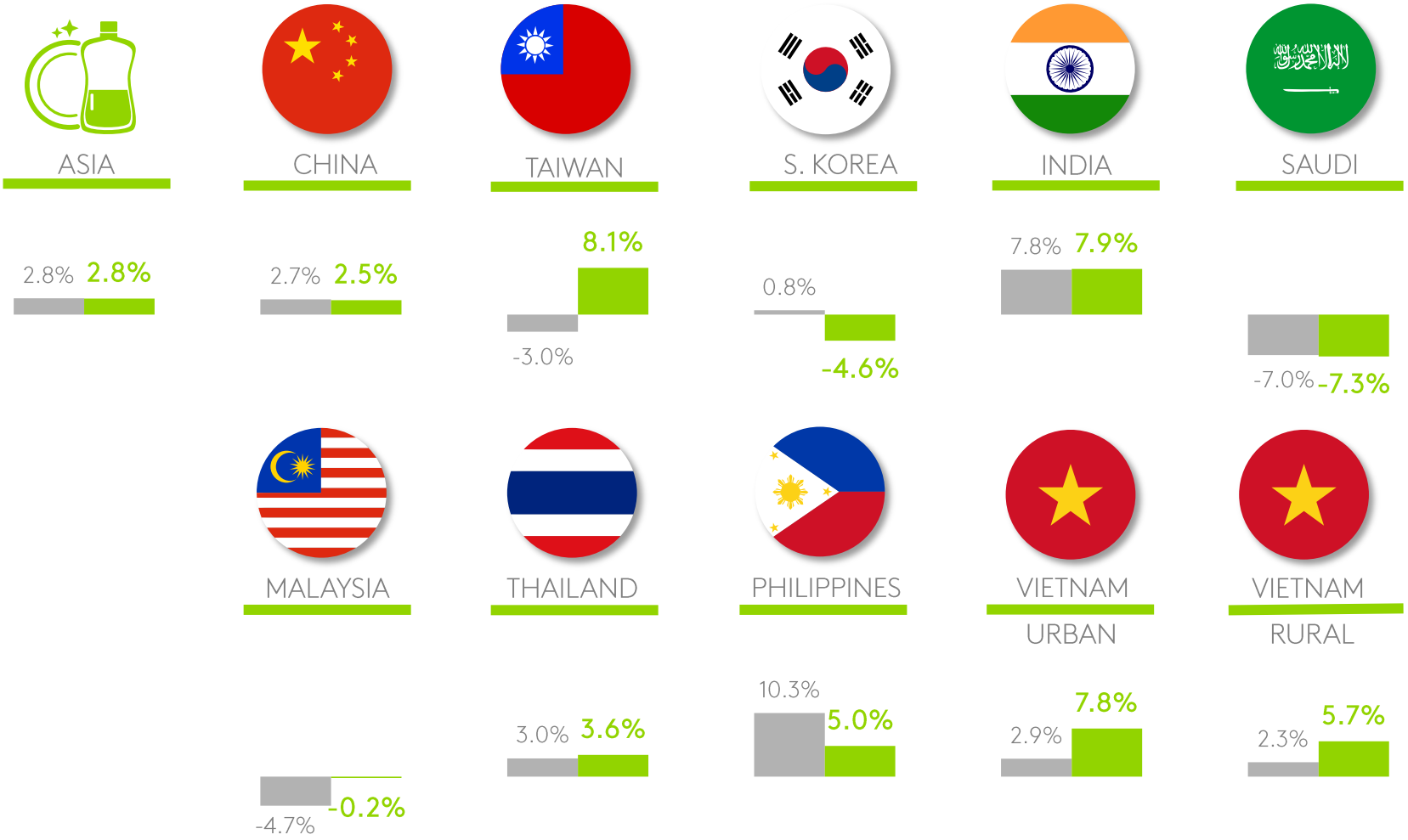
# DAIRY: There is more headroom for growth; category needs to stay relevant




ASIA / MAT Q2 2017 – Value Growth DAIRY

Q2'16 vs Q2'15 Q2'17 vs Q2'16

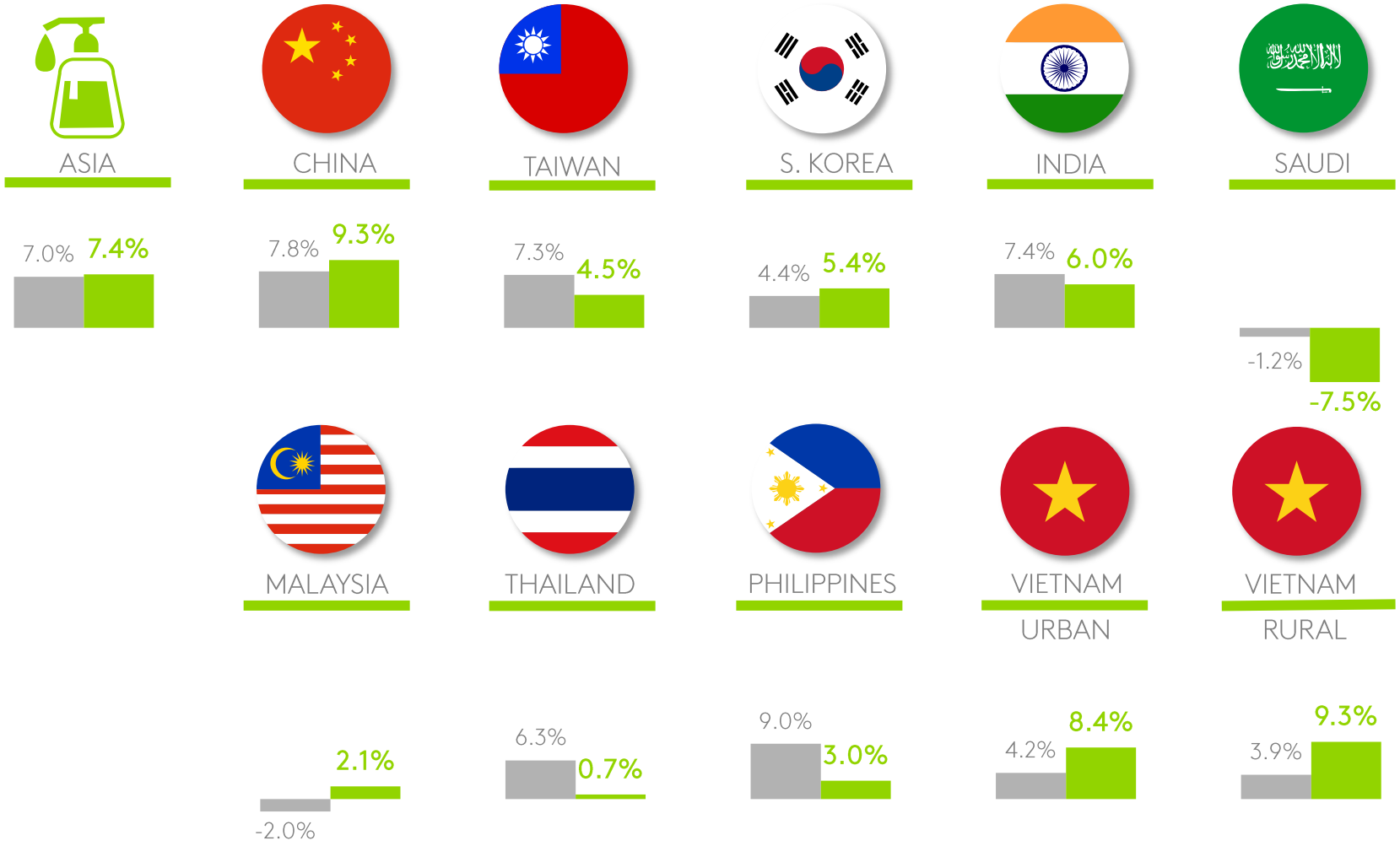
# HOME CARE: Performed stably in Q2; hygiene concern the important factor for driving growth




ASIA / MAT Q2 2017 – Value Growth HOME CARE

Q2'16 vs Q2'15 Q2'17 vs Q2'16

# PERSONAL CARE: Posted stellar performance; consumers are getting more image conscious




ASIA / MAT Q2 2017 – Value Growth PERSONAL CARE

# MAT Q2 2017 | SUMMARY ASIA

## CHINA

**#StableOutlook** China's economy expanded by 6.9% in Q2, unchanged from Q1. FMCG market maintained the growth of 3.1%.

**#DigitalTrend** Growth potential of e-commerce channel is strong in China, reaching over 7% market share in value.

**#PersonalCleanliness** Personal Care segment remained significant; consumers are trending towards more health-conscious personal hygiene.

## TAIWAN

**#PositiveTerritory** The pace of recovery of the FMCG market was stably positive, with the overall growth at 6.3% in Q2.

**#SugarFree** Healthy eating habit sustained sugar-free products to grow, such as RTD tea and soymilk.

**#E-Opportunities** Personal care products such as shampoo, bar soap, derma, sprang up on the Internet, competing with mass brands.

## S. KOREA

**#EconomyUptrend** Continuous uptrend of consumer-related index due to the expectation of new government/policy and the upswing in exports.

**#Click-to-Brick** Consumers are willing to try new products launched by e-commerce brands, which then expanded from online to physical stores in Korea.

**#CollaborationWins** Grocery brands are increasing their value by engaging in collaborations with brands in various fields such as sports/fashion in order to attract millennials.

# MAT Q2 2017 | SUMMARY ASIA

## INDIA

**#DemonetizationImpact** Digitization coupled with demonetization effect has led more consumers to shopping online compared to previous year

**#Convenience** Ease of convenience has led consumers to replace traditional cooking items with easy to cook options like pasta, soups, macaroni etc

**#GrowingE-Shoppers** Average spends of digital users are higher as they tend to purchase more categories and larger packs compared to non-digital users.

## SAUDI ARABIA

**#Slowdown** Saudi continues to suffer economically from a prolonged war on Yemen and low oil prices, causing slowdown in FMCG market.

**#SpendingCut** Saudi shoppers are spending less on overall FMCG needs, while volumes are broadly stable. Personal Care & Home Care are the hardest hit - declined in both value and volume.

**#Promo!** HHs are picking up more on promotion purchases, leading to the drop in overall value spends.

# MAT Q2 2017 | SUMMARY ASIA

## MALAYSIA

**#RobustGrowth** Economy expanded at a faster pace of 5.8% and consumer confidence has shown positive improvement in Q2.

**#RecoverySigns** Year-to-date FMCG showed signs of recovering but has yet to stabilize. Consumer spending is on slow pick up.

**#NeatAndClean** Personal Care segment registered the strongest growth amongst all, revealing personal grooming is important to consumer.

## THAILAND

**#SpendingRestraint** Consumers cut back on their spending due to slow recovery and uncertainty in economic conditions.

**#Rationalize** High income households are rationalizing thieir expenditure on personal care segment, becoming more selective and reducing their spend on key categories.

**#RiseOf E-commerce** While online channel is still small, it shows sign of taking off. Consumers in Thailand are getting more tech savvy.

## PHILIPPINES

**#PositiveOutlook** Philippines economy recorded a 6.5% GDP growth, while confidence index soaring to a record high of 13.1% in Q2.

**#BiggerBaskets** Total FMCG posted stable performance but still growing in trip size; consumer buying larger volume per trip.

**#BoomBoomPowder** Laundry powder drives overall momentum in Home Care segment, leading a 5.0% value growth in Home Care.

## VIETNAM

**#ChallengeAhead** GDP growth of Q2 sees improvement versus Q1 yet still challenging to meet the target of 6.5%.

**#ModernTradeRecover** Modern trade channels grew faster than general trade in Q2, with hypermarket & supermarket bounce back.

**#Non-FoodOutperform** Non-food categories enjoy impressive growth at double digit pace, with Personal Care segment growing the fastest.

# CHINA

## Top 5 Categories with Positive Impact – MAT Q2'17 vs Q2'16

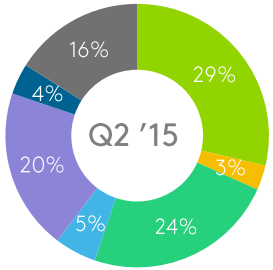
| Value | Volume | Penetration |
|---|---|---|
| Mouthwash | Mouthwash | Oyster Sauce |
| Intimate Hygiene | Kitchen Rolls | Mint Candy |
| Kitchen Rolls | Wet Tissues | Kitchen Rolls |
| Packaged Water | Female Hair Remover | Mouthwash |
| RTD Tea | Bleach | Toliet Perfume |

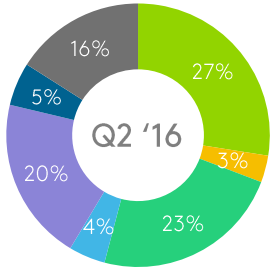
## %CHANGE FMCG BASKET PER SOCIAL ECONOMIC LEVEL

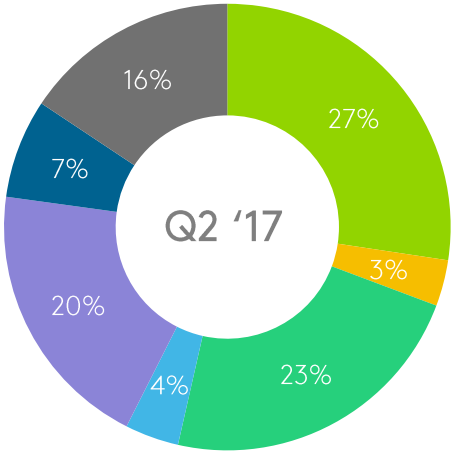
| MAT | MAT Q3'16 VS year ago | MAT Q4'16 VS year ago | MAT Q1'17 VS year ago | MAT Q2'17 VS year ago |
|---|---|---|---|---|
| Total | -0.5% < Growth ≤ 5% | -0.5% < Growth ≤ 5% | -0.5% < Growth ≤ 5% | -0.5% < Growth ≤ 5% |
| Low Income | Growth ≤ -0.5% | Growth ≤ -0.5% | -0.5% < Growth ≤ 5% | -0.5% < Growth ≤ 5% |
| Mid Income | Growth ≤ -0.5% | Growth ≤ -0.5% | Growth ≤ -0.5% | Growth ≤ -0.5% |
| High Income | Growth > 5% | Growth > 5% | Growth > 5% | Growth > 5% |

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

## Channel Importance - %Value



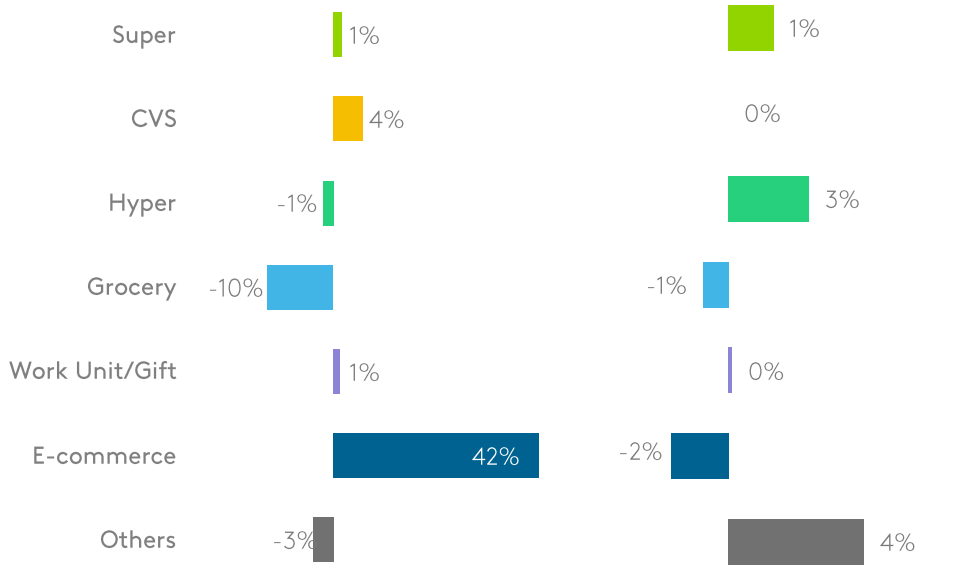




Super | CVS | Hyper | Grocery | Work unit/ Gift | E-commerce | Others

## Shopping Occasions / Spend/Trip

MAT Q2'17 v Q2'16



# TAIWAN

## Top 5 Categories with Positive Impact – MAT Q2'17 vs Q2'16

| Value | Volume | Penetration |
|---|---|---|
| Cologne / Perfume | Chili Sauce | Toothbrush |
| Bird's Nest | Eye Makeup | Liquid Detergent |
| Preserves / Spread | Adult Diaper | Cooking Oil |
| Bar Soap | Bird's Nest | Ice Cream |
| Chewing Gum | Bar Soap | Bar Soap |

## %CHANGE FMCG BASKET PER SOCIAL ECONOMIC LEVEL

| MAT | MAT Q3'16 VS year ago | MAT Q4'16 VS year ago | MAT Q1'17 VS year ago | MAT Q2'17 VS year ago |
|---|---|---|---|---|
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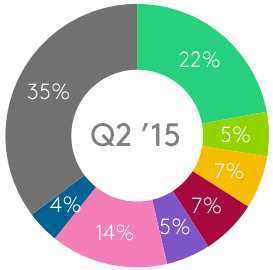
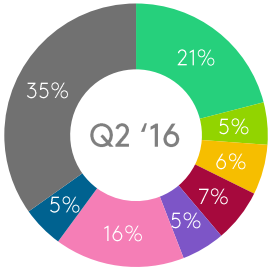
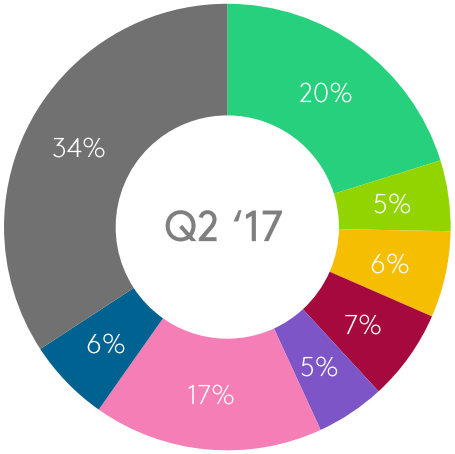
| Low Income | Growth > 5% | Growth > 5% | Growth > 5% | -0.5% < Growth ≤ 5% |
| Mid Income | Growth ≤ -0.5% | Growth ≤ -0.5% | -0.5% < Growth ≤ 5% | -0.5% < Growth ≤ 5% |
| High Income | Growth > 5% | Growth > 5% | Growth > 5% | Growth > 5% |

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

## Channel Importance - %Value



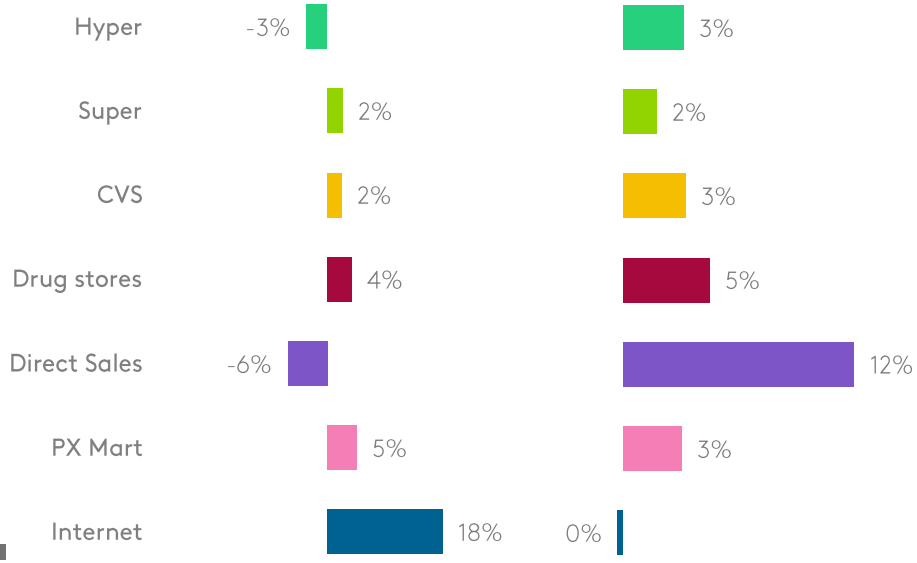




*Others: gift & sample, grocery & provision, department stores, company order*

Hyper | Super | CVS | Drug Stores | Direct Sales | PX Mart | Internet | Others

## Shopping Occasions / Spend/Trip

MAT Q2'17 v Q2'16



# KOREA

## Top 5 Categories with Positive Impact – MAT Q2'17 vs Q2'16

| Value | Volume | Penetration |
|---|---|---|
| Retort | Pie | Retort |
| Kimchi | Spread | Foundation |
| Spread | Chocolate | Frozen prepared food |
| Foundation | Retort | Kimchi |
| Blusher | Foundation | Lipstick |

## %CHANGE FMCG BASKET PER SOCIAL ECONOMIC LEVEL

| MAT | MAT Q3'16 VS year ago | MAT Q4'16 VS year ago | MAT Q1'17 VS year ago | MAT Q2'17 VS year ago |
|---|---|---|---|---|
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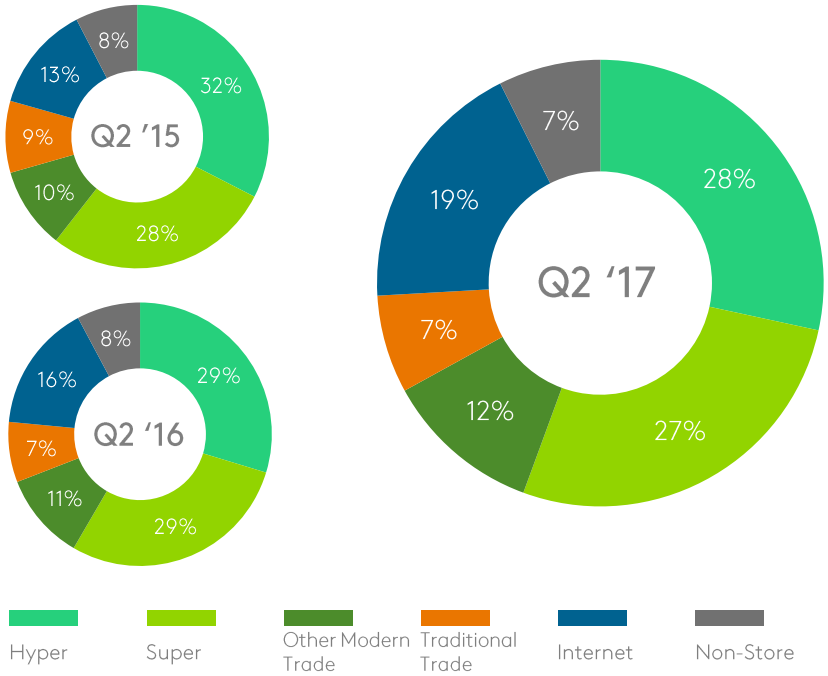
| Mid Income | Growth ≤ -0.5% | Growth ≤ -0.5% | -0.5% < Growth ≤ 5% | -0.5% < Growth ≤ 5% |
| Mid-High Income | -0.5% < Growth ≤ 5% | -0.5% < Growth ≤ 5% | -0.5% < Growth ≤ 5% | -0.5% < Growth ≤ 5% |
| High Income | Growth ≤ -0.5% | Growth ≤ -0.5% | Growth ≤ -0.5% | Growth ≤ -0.5% |

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

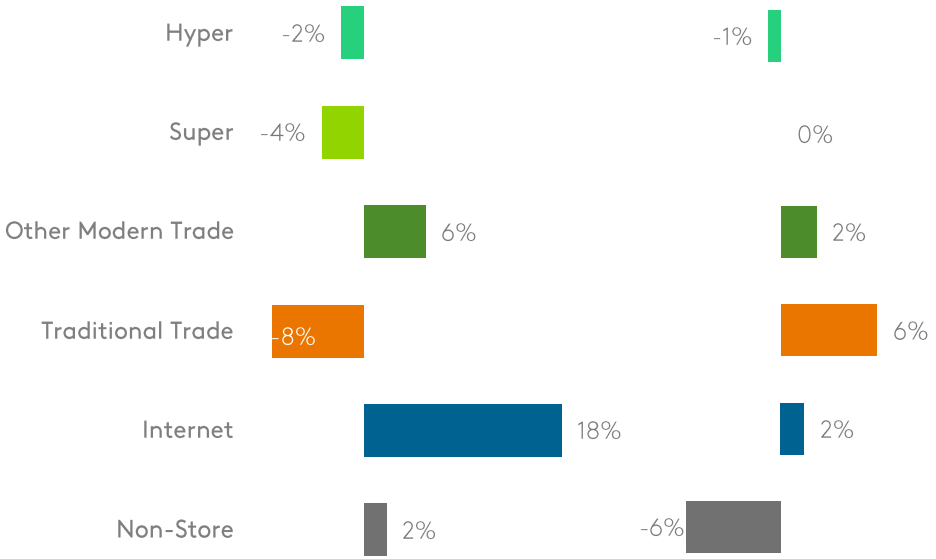
## Channel Importance - %Value




## Shopping Occasions

## Spend/Trip

MAT Q2'17 v Q2'16



# INDIA

## Top 5 Categories with Positive Impact – MAT Q2'17 vs Q2'16

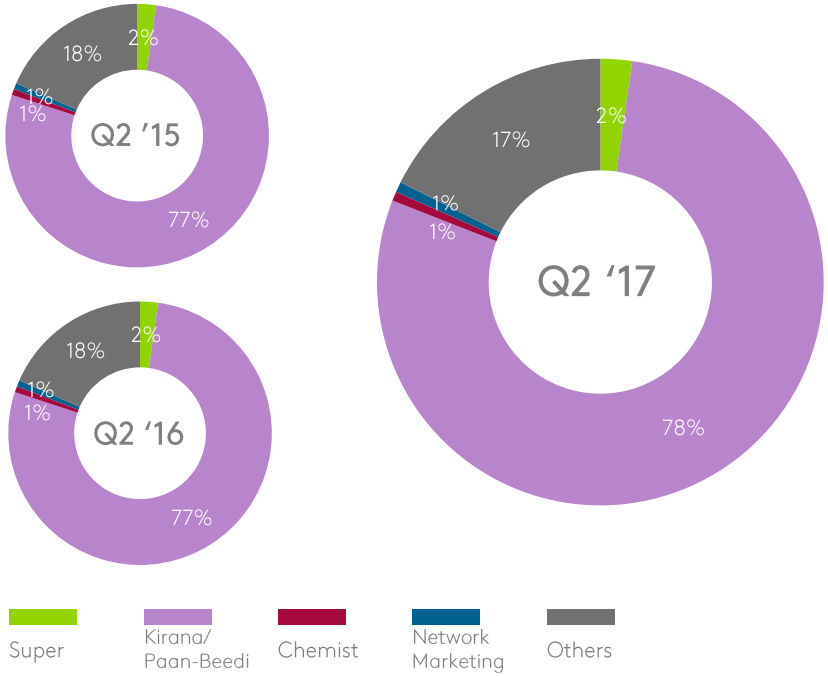
| Value | Volume | Penetration |
|---|---|---|
| Noodle/Macaroni | Noodle/Macaroni | Noodle/Macaroni |
| Sauces | Sauces | Toilet/Bathroom Cleaner |
| Toilet/Bathroom Cleaner | Toilet/Bathroom Cleaner | Coffee |
| Floor Cleaner | Floor Cleaner | Floor Cleaner |
| Washing Powders | Rubs & Balms | Sauces |

## %CHANGE FMCG BASKET PER SOCIAL ECONOMIC LEVEL

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

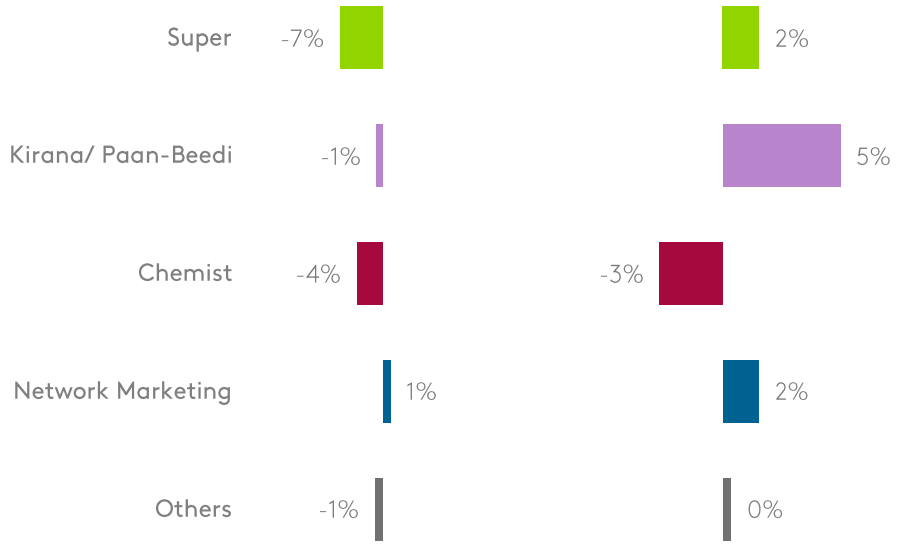
● Growth ≤ -0.5% ● -0.5% < Growth ≤ 5% ● Growth > 5%

## Channel Importance - %Value




## Shopping Occasions / Spend/Trip

MAT Q2'17 v Q2'16



# SAUDI ARABIA

## Top 5 Categories with Positive Impact – MAT Q2'17 vs Q2'16

| Value | Volume | Penetration |
|---|---|---|
| Honey | Chocolate Spreads | Chocolate Spreads |
| Sliced Bread | Toilet Cleaners | Honey |
| Chocolate Spreads | Glass Cleaners | Breakfast Cereals |
| Bottled Water | Sliced Bread | Jam |
| UHT Flavored Milk | Bouillon | Liquid Hand wash |

## %CHANGE FMCG BASKET PER SOCIAL ECONOMIC LEVEL

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|---|---|---|---|---|
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| SEC AB | Growth ≤ -0.5% | Growth ≤ -0.5% | Growth ≤ -0.5% | Growth ≤ -0.5% |
| SEC C | Growth ≤ -0.5% | Growth ≤ -0.5% | Growth ≤ -0.5% | Growth ≤ -0.5% |
| SEC D | Growth > 5% | -0.5% < Growth ≤ 5% | Growth ≤ -0.5% | Growth ≤ -0.5% |

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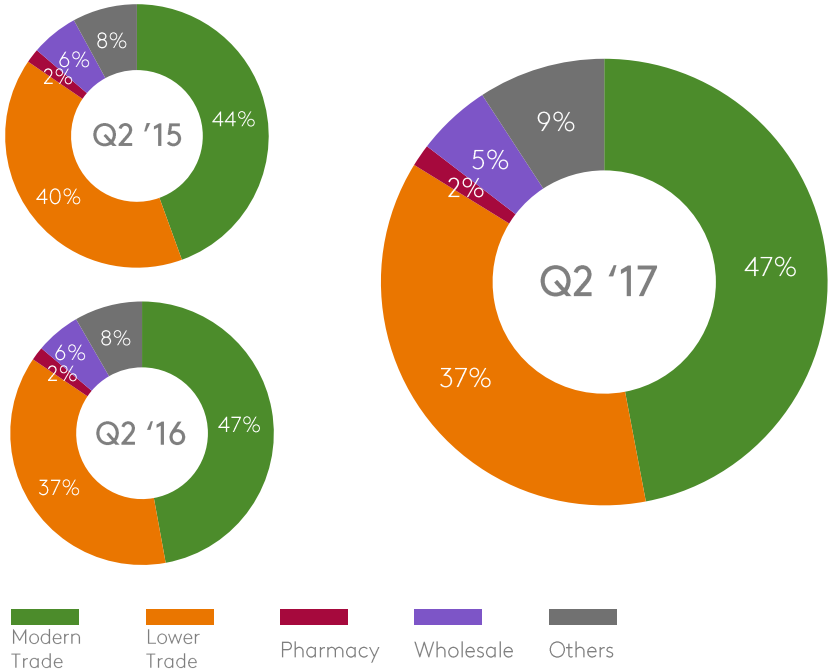
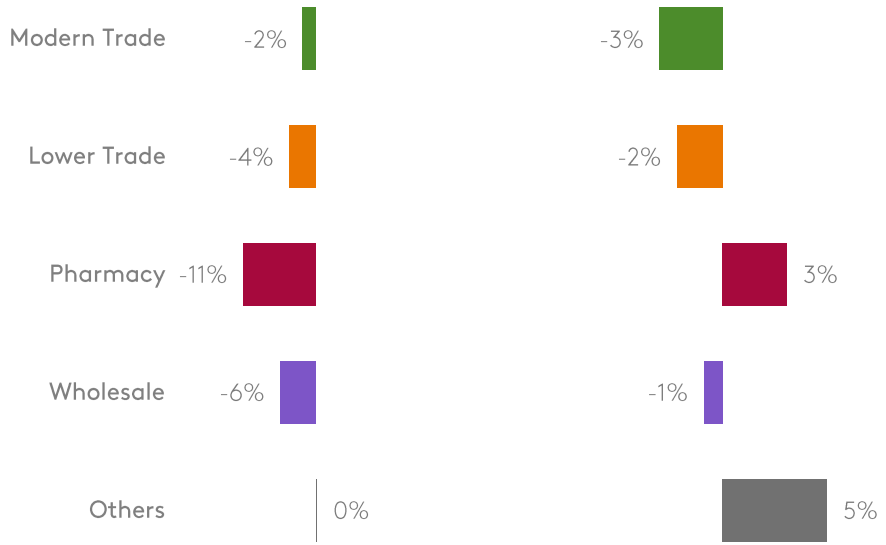
## Channel Importance - %Value




## Shopping Occasions / Spend/Trip

MAT Q2'17 v Q2'16



# MALAYSIA

## Top 5 Categories with Positive Impact – MAT Q2'17 vs Q2'16

| Value | Volume | Penetration |
|---|---|---|
| RTD Coffee | Shaving Foam/Gel | RTD Coffee |
| Shaving Foam/Gel | RTD Coffee | Cheese |
| Drinking Water | Hair Treatment | Liquid Milk |
| Hair Treatment | Adult Diaper | Air Freshener |
| Adult Diaper | Glass Cleaner | Cereal |

## %CHANGE FMCG BASKET PER SOCIAL ECONOMIC LEVEL

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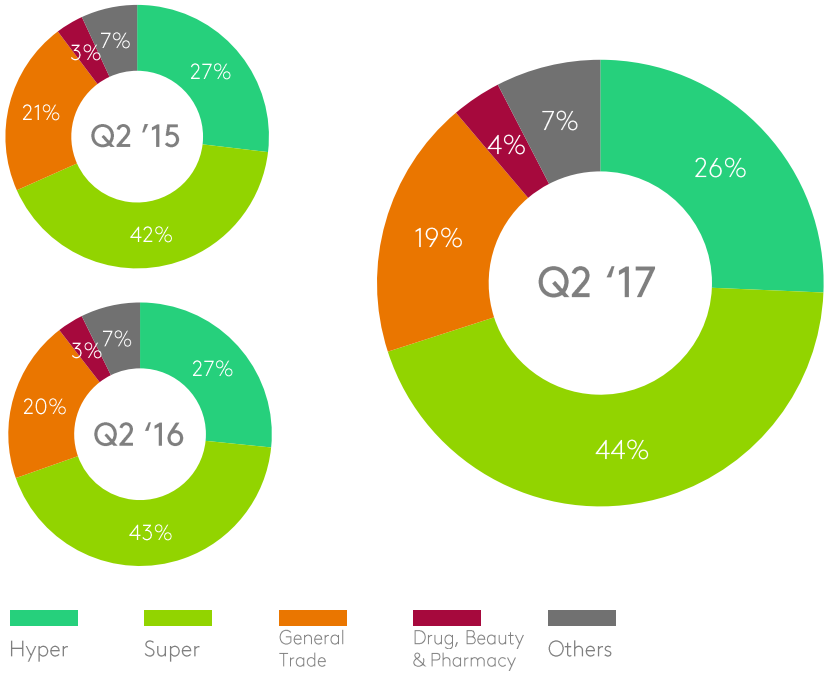
| Mid Income | Growth ≤ -0.5% | Growth ≤ -0.5% | Growth ≤ -0.5% | Growth ≤ -0.5% |
| High Income | -0.5% < Growth ≤ 5% | Growth ≤ -0.5% | -0.5% < Growth ≤ 5% | -0.5% < Growth ≤ 5% |

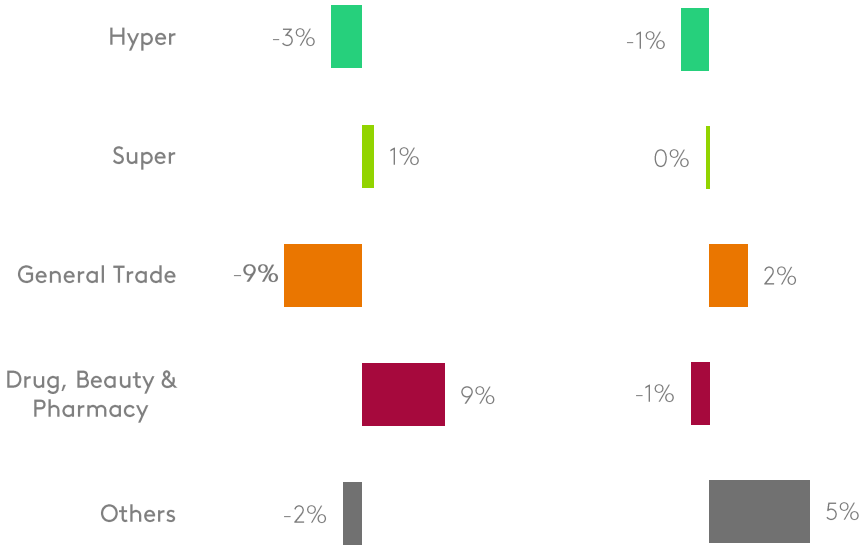
Growth ≤ -0.5% | -0.5% < Growth ≤ 5% | Growth > 5%

## Channel Importance - %Value




## Shopping Occasions / Spend/Trip

MAT Q2'17 v Q2'16



# THAILAND

## Top 5 Categories with Positive Impact – MAT Q2'17 vs Q2'16

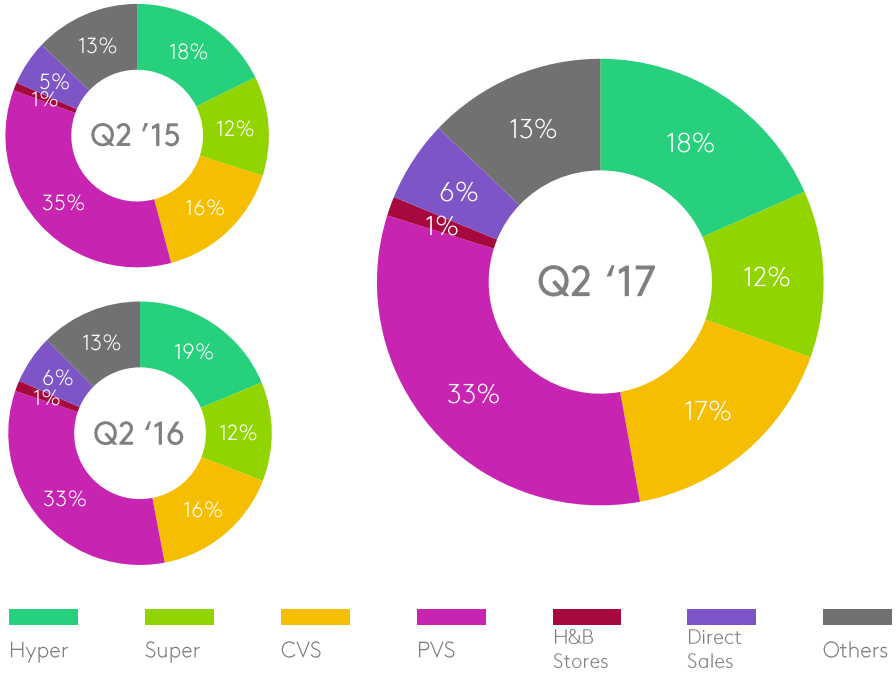
| Value | Volume | Penetration |
|---|---|---|
| Air Freshener | Jam | Insect Control |
| Spread | Dressings | RTD TFD |
| Dressings | Air Freshener | Mask |
| Jam | Mask | Rice |
| Essence of Chicken | Essence of Chicken | Facial Tissue |

## %CHANGE FMCG BASKET PER SOCIAL ECONOMIC LEVEL

| MAT | MAT Q3'16 VS year ago | MAT Q4'16 VS year ago | MAT Q1'17 VS year ago | MAT Q2'17 VS year ago |
|---|---|---|---|---|
| Total | Yellow | Yellow | Yellow | Yellow |
| Low Income | Yellow | Yellow | Yellow | Green |
| Mid Income | Yellow | Yellow | Yellow | Yellow |
| High Income | Green | Green | Green | Grey |

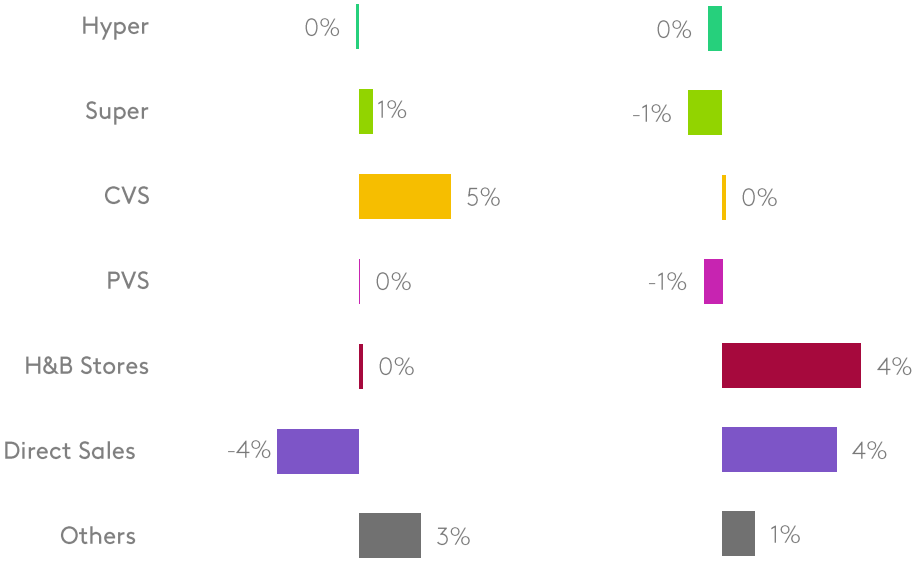
Grey: Growth ≤ -0.5% | Yellow: -0.5% < Growth ≤ 5% | Green: Growth > 5%

## Channel Importance - %Value




## Shopping Occasions / Spend/Trip

MAT Q2'17 v Q2'16



# PHILIPPINES

## Top 5 Categories with Positive Impact – MAT Q2'17 vs Q2'16

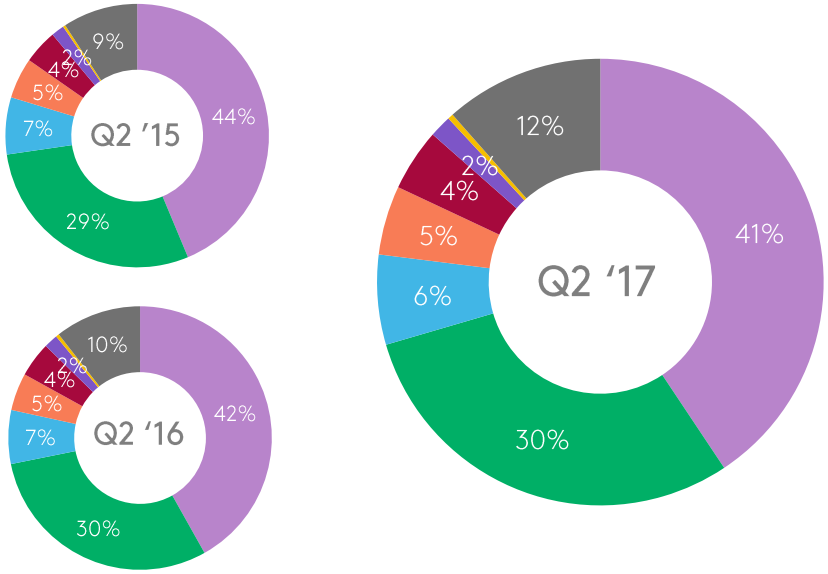
| Value | Volume | Penetration |
|---|---|---|
| Liquid Detergent | Hair Colorant | Mouthwash |
| Hair Treatment | Liquid Detergent | Liquid Seasoning |
| Chocolate | Hair Treatment | Hair Treatment |
| Marshmallow | Instant Pasta | Mayonnaise/Salad Dr. |
| Baby Wipes/Wet Tissue | Marshmallow | Lechon Sauce |

## %CHANGE FMCG BASKET PER SOCIAL ECONOMIC LEVEL

| MAT | MAT Q3'16 VS year ago | MAT Q4'16 VS year ago | MAT Q1'17 VS year ago | MAT Q2'17 VS year ago |
|---|---|---|---|---|
| Total | Growth > 5% | Growth > 5% | -0.5% < Growth ≤ 5% | -0.5% < Growth ≤ 5% |
| Low Income | Growth > 5% | Growth > 5% | Growth > 5% | -0.5% < Growth ≤ 5% |
| Mid Income | Growth > 5% | -0.5% < Growth ≤ 5% | -0.5% < Growth ≤ 5% | -0.5% < Growth ≤ 5% |
| High Income | Growth > 5% | Growth ≤ -0.5% | -0.5% < Growth ≤ 5% | -0.5% < Growth ≤ 5% |

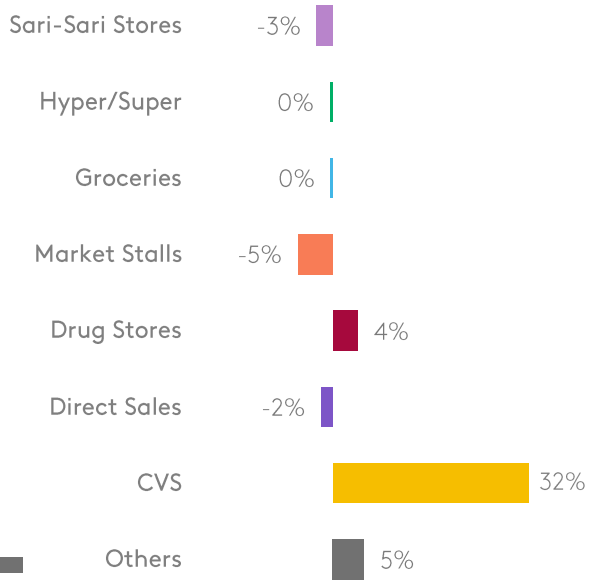
Growth ≤ -0.5% | -0.5% < Growth ≤ 5% | Growth > 5%

## Channel Importance - %Value



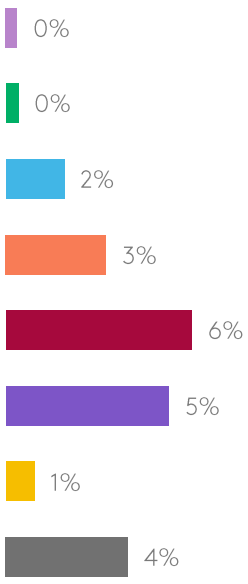

Sari-Sari Stores | Hyper/Super | Groceries | Market Stalls | Drug Stores | Direct Sales | CVS | Others

## Shopping Occasions




## Spend/Trip

MAT Q2'17 v Q2'16



# VIETNAM URBAN

## Top 5 Categories with Positive Impact – MAT Q2'17 vs Q2'16

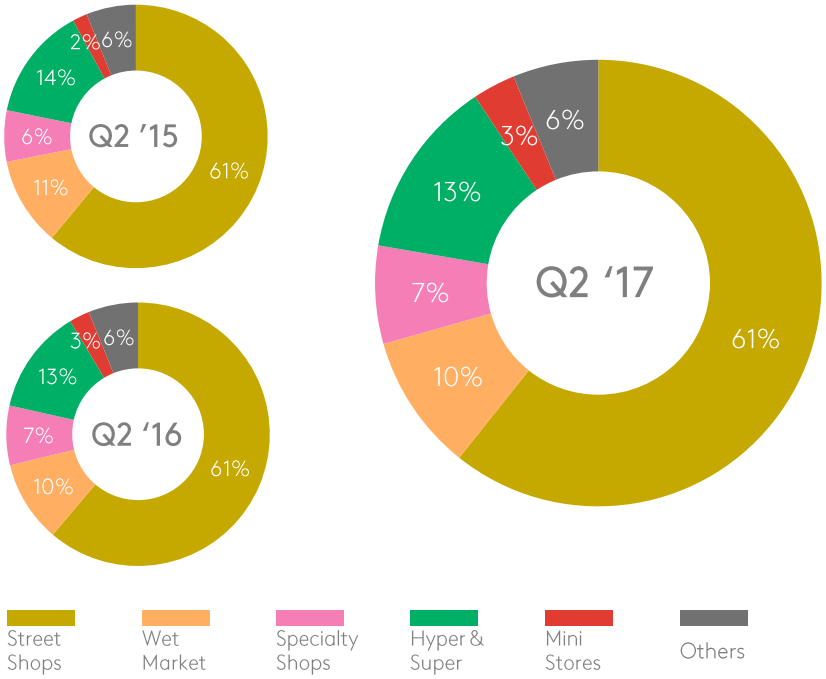
| Value | Volume | Penetration |
|---|---|---|
| Sun Protection | Sun Protection | Ketchup/Tomato Sauce |
| Lipstick | Lipstick | Mayonnaise |
| RTD GUM | RTD GUM | Liquid Detergent |
| Mayonnaise | Functional Drinking Yogurt | Lipstick |
| Functional Drinking Yogurt | Mayonnaise | Instant Tea |

## %CHANGE FMCG BASKET PER SOCIAL ECONOMIC LEVEL

| MAT | MAT Q3'16 VS year ago | MAT Q4'16 VS year ago | MAT Q1'17 VS year ago | MAT Q2'17 VS year ago |
|---|---|---|---|---|
| Total | -0.5% < Growth ≤ 5% | -0.5% < Growth ≤ 5% | Growth > 5% | -0.5% < Growth ≤ 5% |
| Low Income | Growth ≤ -0.5% | Growth ≤ -0.5% | Growth ≤ -0.5% | Growth ≤ -0.5% |
| Mid Income | Growth ≤ -0.5% | Growth ≤ -0.5% | Growth ≤ -0.5% | -0.5% < Growth ≤ 5% |
| Mid-High Income | Growth > 5% | Growth > 5% | Growth > 5% | Growth > 5% |
| High Income | Growth > 5% | Growth > 5% | Growth > 5% | Growth > 5% |

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

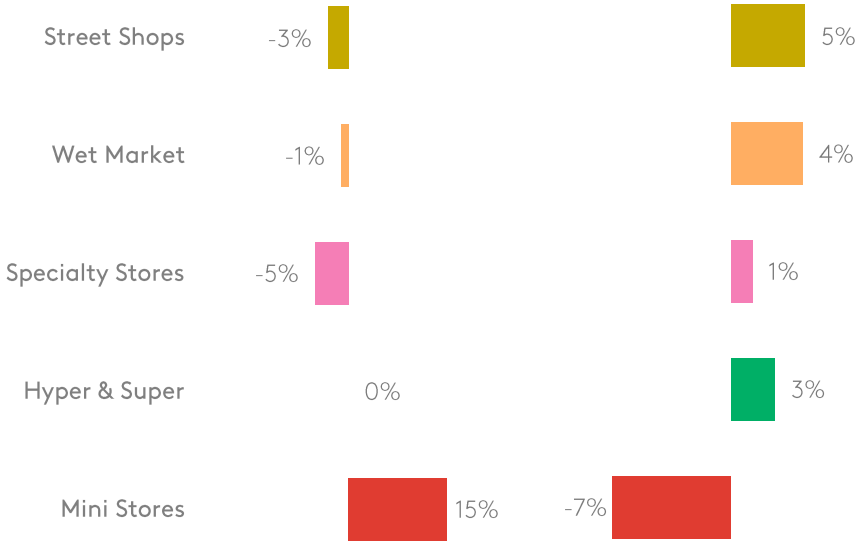
## Channel Importance - %Value




## Shopping Occasions

## Spend/Trip

MAT Q2'17 v Q2'16



# VIETNAM RURAL

## Top 5 Categories with Positive Impact – MAT Q2'17 vs Q2'16

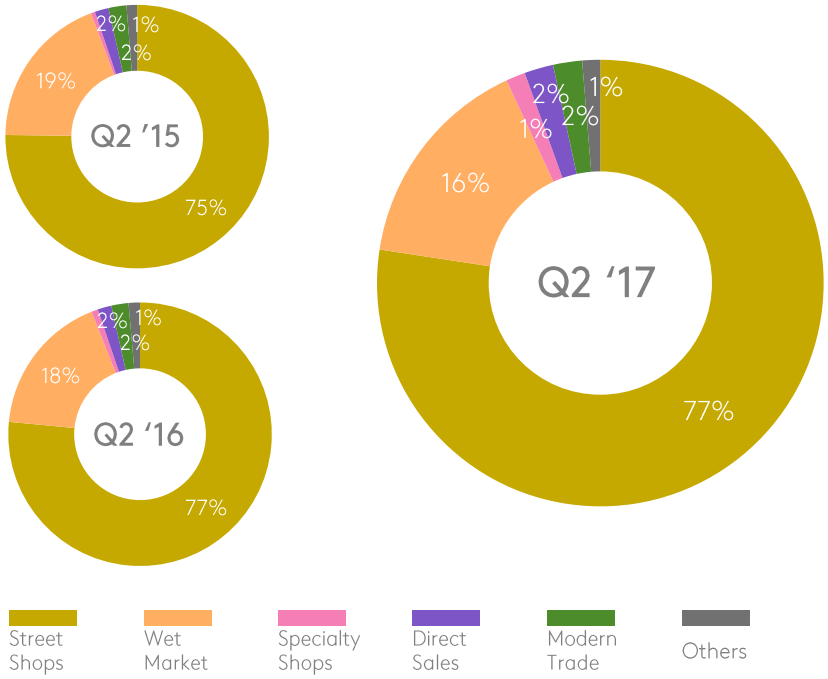
| Value | Volume | Penetration |
|---|---|---|
| RTD GUM | RTD GUM | Biscuits |
| Liquid Detergent | Liquid Detergent | Liquid Detergent |
| Make-Up | Make-Up | Liquid Bath |
| Biscuits | Snack & Nuts | Loose Leaf Tea |
| Adult Milk Powder | Facial Care | Sweetened Condensed |

## %CHANGE FMCG BASKET PER SOCIAL ECONOMIC LEVEL

| MAT | MAT Q3'16 VS year ago | MAT Q4'16 VS year ago | MAT Q1'17 VS year ago | MAT Q2'17 VS year ago |
|---|---|---|---|---|
| Total | -0.5% < Growth ≤ 5% | -0.5% < Growth ≤ 5% | -0.5% < Growth ≤ 5% | -0.5% < Growth ≤ 5% |
| Low Income | Growth ≤ -0.5% | Growth ≤ -0.5% | Growth ≤ -0.5% | Growth ≤ -0.5% |
| Mid Income | Growth ≤ -0.5% | Growth ≤ -0.5% | Growth ≤ -0.5% | Growth ≤ -0.5% |
| Mid-High Income | Growth > 5% | Growth > 5% | Growth > 5% | Growth > 5% |
| High Income | Growth > 5% | Growth > 5% | Growth > 5% | Growth > 5% |

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

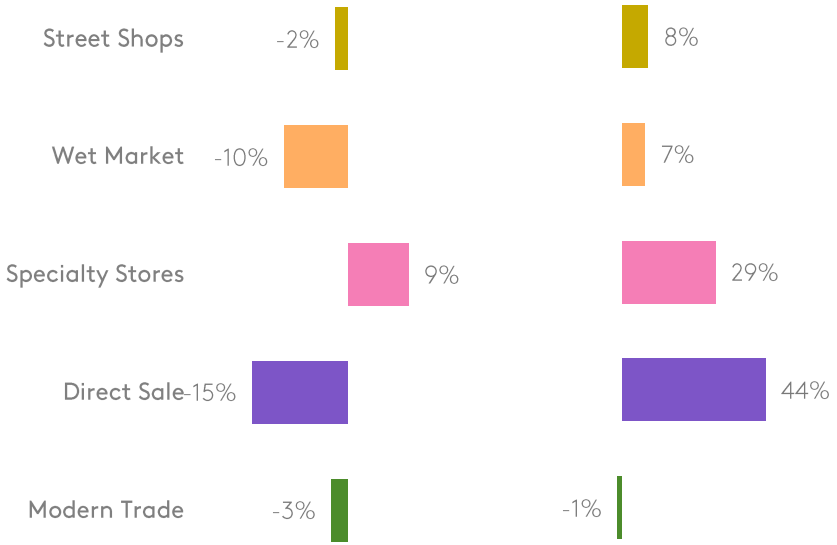
## Channel Importance - %Value




## Shopping Occasions

## Spend/Trip

MAT Q2'17 v Q2'16



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# Thank you


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