PROMOTIONS

Understanding the impact on your brand and consumers

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DATA

- Source: Kantar Worldpanel – Household Panel
- 2,150 households in Vietnam urban 4 key cities (HCM, Hanoi, Danang, Cantho)
- In-home consumption
- 131 FMCG categories
- More than 7000 brands
- All retailers: Traditional Trade, Modern Trade

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DID YOU KNOW?

85%

population buy FMCG products under promotion

(4% FMCG value share)

TOP 2 SECTORS:
PERSONAL CARE & HOME CARE

Source: Kantar Worldpanel – Household Panel – Vietnam 4 key urban cities – Total FMCG – 2012

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WHAT

What kinds of promotions are more popular among consumers' choice of purchase?

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TOP **3 PROMOTION** TYPES

#1

GIFTED PURCHASE

58% promotion value

73% population

#2

BUY 1/ MULTI GET 1 FREE

16% promotion value

56% population

#3

PRICE OFF

15% promotion value

21% population

Source: Kantar Worldpanel – Household Panel – Vietnam 4 key urban cities – Total FMCG – 2012

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WHERE

Which channels attract more promotion buyers and sales under promotion?

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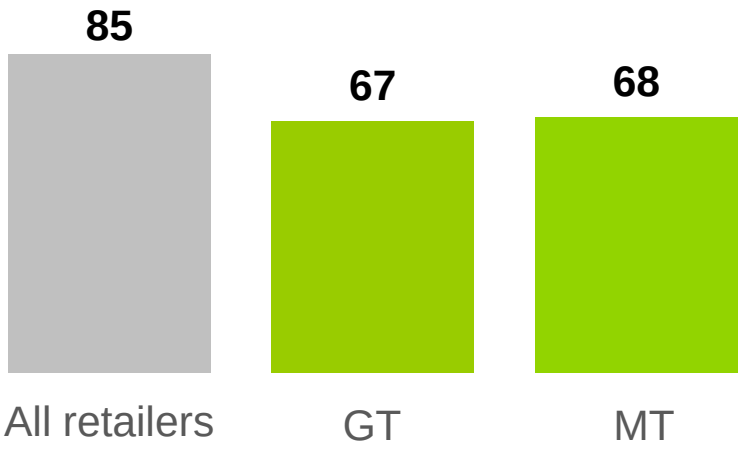
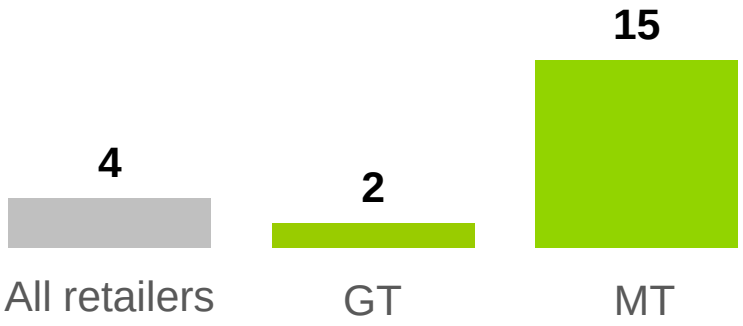
WHICH CHANNEL OFFER MORE PROMOTION?

MODERN TRADE offers more promotions, and attracts customers to spend more on promotion

PROMOTION RELATIVE PENETRATION (%)



PURCHASE UNDER PROMOTION VALUE (%)



Source: Households Panel – Vietnam Urban 4 key cities – Total FMCG

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WHO

Who are promotion seekers?

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PROMOTION SEEKERS

34%
POPULATION

are HEAVY BUYERS of PROMOTION
(who purchase on promotion more than an average person – dedicate averagely 10% basket value)

PROFILE

- South (HCM & Cantho)
- Young & Middle HWife <40YO
- Big family 5+ members
- Middle High & High income
- MT shoppers

TOP 3
PROMOTION TYPES

1. Gifted purchase
2. Price off
3. Buy 1/ Buy multi get 1 free

Source: Kantar Worldpanel – Household Panel – Vietnam 4 key urban cities – Total FMCG – 2012

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HOW

How do promotions impact on category/ brand?

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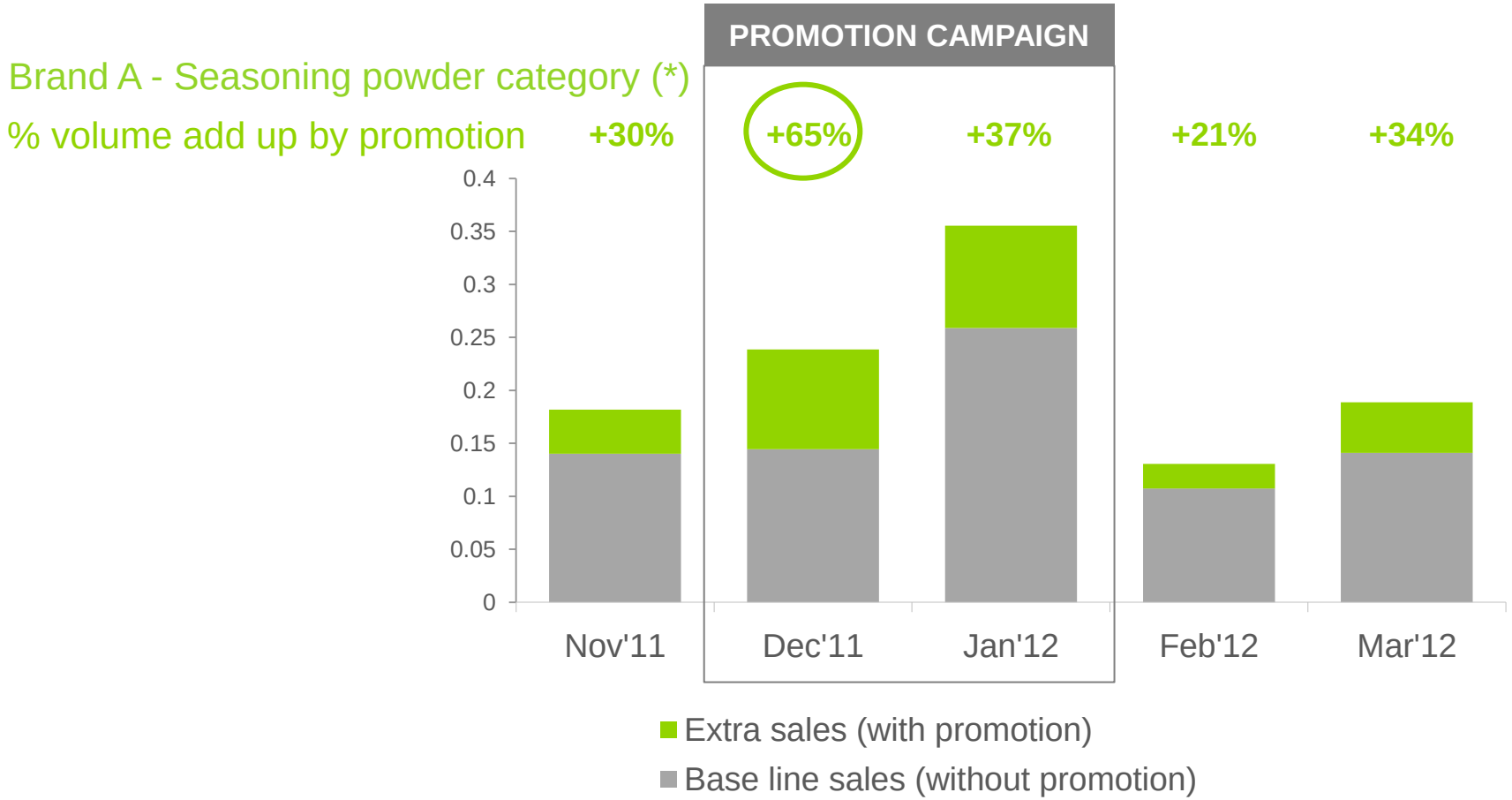
PROMOTION HELPS ADD INCREMENTAL SALES DURING THE CAMPAIGN PERIOD



* The analysis based on the brand with highest promotion level in seasoning powder category in Tet 2012 period

Source: Kantar Worldpanel – Household Panel – Vietnam 4 key urban cities – Seasoning powder

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YET, CAN PROMOTION HELP TO INDUCE BRAND TRIAL?

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IT APPEARS THAT PROMOTION ISN'T THE KEY DRIVER TO INDUCE NEW TRIAL AS MORE THAN 80% OF NEW CONSUMERS ENTER THE CATEGORY NOT VIA PROMOTION

	Category	% new market entry occasions via real purchase	% new market entry occasions via promotion
Penetration >65% DEVELOPED CATEGORIES	Fabric softener	75	25
	Seasoning powder	76	24
	Bar soap	84	16
	Liquid bath	90	10
	Toilet tissue	96	4
Penetration <65% DEVELOPING CATEGORIES	Panty liner	74	26
	Bathroom cleaner	76	24
	Insecticide	77	23
	Hair conditioner	81	19
	Deodorant	92	8
	Average	**82**	**18**

Source: Kantar Worldpanel – Household Panel – Vietnam 4 key urban cities – Total FMCG - 2012

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WHAT ABOUT BEFORE & AFTER EFFECTS?

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NO SIGNAL TO SEE THE POSITIVE IMPACT ON BRAND SHARE AMONG THE PROMOTION BUYERS

Do promotion buyers purchase more of the brand after the promotion period?

Category	% brand share (among promotion buyers) in previous 6 months	% brand share (among promotion buyers) in 6 months after
Seasoning Powder	49.6	46.4
Cooking Oil	52.4	51.8
Shampoo	44.0	41.8
Toothpaste	58.6	63.7
Fabric Softener	60.7	54.4
Average	**53.1**	**51.6**

(*) Based on the analysis of promotion buyers in Tet period, and on the brand with highest promotion level of each category

Tet period: 4 weeks ending 22/01/2012

Source: Kantar Worldpanel – Household Panel – Vietnam 4 key urban cities – Total FMCG

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WHEN

When is the peak time of promotion?

8 WEEKS BEFORE TET IS THE PEAK TIME OF PROMOTION

Total spending under promotion

+50%

In Tet period (*)

+30%

In Pre-Tet period (*)

vs. normal month

(*) Tet period: 4 weeks before the 1st day of Lunar New Year
(*) Pre-Tet period: 4 weeks before Tet period

Source: Kantar Worldpanel – Household Panel – Vietnam 4 key urban cities – Total FMCG – Tet 2012 vs. avg month 2011

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SUMMARY

5W PROMOTION FINDINGS

WHAT	WHERE	WHO	HOW	WHEN
85% population purchase promotion per year **GIFTED PURCHASE** is the most popular promotion type, followed by **BUY 1 GET 1 & PRICE OFF**	**MT** is the key shopping place for promotion	**34%** population are promotion seekers, dedicating 10% basket for promotion They are **MT SHOPPERS**, big size families with middle high & high income, in the South	Promotion helps **add incremental sales** uplift during campaign period However, it is not the key driver to **induce trial** and no significant positive **after-term effect** is observed	**TET** season is the peak time of promotion

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Want to know more about pricing & promotions?

How Kantar Worldpanel can help you further?

Pricing & Promotions

Optimise your promotions investment and price strategies

Right Activity

Choose the right promotional and pricing activity for a specific objective

Benchmark

Benchmark my price and promotional activity against other brands and categories.

Maximise Sales

Understanding how to maximise promotional sales through better understanding of who buys on deal

Consumer Response

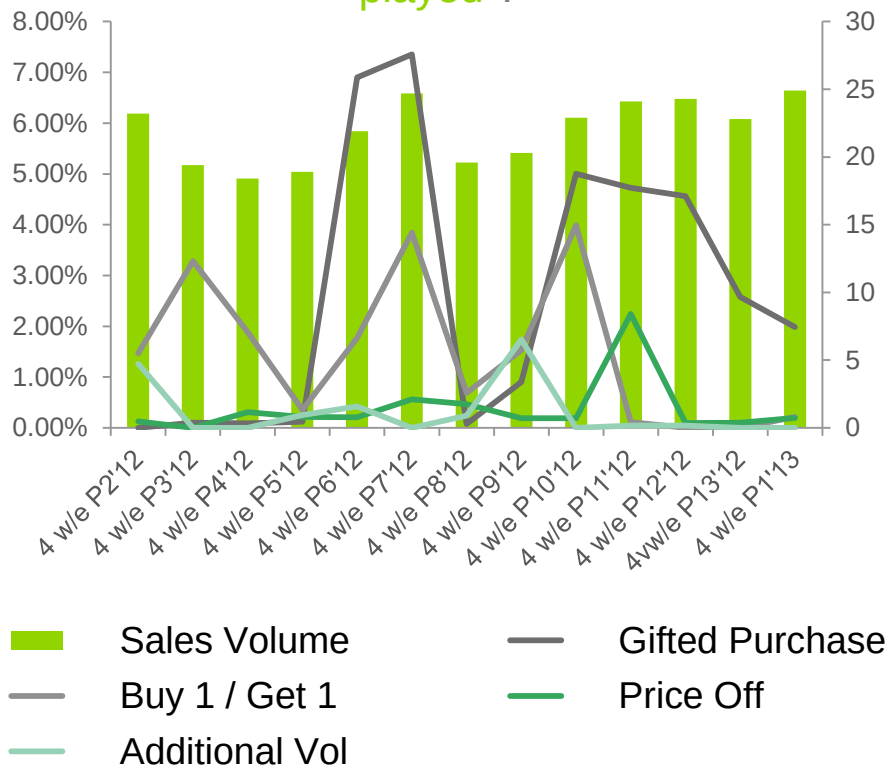
Quantify the current and potential value of your different targets to allow you to make actionable decisions

Promotion Analysis:

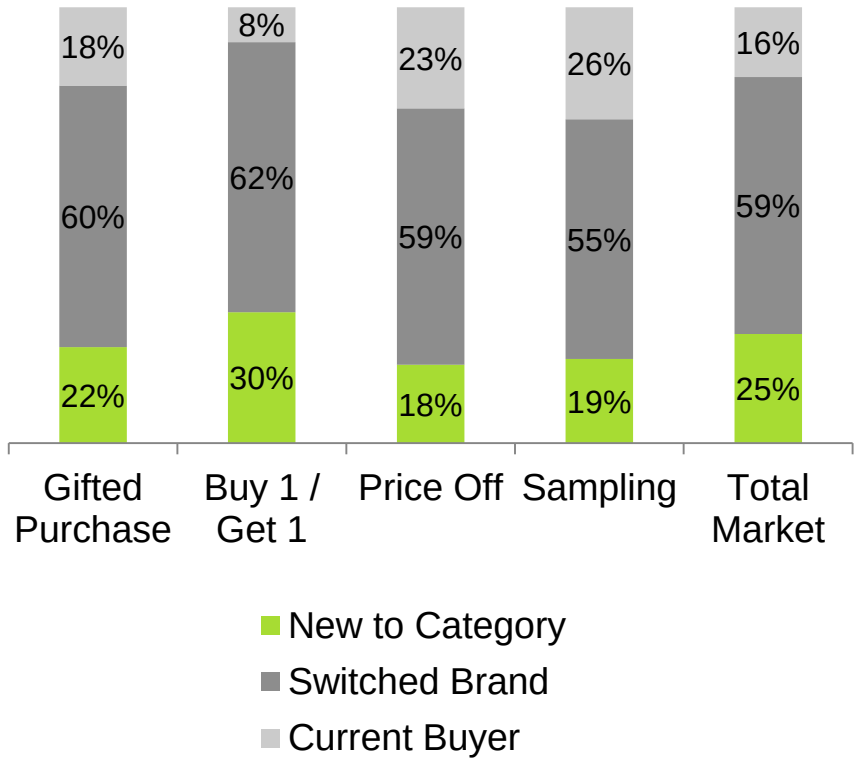
Understanding ACTUAL CONSUMER BEHAVIOUR from your deals

WHAT IS THE ROLE OF PROMOTIONS IN YOUR CATEGORY ?

How promotion is driving overall sales on the category ? Which promotion type is mostly played ?



Which promotions type drive the recruitment / encourage competitor switching ?



Fee is applied for the Promotion analysis. Please contact our Client Service representative for further information.

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About Kantar Worldpanel

Kantar Worldpanel is the world leader in consumer knowledge and insights based on continuous consumer panels. Its High Definition Inspiration™ approach combines market monitoring, advanced analytics and tailored market research solutions to deliver both the big picture and the fine detail that inspire successful actions by its clients. Kantar Worldpanel's expertise about what people buy or use – and why – has become the market currency for brand owners, retailers, market analysts and government organisations globally.

With over 60 years' experience, a team of 3,500, and services covering more than 55 countries directly or through partners, Kantar Worldpanel delivers High Definition Inspiration™ in fields as diverse as FMCG, impulse products, fashion, baby, telecommunications and entertainment, among many others.

For further information, please visit us at www.kantarworldpanel.com.vn

Contact us

Kantar Worldpanel Vietnam
58 Vo Van Tan Street, District 3,
Ho Chi Minh City, Vietnam
tel: +84 8 39306631
fax: +84 8 39306632
email: vietnam@kantarworldpanel.com
website: www.kantarworldpanel.com.vn

KWPVietNam Kantar Worldpanel Vietnam

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