

SPOTLIGHT ON VIETNAM



November 2012

Dear partners and clients,

It is our great pleasure to present you with this November Issue of Spotlight on Vietnam!

As our foreword in this new issue, we would like to sincerely thank you once more for attending our 10 Years Live Show: Set the Beat of Vietnamese Consumers. We really hope the conference has made a wonderful journey to bring you to the heart of Vietnamese consumers and to assist you in setting the beat for the future.

In this issue, we wish to take you through the exploration into the key consumerism trends of today and tomorrow. This is followed by the big picture on how Vietnamese are changing the way they shop. To end with, we are delighted to introduce you our new online data delivery and analysis tool – WorldpanelOnline.com.

Your feedback, as always, is very welcome. Please e-mail us at vietnam@kantarkworldpanel.com

We wish you an enjoyable and inspirational reading.

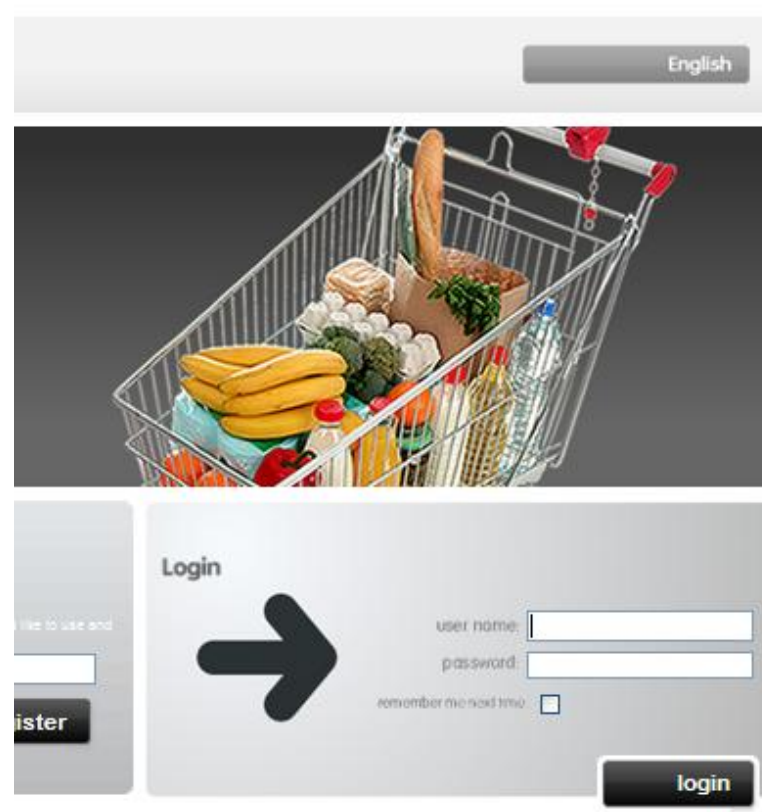
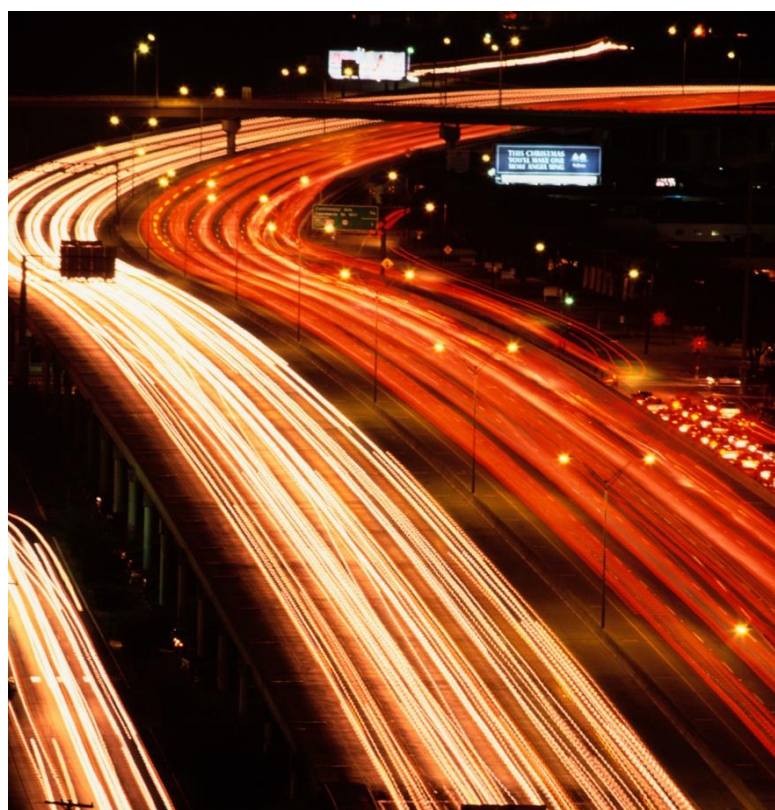
Best regards,

FABRICE CARRASCO
Managing Director
Kantar Worldpanel Vietnam, Indonesia, Philippines

DAVID ANJOUBAULT
General Manager
Kantar Worldpanel Vietnam



INSIDE THIS ISSUE



Consumerism Trends Today & Tomorrow

Over the last few years, Vietnamese consumers have become smarter, more sophisticated, health-conscious and convenience-oriented... So, what will come in the next 10 years? >>>

How Vietnamese change the way they shop

Modern Trade in Vietnam has gone through the very initial stages of development and is now entering into Acceleration phase. Together with this rapid development, Vietnam will witness major changes in its shopper behaviours. >>>

WorldpanelOnline.com

Kantar Worldpanel is proud to introduce our new online data delivery and analysis tool – WorldpanelOnline.com. With this leading technology, you can get easy access to the data and insight you need anytime, anywhere. >>>

[Previous Issue >>>](#) | Spotlight on Vietnam April 2012

CONSUMERISM TRENDS

today & tomorrow

FMCG MARKET VALUE

VIETNAM FMCG
MARKET VALUE WORTHS
~164,000 BLN VND
~8 billion USD
in-home

Key Trends to Continue

SMART SHOPPER

Smart shopping behaviours with bulkier purchase, value for money and promotion

Not only in **URBAN** but also in **RURAL**...

66% of rural housewives now agree that ...
“I prefer to buy big pack sizes because price is usually less expensive”
(vs. 56% in 2009)

MOST IMPACTED:

Low differentiated / low involvement products
Packaged foods, Home care

PREMIUMIZATION

More sophisticated needs with increasing self-indulgence, added-value and specialized needs in Urban areas

90% urban middle-high housewives agree
“I buy brands that are of good quality, even more expensive” *(vs. 87% averagely)*

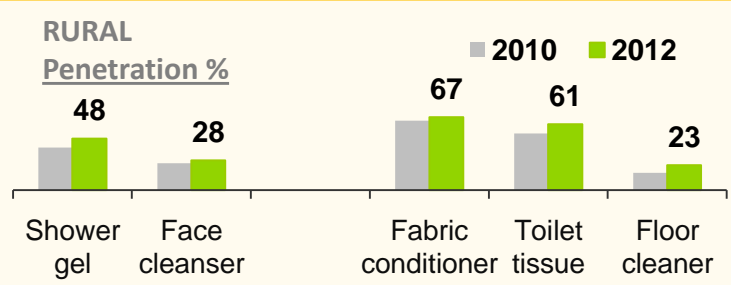
MOST IMPACTED:

- Personal Care**
- Additional Benefits
 - Beauty Care
 - Higher Involvement of Male

CATCHING-UP

Rural consumers will continue to fulfill their basic needs and catch up with those trends in Urban

MOST IMPACTED:
Personal Care & Home Care



CONVENIENCE TIME-SAVING

Time-saving needs are emerging in Rural

63% of urban housewives and **57%** of rural housewives agree that...
“I like to prepare foods that don't require much time” *(vs. 54% in 2010)*

MOST IMPACTED:

- Foods & Beverages**
- Convenient Packaging
 - Meal Making Assistant

CONVENIENCE EFFORT-SAVING

Not only time-saving but also effort-saving needs in Urban

73% of urban drinkers agree that...
“I prefer beverages that I can drink straight from the container”

MOST IMPACTED:

- Foods & Beverages:** ready to serve
Home Care: more effective/multi-purpose
Personal Care: all-in-one

HEALTH CONCERN

Health enhancement needs with more vitamin-added and natural-originated products choice for the end-consumers

72% of urban housewives now agree that...
“I like products that have additional "active" ingredients: vitamin, ginseng, calcium...”
(vs. 70% in 2010)

MOST IMPACTED:

- Foods & Beverages:** added vitamin
Home Care, Personal Care, Foods & Beverages: healthy/natural origin

Emerging Trends

LIFESTYLE POLARS

SOCIALIZING IN YOUNG ADULTS

Among the young adults, mostly below 40 years old, there will be more grooming for both women and men, extrovert (i.e out-of-home) entertainment and convenience-driven.

THE IMPACTS:

- **Personal Care** (Beauty Care)
- **Foods & Beverages** (Out-Of-Home)
- **Groceries & Home care** (Convenience)

COCOONING IN SENIORS

Old adults will become more family-oriented, more subtle needs and health-concerned

THE IMPACTS:

- **Foods & Beverages** (Healthy)
- **Personal Care** (Self-indulging)
- **Packaged Food & Home care** (Quality)

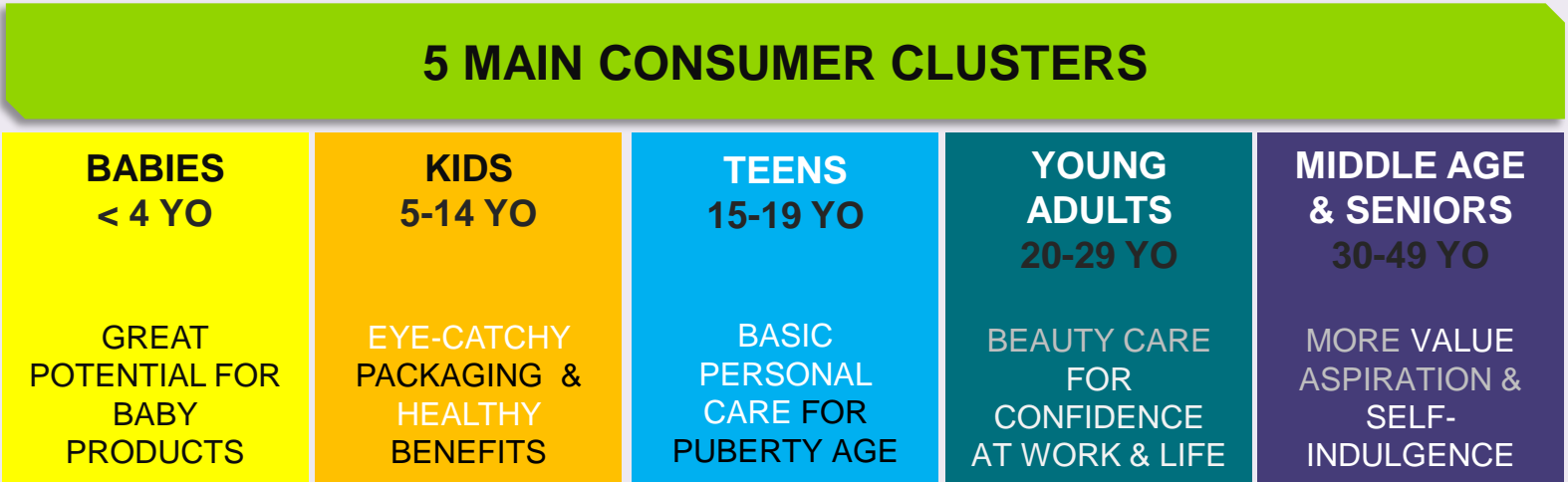
ECO-CONSUMERS

Stronger support from Vietnamese consumers, especially in Urban areas, for eco-friendly products from the manufacturers who are pro-environment

Today, **70%** of Urban Vietnamese say that
“I prefer to buy brands which **take care of the environment**, even more expensive”

FROM MASS TO SEGMENTATION

Consumers are increasingly seeking products tailored to their specific desires, which results in deeper market fragmentation with differentiated needs across different consumer groups.



Source: Kantar Worldpanel – Household Panel | Drink Usage Panel | Lifestyle Survey – Urban 4 key cities & Rural Vietnam – Excluding Gift – Updated to Q3'12

For more information, please contact your client service representative or email us at vietnam@kantarkworldpanel.com

How Vietnamese change the way they shop

What's next?

STREET SHOP STILL KEY
WET MARKET FADING OUT
MODERN TRADE
BECOMES MORE PREVAIL



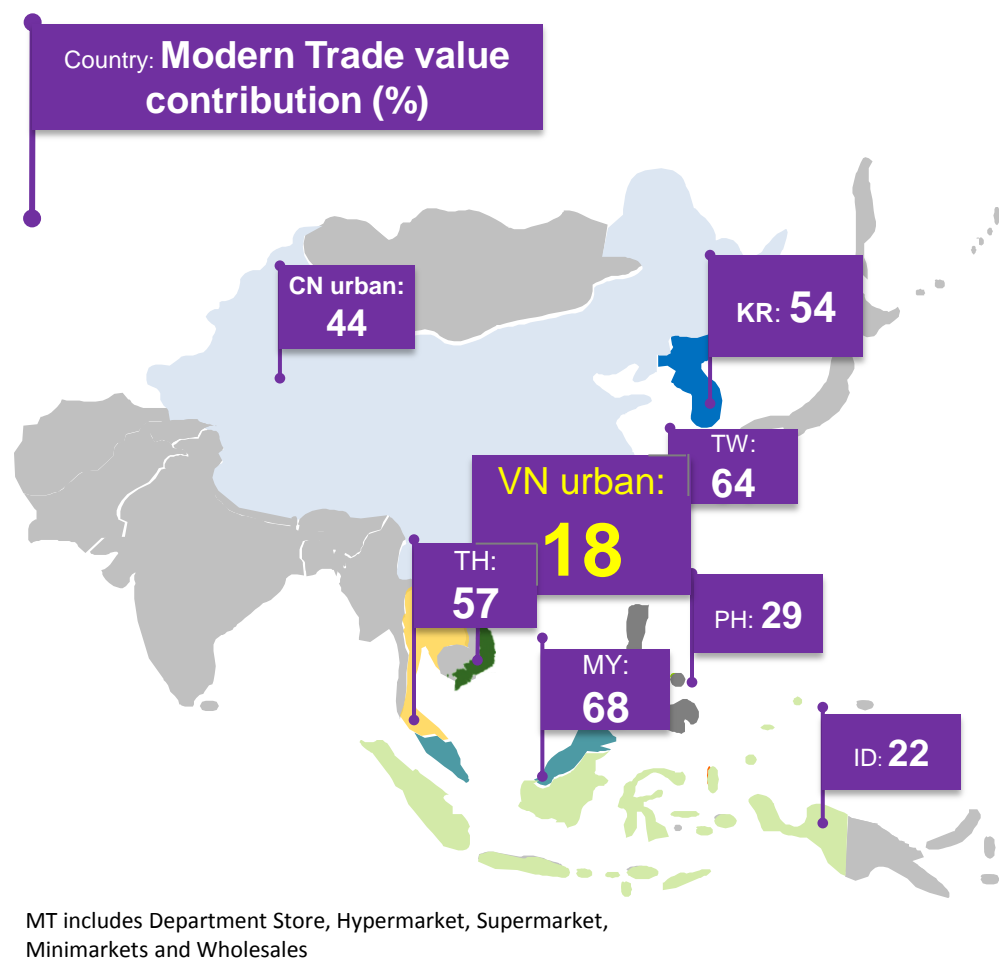
MT Value Contribution %

Modern Trade growth is expected to accelerate in the coming years

WHERE IS VIETNAM TODAY?

RATHER “YOUNG” IN THE REGION

84% urban and 23% rural households ever purchase something in Modern Trade



THE EMERGING



MINISTORE BOOM

Every household is expected to shop from a ministore at least once a year by 2022

BEYOND THE “BRICK & MORTAR”

SHOP ONLINE

1/10

Urbaner the past month

SHOP FMCG ONLINE

2/100

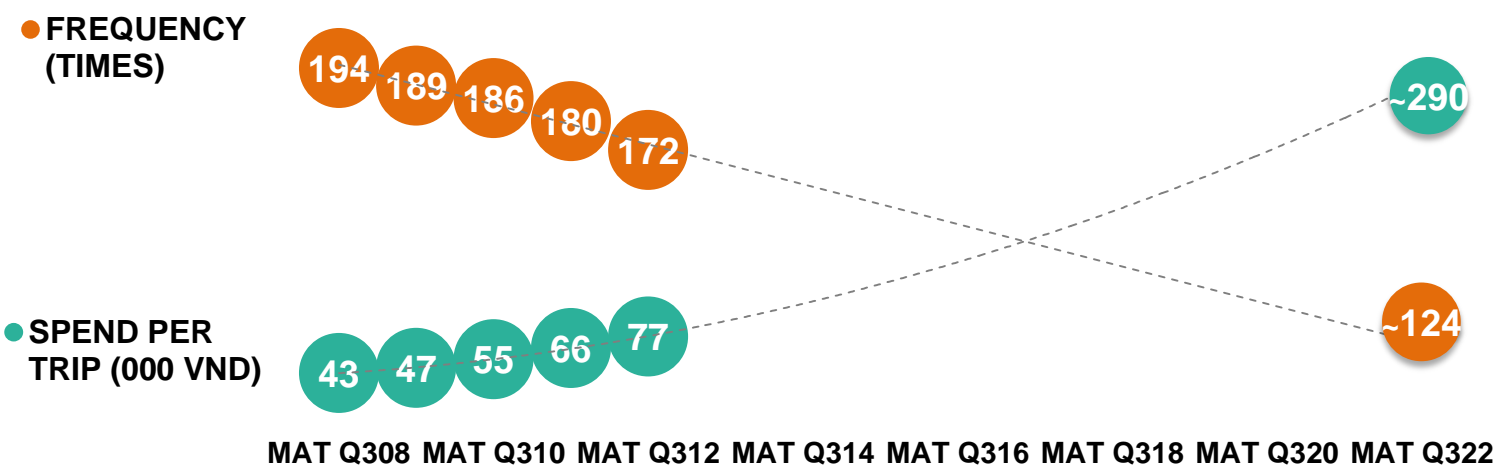
Urbaner HH the past year

Expected

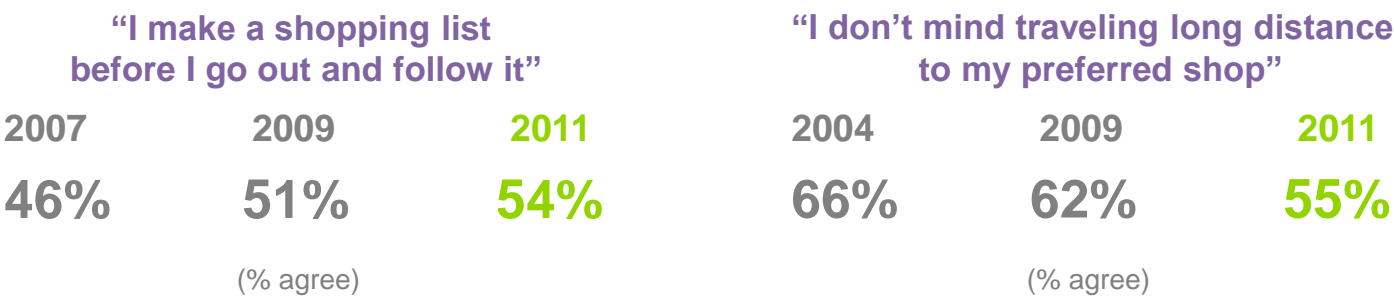
10/100

in the next 10 years

CONSUMERS BECOMING MONEY RICH YET TIME POOR



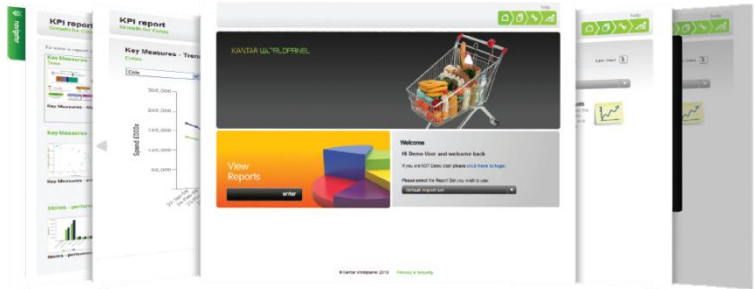
PLAN THEIR TRIP MUCH BETTER & SEEK MORE FOR CONVENIENCE



Source: Kantar Worldpanel – Household Panel | Lifestyle Survey – Urban 4 Key Cities & Rural Vietnam – Excluding Gift – Updated to Q3’12 & Kantar Media MHS-Urban

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WorldpanelOnline.com



Access to the **Key Trends** impacting your shoppers through a **fast** and **effective** **ONLINE** portal

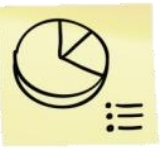
- with
- Leading Edge Technology
 - Access Anytime, Anywhere
 - Continuous Improvement

HIGHLIGHTS



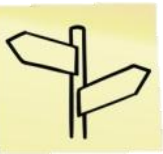
Data Online

Preset reports allow you to have access to the latest update of your data.



User Constructed Report

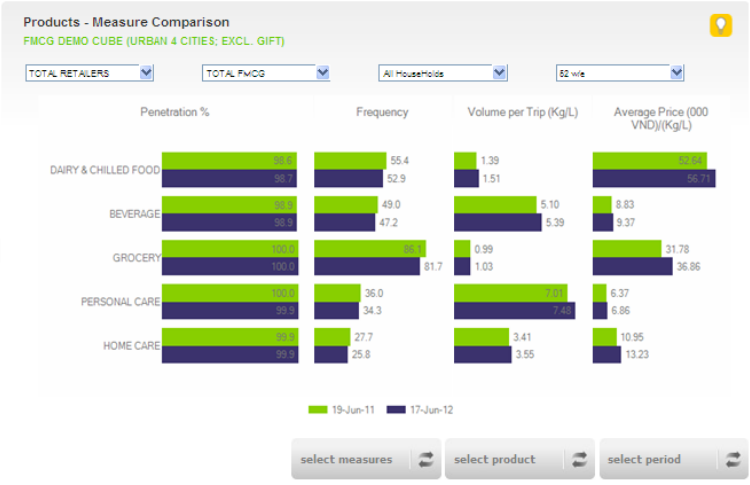
You can build and share personalized reports specific to your needs.



Simplicity

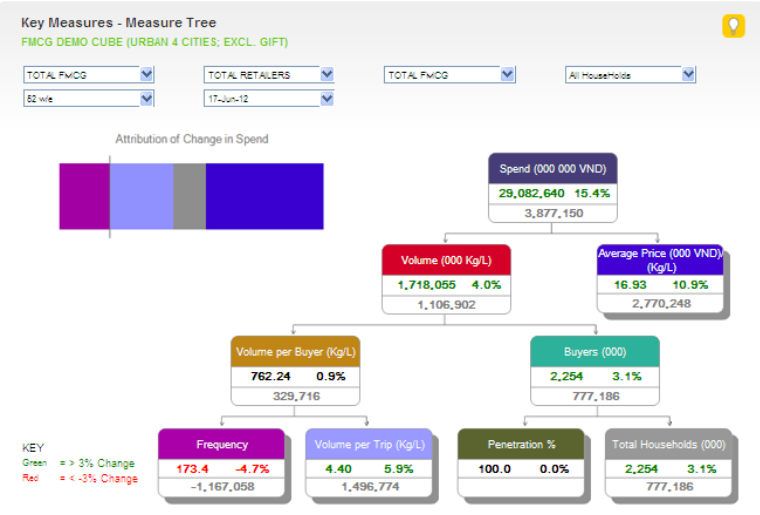
It's simple and intuitive to get the data you need. It provides helpful navigation features, easy exporting and much, much more.

FEATURED TEMPLATES



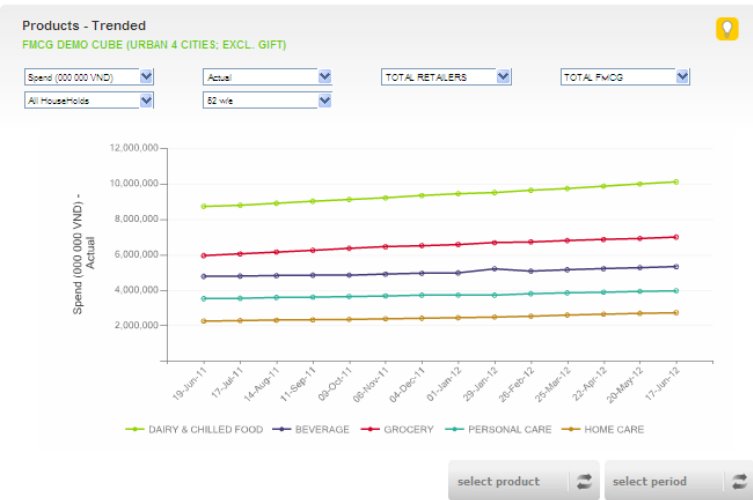
Products Measure Comparisons

- What is the size and growth/ decline of products for a selected measure?
- Is the product performing well in the analysed store?



Key Measures – Measure Tree

- What are the drivers of growth for the category?
- Are there specific metrics that the I should focus on?



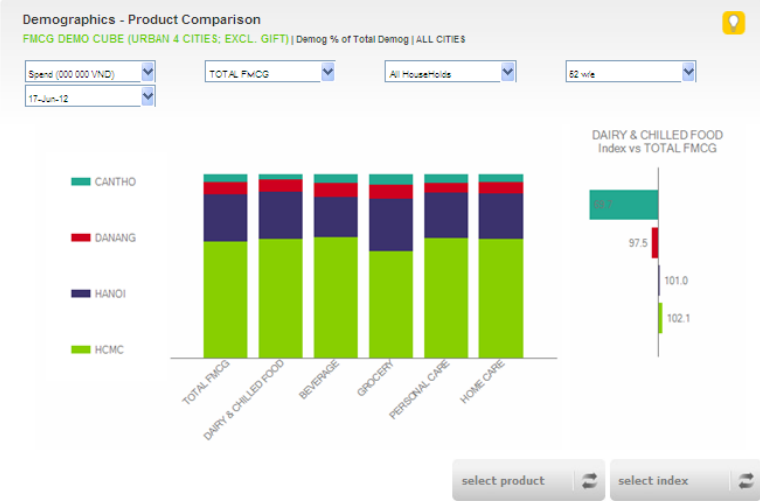
Products – Trending

- How are the shopper metrics for the category changing over time?
- Has there been any specific changes which are impacting on category performance over time?



Key Measures – Product Map

- Which specific products achieve higher levels of the analysed metrics?
- How big is the opportunity presented by matching the best levels or growth rates of the analysed metrics?



Demographics Product Comparison

- What is the demographic profile of different products?
- How is the demographic profile of the analysed product different from the average market benchmark?



Retailers Measure Comparison

- What is the size and growth/ decline of retailers for a selected measure?
- Is a specific retailer performing well in comparison to the market benchmark?

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