GLOBAL OUTLOOK

How to decode global consumer trends into local initiatives?

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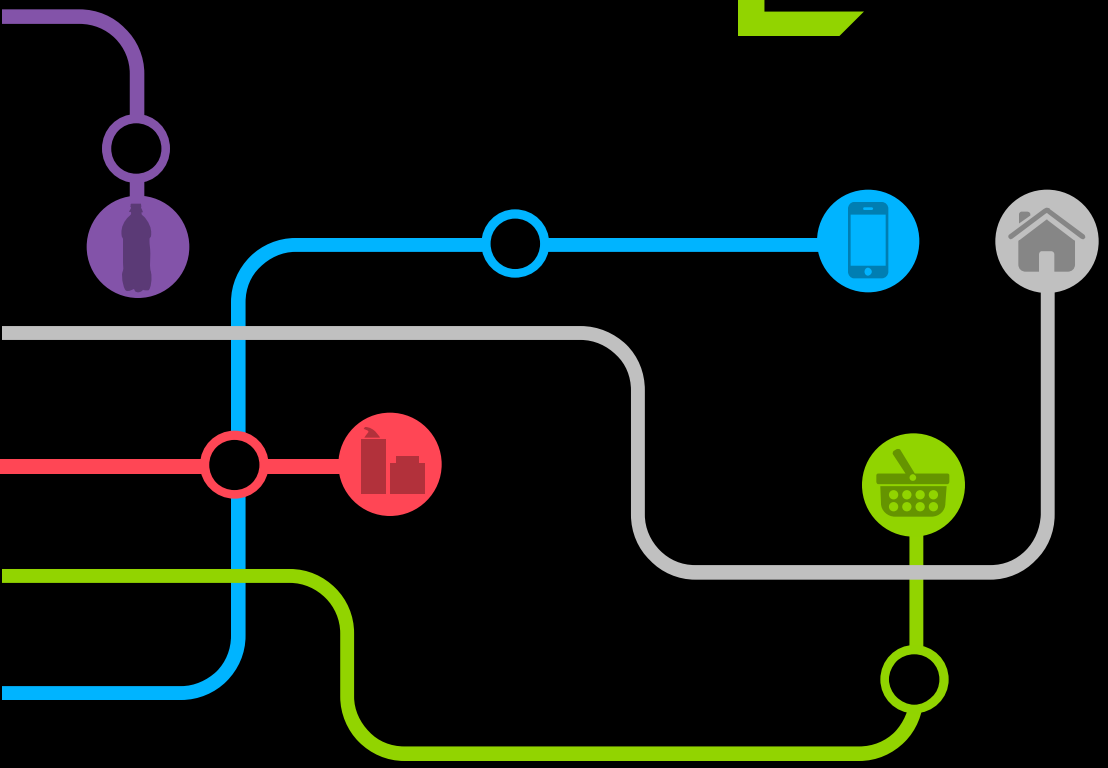
KANTAR WORLDPANEL

CONSUMER CONNECTION 2013

GLOBAL MEGA TRENDS



GLOBAL MEGA TRENDS FROM NOW & FOR THE FUTURE

1 DIGITAL

2 CONVENIENCE

3 PERSONALISATION

4 HEALTH

5 VALUE

5 mega trends that may look far from the Indonesia market but will impact you in one way or the other

CONSUMER CONNECTION 2013

1 DIGITAL | SOCIAL, PURCHASE, WHAT ELSE?

- Digital is redefining the way people live, interact and behave
- It becomes an ENABLER and a CHANGING LIFESTYLE
- Manufacturers need to redefine the way they INTERACT with their customers : communication, point of contact
- New Customer experience
- Click & Collect shopping through Minimart, Drones?

IN MOST COUNTRIES INTERNET BECAME THE SECOND MEDIA JUST AFTER TV

FACTS

- Increasing in-home Internet availability & usage
- Increasing use of new media devices i.e. Smartphones
- Increasing use of social networks
- Increasing purchases on Internet

CHALLENGES

- More information & more misinformation
- Speak to consumers
- ROI media digital
- Data security payment

40%

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SMARTPHONE FOODIES

Smartphone users fork over the digital dish on dining out

95% of respondents use their smartphone PRIOR to dining out.

What is the PRIMARY reason you use your smartphone PRIOR to dining out?

Communicate/text with others regarding dining plans	20%
Search for a restaurant that appeals to you	19%
View food/drink menu	18%
Find directions to restaurant	18%

85% of respondents trust online reviews from fellow diners more than reviews from professionals and food sites

What is the PRIMARY reason you use your smartphone WHILE dining out?

- 19% Post a Facebook status update
- 24% Take pictures
- 18% Check-in at a restaurant
- 13% Search for places nearby to go after dining out

Of those searching for post-dinner plans, 70% are MALE

What is the PRIMARY reason you use your smartphone AFTER dining out?

- 22% Post a Facebook status update
- 22% Find directions home
- 14% Post photos
- 10% Do not use their smartphone for any reason after dining out.

FREQUENCY	IMPORTANCE	TIMING
23%	49%	70%
Use their smartphone every time or almost every time they dine out	Consider their smartphone somewhat or extremely important in their dining experience	Utilize their smartphone at DINNER more than any other meal

More connections and more interactions with your consumers…

A new way to get information about brands

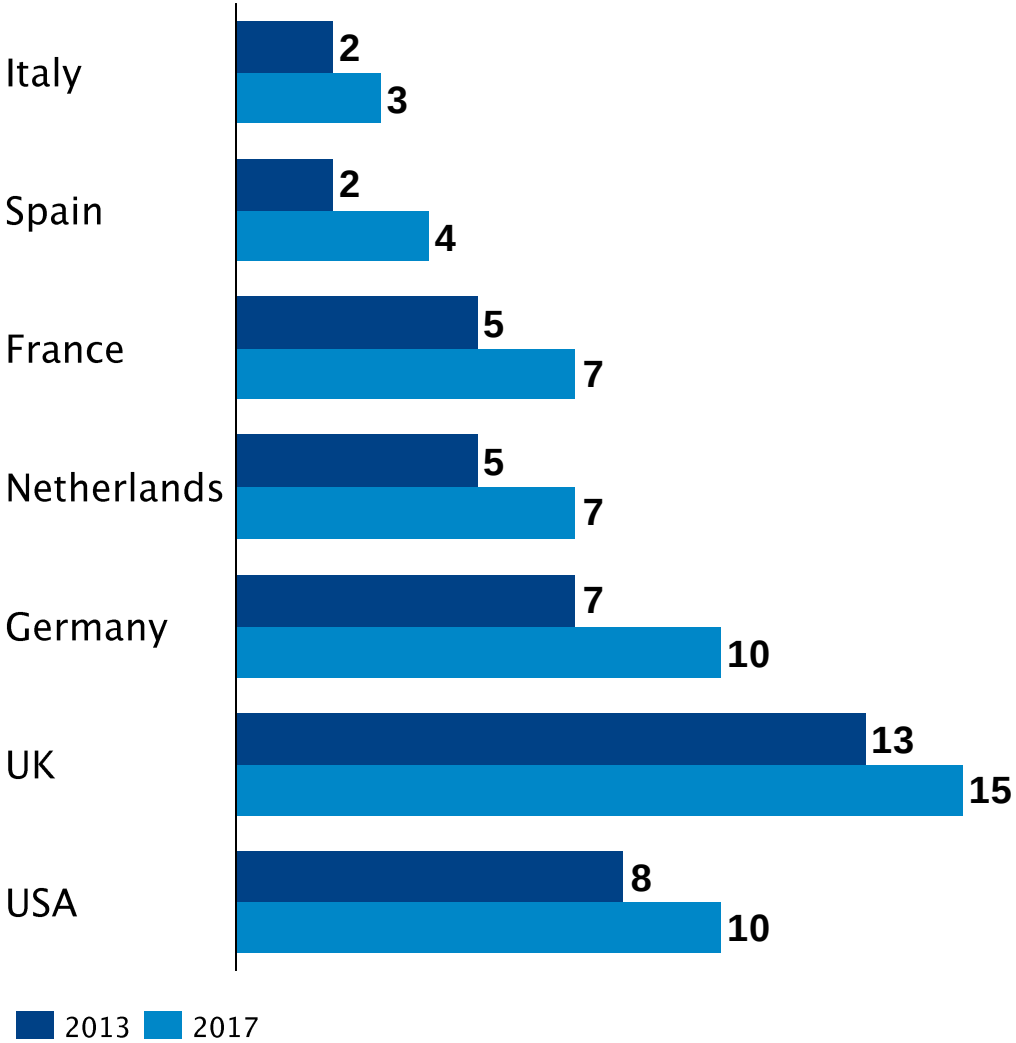
Consumers get a real relationship with brands, in an interactive manner

Brands get closer to the moment of truth and increase intimacy

but potentially less connections with your shoppers…

Missing opportunities?
Disconnection with consumers?

Online retail share expected to increase rapidly



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Source: Forrester Research

Carol Tice, Contributor
I cover franchising news and trends.
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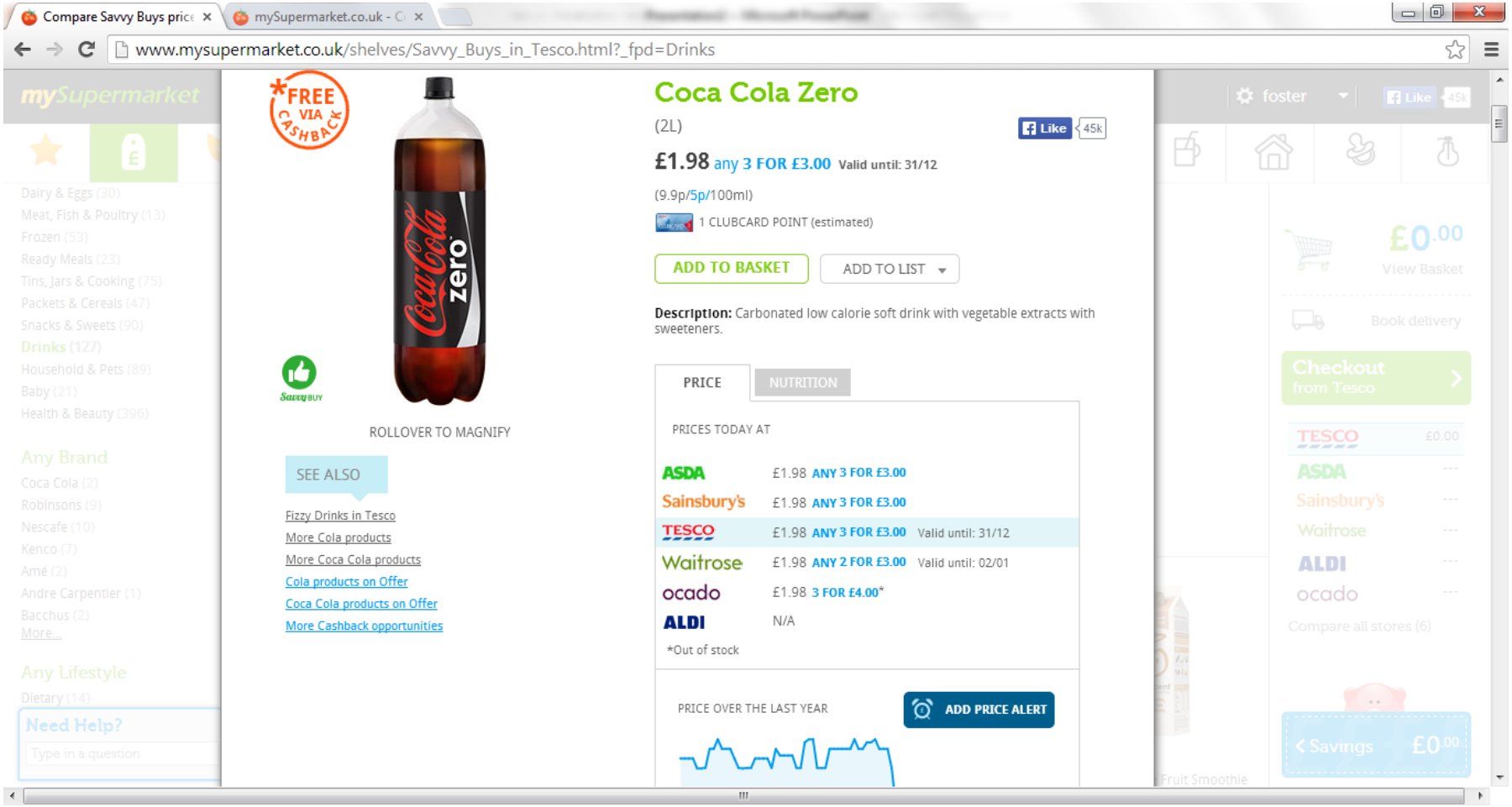
ENTREPRENEURS | 11/30/2012 @ 4:07PM | 901 views

How Retailers Can Avoid Becoming A Showroom for Ecommerce Competitors

+ Comment Now + Follow Comments

It's a trend that's become all too familiar to brick-and-mortar retailers this holiday season: A customer comes into the store, checks out a product — and then buys it online for less. Often, the

A new way to benefit from promotions…



Price comparison apps – giving deal hunters the opportunity to time the market and wait for price discounts.

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Etailing Business Models in FMCG

	HOME DELIVERY	PICKUP
In-store picking	**Store to home** Grocers use existing stores to supply online shoppers	**Click-and-collect** Online shoppers collect goods at grocery stores
Ware-house picking	**Warehouse to home** Online start-up (and some bricks-and-mortar) deliver from warehouse	**Drive-through** Some grocers are adopting this time-saving approach

ocado

Express Drive E.LECLERC
E.LECLERC Drive

Only available to bricks-and-mortar retailers

Source: A.T. Kearney

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Reinventing the way people shop…

TESCO HOMEPLUS SUBWAY & BUS STOP VIRTUAL STORES (KOREA)

In 2011, **Home Plus**, the Korean subsidiary of Tesco, began selling **virtual groceries** in Seoul subway.

Homeplus' Smartphone App is now **#1 shopping app in Korea**, with >900,000 downloads (Feb 2012). Most orders placed on the app are at 10am and 4pm, while people are on their way to and from work.

2 CONVENIENCE | MONEY RICH, TIME POOR

FACTS

- Blurring of professional & personal life
- Longer distance to work
- More women are working
- Urbanization, busier life with more entertainment
- Less FMCG purchase occasions. Sales decrease during lunch time.

IMPLICATIONS

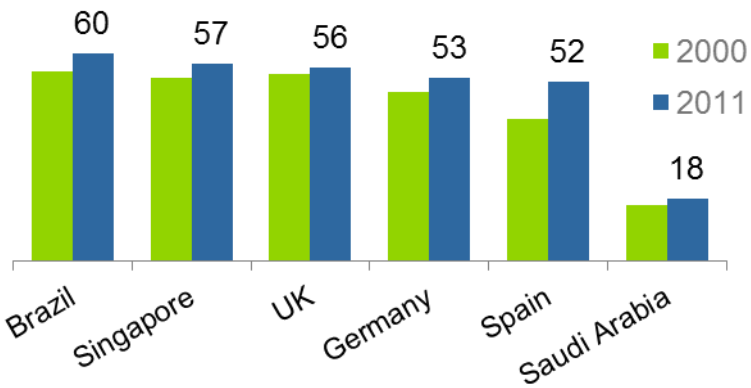
> Less time shopping & cooking

> More services in-store

> Innovation to make shopping easier

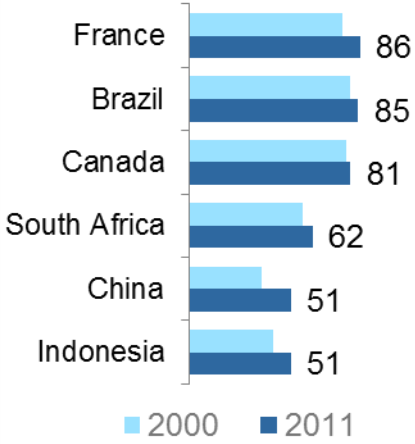
> Ready to "heat" / Ready to eat / Ready to drink

Female labour participation rate

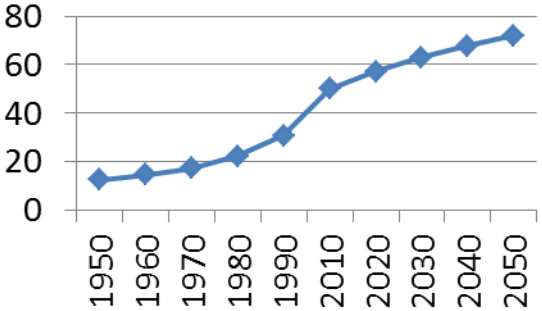


Source: World Bank Data

Urban Population %



INDO Population Projection % Urban



Source: United Nation

3 PERSONALISATION | A PRODUCT WHICH IS CLOSE TO ME

Your Heineken allows drinkers to order customized six-packs

FACTS

- Greater desire for entertainment
- Desire for individualism
- Increasing wish to indulge
- Design is gaining importance
- Instant gratification

IMPLICATIONS

> More shopper/consumer segmentation, customized communication (digital)

> More shopping/purchase experience

> More innovation: Exclusive and customized products

Share a Coke campaign with different names printed on bottles

4 HEALTH | STARTING TO BE A MUST

Increasing number of people with **health issues** (allergies, obesity)

Increasing **health awareness** & **self-responsibility**

Increasing knowledge & **spend on functional food**

Individual average BMI

24	Mexico	28
25	New Zealand	28
25	UK	28
21	Angola	23
19	Vietnam	21

Source: WHO

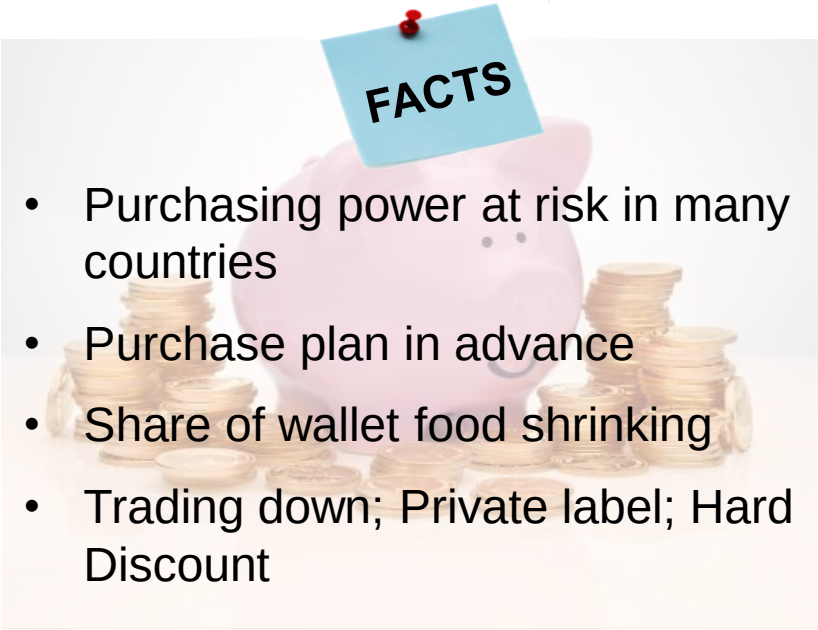
> Educate for healthy life & Functional products (Forums, Apps, etc…)

> Consumer knowledge about ingredients

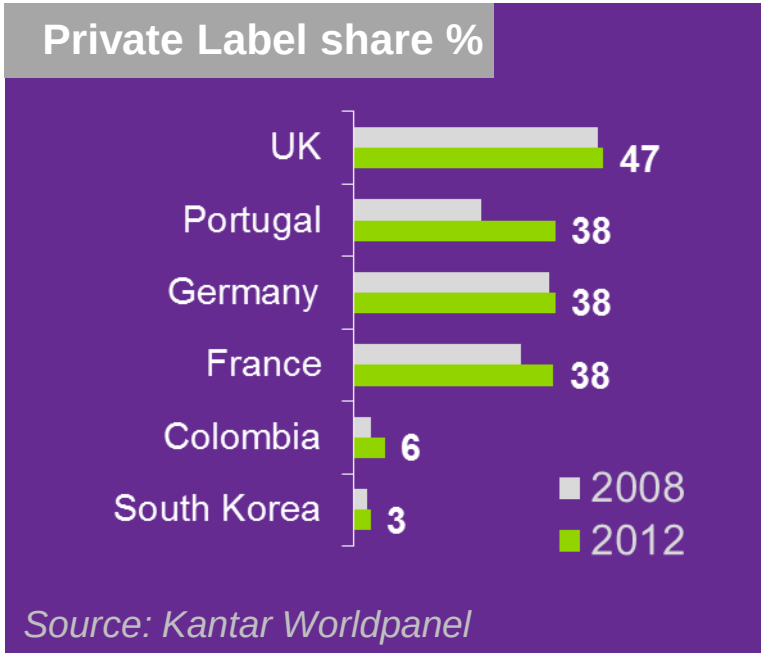
> OTC products in-store

> Increase the range of healthy and functional products

5 VALUE | CONSUMERS LOOK FOR VALUE FOR MONEY



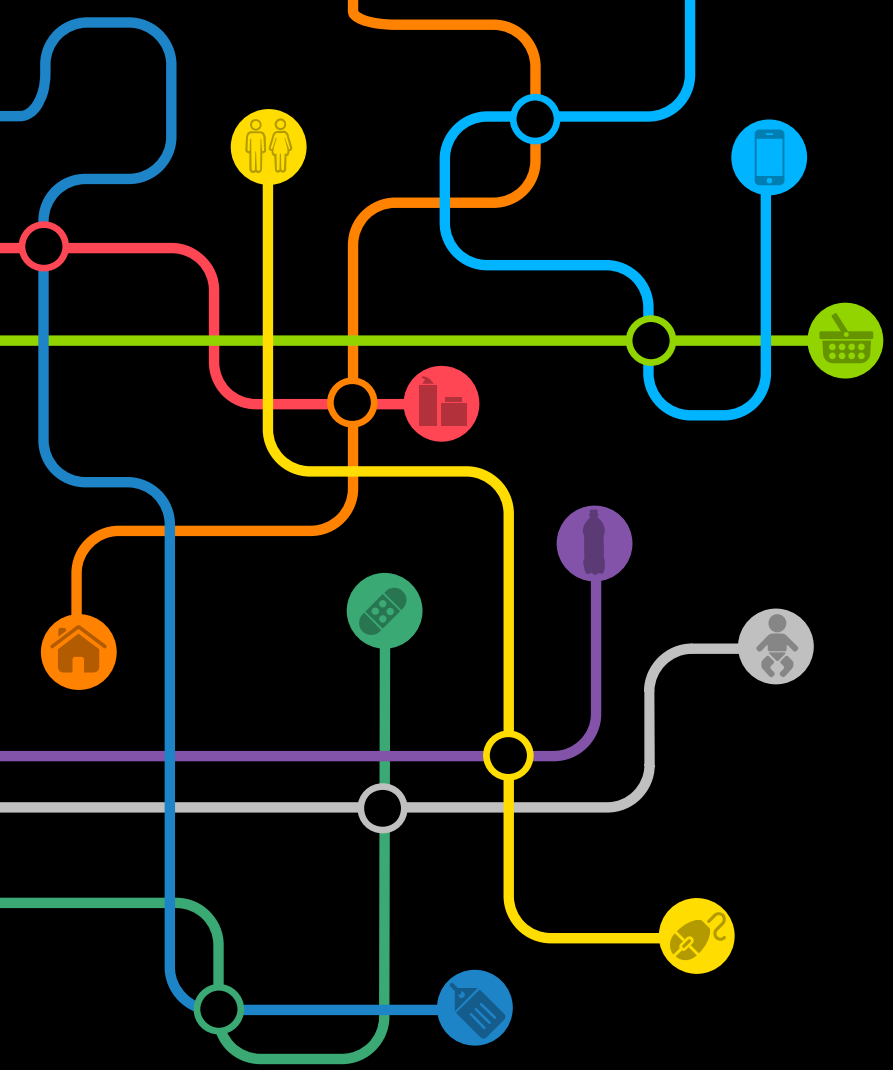
- Purchasing power at risk in many countries
- Purchase plan in advance
- Share of wallet food shrinking
- Trading down; Private label; Hard Discount



> Promotion / Private Label / range of economic products

> Maximize the loyalty card / reward the brand / store loyalty

> Price benchmark in-store (or website / app)



THANK YOU