FMCG MONITOR

An integrated view of Indonesia FMCG market

Q1 & APRIL 2016

KANTAR WORLDPANEL Inspiring successful decisions

EXECUTIVE SUMMARY

1 Q1 MARKET UPDATE

Find out quarterly Market update in this section

2 FMCG INDICATOR

FMCG Growth continues to slowdown in P4 2016 – even though Indonesia's economic condition is getting healthier. Showing that consumers still cautiously spending their money .

3 FMCG BUYERS ACROSS SES

All consumer groups are impacted by the economic slowdown, they reduce their frequency of shopping trips

4 RETAILERS SNAPSHOT

Modern trade channel shows negative growth this period compared to year ago. Fortunately, traditional trade shows positive growth.

5 SEGMENT PERFORMANCE

Food and dairy accounts for more than half of the market value. While dairy is enjoying slight positive growth this period, food is facing negative growth.

6 DO YOU KNOW?

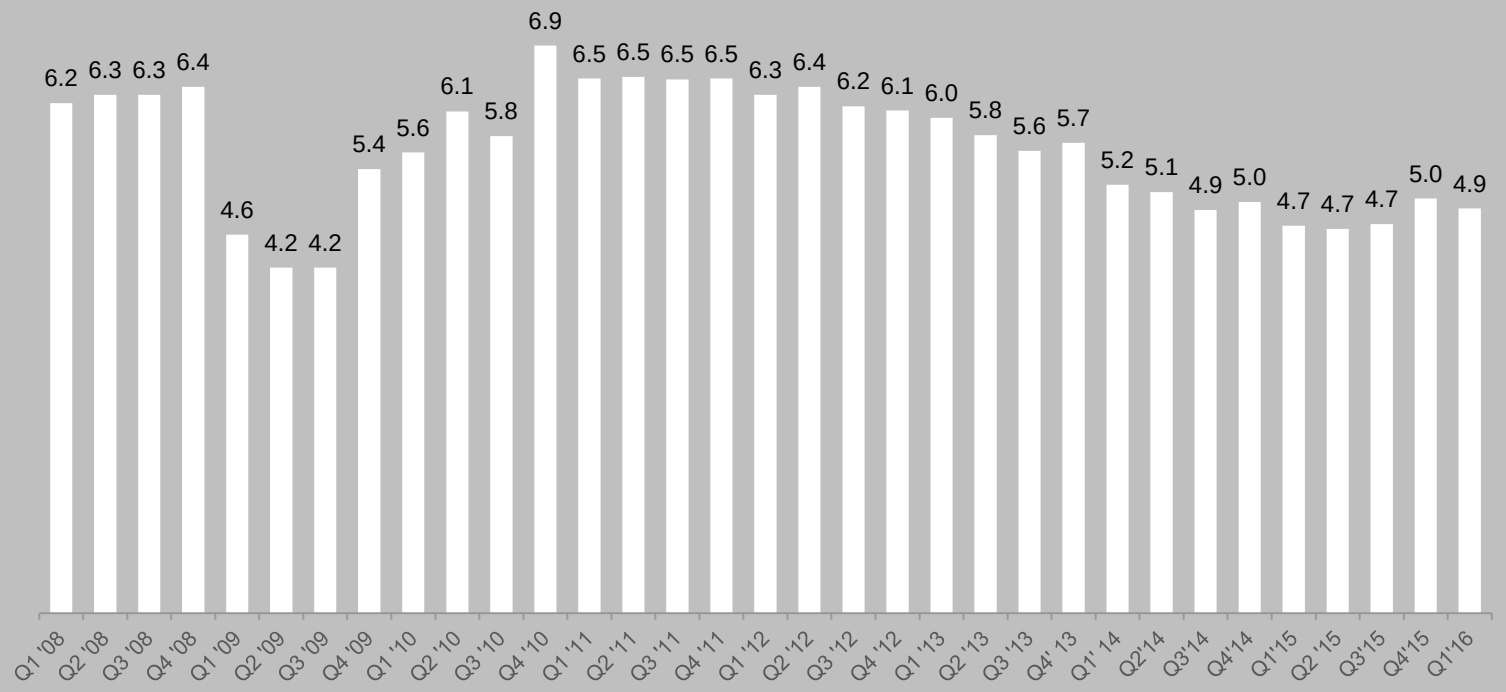
What categories are the top volume gainers and in contrast categories that lost volume the most? Find out more here.

© Kantar Worldpanel

1 Q1 MARKET UPDATE

Indonesia's economy is starting to shows increasing pace again and with it, consumer will spend more of their money. Also compared to other neighboring countries like Thailand and Malaysia, Indonesia's growth is faster.

INDONESIA ANNUAL GDP GROWTH %



Q1 2016	GDP Growth
Indonesia	+4.9%
Thailand	+3.2%
China	+6.7%
Philippines	+6.9%
Malaysia	+4.2%
Taiwan	-0.7%
South Korea	+2.8%

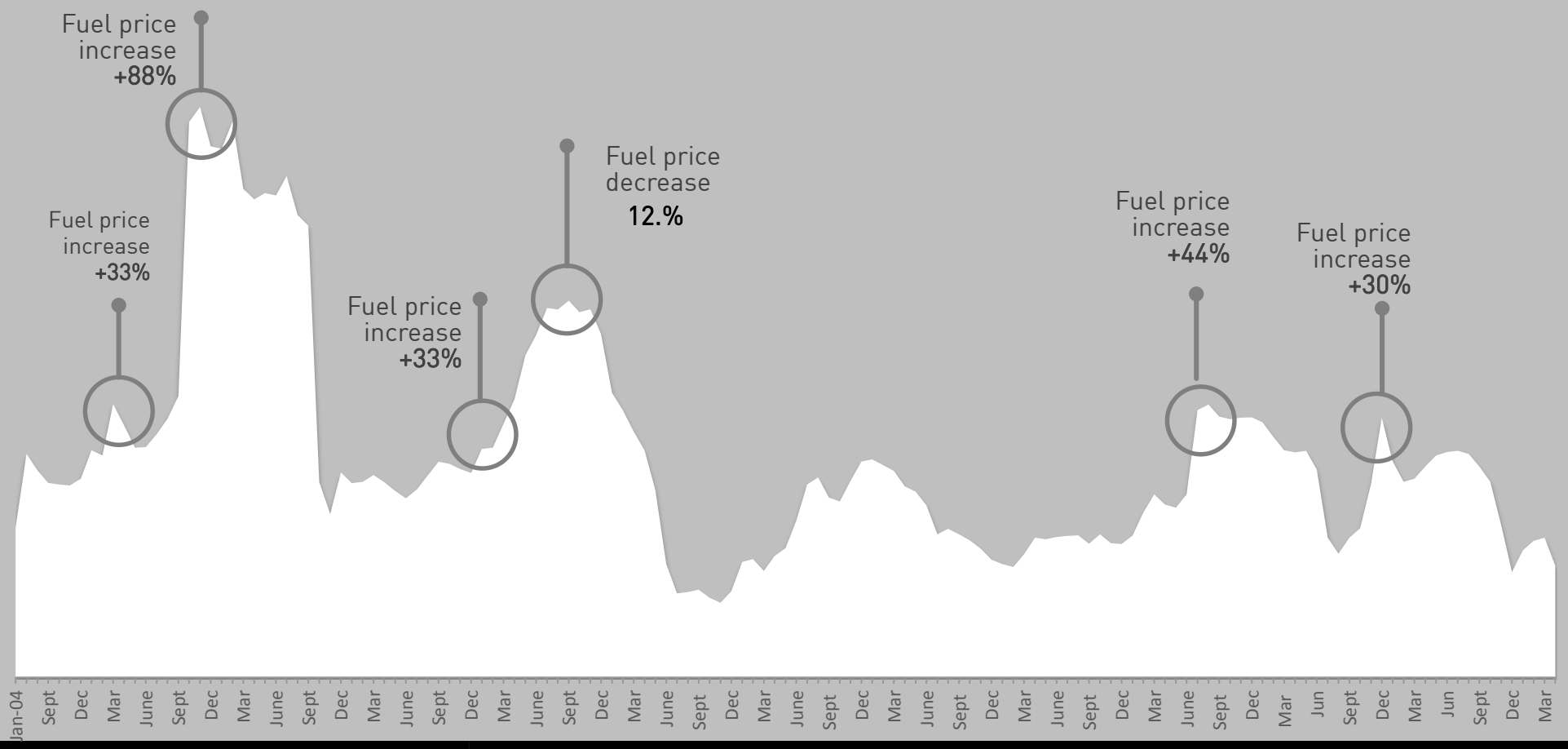
Source: Central bank of Indonesia

© Kantar Worldpanel

1 Q1 MARKET UPDATE

After a tough year, Indonesia's inflation rate in Q1 is in very healthy level – 4.5 in March and even eased to 3.60 April, the lowest inflation level since 2012.

INDONESIA MONTHLY INFLATION RATE



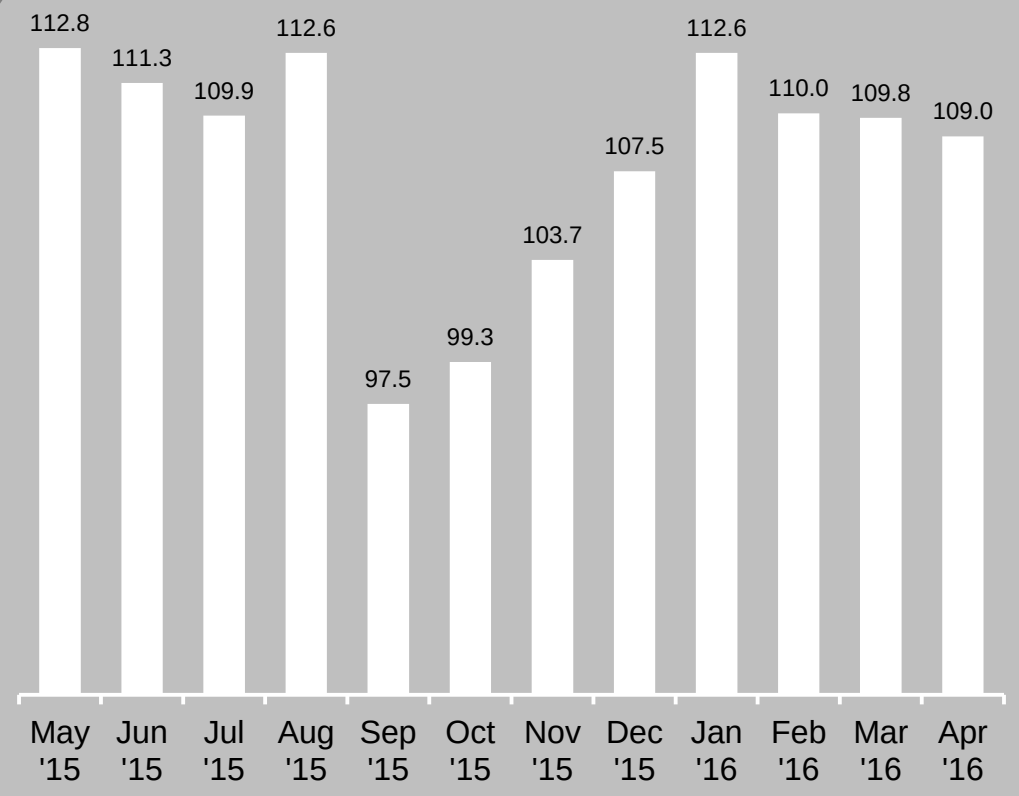
Source: Central bank of Indonesia

© Kantar Worldpanel

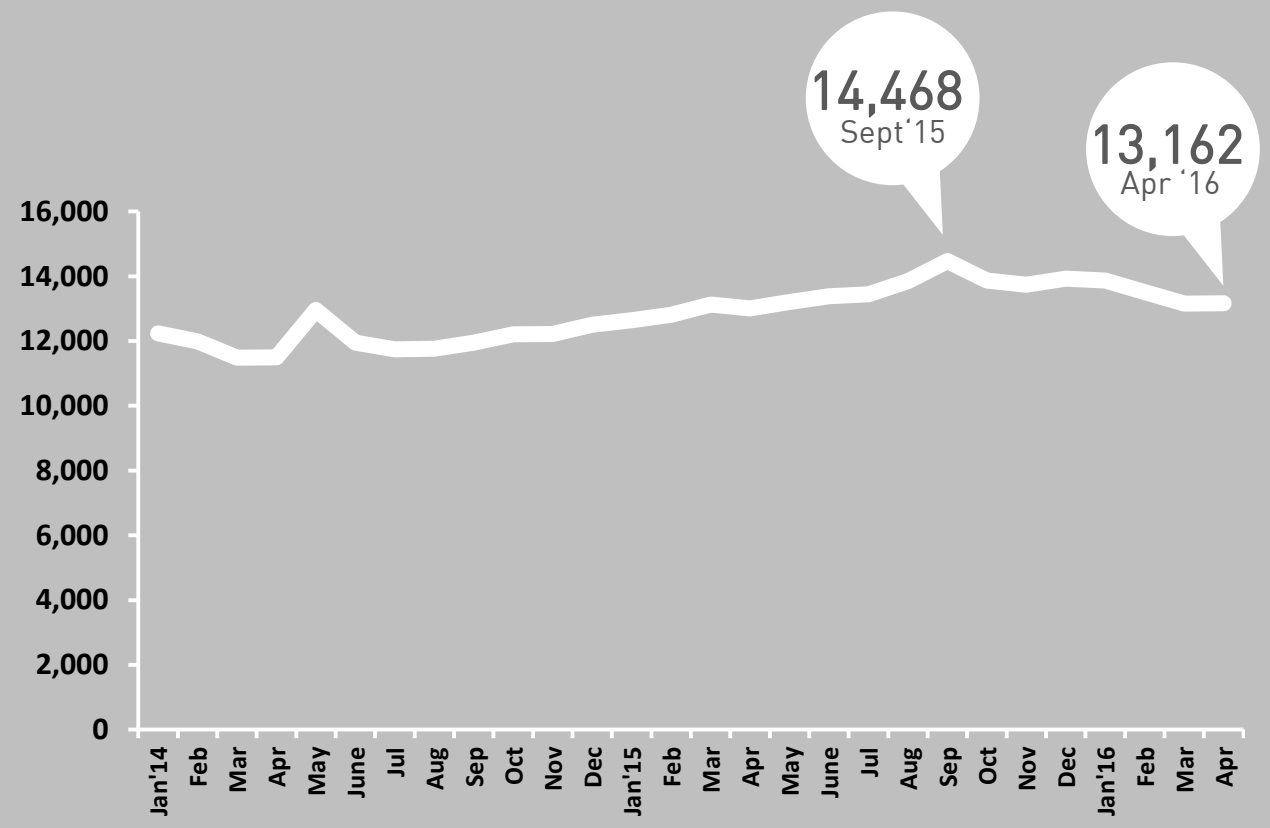
1 Q1 MARKET UPDATE

After hit by the economic slowdown in mid of 2015, consumers are started to spend more on their money, peaked at January 2016, and became stable until April 2016. Indonesian Rupiah also became stable at 13,000++ Rupiah per USD, and slowly getting stronger.

INDONESIA CONSUMER CONFIDENCE INDEX



IDR – USD EXCHANGE RATE



Source: Central bank of Indonesia

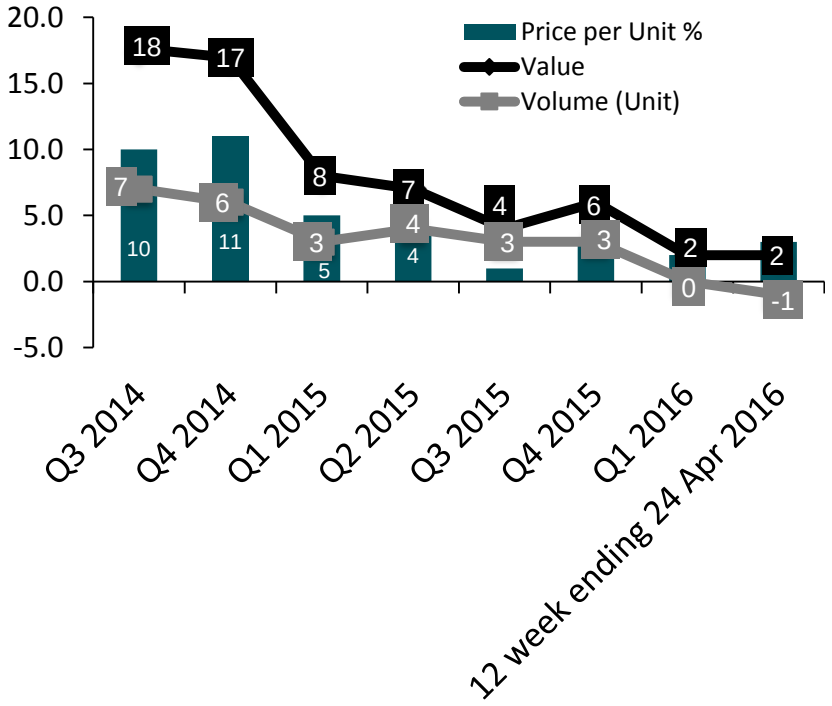
© Kantar Worldpanel

2 FMCG INDICATOR

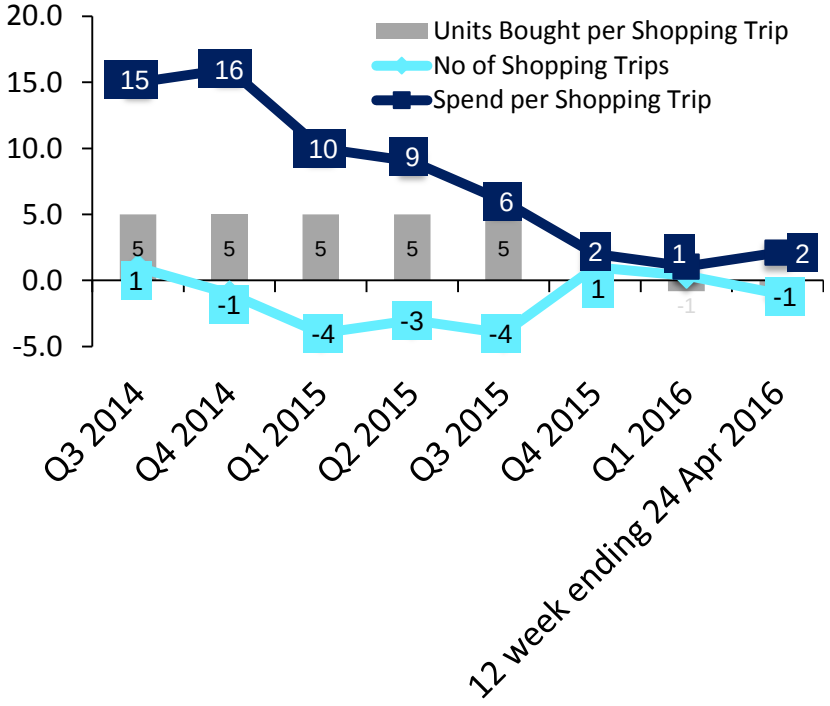
Unfortunately, FMCG Growth continues to slowdown in P4 2016 – even though Indonesia's economic condition is getting healthier. Showing that consumers still cautiously spending their money .

QUARTERLY GROWTH VS YEAR AGO

VALUE VOLUME, AND PRICE



FREQUENCY, UNITS BOUGHT AND SPEND PER TRIP



P4 2016 YEARLY OUTLOOK

	P4 2015	P4 2016
Value %	15.4%	4.9%
Volume % (units)	6.2%	2%
Price per unit	8,6%	2.8%
Frequency	-1% (356 trips)	-1.5% (350 trips)

Yearly (52 WEEKLY) P4 2016 Data vs Year Ago

Source : *Kantar Worldpanel Indonesia – Total National Indonesia - Household Panel – Total FMCG*

3 FMCG BUYERS ACROSS SES
YEARLY DATA

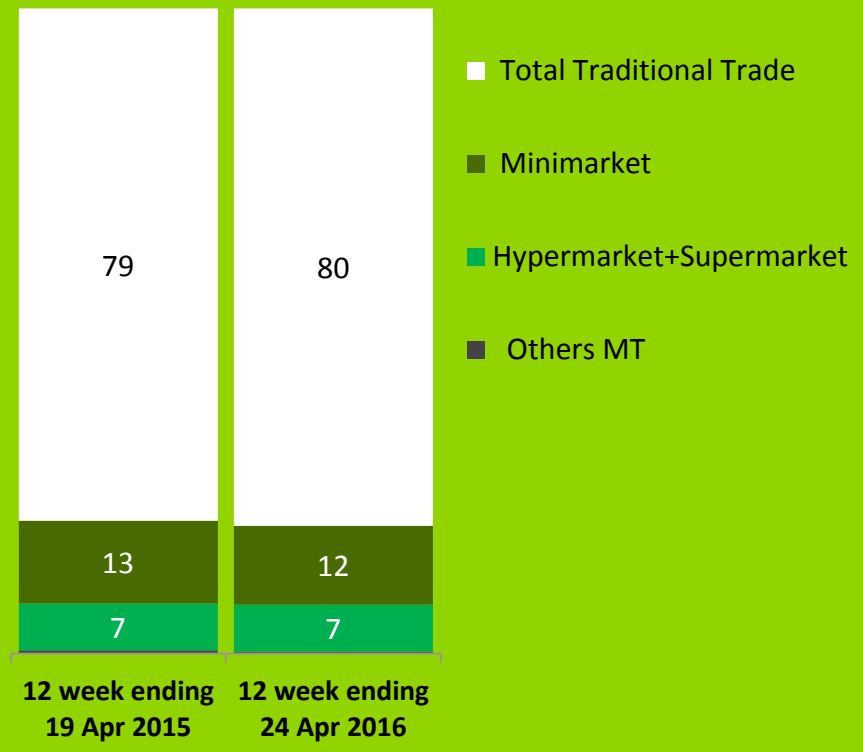
All consumer groups are impacted by the economic slowdown, they reduce their frequency of shopping trips.

	UPPER CLASS 26% of Indonesia	MIDDLE CLASS 40% of Indonesia	LOWER CLASS 34% of Indonesia
SPENDING PER BUYER	0%	+4%	+7%
SPENDING PER TRIP	+2%	+6%	+8%
PRICE/UNIT	+1%	+4%	+5%
FREQ	-2%	-2%	-0.5%
#CATEGORIES BOUGHT CHANGE	-1 From 53.1 to 52.3 categories	-1 From 48.6 to 47.5 categories	-1 From 42.8 to 42 categories

Indonesia National, 52 WEEK ending 24 April 2016 vs YA, Total FMCG, SES Breakdown (based on monthly household expenditure)

4 RETAILER SNAPSHOT

VALUE SHARE%



Source : *Kantar Worldpanel Indonesia – Household Panel – Total FMCG*

VALUE CHANGE%

Value Change %	12 week ending 28 Apr 2016 vs. Year Ago
Total Modern Trade	-2.4%
Minimarket	-3%
Hyper + Supermarket	+0.7%
Traditional Trade	+2.8%

Modern trade channel shows negative growth this period compared to year ago, driven by negative minimarket growth. Fortunately, traditional trade shows positive growth.

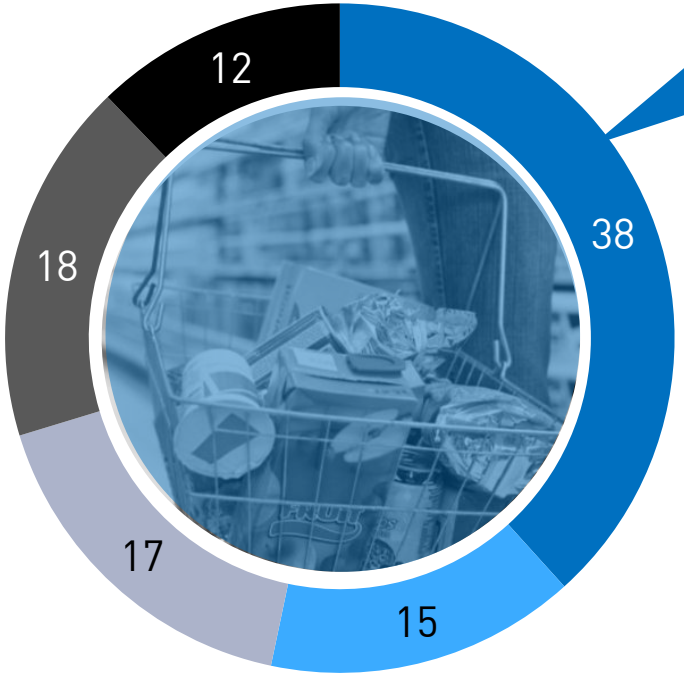
Indonesia National, 12 Week Ending 24 April 2016 vs YA, Total FMCG (based on monthly household expenditure)

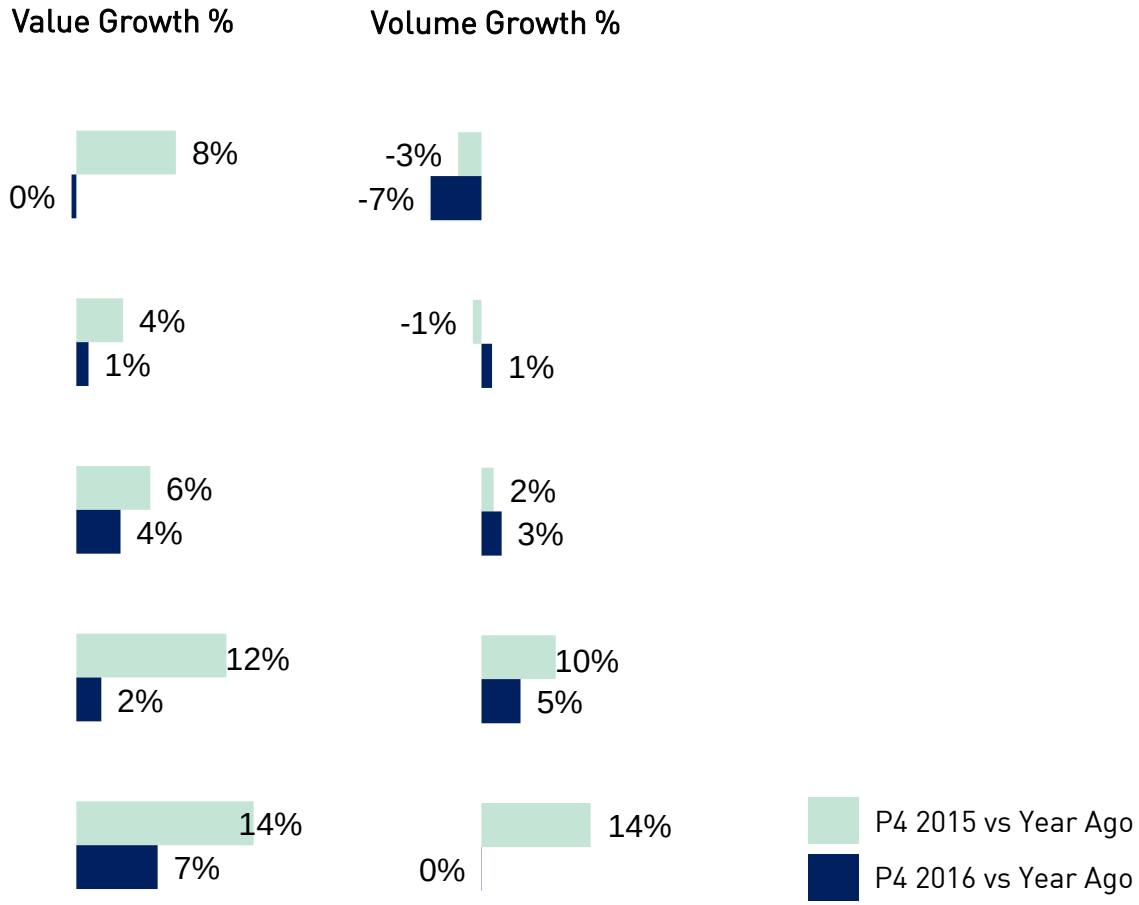
© Kantar Worldpanel

5 SEGMENT PERFORMANCE

Food and dairy accounts for more than half of the market value. While dairy is enjoying slight positive growth this period, food is facing negative growth, driven mostly by secondary food categories decline like snacks, as consumers still spending their money cautiously.

Segment value % contribution



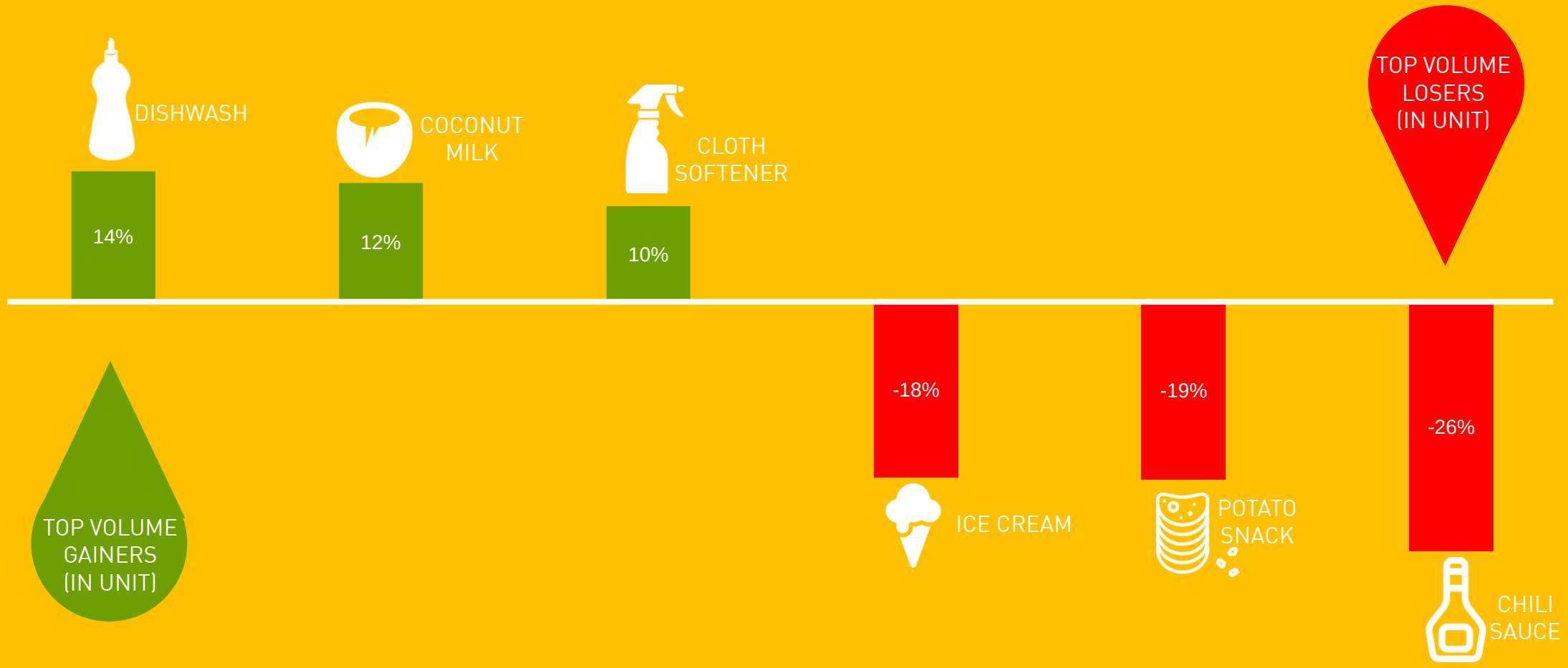


Indonesia National, 12 Week Ending 24 April 2016 vs YA, Total FMCG (based on monthly household expenditure)

© Kantar Worldpanel

6 DO YOU KNOW?

Consumers are still cautious on spending their wallet: they tend to focus their spending on daily primary categories like dish wash, coconut milk, and toothpaste. This phenomenon is not a good condition for secondary categories, as snacks, ice cream, soft drinks and candies are the top categories that lose volume the most.



Volume growth (In Unit) | National Indonesia | 12 week ending 24 Apr 2016 vs. Year Ago

© Kantar Worldpanel

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. Kantar Worldpanel is part of the Kantar, one of the world's largest insight, information and consultancy networks. Kantar is the data investment management division of WPP.

In Indonesia, Kantar Worldpanel – Inspiring Successful Decision™ tracks household purchase of over 70 different FMCG categories across food and non food from its sample of 7,000 households across urban and rural Indonesia on a weekly basis; representing around 50 million households.

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

CONTACT US

Kantar Worldpanel Indonesia
Wisma Metropolitan 2 7th Floor, JL Jendral Sudirman Kav 29-31, Jakarta, 12920

fanny.murhayati@kantarworldpanel.com
dwiki.pradipto@kantarworldpanel.com
www.kantarworldpanel.com/id

Kantar Worldpanel Indonesia @KWP_ID

© Kantar Worldpanel