FULL YEAR
2016

FMCG MONITOR

An integrated view of Indonesia FMCG market

KANTAR WORLDPANEL

EXECUTIVE SUMMARY

1 Q4 & YEARLY MARKET UPDATE

Find out quarterly Market update in this section

2 FMCG INDICATOR

Still, in FMCG sector, shoppers are continue holding their shopping trips frequency, although they spend more during their shopping trip.

3 FMCG BUYERS ACROSS SES

Across social classes, buyers are decreasing the amount of items they bought in a year as price increase continues, yet they bought a little more categories compared to last year.

4 RETAILERS SNAPSHOT

In 2016, Traditional Trade still comes up as the biggest trade channel in Indonesia. However this year, Modern Trade increased its importance in Indonesia, driven mainly by Minimarket growth.

5 SEGMENT PERFORMANCE

Almost all segments are slowing down this year, though dairy and personal care are still growing, driven by necessity categories like Growing Up Milk and Baby Diapers.

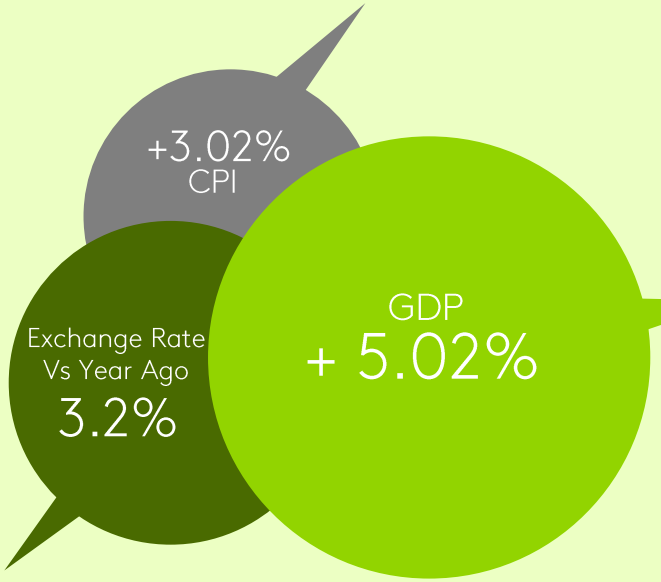
6 DO YOU KNOW?

2016 is still challenging for FMCG players. Yet, there are some categories that are still successfully recruit many new buyers.

1 KEY INDICATOR

MACRO TREND

Compared to November 2016, ID inflation in December 2016 has slowed down to 3.02%



Indonesia Full Year 2016 GDP growth is 5.02%, faster than last year GDP growth (4.88%).

Rupiah exchange rate to USD weakened by 0.8% in December 2016 compared to a month ago. Compared to last year the exchange rate strenghten 3.2%.
The average rate for USD is Rp 13,485- in December 2016

Source : *BPS and Bank Indonesia*

FMCG TREND

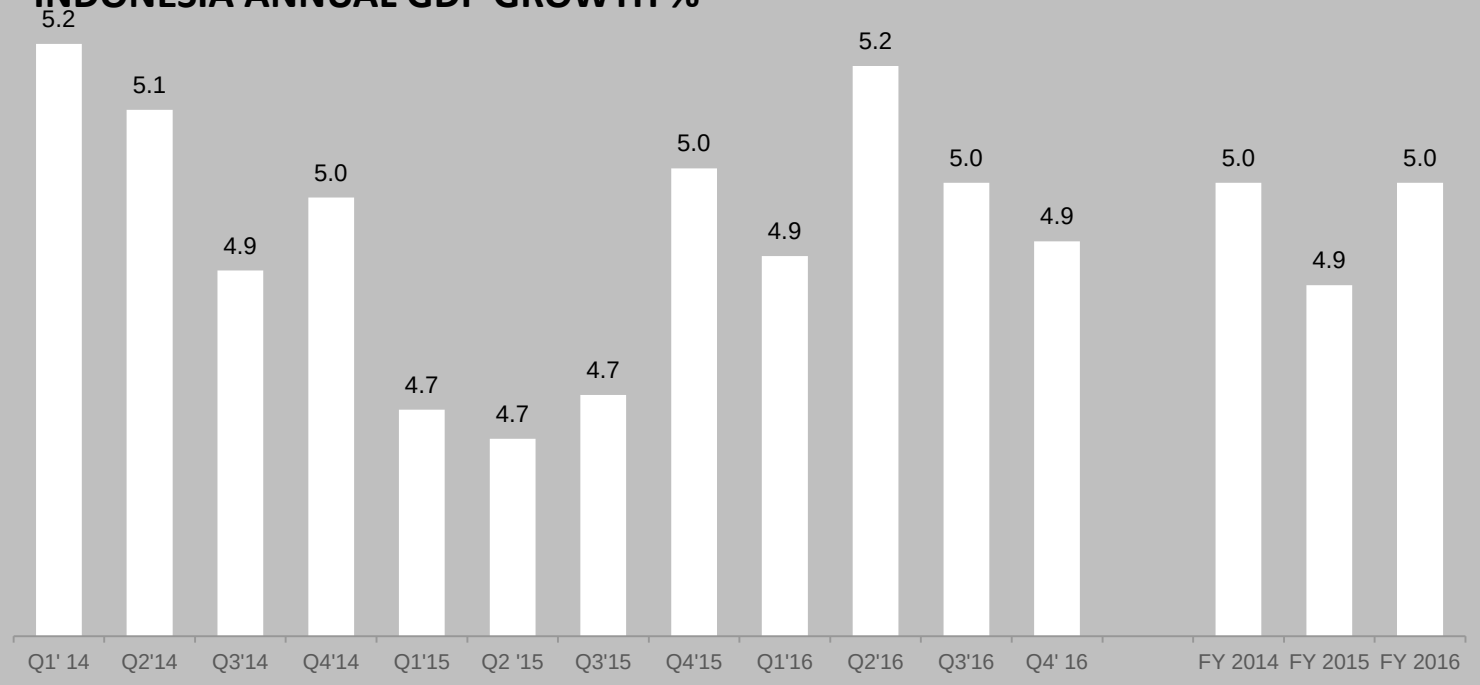
FMCG FULL YEAR 2016
ANNUAL GROWTH

Total National Indonesia FMCG value managed to grow 5.6% in 2016. It has slowed down from last year which was at 7%

Source : *Kantar Worldpanel Indonesia | Household Panel (FY 2016) vs. Year Ago*

Indonesia's economy has grown faster this year compared to last year. Comparing to other neighboring countries like Thailand and Malaysia, Indonesia's growth is faster.

INDONESIA ANNUAL GDP GROWTH %

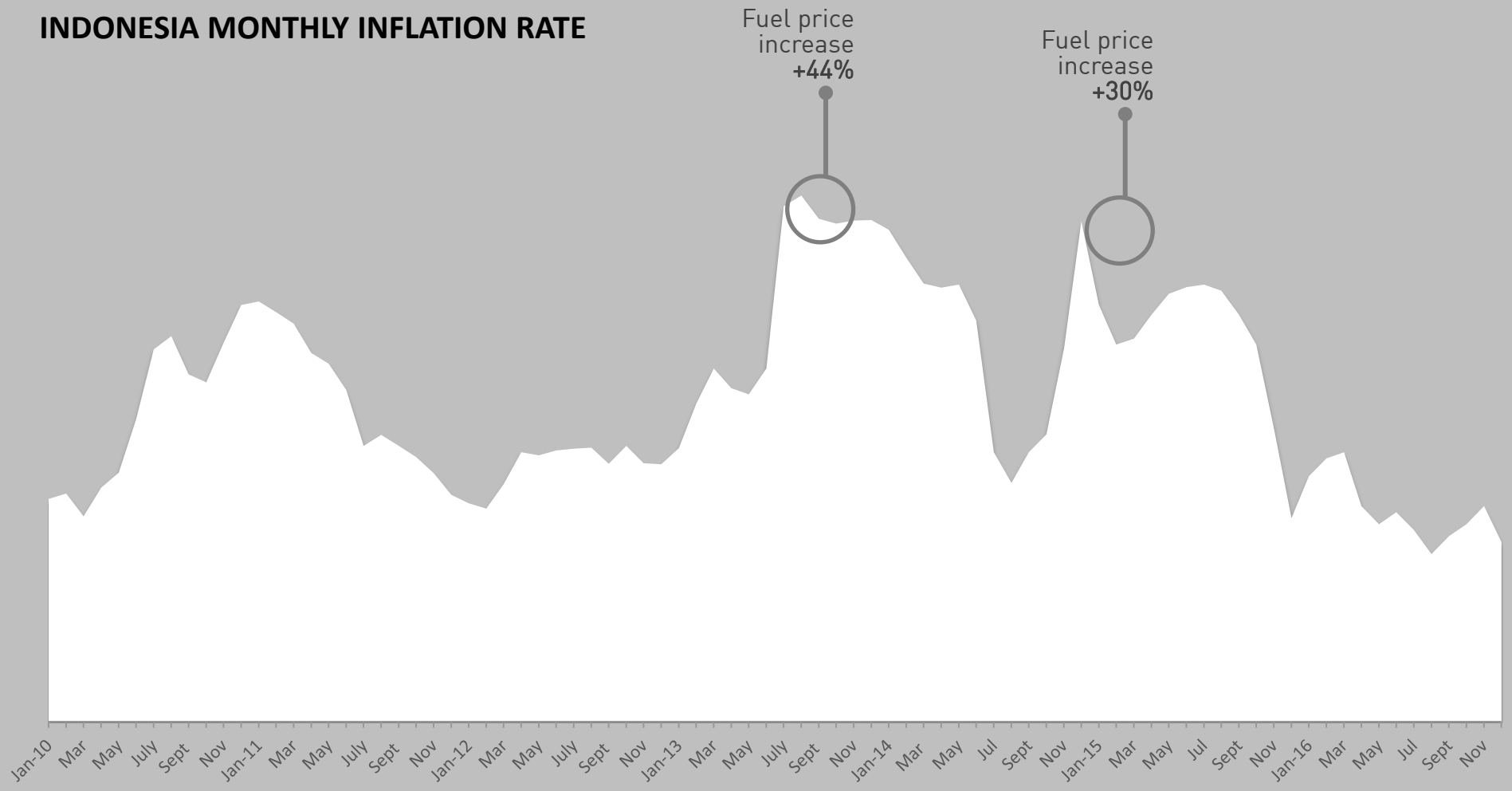


FY 2016	GDP Growth
Indonesia	+5.0%
Thailand	+3.2%
China	+6.8%
Philippines	+6.8%
Malaysia	+4.2%
Taiwan	+2.9%
South Korea	+2.7%

Source: Central bank of Indonesia

2016 monthly inflation continues to be in a low rate as the economy of Indonesia is getting pretty stable now

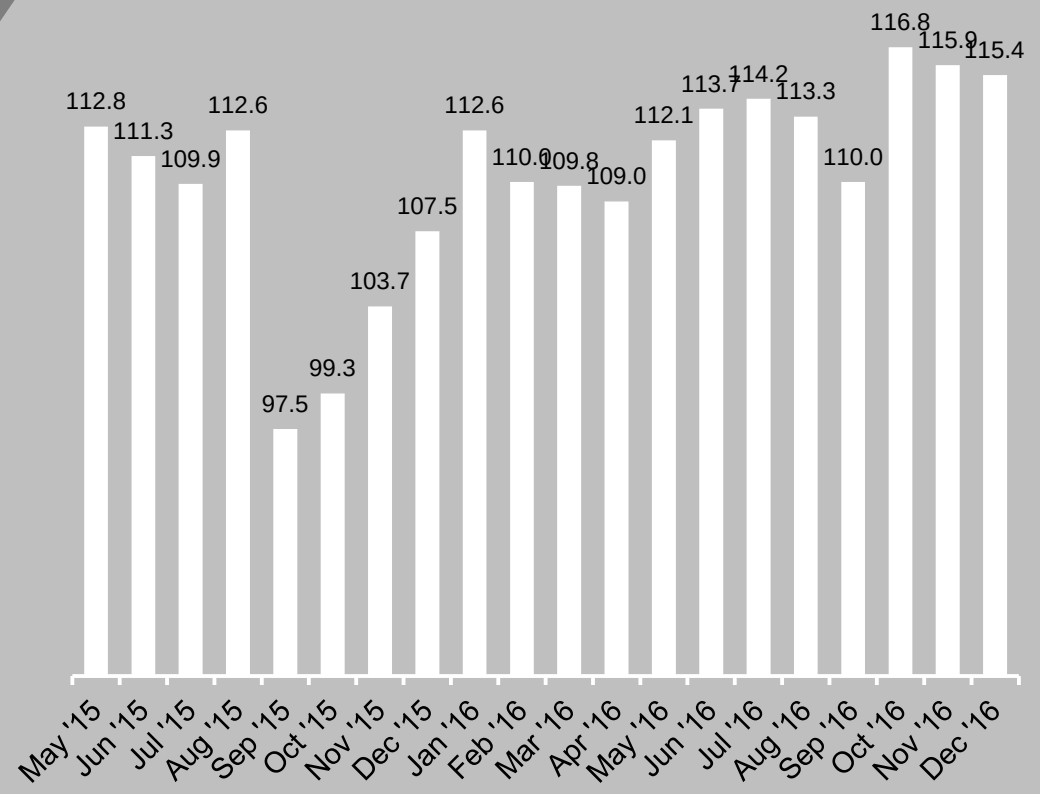
INDONESIA MONTHLY INFLATION RATE



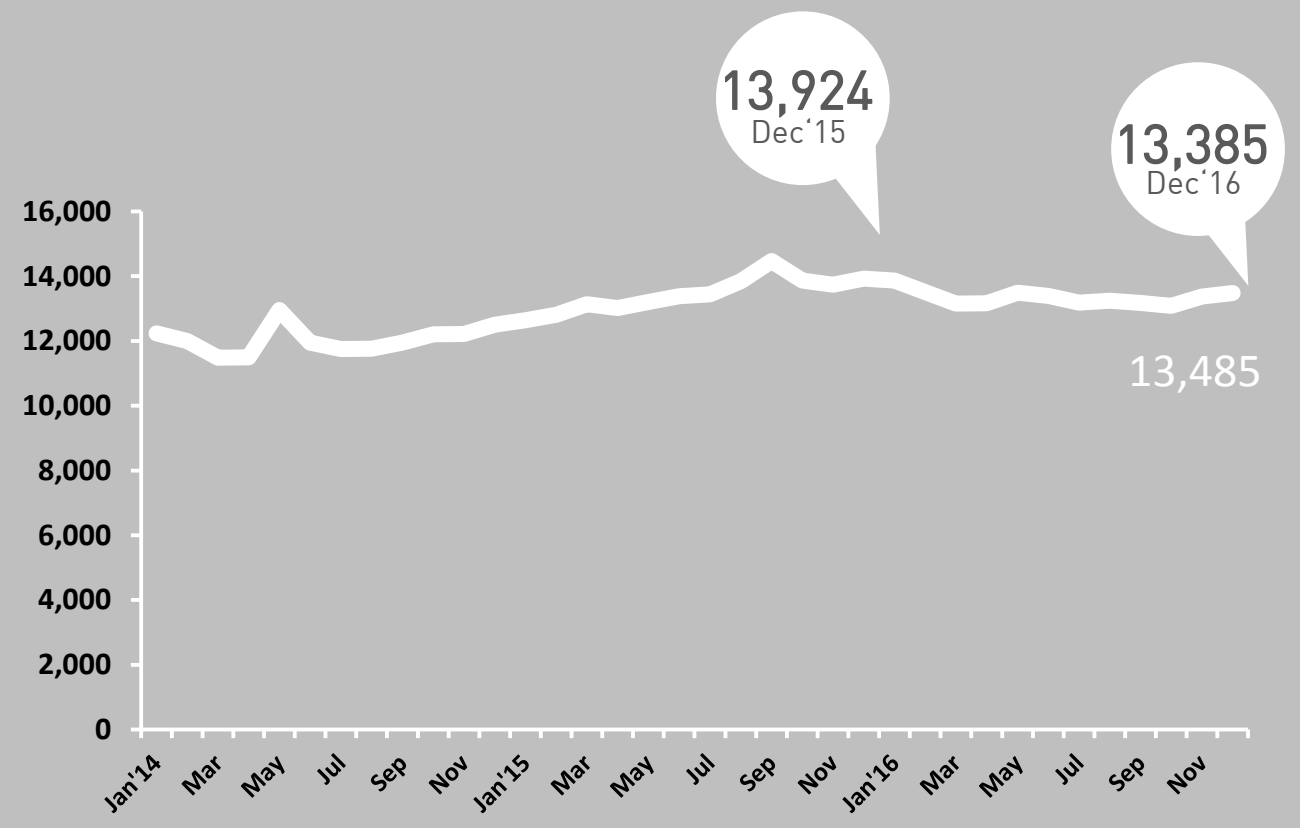
Source: Central bank of Indonesia

Consumers are getting confident in Indonesia's economy ,while IDR-USD also getting stronger compared to last year.

INDONESIA CONSUMER CONFIDENCE INDEX



IDR – USD EXCHANGE RATE



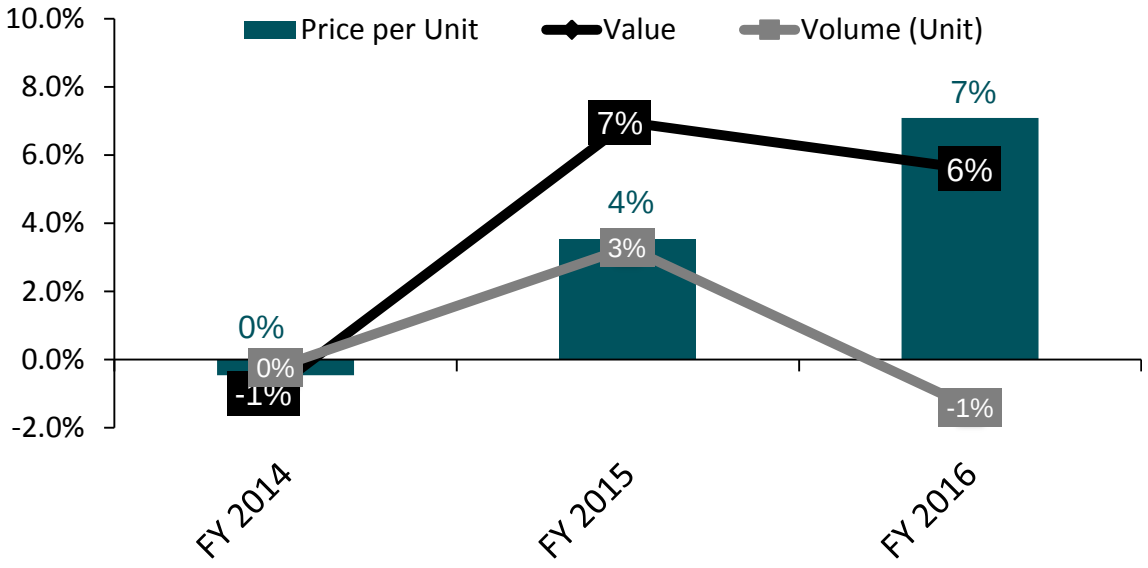
Source: Central bank of Indonesia

2 FMCG INDICATOR

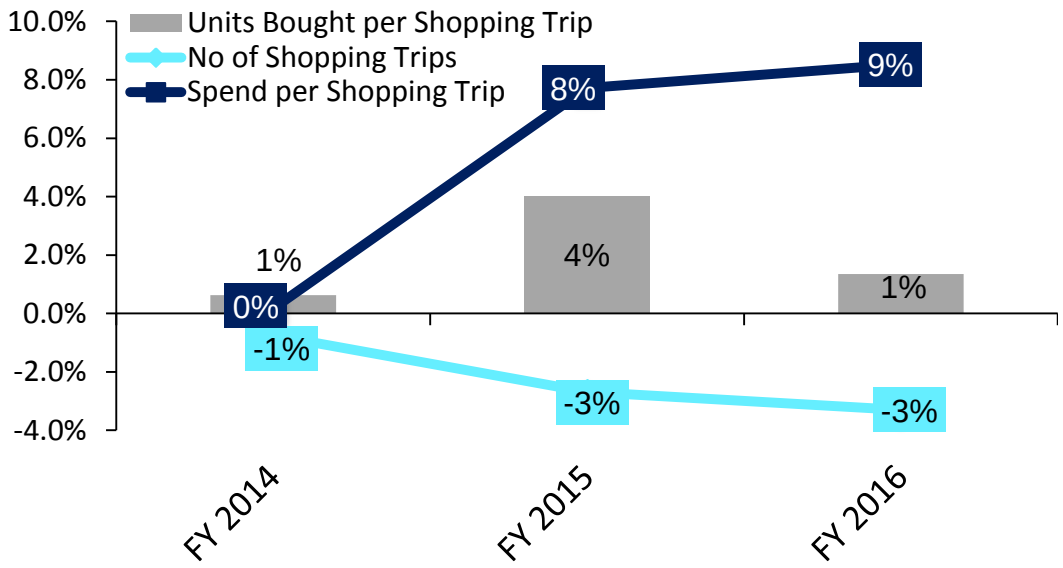
Still, in FMCG sector, shoppers are continue holding their shopping trips frequency, although they spend more during their shopping trip.

YEARLY GROWTH

VALUE VOLUME, AND PRICE



FREQUENCY, UNITS BOUGHT AND SPEND PER TRIP



Yearly (52 WEEKLY) Data vs Year Ago

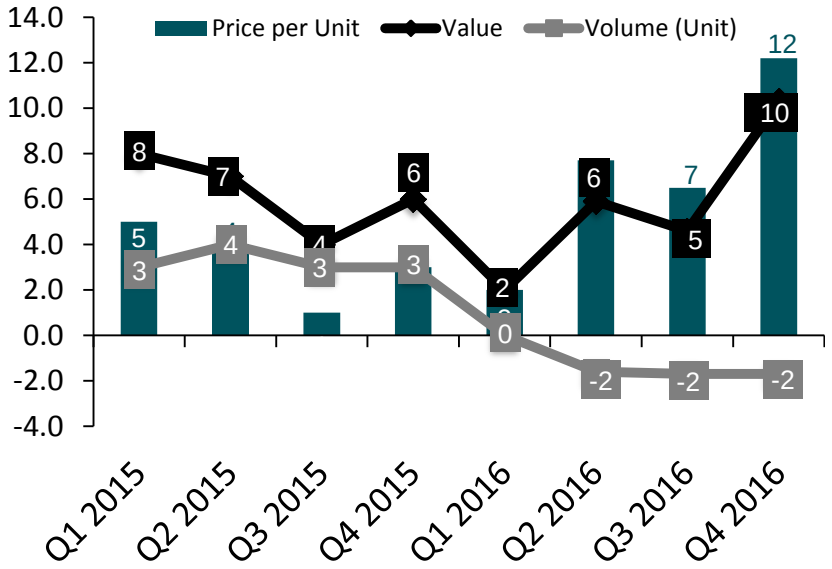
KANTAR WORLDPANEL

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

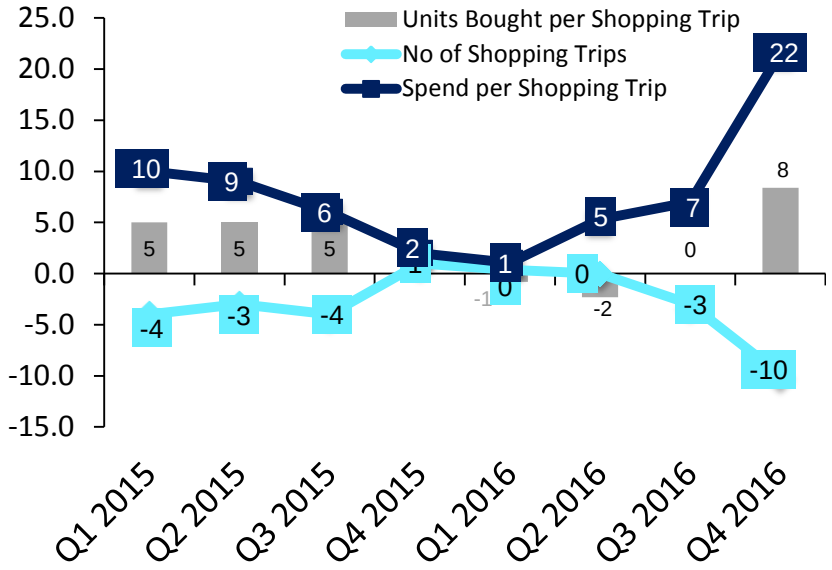
2 FMCG INDICATOR

QUARTERLY GROWTH VS YEAR AGO

VALUE VOLUME, AND PRICE



FREQUENCY, UNITS BOUGHT AND SPEND PER TRIP



Quarterly (12 WEEKLY) Data vs Year Ago

FULL YEAR 2016 OUTLOOK

	FY 2015	FY 2016
Value %	7.0%	5.6%
Volume % (units)	3.3%	-1.4%
Price per unit	3.6%	7.1%
Frequency	-2.7%	-3.3%

FY 2016 Data vs Year Ago

KANTAR WORLDPANEL

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

3 FMCG BUYERS ACROSS SES
YEARLY DATA

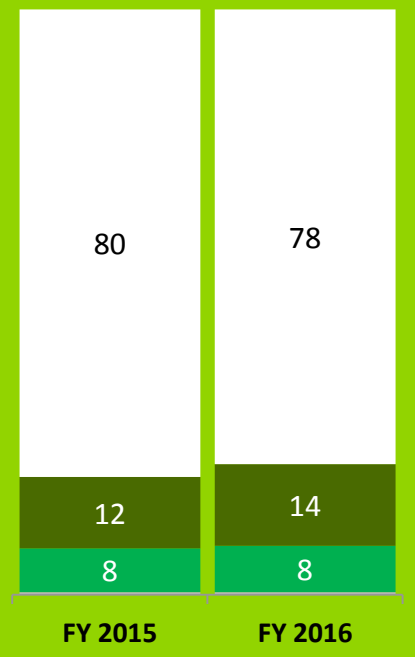
Across social classes, buyers are decreasing the amount of items they bought in a year as price increase continues, yet they bought a little more categories compared to last year.

	UPPER CLASS 26% of Indonesia	MIDDLE CLASS 40% of Indonesia	LOWER CLASS 34% of Indonesia
SPENDING PER BUYER	1.8%	+5.8%	+8.6%
VOLUME PER BUYER	-3.5%	-1.3%	-1.5%
PRICE/UNIT	+5.5%	+7.1%	+10.2%
FREQ	-4.1%	-1.1%	-5.3%
#CATEGORIES BOUGHT CHANGE	0.7 From 51.5 to 52.2 categories	1.0 From 46.9 to 47.9 categories	1.3 From 41.3 to 42.6 categories

Indonesia National, FY 2016 vs YA, Total FMCG, SES Breakdown (based on monthly household expenditure)

4 RETAILER SNAPSHOT

VALUE SHARE%



- Total Traditional Trade
- Minimarket
- Hypermarket+Supermarket
- Others MT

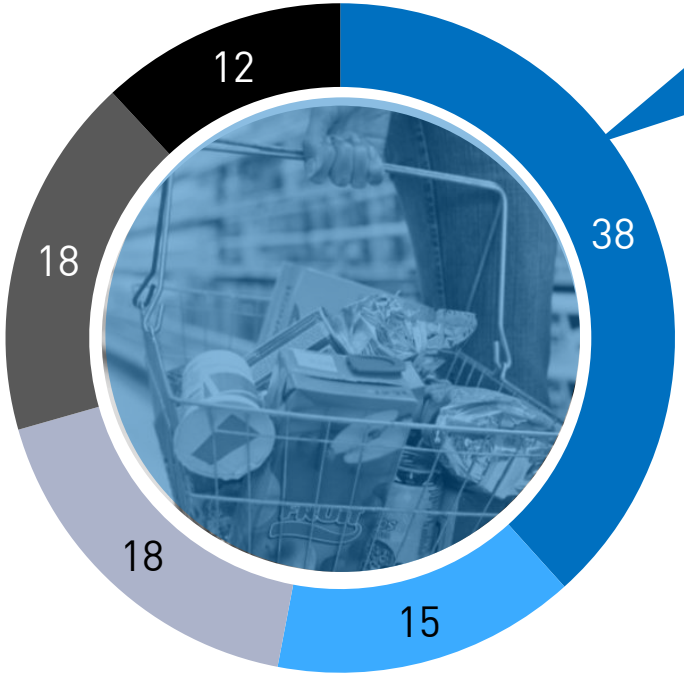
In 2016, Traditional Trade still comes up as the biggest trade channel in Indonesia. However this year, Modern Trade increased its importance in Indonesia, driven mainly by Minimarket growth.

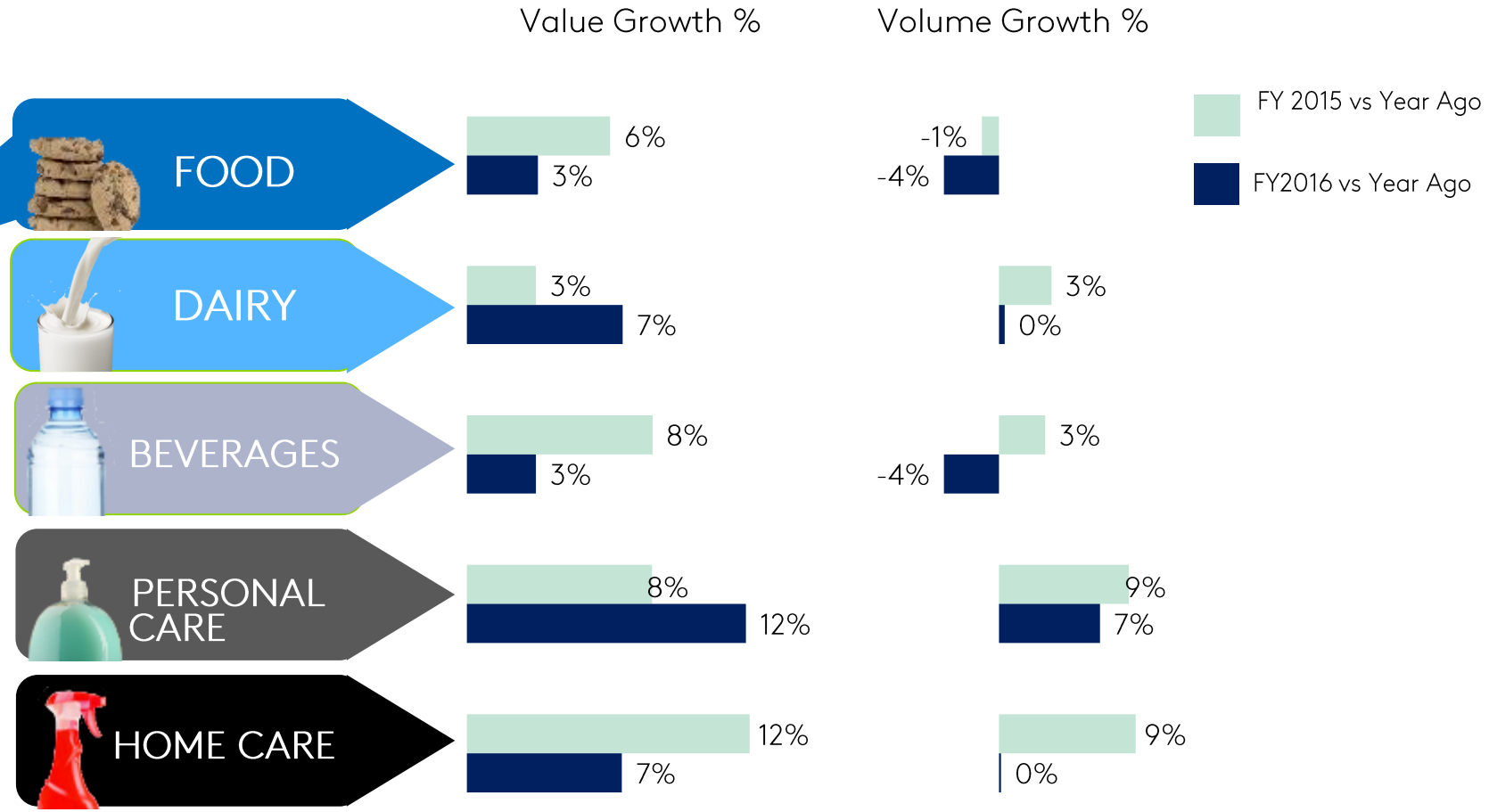
Source : *Kantar Worldpanel Indonesia – Household Panel – Total FMCG*

5 SEGMENT PERFORMANCE

Almost all segments are slowing down this year, though dairy and personal care are still growing, driven by necessity categories like Growing Up Milk and Baby Diapers.

Segment value % contribution





Indonesia National, FY 2016 vs YA, Total FMCG

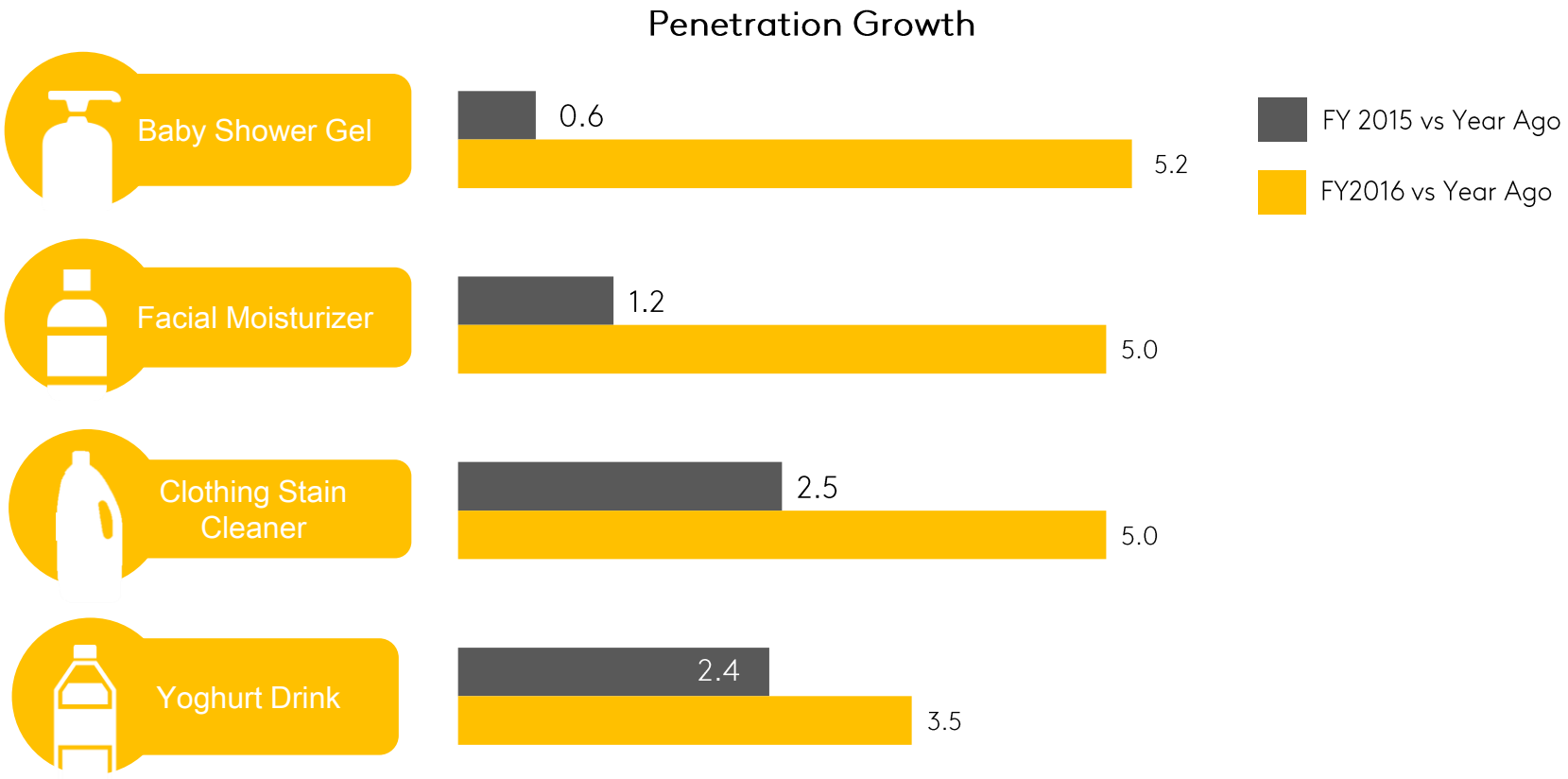
KANTAR WORLDPANEL

6 DO YOU KNOW?

2016 is still challenging for FMCG players. Yet, there are some categories that still successful recruit more buyers.

Here are 2016 big gainers.

Beside the functionality, Indonesian consumers often seek for other aspects in some products they bought, like healthy aspect , convenience, and even happiness. These high gainer categories are successfully riding the trend and gained more buyers.



Source: Kantar Worldpanel – Households Panel – National Indonesia – FY 2016 vs YA

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
World Trade Center 6, 7th Floor, JL Jendral Sudirman Kav 29-31, Jakarta, 12920

fanny.murhayati@kantarworldpanel.com
priatama.arifin@kantarworldpanel.com
www.kantarworldpanel.com/id

Kantar Worldpanel Indonesia
@KWP_ID