# FMCG Monitor

## An integrated update of Vietnam FMCG market

12 weeks period ending 18 May 2014 (12 w/e P5/14)
Urban 4 Key Cities & Rural Vietnam

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## KEY INDICATORS

CPI continues to ease down in May, partly under relatively weaker demands.

## FMCG TRENDS

FMCG growth levels off at 7% in Urban and 12% in Rural

## HOT CATEGORIES

Chocolate in Urban and Tonic Food Drink in Rural.

## RETAIL LANDSCAPE

Most key channels in Urban remain stagnant, except Street Shop. In Rural, Street Shop is holding strong its position.

## SPOTLIGHT ON VN

Unilever is the No.1 brand owner in Rural Vietnam while Vinamilk is the leading manufacturer in Urban 4 Key Cities

# FMCG Growth

**+5.0%**
Q1'14 vs. YA

**+4.8%**
Q1'13 vs. YA

## GDP

**+4.7%**
May'14 vs. YA

**+6.4%**
May'13 vs. YA

## CPI


**+7%** in Value
**+3%** in Volume


**+12%** in Value
**+9%** in Volume

12 weeks ending P5/14 vs. YA

**Eased Inflation**

After marking its decade-low record in 2013, CPI continues to ease down in May, partly under relatively weaker demands.

**FMCG growth stabilizes** at 7% in Urban and 12% in Rural.

*: 12 weeks ending 18 May 2014 vs. year ago
Source: GSO
Kantar Worldpanel – Households Panel – Urban 4 Key Cities & Rural Vietnam – Total FMCG excluding Gift

# FMCG – 12 WEEKLY YEAR-ON-YEAR CHANGE (%)


In Urban, FMCG growth is stabilizing, but it is too early to expect the continuous slowdown will soon bottom out.

In Rural, some early breaks in FMCG growth are well-observed over the last few quarters, especially in terms of volume.

*: To calculate **FMCG price paid change**, we calculate how much price contributes to the value change for each category, sum up these contributions and relate to value YA
**: To calculate **FMCG volume change**, we calculate how much volume contributes to the value change for each category, sum up these contributions and relate to value YA (this results in an average category change in volume)
Source: Kantar Worldpanel – Households Panel – Urban 4 Key Cities & Rural Vietnam - Total FMCG excluding Gift

## URBAN 4 CITIES

| | VALUE CHANGE (%) | VOLUME* CHANGE (%) |
|---|---|---|
| **Total FMCG** | 7 | 3 |
| Dairy | 8 | 1 |
| Beverages | 6 | 2 |
| Packaged Foods | 6 | 8 |
| Personal care | 9 | 1 |
| Home care | 4 | 3 |

## RURAL

| | VALUE CHANGE (%) | VOLUME* CHANGE (%) |
|---|---|---|
| **Total FMCG** | 12 | 9 |
| Dairy | 13 | 10 |
| Beverages | 14 | 8 |
| Packaged Foods | 8 | 7 |
| Personal care | 25 | 16 |
| Home care | 11 | 10 |

Volume growth is quite stagnant across different sectors in Urban, except Packaged Foods which enjoy an 8% uplift in volume consumption with the leading categories including Chocolate, Instant Cereal, Oyster Sauce, etc.
In Rural, Beverages and Packaged Foods are lagging behind with modest growth.

*: To calculate **FMCG volume change**, we calculate how much volume contributes to the value change for each category, sum up these contributions and relate to value YA (this results in an average category change in volume)
Source: Kantar Worldpanel – Households Panel – Urban 4 Key Cities & Rural Vietnam – Total FMCG excluding Gift

12 w/e P5/14 vs. YA

## URBAN

VOL CHANGE %

**+89%**

CHOCOLATE

**Penetration** +2.1pt
Incremental of 52,000 households

**Average volume per buyer** +24%
Increase volume purchase by 24%

## RURAL

VOL CHANGE %

**+108%**

TONIC FOOD DRINK
(Chocolate Malt Beverages)

+4.1pt **Penetration**
Incremental of 674,000 households

+47% **Average volume per buyer**
Increase volume purchase by 47%

Source: Kantar Worldpanel – Households Panel – Urban 4 Key Cities & Rural Vietnam – Total FMCG excluding Gift

12 w/e P5/14 vs. YA

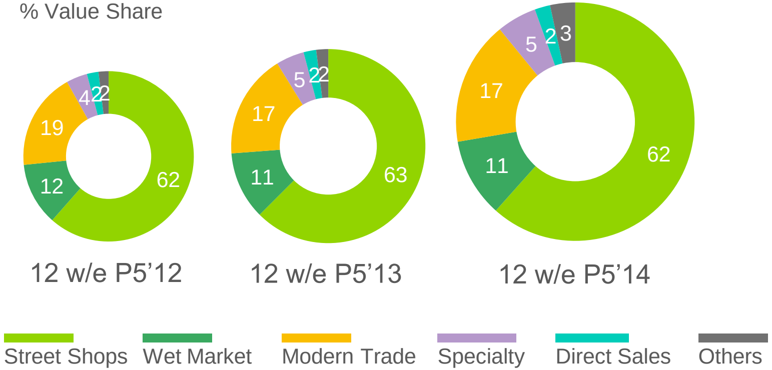
### A chocolate treat

Chocolate in Urban has nearly doubled its volume consumption compared to the same period last year by reaching additionally 52,000 households and increased volume consumption by 24%.

Meanwhile, in Rural, Tonic Food Drink, a common drink made of chocolate and malt, enjoys 3-digit growth thanks to an incremental recruitment of 674,000 households and a 47% increase consumption per household.

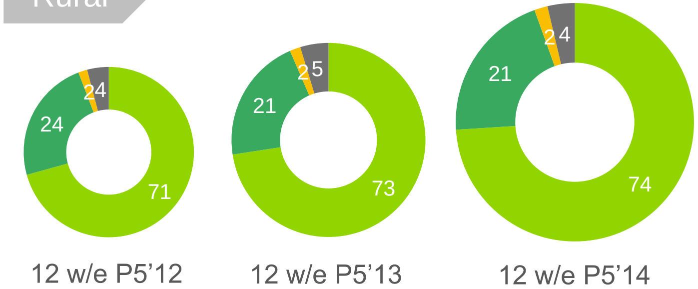
## Urban

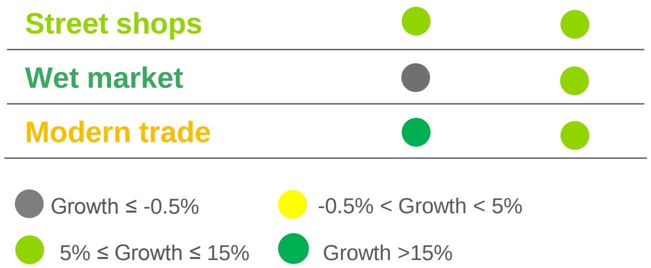
% Value Share





## Rural




Source: Kantar Worldpanel – Households Panel – Urban 4 Key Cities & Rural Vietnam – Total FMCG excluding Gift

All key channels remain stagnant, except Street Shop which is reporting a 5% growth over the examined period.

Street Shop is holding strong its position in Rural while Modern Trade is showing some slowdown compared with the same period last year.

# BRAND FOOTPRINT 2014

In its second year of launch, the Brand Footprint ranking reveals the *top manufacturers* whose brands are bought by the most people, the most often in Urban and Rural Vietnam, together with the *top brands* in each sector.

Click to explore more on the local and global rankings.

(*): CRP: Consumer Reach Point measures how many households a brand is reaching and how often they are being purchased. It gives a true representation of shopper choice.

## TOP MOST CHOSEN BRAND OWNERS

| | #1 | #2 | #3 |
|---|---|---|---|
| URBAN 4 KEY CITIES | VINAMILK 75* mln | Unilever 57 mln | Masan Consumer 33 mln |
| RURAL | Unilever 407 mln | Masan Consumer 298 mln | VINAMILK 213 mln |

## TOP MOST CHOSEN BRANDS BY SECTOR

| | URBAN 4 KEY CITIES | | RURAL | |
|---|---|---|---|---|
| HEALTH & BEAUTY | P/S | 8.6 | P/S | 64.4 |
| | Kotex | 7.6 | Clear | 64 .4 |
| | Lifebuoy | 6.7 | Lifebuoy | 44 .0 |
| HOME CARE | Omo | 9.6 | Omo | 86.4 |
| | Sunlight | 9.2 | Sunlight | 49.8 |
| | Comfort | 6.8 | Comfort | 40.5 |
| PACKAGED FOOD | Vinamilk | 26.8 | Nam Ngu (Chin Su) | 164.5 |
| | Nam Ngu (Chin Su) | 15.6 | Gau Do | 106.9 |
| | Hao Hao | 14.8 | Hao Hao | 89.8 |
| BEVERAGE (incl. Liquid Milk) | Vinamilk | 29.0 | Vinamilk | 90.4 |
| | Dutch Lady | 13.0 | Dutch Lady | 50.7 |
| | Coca-Cola | 7.9 | Fami | 33.2 |

CRP* 2013 (mln) CRP 2013 (mln)

Source: Kantar Worldpanel – Brand Footprint 2014 – Urban 4 Key Cities & Rural Vietnam

# 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

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