FMCG MONITOR

An integrated view of Indonesia FMCG market

July

2014

#Data up to P07 2014

KANTAR WORLDPANEL

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executive SUMMARY

1

Inflation has increased 2.94% from January to July 2014. The Consumer Price Index (CPI) in July 2014 inflated 0.93% from June 2014, and rose around **4.53%, in year on year basis.**

Price increased of several commodities, such as foodstuff, processed food, beverages, tobacco, transportation, communications are the main contributor for this month inflation.

3

Demands from consumers on fasting month **pushed syrup growth higher than regular period.** There are more people purchased syrup compare to last year (indicated by the penetration increased)

The incremental of spend per buyer **boost the value sales more than 6 times compare to regular basis period**

2

In urban, FMCG growth is slowing down, and **it is driven by the volume**. However, the trends show differently in rural

Positive movement is captured in all FMCG segments. In Rural, Dairy and personal care growth present relatively high compared to others

4

Supermarket showed a very positive trend in Urban this quarter versus same quarter last year.

This channel successfully **grew its market share by 0.9 percent**, whilst in Rural Minimarket is showing a positive trend.

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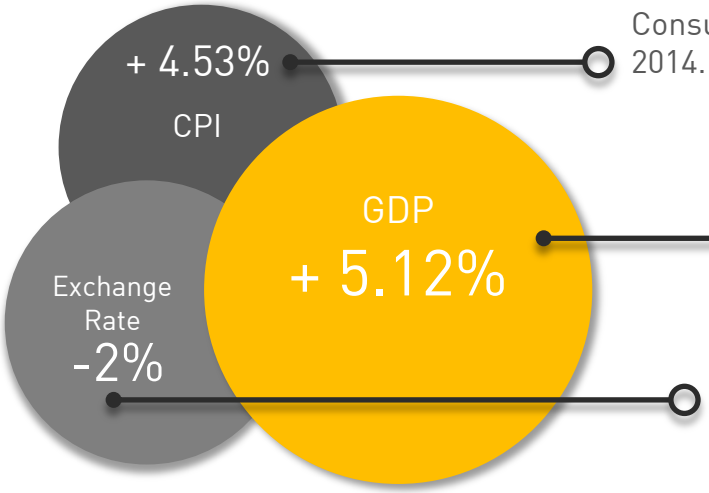
KEY INDICATOR

Macro Trend



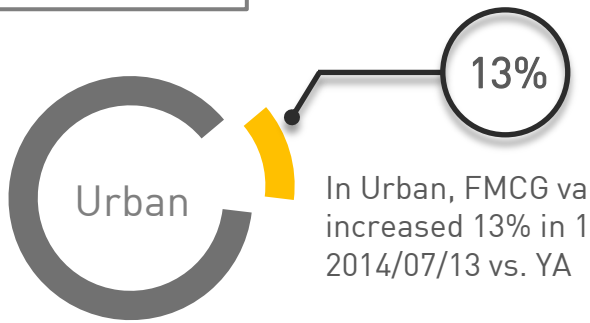
Consumer Price Index in July inflated 0.93% from June 2014. In year on year basis, the CPI rose 4.53%.

In year on year basis the GDP in second quarter is 5.12%.

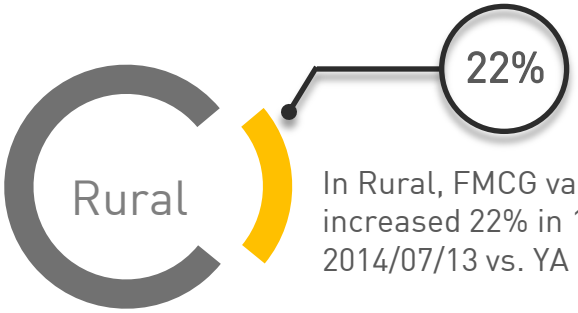
Rupiah exchange rate to USD strengthened to 2% in July 2014 vs. June 2014. The exchange rate weakened by 16% in this month vs. YA

Source : *BPS and Bank Indonesia*

FMCG Trend



In Urban, FMCG value increased 13% in 12 w/e 2014/07/13 vs. YA



In Rural, FMCG value increased 22% in 12 w/e 2014/07/13 vs. YA

Source : *Kantar Worldpanel Indonesia | Household Panel*

*FMCG is excluding rice, sugar, and fresh food

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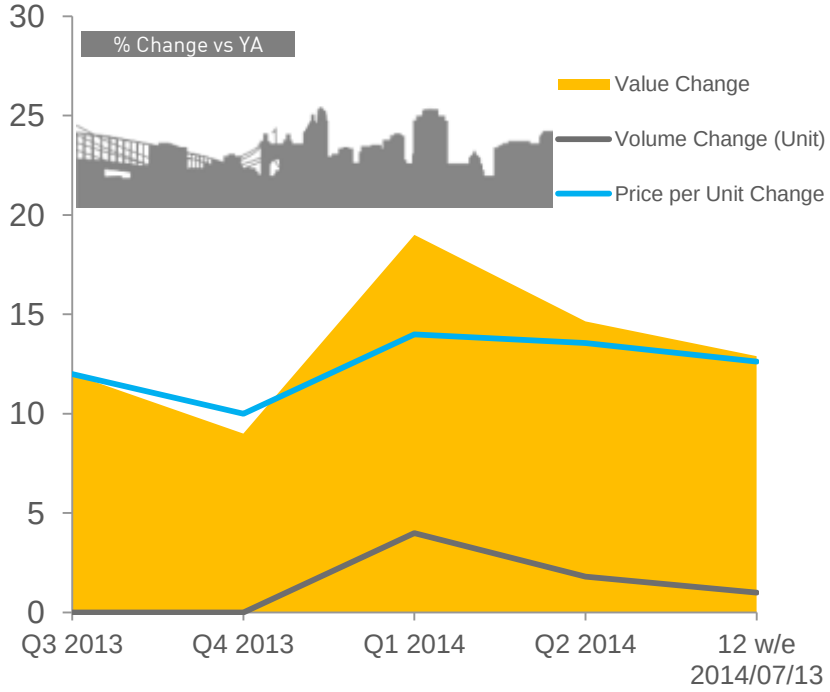
1

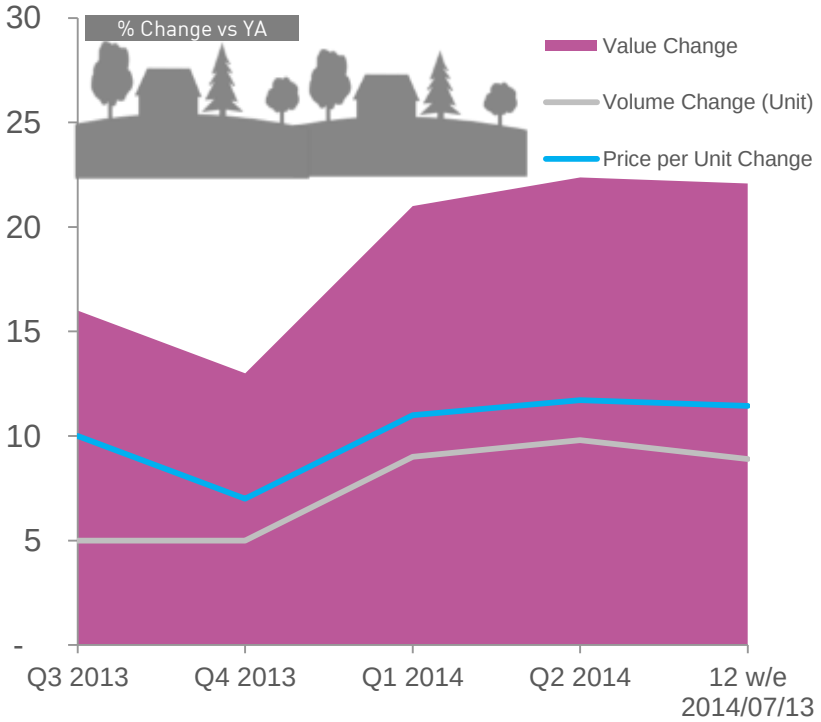
FMCG – 12 WEEKLY YEAR – ON – YEAR CHANGE (%)

In urban, FMCG growth is slowing down in current Quarter, and it is driven by the volume. However, the trends show differently in rural which relatively has stable growth rate from last period.

Urban



Rural



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

*FMCG is excluding rice, sugar, and fresh food

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2

FMCG SEGMENTS TRENDS – VALUE CHANGE (%)

Positive movement is captured in all FMCG segments, Yet, the growth of homecare and personal care are not as big as in Q2 growth. In Rural, Dairy and personal care growth present relatively high compared to others

Urban

12 w/e 2014/07/13 vs. YA

Foods	Dairy	Beverages	Home Care	Personal Care
+14 %	+14 %	+14 %	+12 %	+10 %

Rural

12 w/e 2014/07/13 vs. YA

Foods	Dairy	Beverages	Home Care	Personal Care
+ 19%	+ 27%	+ 20%	+ 24%	+ 26%

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

*FMCG is excluding rice, sugar, and fresh food

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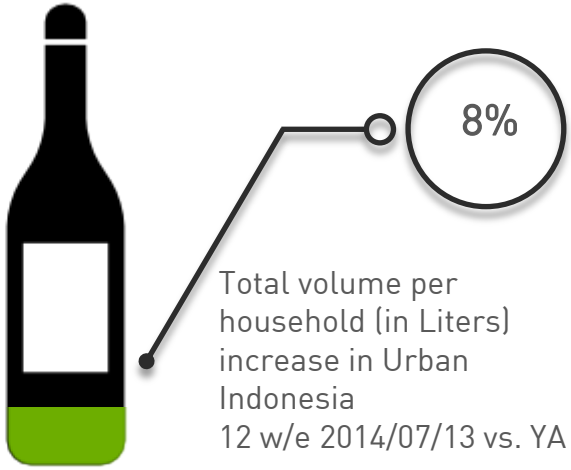
3

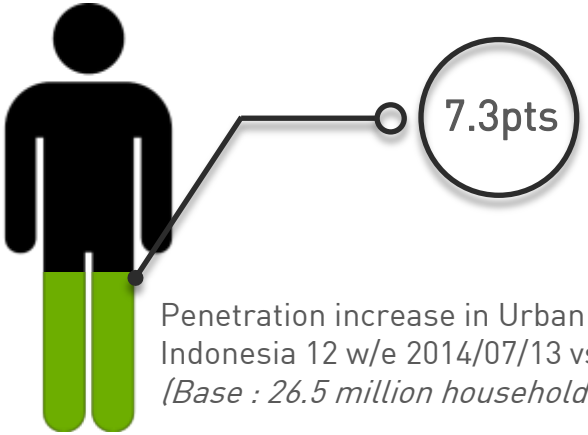
HOT CATEGORIES (URBAN)

Demands from consumers on fasting month pushed syrup growth higher than regular period. The value growth is increased more than 6 times in Urban Indonesia.

Syrup



Total volume per household (in Liters) increase in Urban Indonesia
12 w/e 2014/07/13 vs. YA



Penetration increase in Urban Indonesia 12 w/e 2014/07/13 vs. YA
(Base : 26.5 million households)

The value growth is increased more than 6 times in Urban Indonesia
12 w/e 2014/07/13 vs. YA

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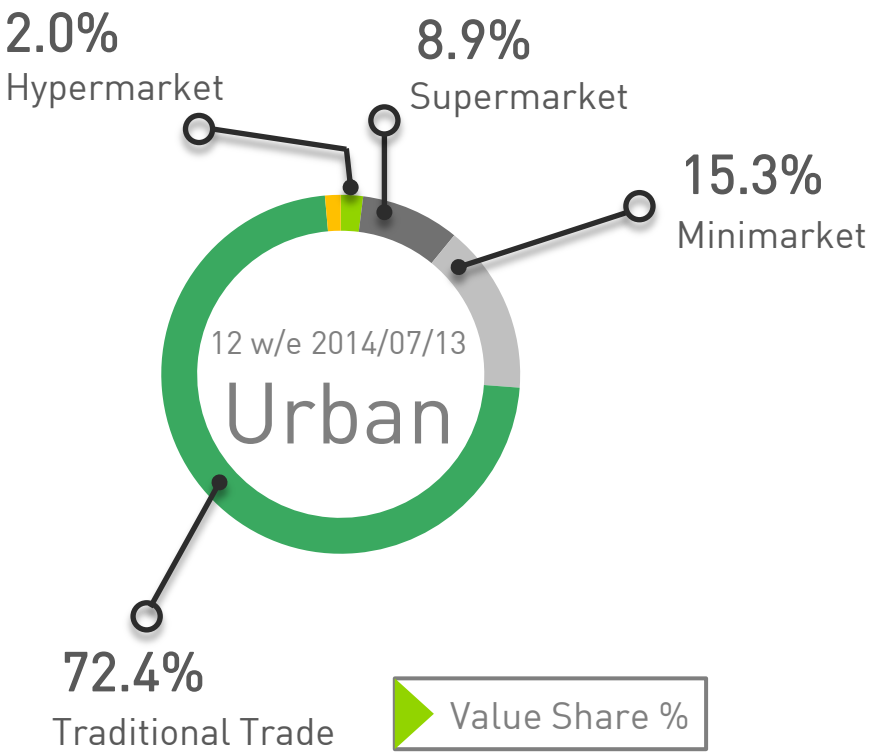
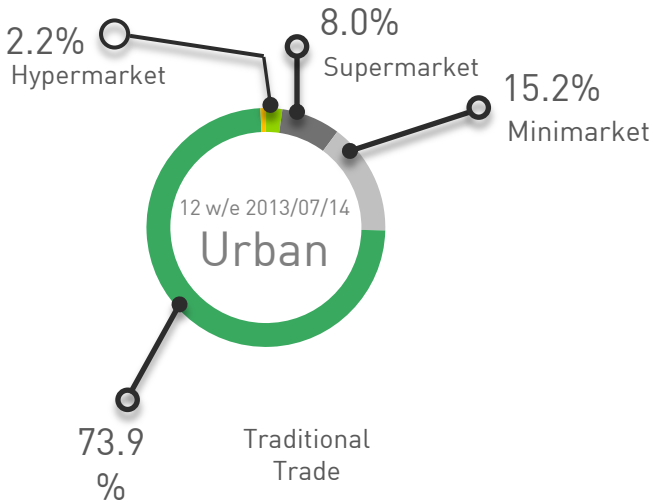
RETAILER

4 RETAILER SNAPSHOT - URBAN





Value Change %

Value Change %	12 w/e 2014/07/13 vs. YA
Minimarket	+ 14%
Hyper + Supermarket	+ 21%
Traditional Trade	+ 11%

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

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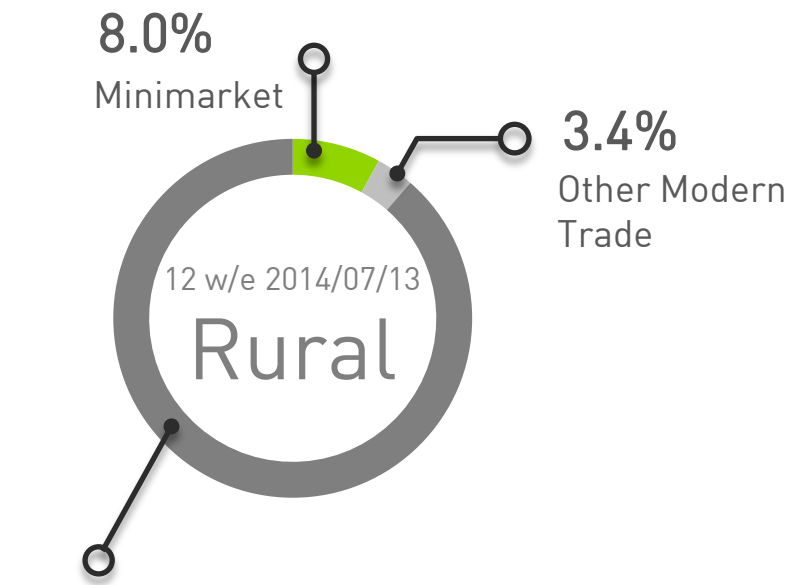
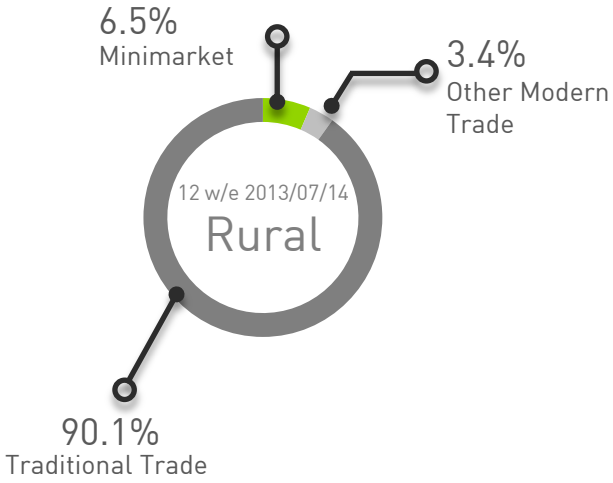
RETAILER

5 RETAILER SNAPSHOT - RURAL



Value Share %



Value Change %

Value Change %	12 w/e 2014/07/13 vs. YA
Minimarket	+ 50%
Traditional Trade	+ 20%

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

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SPOTLIGHT ON INDONESIA

TOP 5 CATEGORIES DURING FESTIVE (RAMADHAN)

Consumers demand push these categories to grow double digit compared to regular months.

4 w/e 2014/07/13 vs. Average value in 2014

+628%

Syrup

+68%

Mouthwash

+44%

Coconut Milk

Condensed Milk

+23%

Margarine

+23%

Value Growth%

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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 organizations globally.

In Indonesia, Kantar Worldpanel – high definition inspiration™ 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 49.5 million households.

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

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