



# SPOTLIGHT ON INDONESIA

## INDONESIA IN NUMBERS

INTERESTING FACTS  
IN INDONESIA FMCG  
MOVEMENT

## CONSUMER CONNECTION

WHAT CONSUMERS  
SEE CAN IMPACT  
PURCHASING  
BEHAVIOR

LEARN FROM INDONESIA

# SUCCESSFUL BRANDS

January 2015

KANTAR WLT<sup>TM</sup>RLDPANEL

stay  
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CONSUMER  
CONNECTION



2014

KANTAR WORLDPANEL'S CLIENT DAY

Before we step into 2015, Kantar Worldpanel Indonesia held its Consumer Connection 2014 on 6<sup>th</sup> October 2014 at Ritz Carlton Hotel Mega Kuningan Jakarta.

The main objective was to provide the clients with some insights so that all of us will be ready to fight the choppy market this year, the year of 2015. To face 2015 as new year and face tighter competition in this year, we should learn from the best case study that happened in Indonesia.

In total, there were 100 confirmed participants from \different clients across FMCG industry in Indonesia. They were served with a set of breakfast menu and also we don't forget to serve the insightful main course : three hot topics about FMCG market and also one hot topic about digital media from our sister company, Mindshare. The key messages of each topic as laid out below.



## THE SPEAKERS



**LIM SOON LEE**

General Manager  
Kantar Worldpanel Indonesia

**THE FIELD IS RIPE FOR HARVEST**  
BRAND SUCCESS STORIES TO INSPIRE YOU

**ANDREW RIDSDALE  
SMITH**

Head of Regional Center of Excellence



**SEE, THINK, SHOP: 3 BRAND  
STORIES**

INSIGHTS FROM SINGLE SOURCE  
BEHAVIOURAL PANELS

**SUDESH PUTHRAN**

Technical Advisor Mindshare Indonesia



**DIGITAL WORLD**

**KANTAR WORLDPANEL**



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## X Preview



### THE FIELD IS RIPE FOR HARVEST

"Amazing Indonesia", despite all the price increase and economic situation, the consumer demand in Indonesia is still growing and consumer confidence index is still high. Increasing Urbanization, growing population and doubling of middle class consumer make Indonesia as an attractive market not only for potential manufacturers but also the existing ones. Though it is a crowded competition, the star is in our side, "Live it out loud, be more than a name or a face in the crowd".

### SEE, THINK, SHOP: 3 BRAND STORIES

"How purchasing behavior can be influenced by changes in "branding, communication" and price/promotions. Does TV Sponsorship drive the sales? Tap the right entertainment show that has the same profile with your brands profile to get a great impact on your sales. Attributes that drive sales can be different from those that drive overall brand perception. Winning trial purchase, since trial is the driver of growth in FMCG categories.



### DIGITAL WORLD

In Indonesia, internet has become primary need, the development of social media in this country is one of important factors that drive the numbers of internet users. This digital development will be growing rapidly for the next 3 years supported by 4G networks by telecommunications operators and the launch of cheap smartphone. The development is expected to have an impact on the increase of the average time spent to access the mobile internet. This is welcomed by some big players of online store in Indonesia.



[Download the full report here](#)

KANTAR WORLDPANEL

# THE FIELD IS RIPE FOR HARVEST

## BRAND SUCCESS STORIES TO INSPIRE YOU

**Lim Soon Lee**  
General Manager  
Kantar Worldpanel Indonesia



**INDONESIA** becomes one of  
the country in Asia with double digit FMCG  
growth rate (15% in 2014, Nationally).

With an increasing number of middle class  
citizens and the average age of Indonesia's  
population is relatively young (50.2% under 29  
years old), of course, Indonesia is still a very  
potential market for FMCG products.

This led the manufacturer to compete within  
the market - not just using a conservative way  
but through a variety of innovative and  
inspirational ways. There are some success  
story from several brands that managed to  
increase their sales with inspirational way.

**KANTAR WORLD PANEL**

## DOWNY

The first brand that is considered successful in increasing the sales phenomenally is Downy.

By using the tagline “No.1 Fabric softener in the world”, Downy managed to increase their market share almost four times in 3.5 years of their presence in Indonesia. The growth of the brand was driven by the significant increase of the number of buyers - 48% of Urban household in Indonesia had ever bought Downy in the first year launch and the number grew to 81% after 3.5 years presence in Indonesia.

There are some key success of Downy. First, they use strong communication method, such as using number one in the world tagline, and communicate new claim which are anti bacterial and easy ironing. Second, they offer new variant (anti bacterial and sunrise fresh). Third, availability in the market is also important to consumers so that they can easily find the products.

## WARDAH

The second success story comes from local cosmetics, Wardah. The brand brings something new to cosmetics market in Indonesia and targeting modern hijabers consumers. Wardah is the first brand in cosmetics industry that use Halal claims on their products.

Last year, Wardah succeeded to gain market share from 5% to 16% in cosmetic market in Urban area. The market share growth is driven by the increase of penetration from 4% from 15% in year 3 of launch.

Some key success of Wardah are first, innovation - they are the first cosmetic manufacturer claimed to be halal. Secondly, Wardah offers relatively a premium price and also use popular

celebrities to endorse their products. Third, in terms of communication, they have natural claim for skin. In overall, Wardah did a 360 degree good support for the products.

## PROCHIZ

Prochiz breakthrough a category that has been synonymous with premium price, cheese. Prochiz positioned their self as affordable product and claimed to have a better taste with their tag “Taste Better”.

Prochiz developed the penetration number in urban Indonesia from 18% to 46%. As the result, they gained market share to 40% from 18% in the last 3 years.

They offer a lower price compared to the category and the market leader with “Taste Better” - simple message claim. This is one of the key success of Prochiz. Besides, Farah Quinn as a celebrity endorse also push the selling. As Prochiz understand that cheese is one of category which is not mature yet, however, they see it as an opportunity.

## PEPSODENT

As Pepsodent is the market leader in toothpaste category, Pepsodent needs to keep innovating so the market still has positive growth. Looking in the market, Pepsodent anti cavity as the backbone of Pepsodent, has lost market share in the last 2 years.

What Pepsodent do is pushing more SKU which offer special benefits for consumers, such as sensitive and expert products.

Pepsodent put massive support for niche benefits for the expert products and do scientific communication, so they find incrementally growth not merely for volumes.



# INDONESIA IN

# NUMB3RS



This data is harvested from 7,000 households sample across Indonesia in FY 2014



379.2

THE NUMBER OF **AVERAGE SHOPPING TRIP** OF URBAN INDONESIA HOUSEHOLDS IN A YEAR



46%

VOLUME OF SOFT DRINK IN URBAN IS PURCHASED OUT OF HOME

Rp 15,500

THE AVERAGE BUDGET FOR **BABY DIAPERS PER SHOPPING OCCASION** OF NATIONAL INDONESIA HOUSEHOLDS



Rp 12,000

THE **AVERAGE BUDGET PER SHOPPING OCCASION** IN **TRADITIONAL TRADE**

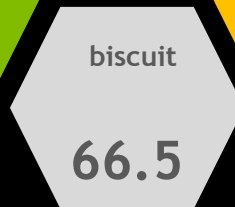
130 ml

THE **AVERAGE VOLUME PER SHOPPING OCCASION** FOR **SHAMPOO CATEGORY**



## THE MOST FREQUENT BOUGHT CATEGORIES

This data is harvested from 7,000 households sample across Indonesia in FY 2014



NUMBER OF SHOPPING TRIP | NATIONAL INDONESIA

## THE RISING STARS



8 pts



### FACIAL TISSUE

The number of penetration of facial tissue upgraded 8 points more compared to last year penetration.



24%

### SUPERMARKET

Compared to other trade, supermarket held the highest growth in total National Indonesia.



18%

### DAIRY

Among other segment, dairy perform the greatest growth in value compared to last year.



new

4,540  
new SKUs

Launched in 2014

## INDONESIA KALEIDOSCOPE

Rp 8 million

Spending per year  
most affluent household  
for FMCG\*



\*for FMCG categories tracked by  
Kantar Worldpanel Indonesia

58%



Of the FMCG categories experienced upsizing in terms of pack size. Means that consumers buy bigger pack sizes.

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