FMCG MONITOR

An integrated view of Indonesia FMCG market

Jan

2015

KANTAR WORLDPANEL

© Kantar Worldpanel

executive SUMMARY

1

Indonesia's started the new year 2015 with a deflation of 0.24% vs December 2014.

The deflation in January 2015 was mainly caused by extreme fuel price decrease. The government cut off the subsidized economy fuel for vehicle while the global oil price is getting down.

2

Total value FMCG in Urban decelerated due to the negative volume growth which last happened in Q4 2013. . Home Care is still the most promising segments, however the growth slowed down happened across segments compare to Q4 2014

Just like Urban, Rural area also experienced slower growth. Although Dairy is still the highest growth among all.

3

One Step or Instant Seasoning experienced excellent growth in Urban Indonesia, contributed mostly by positive volume growth. This justified the growth of convenient goods in Indonesia.

4

In Urban, Amongst Modern Trade channel, minimarket has the biggest contribution. At the same time, Traditional Trade performed better compare to last year.

Traditional trade as the most promising channel in Rural, grows by two digits this quarter vs. Year ago.

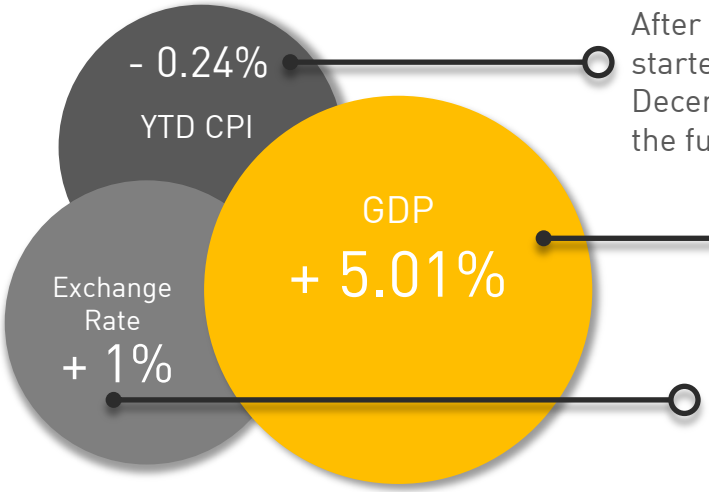
5

One of the impact of the Indonesia economic condition is budget cutting.. Some key categories also take a strong price growth in FY 2014 compare to last year's gives even higher pressure to consumers.

© Kantar Worldpanel

KEY INDICATOR

Macro Trend



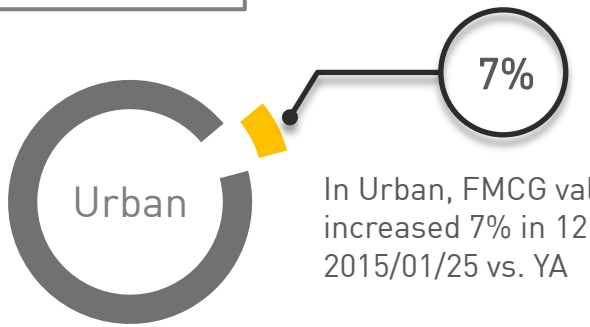
After having a stable inflation rate in 2014, Indonesia started the new year with a deflation of 0.24% compare to December 2014. The deflation happened mainly due to the fuel price decrease by the government.

In year on year basis, the GDP in fourth quarter 2014 is 5.01%

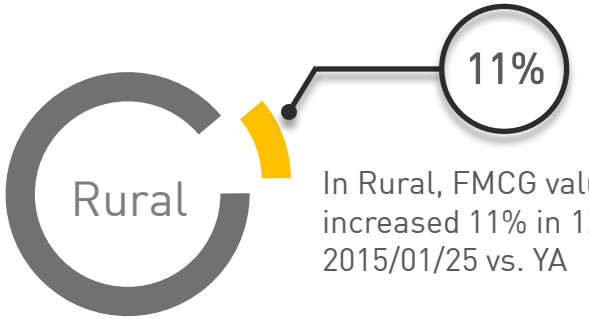
Rupiah exchange rate to USD is still relatively stable in January 2015 vs. December 2014 , yet the exchange rate weakened by 3 % in this month vs. YA

Source : *BPS and Bank Indonesia*

FMCG Trend



In Urban, FMCG value increased 7% in 12 w/e 2015/01/25 vs. YA



In Rural, FMCG value increased 11% in 12 w/e 2015/01/25 vs. YA

Source : *Kantar Worldpanel Indonesia | Household Panel*

*FMCG is excluding rice, sugar, and fresh food

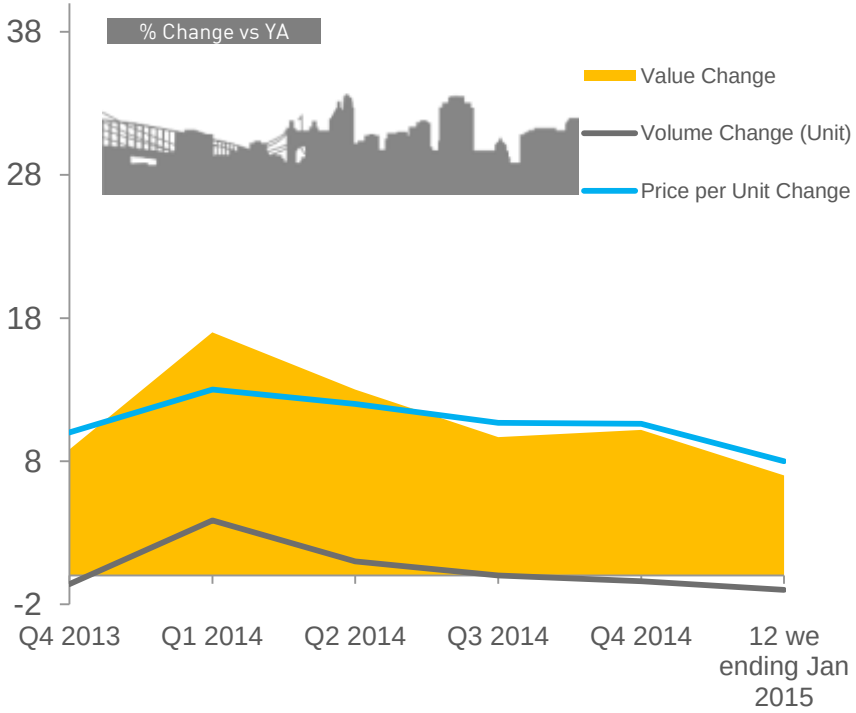
© Kantar Worldpanel

1

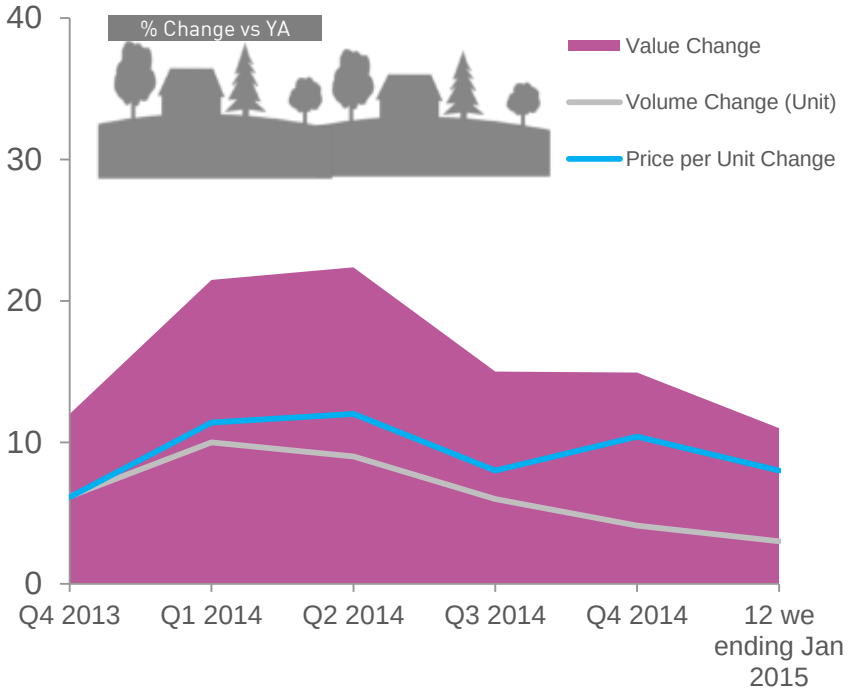
FMCG – 12 WEEKLY YEAR – ON – YEAR CHANGE (%)

Total FMCG in Urban on January decelerated due to the negative volume growth which last happened in Q4 2013. The volume growth is maintained compared to last year. While in Rural area, HHs still continue the decreasing trends contributed by both decreasing price paid and volume.

Urban



Rural



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

*FMCG is excluding rice, sugar, and fresh food

© Kantar Worldpanel

2

FMCG SEGMENTS TRENDS – VALUE CHANGE (%)

Home care segment continuously growing the most in Urban. Dairy is also still the most growing segment in Rural. However, compare to previous quarter performance, the growth is slowing down for all segments.

Urban

12 w/e 2015/01/25 vs. YA

Foods	Dairy	Beverages	Home Care	Personal Care
+6 %	+4 %	+7%	+15 %	+6 %

Rural

12 w/e 2015/01/25 vs. YA

Foods	Dairy	Beverages	Home Care	Personal Care
+ 10%	+ 16%	+ 9%	+ 15%	+ 8%

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

*FMCG is excluding rice, sugar, and fresh food

© Kantar Worldpanel

3

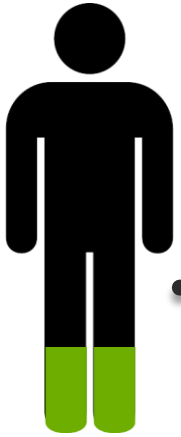
HOT CATEGORIES (URBAN) 12 w/e 2015/01/25

One Step or Instant Seasoning experienced excellent growth in Urban Indonesia, contributed by positive volume growth. This justified the growth of convenient goods in Indonesia.

One Step

20%

Total volume (in KG) increase in Urban Indonesia
12 w/e 2015/01/25 vs. YA



4 pts

Penetration increase in Urban Indonesia
12 w/e 2015/01/25 vs. YA
(Base : 26.5 million households)

Rp:

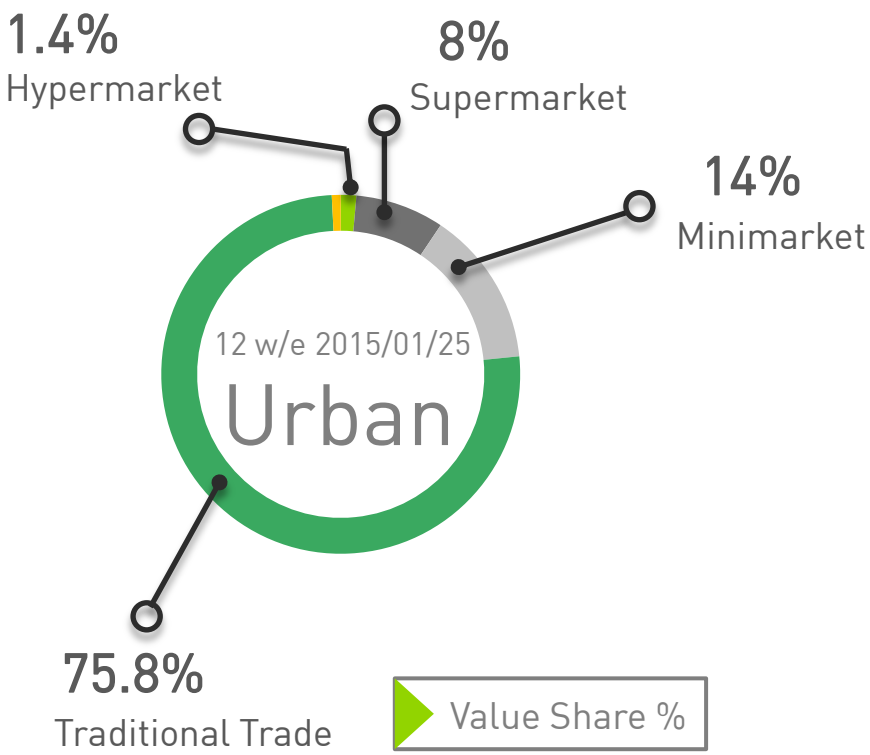
24%

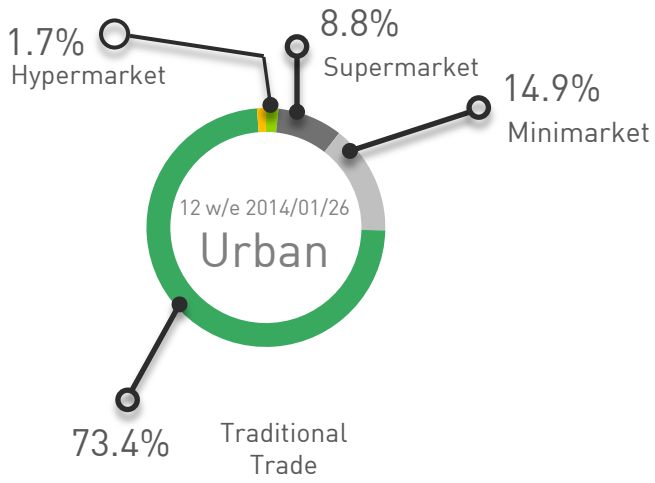
The value growth increased in Urban Indonesia
12 w/e 2015/01/25 vs. YA

© Kantar Worldpanel

RETAILER

4 RETAILER SNAPSHOT - URBAN





Value Change %

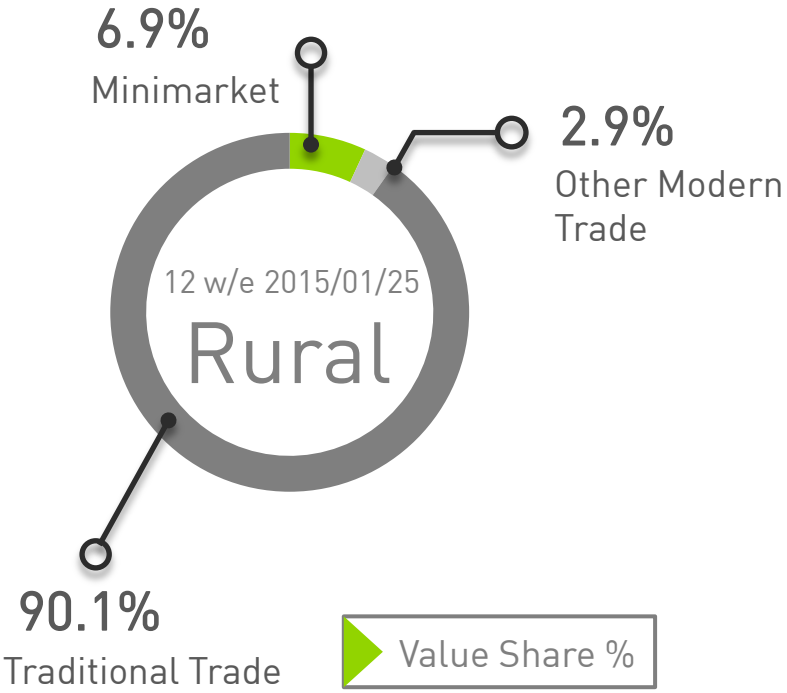
Value Change %	12 w/e 2015/01/25 vs. YA
Minimarket	+1%
Hypermarket	-12%
Supermarket	-2%
Traditional Trade	+10%

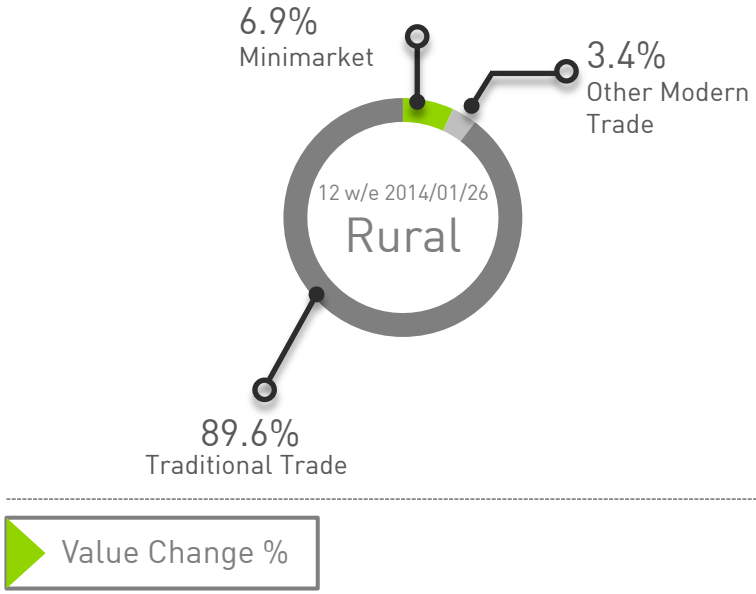
Source : *Kantar Worldpanel Indonesia – Household Panel – Total FMCG*

© Kantar Worldpanel

RETAILER

5 RETAILER SNAPSHOT - RURAL





Value Change %	12 w/e 2015/01/25 vs. YA
Minimarket	+12%
Traditional Trade	+12%

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

© Kantar Worldpanel

SPOTLIGHT OF INDONESIA

One of the impact of the Indonesia economic condition is budget cutting.. Some key categories also take a strong price growth in FY 2014 compare to last year's gives even higher pressure to consumers.

Indonesia Urban, FY 2014 vs. 2013 (Price per Volume Change)

Categories with High Price Increase

+ 16%

MINERAL WATER

+ 16%

INSTANT NOODLES

+ 14%

LIQUID MILK

+ 15%

HOT CEREAL

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

Contact us

Kantar Worldpanel Indonesia
Blok M Plaza 8th Floor | Jl. Bulungan No 76, 12130 | Jakarta Selatan

fanny.murhayati@kantarworldpanel.com
Dang.Reksawibisana@kantarworldpanel.com
www.kantarworldpanel.com/id

Kantar Worldpanel Indonesia @KWP_ID

© Kantar Worldpanel