FMCG's Rebound And The Post-Crisis Shopper

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FMCG Shopper Research

FMCG sales rebounded from the recession in Q1 of this year, along with the emergence of men across APAC emerging as the main grocery shopper for their families.

According to research done by The Nielsen Company, this growth over the fourth quarter of 2009 was largely driven by five developing markets: Vietnam with a large 27.1% growth, followed by the Philippines (+12.6%), China and India (both +11%) and Indonesia (+8.4%).

Thirteen markets in total were surveyed.

A few arising shopper trends were spotted. Firstly, males across the Asia Pacific region are emerging as the main grocery shopper for their families.Â Over the last decade, the proportion of males who are main grocery shoppers across the region increased from 14% to 22% on average.

Males are more likely to be the grocery shoppers in South and South-East Asia, and now account for more than 25% of the "main" shopper pie.Â Malaysia leads the way with 38% followed by the Philippines and India.

Secondly, with the economic downturn, hypermarkets lost as much as 1% share in 2009 in a number of countries such as Korea and Taiwan. Â

Instead, shoppers turned to other smaller store types such as supermarkets and minimarts, resulting in a proliferation of the latter. For instance, in Korea, the number of shoppers who used supermarkets as their main channel increased from 17% to 23%.

"With the improving consumer sentiment across the region, consumers are looking to spend some spare cash on categories such as clothes and technology...We started to see consumers switching back into personal care, healthy and more premium products in the second half of 2009 and expect this trend to continue going forward," Peter Gale, Nielsen's managing director of retailer services, Asia Pacific, Middle East & Africa, said.

Thirdly, while the private label concept is still undeveloped in all Asian markets with only Hong Kong having a share above 5%, its share of sales increased in most markets in 2009 during the economic downturn. Â

For example, sales of the private label grew by over 25% in Thailand, as shoppers increasingly looked for value when buying grocery products.

"There is a significant long-term opportunity for retailers to cater to more value-conscious consumers and to differentiate themselves by investing in private label product development," added Gale.

Finally, "out-of-store" shopping is huge in Asia, with 90% of consumers surveyed intending to make online purchases over the next 6 months.

The study also indicated that consumers in Korea and China spend the most on online purchases.

By Elizabeth Low Â

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