

# FAMILY POWER

Model, spending, media consumption  
of Vietnamese Families



we know, what's next

# PRESENTATION FLOW

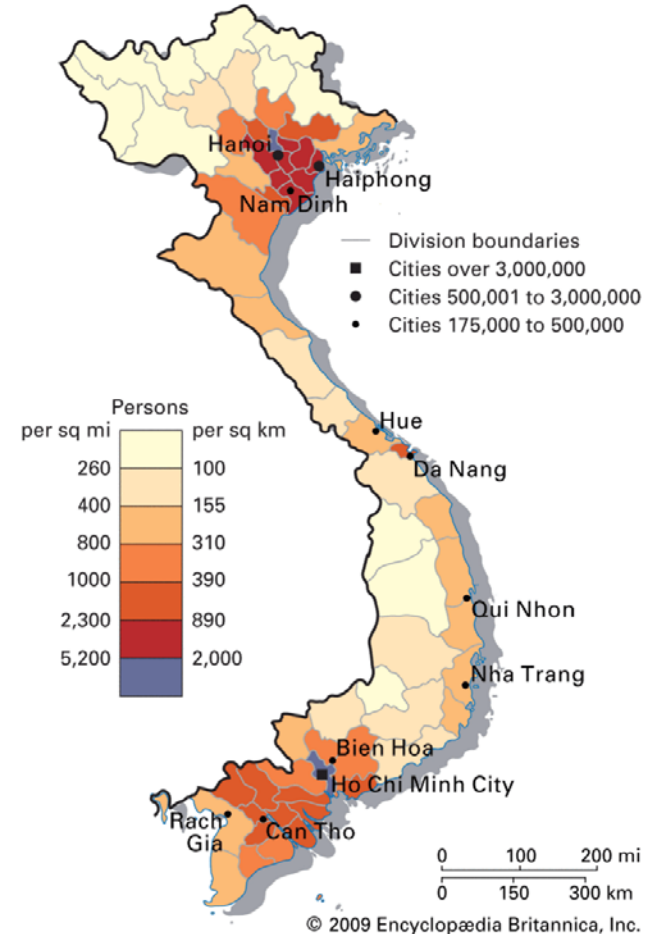
1. Vietnam highlights
2. Births
3. Spending in baby related categories
4. Credentials

## VIETNAM HIGHLIGHTS

- In January 2017, Vietnam **retail** revenue **rose 10%** year-on-year, reaches \$11 billion.
- A **young population** and a rapidly **rising middle class** are driving retail growth. **60%** of the country's 90 million people are aged **under 35** and are familiar with global trends and brands.
- The Gross Domestic Product (**GDP**) in Vietnam expanded **6.68%** year-on-year in the fourth quarter of 2016.
- There are currently 800 supermarkets and 160 department stores and shopping malls across the country, a number forecast to double in the next four years.
- **Supermarkets, convenience stores** and **shopping malls** account for **25%** of total consumer spending – and that is expected to rise to 45% in the near future.

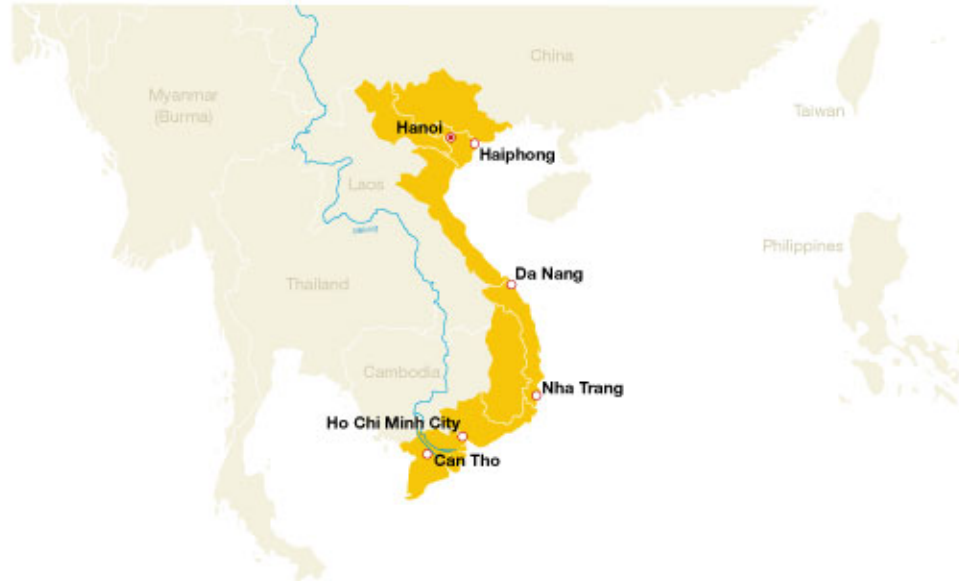
# POPULATION

- The total population in Vietnam was estimated at 92.7 million people in 2016
- **2 biggest cities** (HCM and Hanoi) represents 16% of the total population of Vietnam.
- 6 biggest cities: 23% of population



# PURCHASING POWER

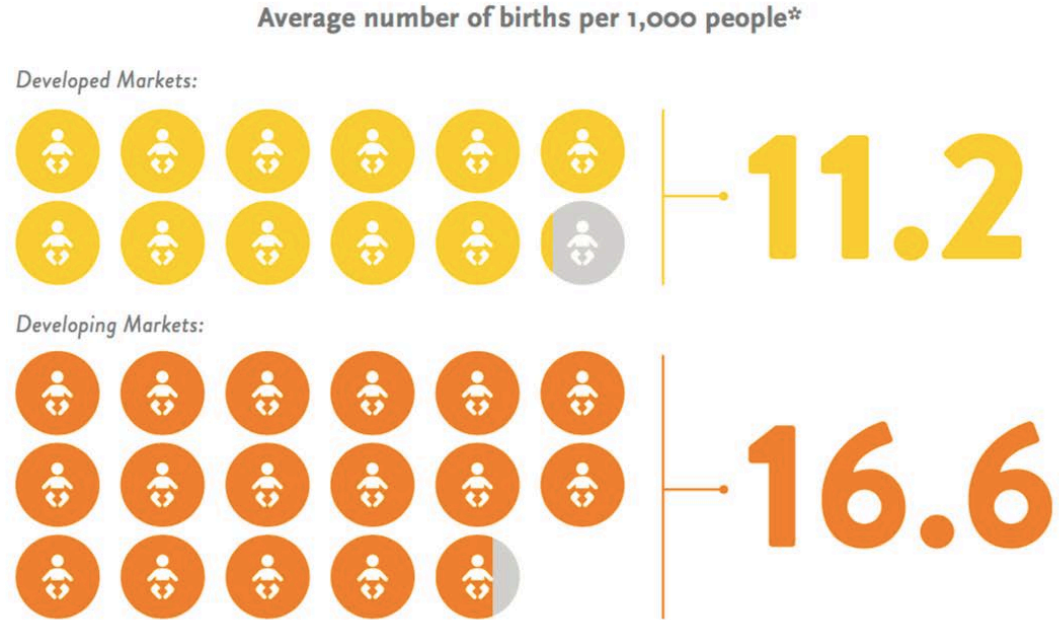
**Six cities in Vietnam account for 40 percent of nationwide sales.<sup>1</sup>**



<sup>1</sup>According to AC Nielsen estimates.

# BIRTHS

- Estimated births in 2017: 1,6 million
- 6 key cities approx. 360K births
- 4 biggest hospitals (2 in HCM, 2 in HN) deliver 60% of births in these cities



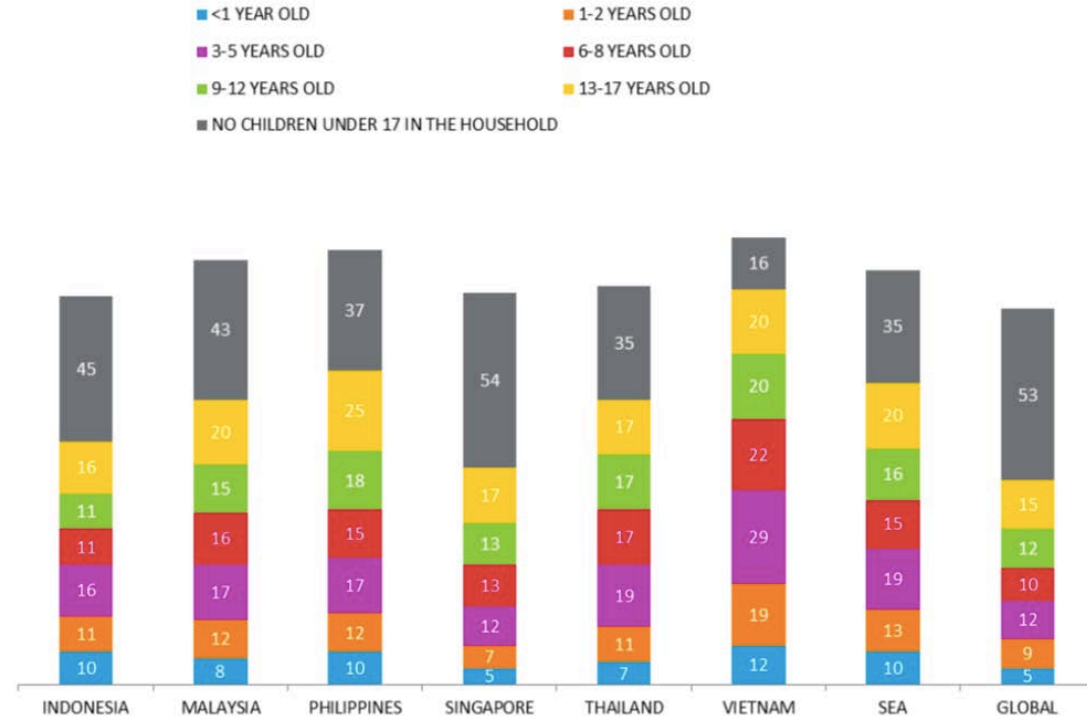
Source: World Bank, 2013

\*Average for the developed and developing countries included in the survey. See Methodology section for listing of countries.

# CHILDREN IN HOUSEHOLDS

- In 2015, Vietnam had 6.15 million 0-3 year old babies, equal to 6.7% of total population.
- More than one in ten consumers in Vietnam reports having a baby below the age of one in their household, the highest levels in this region and **double** the global average of 5%.
- A further 19% of consumers in Vietnam have children aged 1 to 2 years old in their household compared to just 9% globally.

## Age groups of children in households



Source: Nielsen Global Baby Care Report, 2015

## FAMILY PORTRAIT

- Change in model of multi-generation living together
- Reduction in household size (2+2)
- Increasing divorce rate
- Young people do not want to get married or have a baby too early
- People tend to have fewer children but better nurturing and caring

	<b>VIETNAM</b>	<b>EU</b>
Average age of women at first childbirth	23.8	26.9
Average number of kids	1.8	1.3



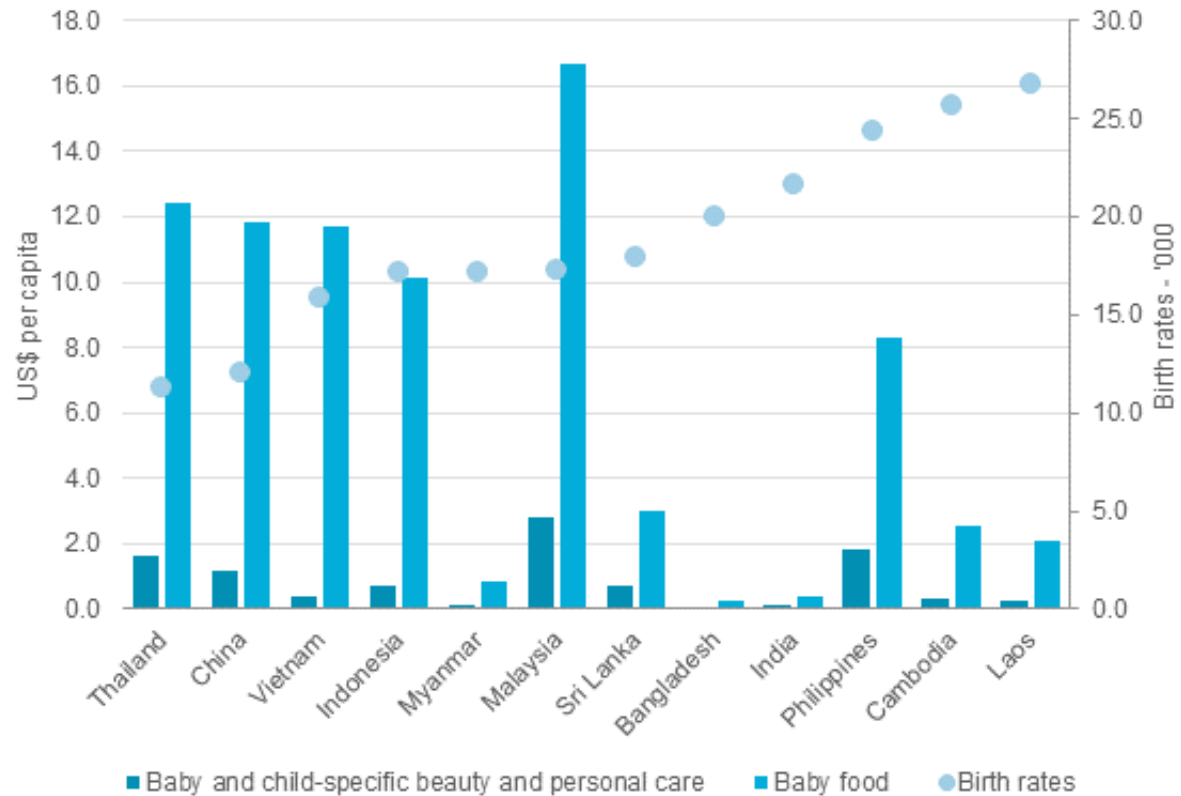


# SPENDING ON A BABY

Baby's age	Products	Monthly spending in VND
<b>0-6 months</b> (Breast feeding)	Formula milk	300.000 – 400.000
	Tissue and diapers	400.000 – 500.000
	Baby clothing	200.000 – 350.000
	Toys	50.000 – 150.000
	Other (Medical checkups, baby cosmetics, etc)	3.050.000 – 3.600.000
	<b>TOTAL</b>	<b>4.000.000 – 5.000.000/month</b>
<b>6 months – 3 years</b>	Childcare	600.000 – 800.000
	Formula milk	600.000
	Baby food	1.500.000
	Toys	200.000
	Baby clothing	170.000
	Tissue and diapers	400.000 – 500.000
	<b>TOTAL</b>	<b>3.500.000 – 3.800.000/month</b>



## SPENDING VS. BIRTHRATE

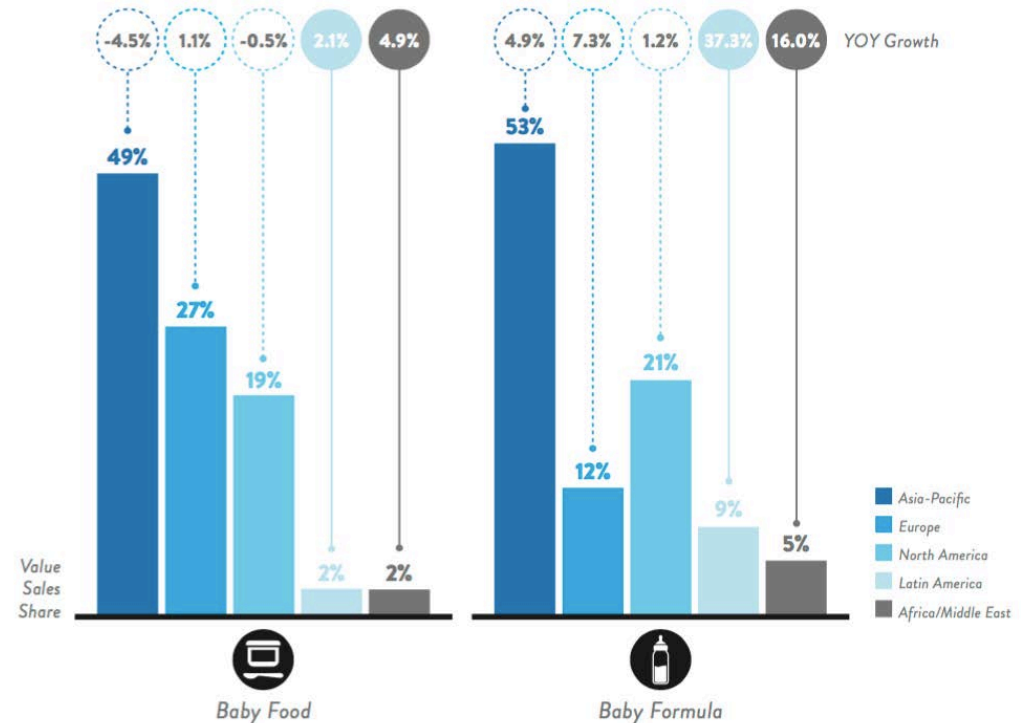


# KEY BABY CATEGORIES

- As for “baby food”, Vietnam’s market size grew by 9% in 2015 and is calculated to reach \$1.5bn of worth in 2017.

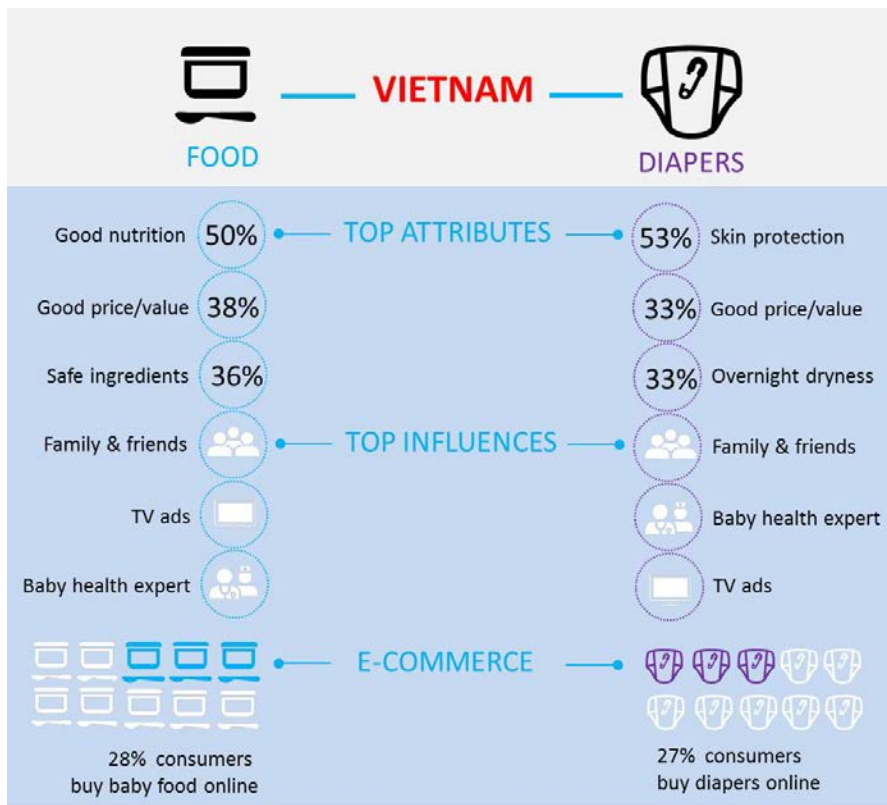
## Baby Food and Formula Sales Share

Share of 2014 value sales and growth by region in select markets



# TOP INFLUENCERS

Attributes and influencers when purchasing baby food and diapers



## MEDIA SPENDING IMF

- IMF category advertising spend (incl. discounts): \$45-50 million (US).
- 99% of it is attributable to television which remains the key battlefield.
- TVC formats: 30 seconds for launches and new campaigns, 15 sec for continuity.
- Digital formats: social media, SEM and online video in addition to owned media (brand and corporate websites).
- The minimum recommended cost of entry to the category is \$1.5 million (US) which will allow a regular television, SEM, and social media presence.

## ABOUT CONCEPTION

Conception provides business building **communication solutions** using owned media for the brands targeted to **pregnant women and families**.

We support the brands which see the potential and new opportunities in narrowing their communication, looking for **personalized** reach and building a **long-term relationship** with their consumers.

Established in Vietnam in 2012, with over 15 years' experience in family marketing field in Europe, Conception is an expert in **reaching young families**.

Conception started its activity in Vietnam in June 2013.

Since then we reached over **1,2 million** pregnant women and new mothers in **6 key cities**.

Conception cooperates with key public and private hospitals and clinics in Vietnam.

## HOSPITALS

- Sampling
- Product demo
- Sales support (orders collection)
- Product use with HCPs endorsement
- Branding (decorating rooms, uniforms, booths)
- Interactive screens
- Data recruitment

## CONSUMERS

- Direct selling
- Product testing
- CRM (sampling, direct mailing)

## ONLINE

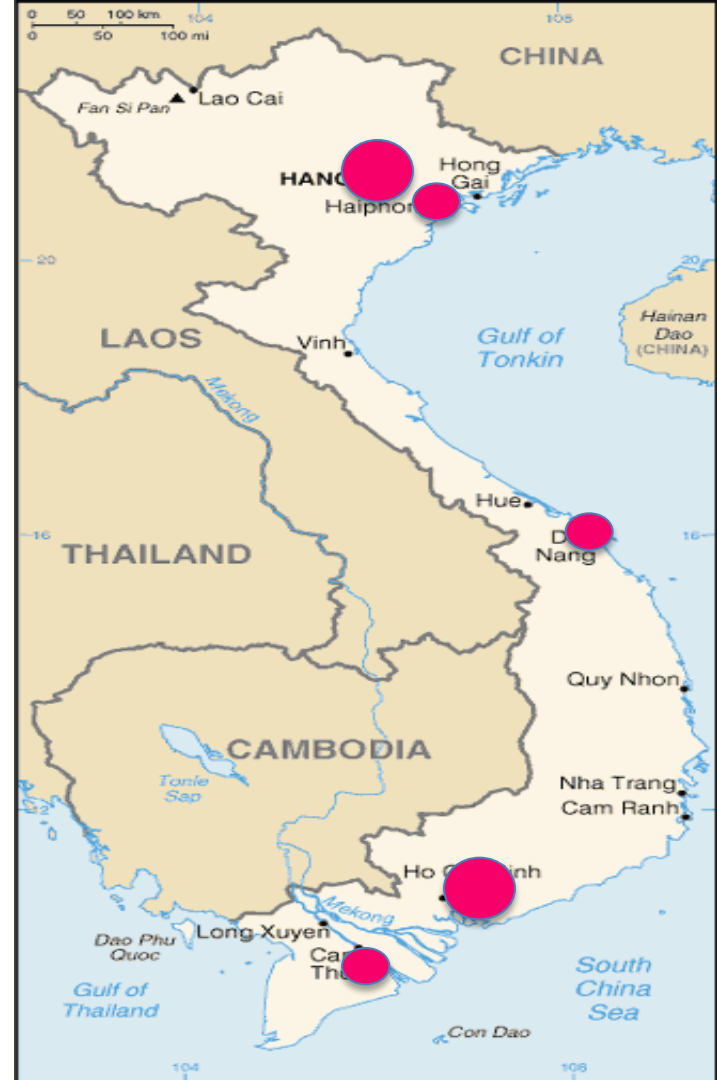
- FB fan pages management
- Content development

## OTHERS

- Creative work
- Content development
- Supervising production

# REACH

- Current coverage  
72% top 5 cities
- Capacity to cover  
35% nationwide





## Hospital Execution 2014-2017



*Product use at hospitals*



*Product sampling and introduction*



*Product demonstration*



*Multi-branded Pack for moms after delivery*

# CONCEPTION FOR BRANDS

Product use at hospitals

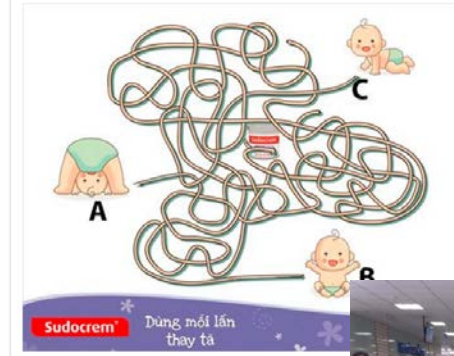


Branding: posters in hospitals

*Chị em thân của mẹ, ngủ ngon con nhé!!*  
On-line photo contest



FB fanpage management



Interactive screens in hospitals

- Multi-branded Packs for Hung Vuong Hospital
- Conception as an exclusive partner to run marketing activities at HVH, 2<sup>nd</sup> biggest hospital in Vietnam





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