An Inside Look

Asia Pacific

Small & Medium Business Overview

NielsenIQ

September 2024

About the survey

NIQ's An Inside Look is a global survey to a digital panel comprising of business owners from 47 markets representing approximately $26 billion* in FMCG sales value. It was designed to understand the realities faced by SMBs in today's economic and retail landscape.

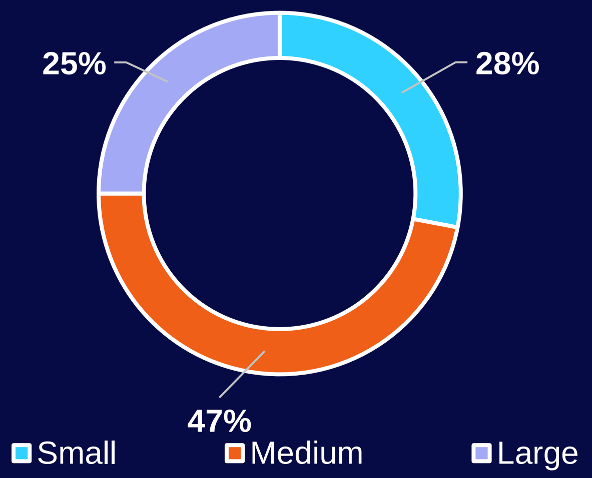
Fieldwork: March to May 2024.
Regions represented: Asia Pacific, Latin America, North America, Europe, Middle East & Africa and China.

This regional report delivers an overview of the Asia Pacific (APAC) respondents representing approximately $7.9 billion* in FMCG sales value.

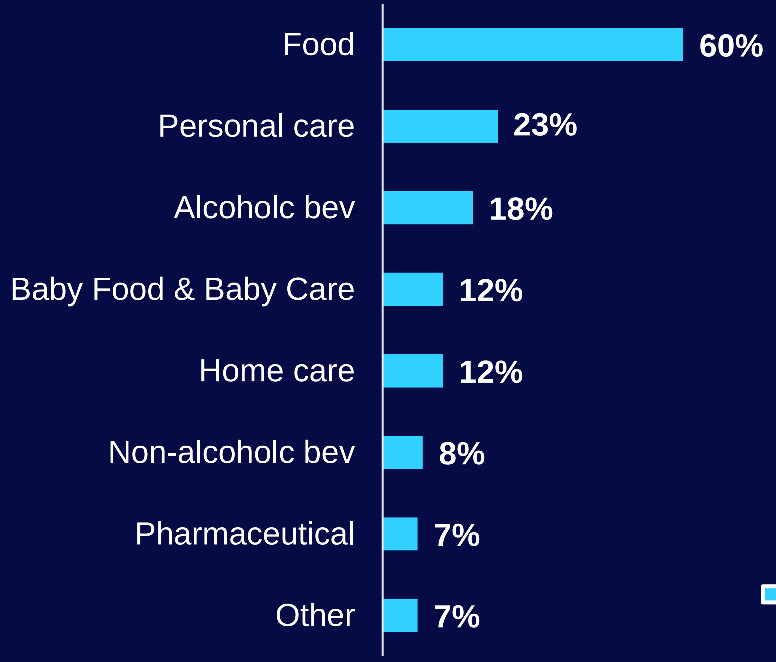
** Based on NIQ RMS segmentation for small and medium businesses*

About the respondents

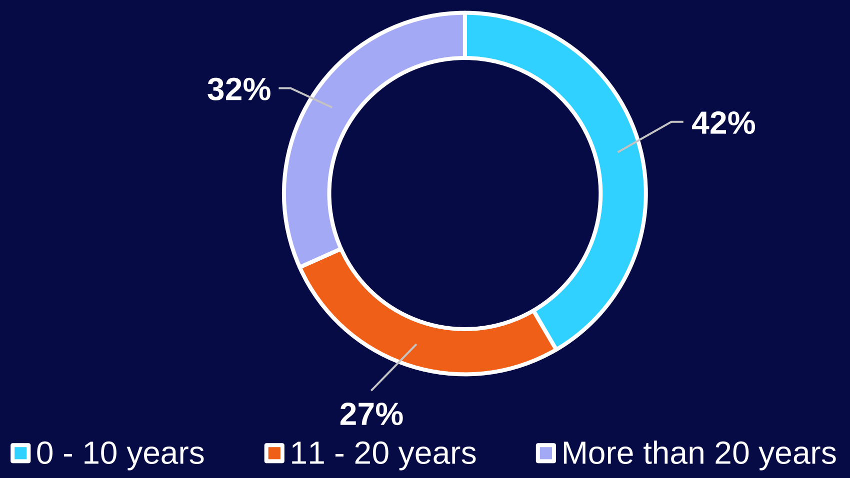
Respondents Business Size (APAC)



Category breakdown (APAC)



Company operating years (APAC)



Survey Results

Respondents from Asia Pacific

In the APAC region, reconsidering the product line and removing low-performing products is the most effective action to overcome inflation

What was your key point of action for overcoming challenges brought on by inflation in 2023?

- **33% Reconsidered the product line and removed low-performing products**
- **17% Invested more in distribution**
- **12% Invested more in marketing**
- **12% Replaced raw materials with more cost-effective ones**
- 10% Cut down on Capex and procurement costs
- 8% Reduced pack size
- 5% Restructured distribution channel
- 2% Got government support (funding, tax reduction, etc.)
- 2% Other

50%

said that cutting down on Capex and procurement costs was effective

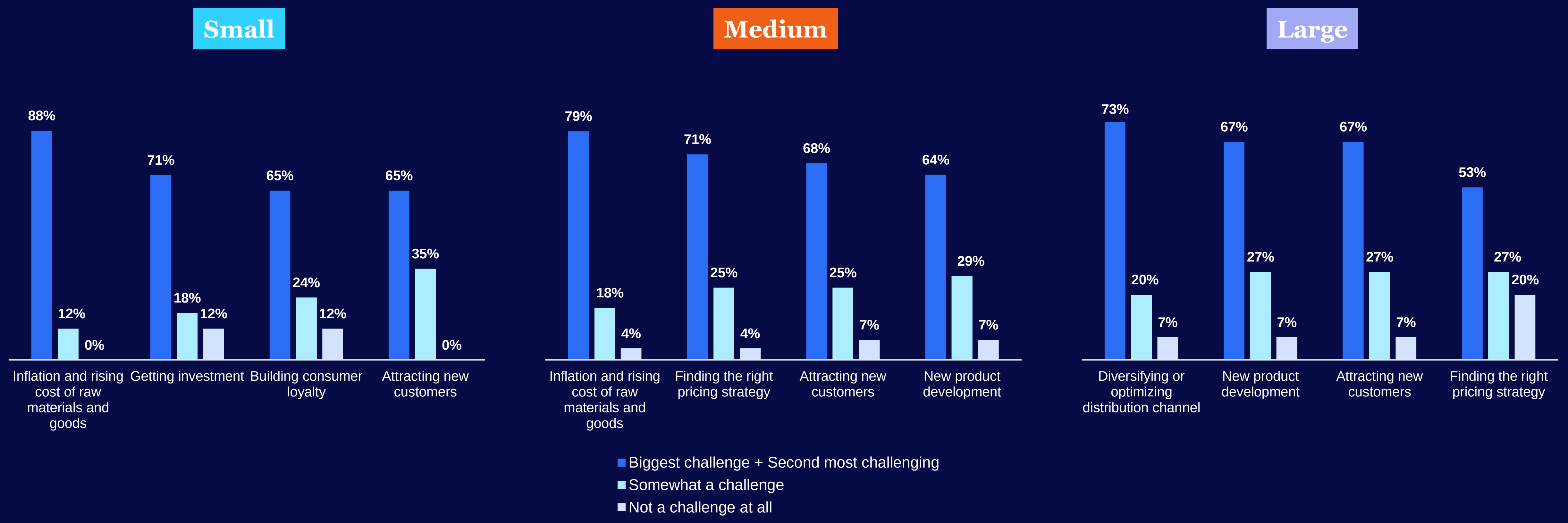
For the rest

100%

said that it was effective

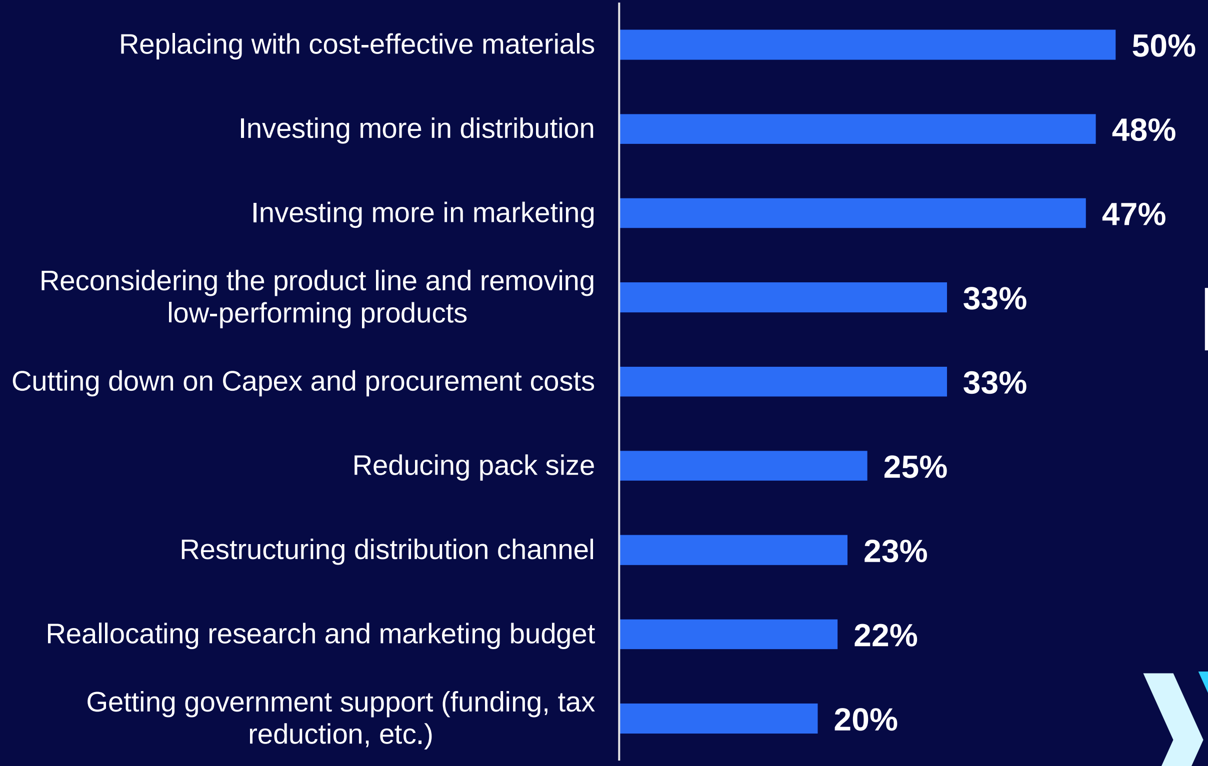
In 2024, inflation remains a main concern for Small and Medium companies

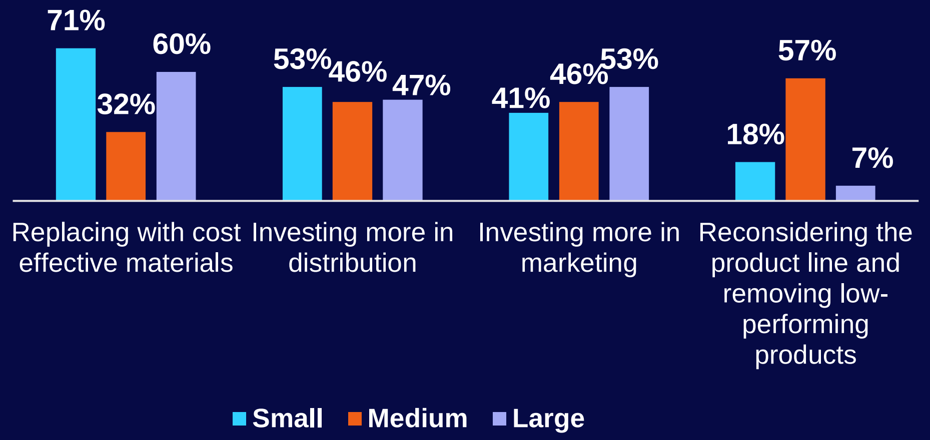
What main challenges is your business currently encountering?



Replacing with cost effective materials is the top solution for 50% of respondents

How do you plan to deal with those challenges in 2024?



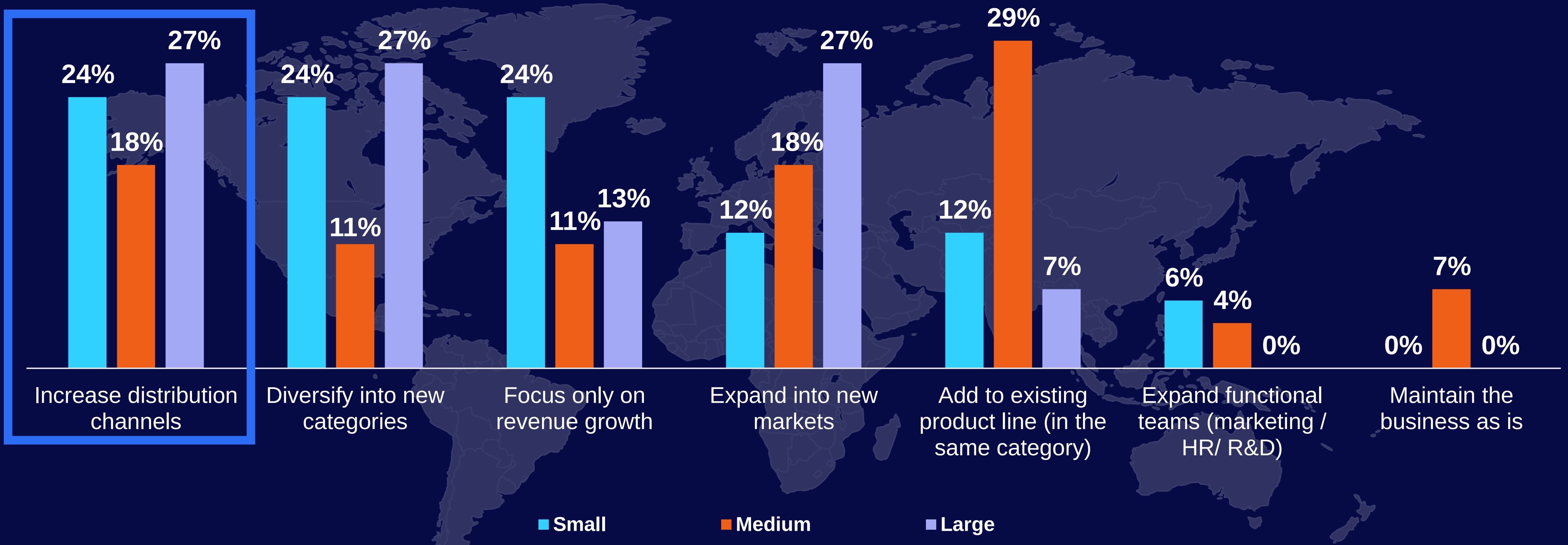


The right products in the right place

NIQ can support your product line and assortment decisions. **Know how!**

Exploring channels & categories is a way to growth for small and medium-sized businesses

What is your next step for growth?



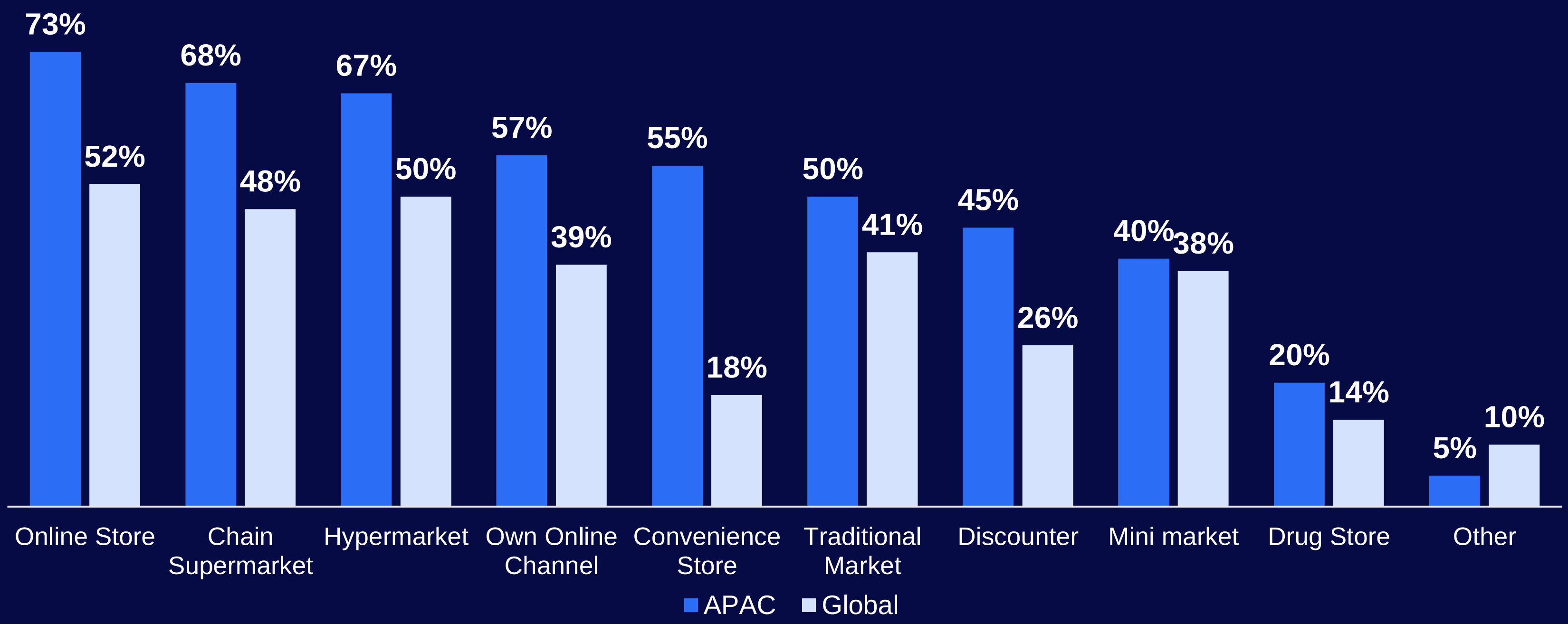
NIQ

Online store continues to emerges as the most relevant channel for SMBs

Home to the most advanced e-commerce markets, APAC companies state that online is the most dominant channel for their businesses (online store: 73%, own online channel: 57%). The relevance of online store is even higher for Small (82%) and Large (80%) companies. Medium companies give equal importance to both online stores and hypermarkets (both at 64%).

Convenience stores shows a significantly higher penetration (55%) among APAC companies compared to the global average (18%), with Large businesses using it the most (73%), followed by Small (71%) and Medium companies (36%).

What channels are you represented in?



Top 3 – Small (APAC)

Online store, Convenience store & Chain supermarket, Traditional market

Top 3 – Medium (APAC)

Online store & Hypermarket, Chain supermarket, Own online channel

Top 3 – Large (APAC)

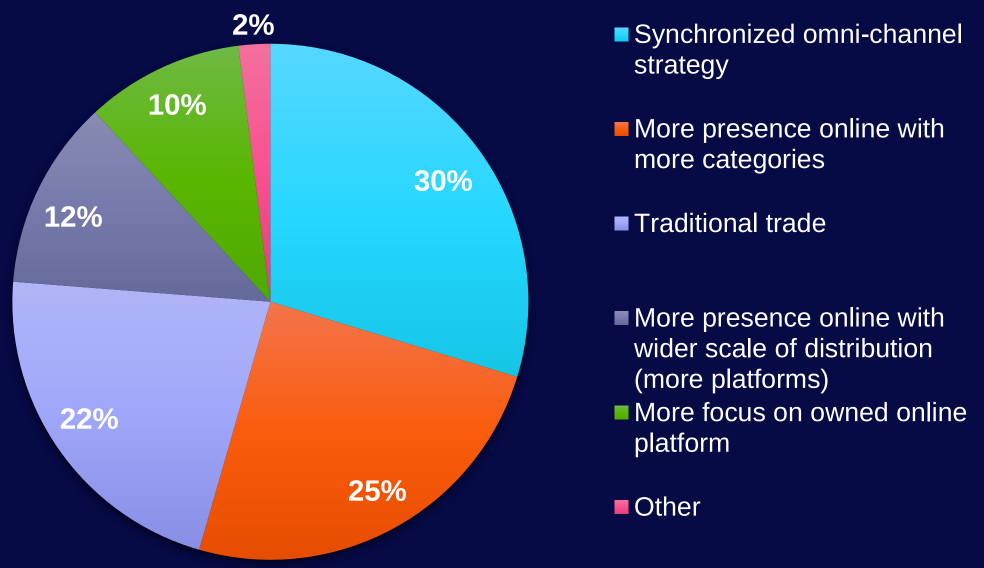
Own online channel & Chain Supermarket, Online store, Traditional Market, Hypermarket, & Discounter, Convenience store

NIQ

APAC companies continue to focus on Synchronized Omni-Channel Strategy

What is the primary area of focus of your channel / distribution strategy in the next 12 months?

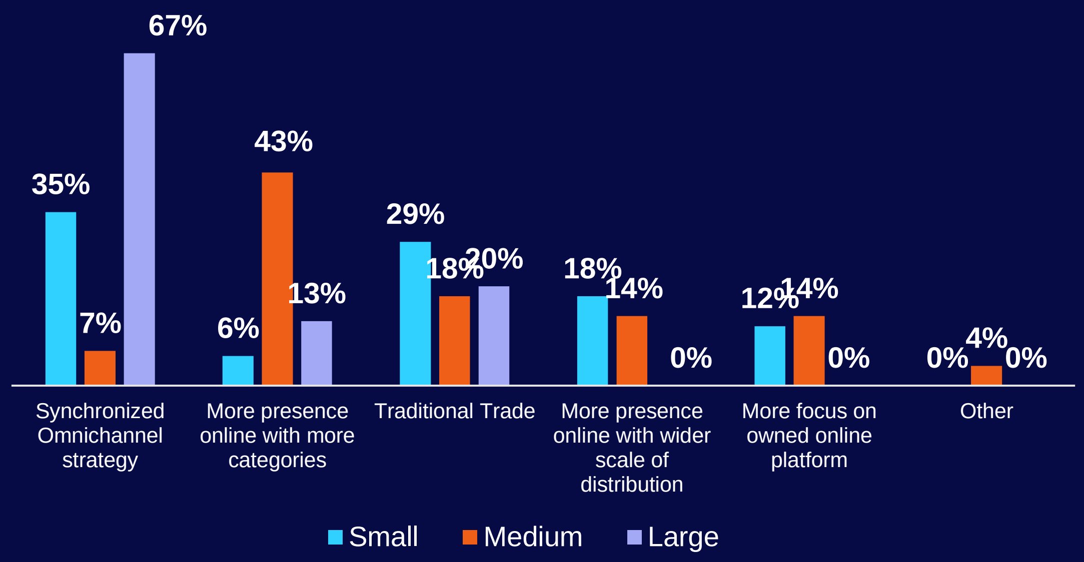
APAC



By size

Both Small and Large companies focus on omnichannel strategies, while Medium companies will focus on more presence online with more categories. All businesses value traditional trade.

Understanding channel effectiveness is key to driving success for your brands.



NIQ

Larger companies invest more in market research for retailer negotiations, while small companies miss this opportunity

Please specify what tools you use when negotiating with retailers.

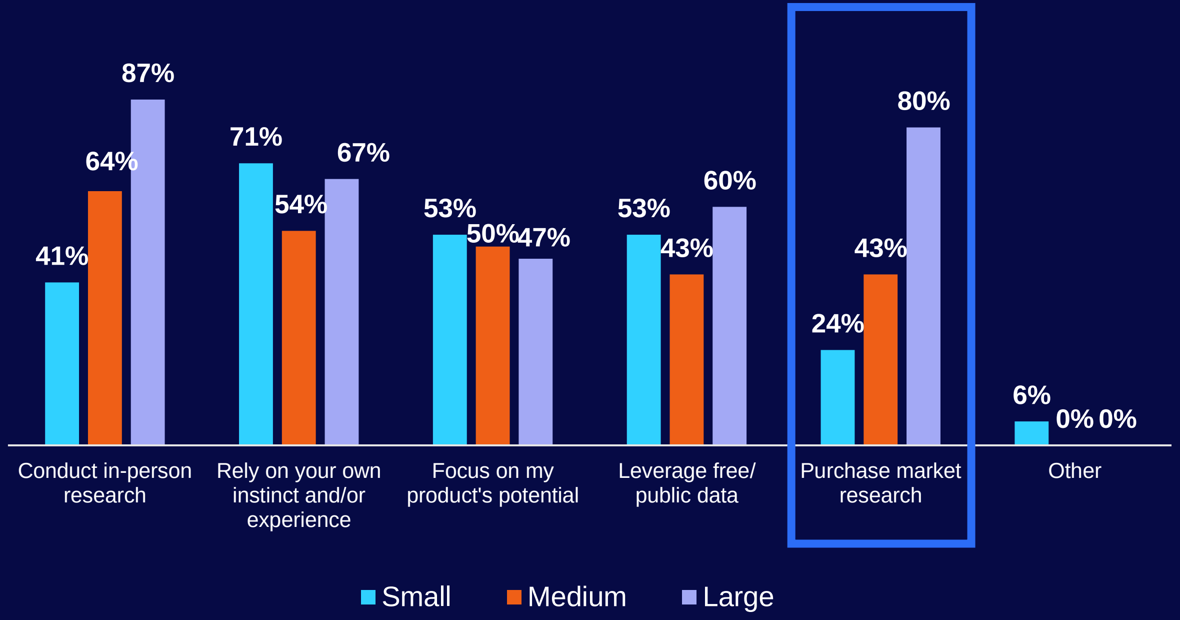
All companies

#1 Conduct in-person research **(63%)**

#2 Rely on your own instinct and/ or experience **(62%)**

#3 Focus on my product's potential / Leverage free/ public data **(50%)**

By size



NIQ can support your decisions with trusted data. [Know how!]

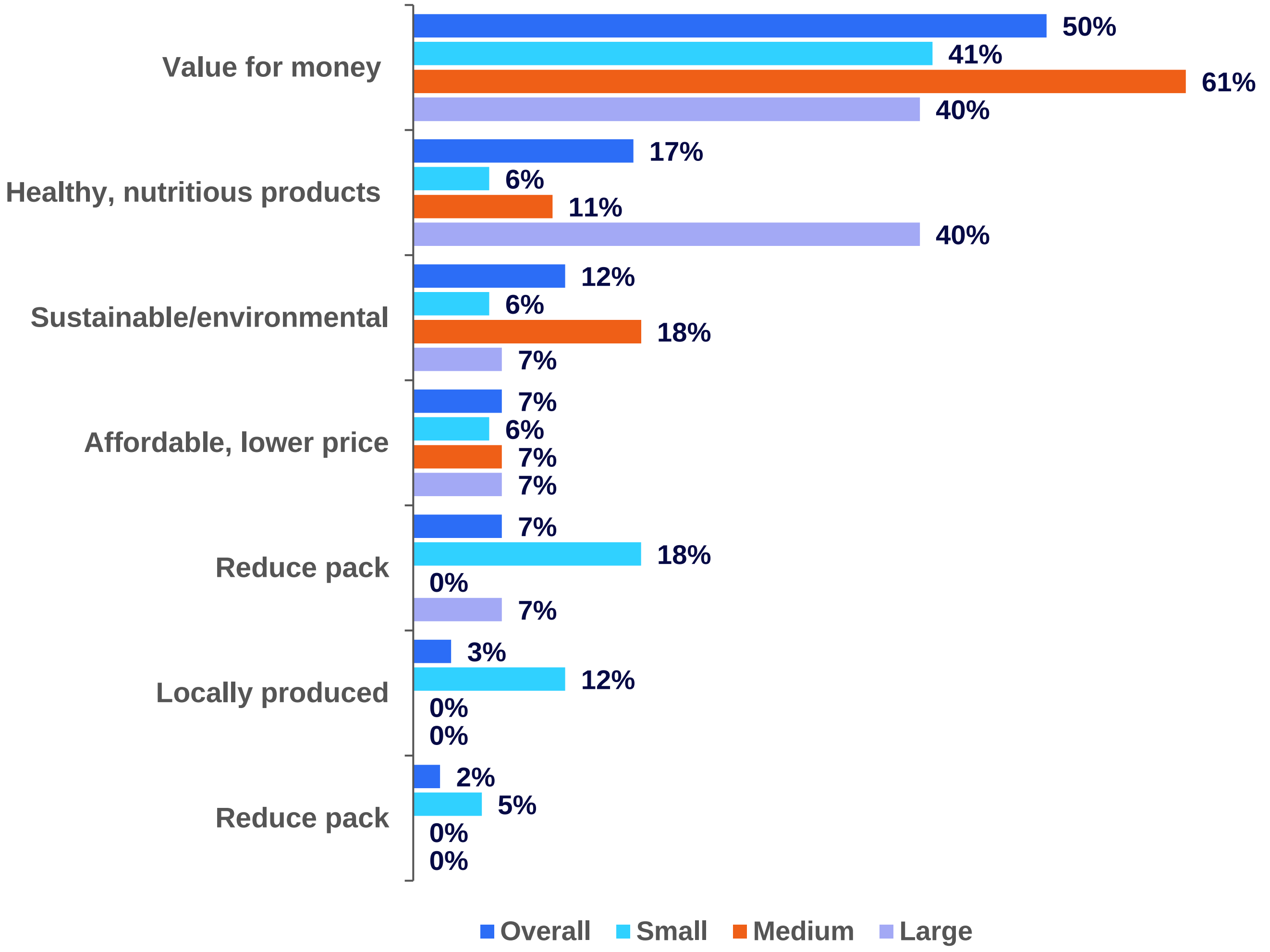
For APAC companies, value of their products lies in:

50%
Value for Money
vs. global average of 46%

17%
Healthy, nutritious products
vs. global average of 16%

12%
Sustainable/ environmental
vs. global average of 12%

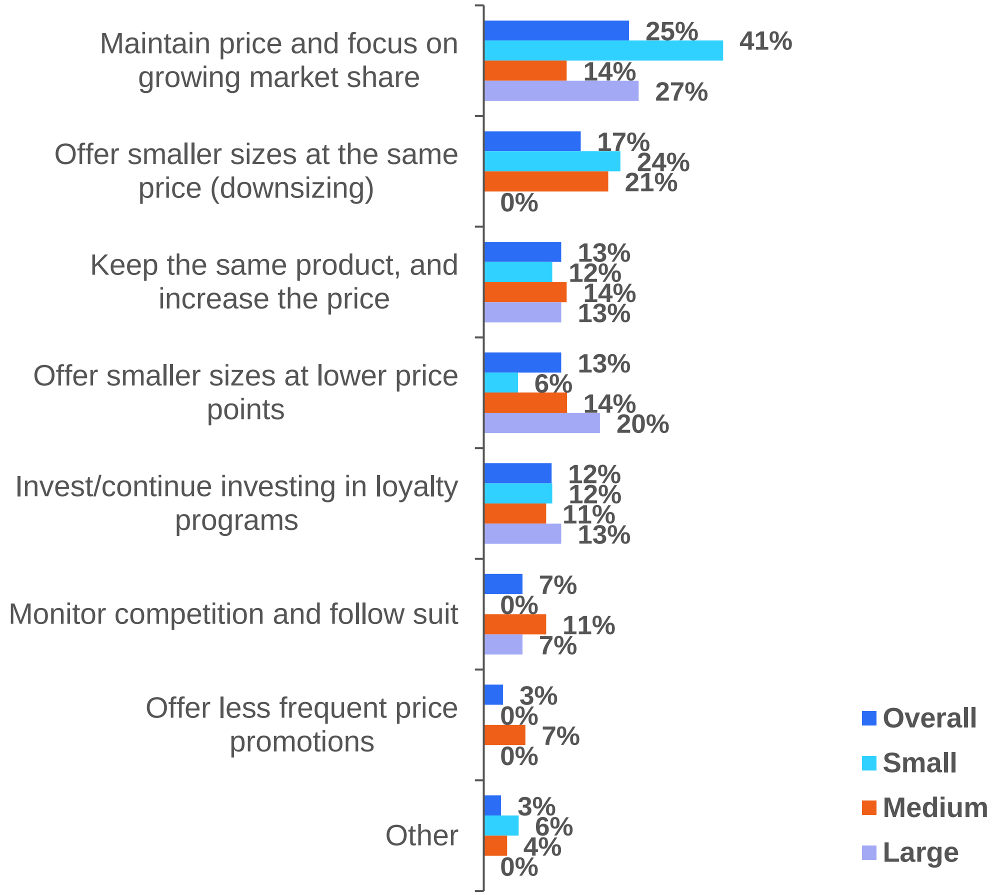
What is the key value your product offers to your customers?



NIQ

Maintaining price & growing market share is key

What pricing and promotional strategies is your business most likely to follow in the next 12 months?



Small businesses will hold their prices to grow market share, followed by downsizing. Whereas downsizing seems to be the number one strategy for Medium businesses.

Large businesses will hold price to grow share and are also looking at offering smaller sizes at lower price points.

41%

of Small and 27% of Large companies will keep their prices and focus on growing market share
(vs 14% of Medium companies)

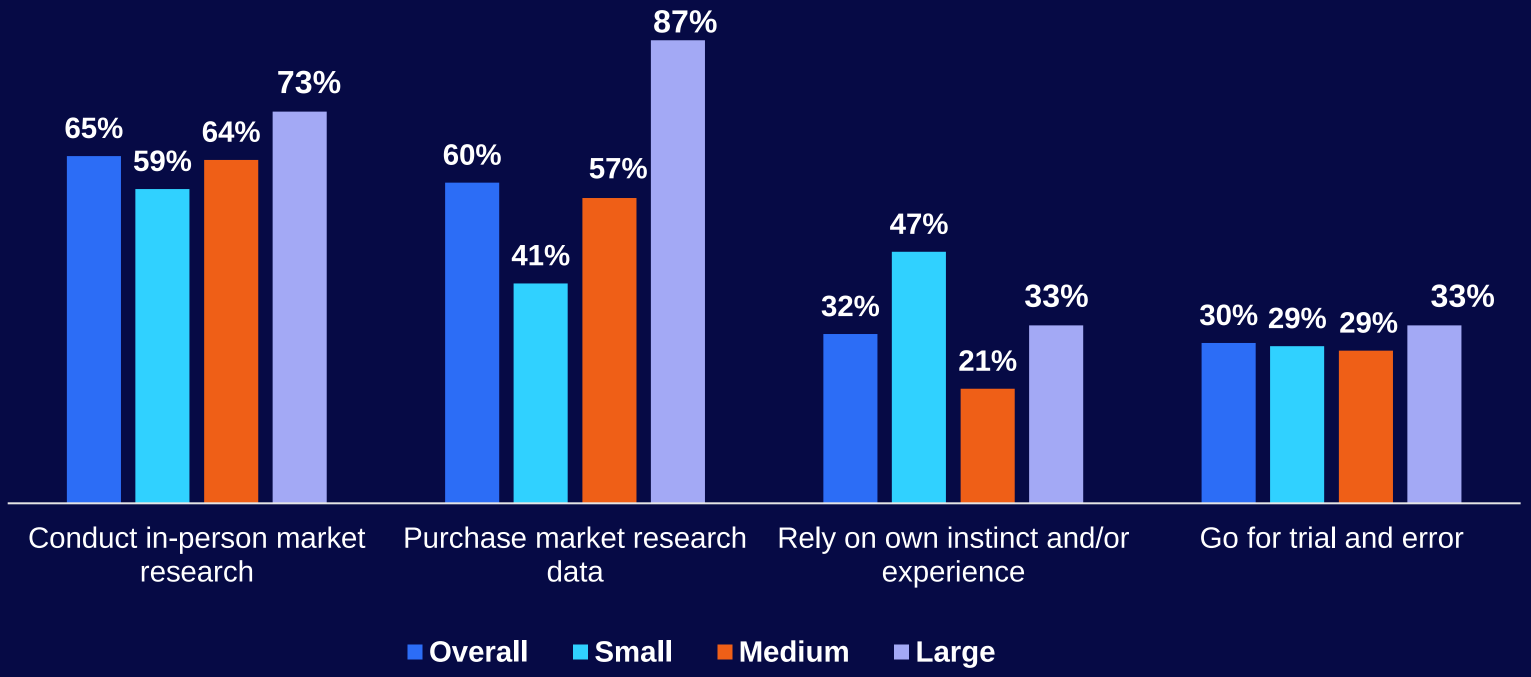
20%

of Large companies will offer smaller sizes at lower price points
(vs 6% of Small and 14% of Medium)

NIQ

Large companies are more likely to purchase market data to aid in decision-making about prices

Please specify what tools you use to reposition your price range.



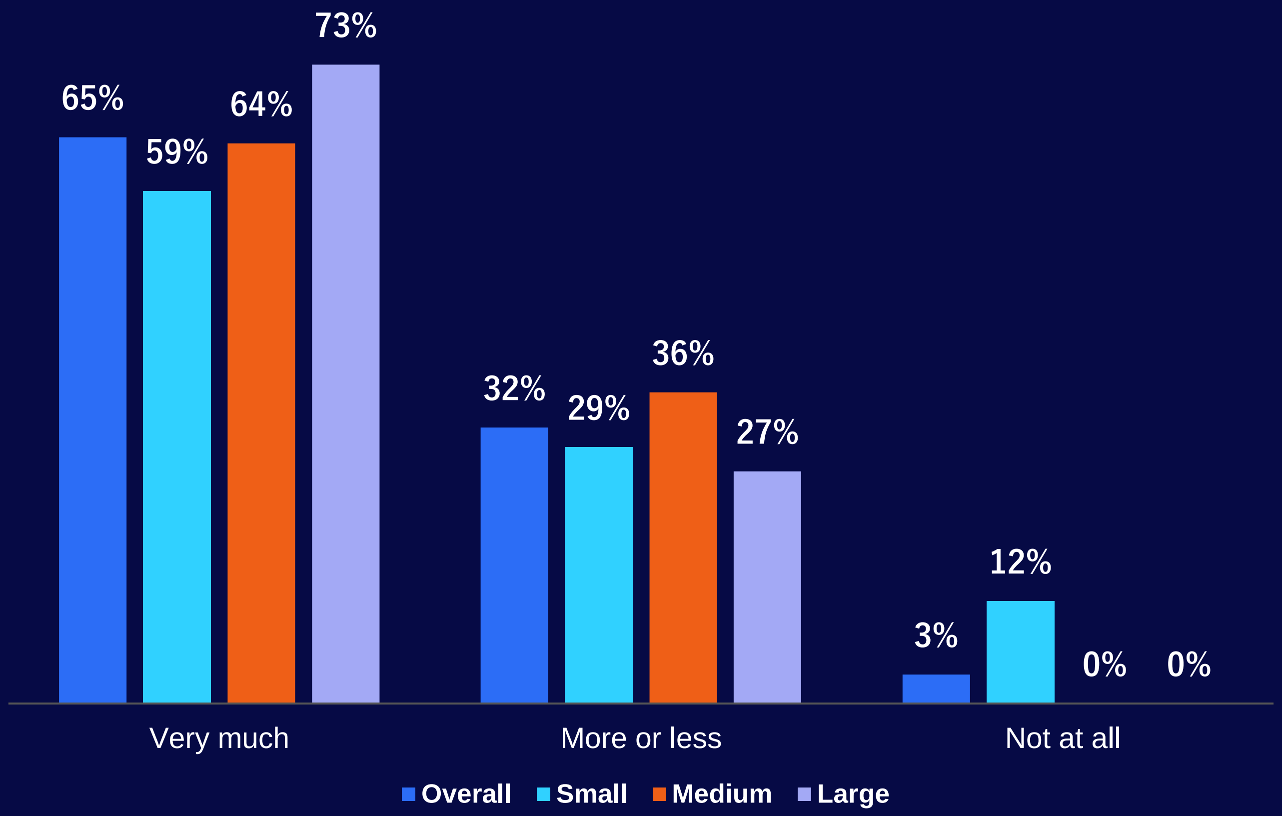
60%

of APAC businesses choose to buy market data **vs. 45% in the global average.**

NielsenIQ empowers SMBs with tailored data and insights. [Find out how.]

APAC organizations recognize the positive impact of data and insights on business decisions

How much have data and insights contributed to your business success?



73%

of Large companies say that data and insights **contributed very much to their success** (against 59% of Small and 64% of Medium companies)

The answers that you need come in the data

Which in turn can build the map to growing your business.

Contact NielsenIQ to know how!

100%

of survey respondents recognize the importance of data in their decisions. What about you?

NielsenIQ for SMBs *offers affordable, easy access to data and insights, giving your business a comprehensive view of the market, consumers, and competitors. Ready to grow?*

LET’S TALK!

Thank you.

For more information, please check out.

NielsenIQ official website: nielseniq.com

Small and medium-sized businesses webpage

Contact us