NIQ
Market Pulse

April 2025

Source: Data ending April 2025

NielsenIQ Retail Measurement Services Team

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Economic Situation

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PH 2025 *Forecasts*

6.2% GDP

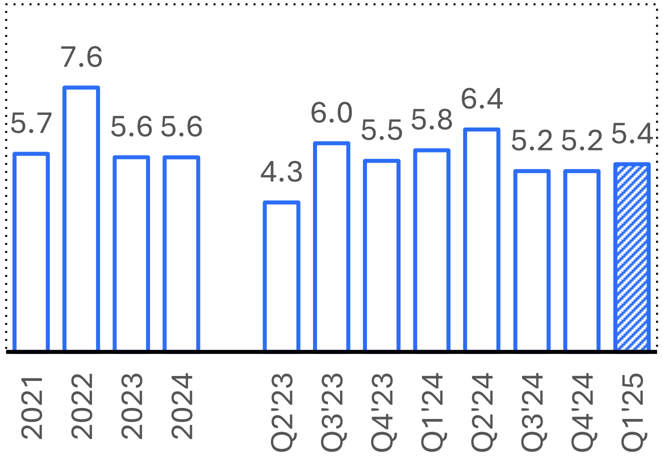
2.9-3.1% Inflation

What is driving the GDP levels?

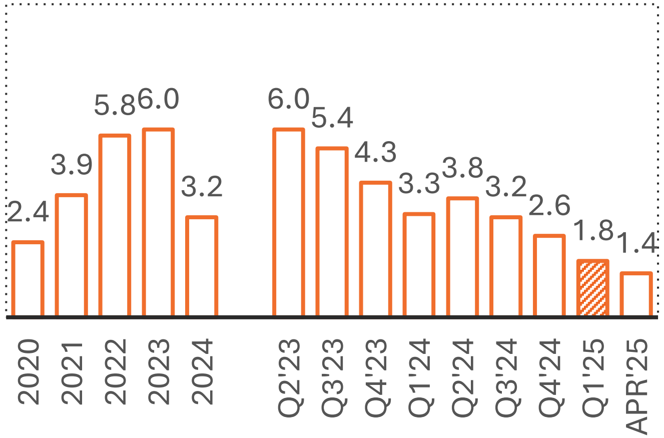
- The main contributors to the first quarter 2025 year-on-year growth were Wholesale and retail trade; repair of motor vehicles and motorcycles, 6.4 percent; Financial and insurance activities, 7.2 percent; and Manufacturing, 4.1 percent.

Philippine market's first steps for the year on good footing following ease of inflation and price growth, backed with positive GDP

❑ PH | GDP Yearly and Quarterly vs. YA (%)



❑ PH | Inflation vs. YA (%)



PH Household Final Consumption Expenditure	Price Growth vs YA	
	Q1'24	Q1'25
Food and Non-Alcoholic Beverages	5%	3%
Alcoholic Beverages and Tobacco	8%	4%
Clothing and Footwear	4%	2%
Housing, Water, Electricity, Gas and Other Fuels	1%	2%
Furnishings and Household Equipment	3%	2%
Health	3%	2%
Transport	1%	0%
Information and Communication	0%	0%
Recreation, Sport and Culture	4%	2%
Education Services	4%	4%
Restaurants and Accommodation Services	5%	3%
Personal Care, and Miscellaneous Goods and Services	4%	3%

Source: Philippine Statistics Authority

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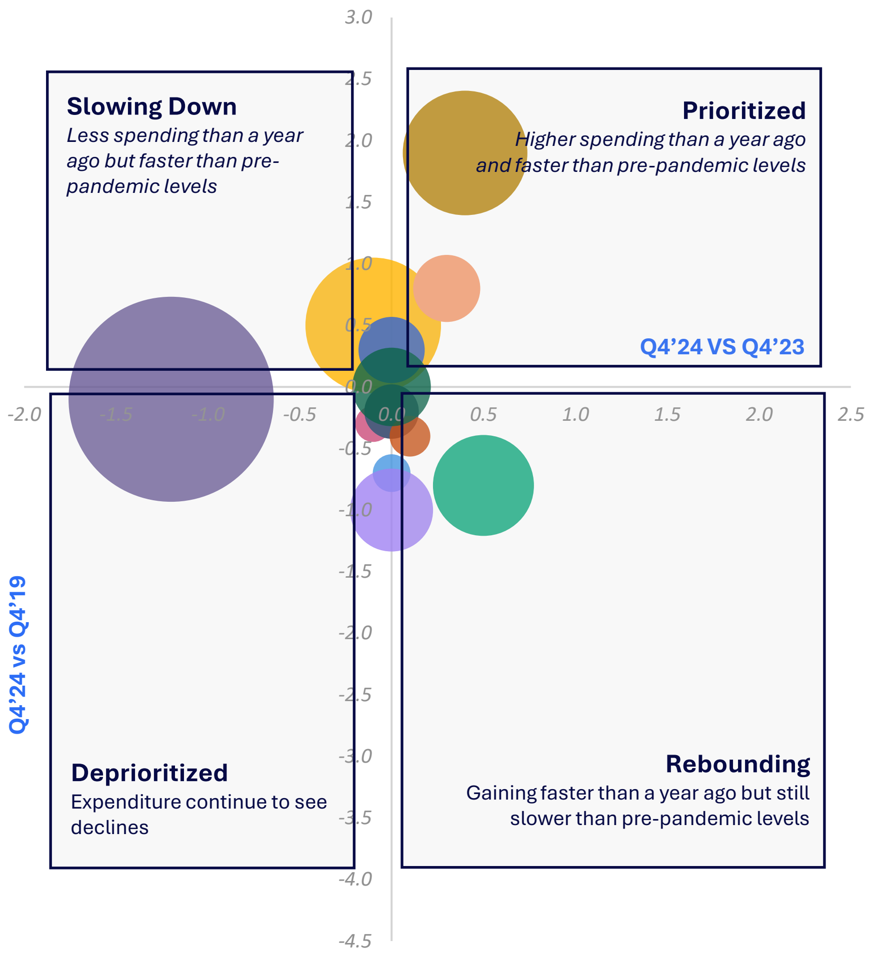
Despite positive economic indicators, Household Consumption sees slowdown and deprioritized spend across major expenditures indicating challenges on the consumer front

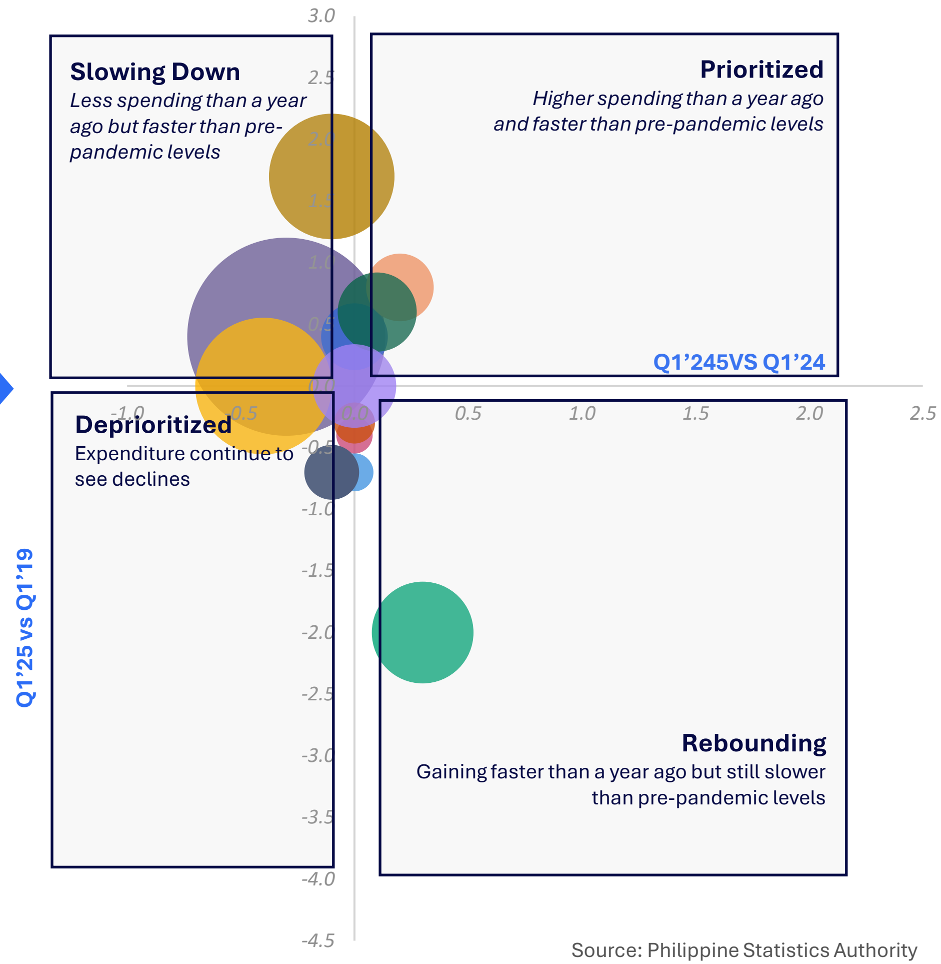
Household Consumption Expenditure by Purpose

- Food and Non-Alcoholic Beverages
- Alcoholic Beverages and Tobacco
- Clothing and Footwear
- Housing, Water, Electricity, Gas and Other Fuels
- Furnishings and Household Equipment
- Health
- Transport
- Information and Communication
- Recreation, Sport and Culture
- Education Services
- Restaurants and Accommodation Services
- Personal Care, and Miscellaneous Goods and Services

Q4'24



Q1'25



Source: Philippine Statistics Authority

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Prices changes are slowing down, but Prices are <u>HIGH</u>

- A Family of Five residing in NCR needs to spend roughly **Php1,221/day** or **Php26,559** per month daily to live decently
- Since July 2024, the minimum wage is at **Php645/day**

As prices soar to new levels in the marketplace, Positive Economic Indicators are welcome, but not enough to solve Filipino wallet concerns

Source: IBON Org | Philippine Statistics Authority

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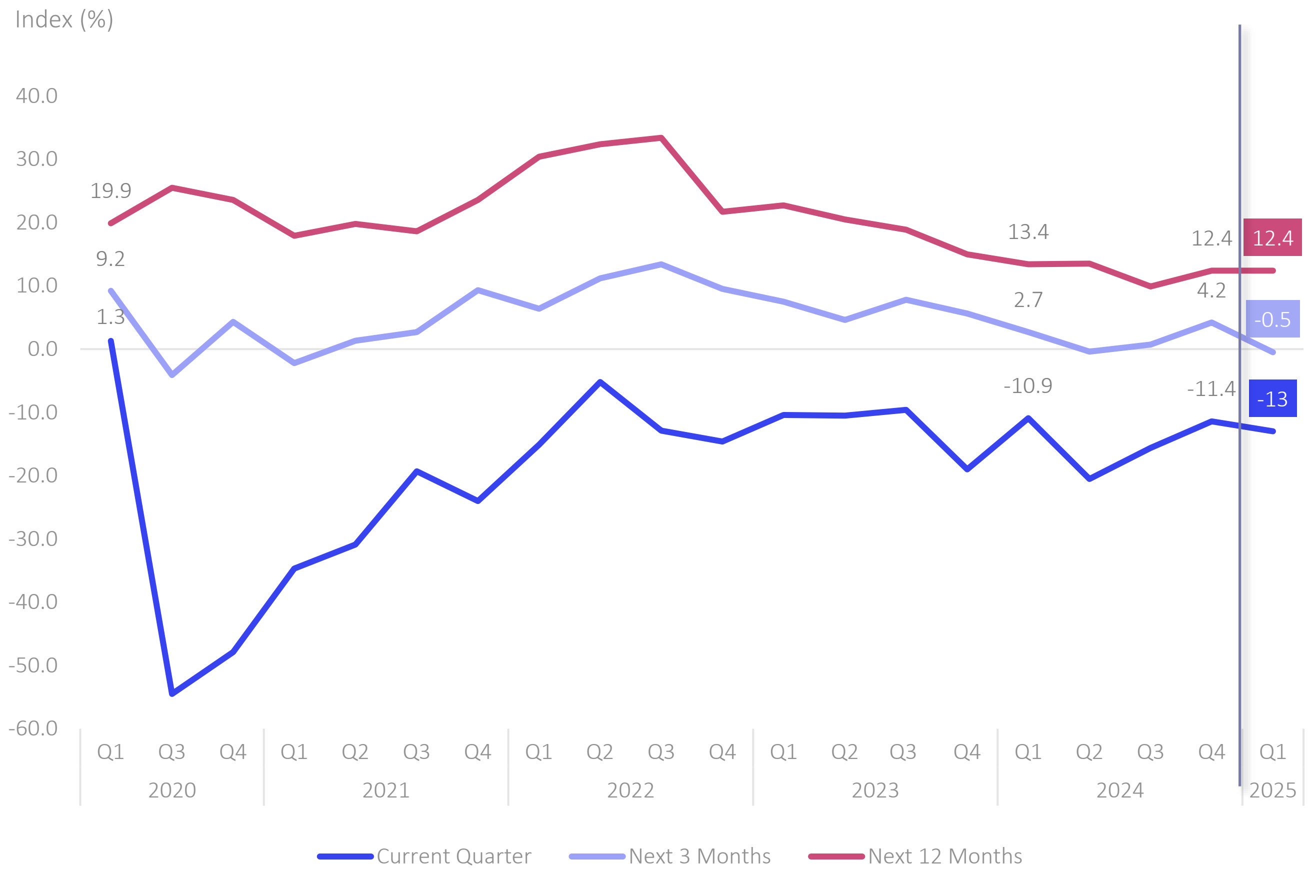
And while slow price movement are seen positively by consumers in the long run, current high prices detriment their spending capabilities in upcoming months

❑ **Overall Consumer Outlook Index (%)**



"Respondents attributed more pessimistic sentiment for Q1 2025 due to expectations/concerns over:

a) Faster increase in price of goods and services

b) Lower household income

c) Fewer available jobs"

– BSP, Q1 2025 Consumer Expectations Survey

Source: Bangko Sentral ng Pilipinas Consumer Expectations Survey for Q1'25

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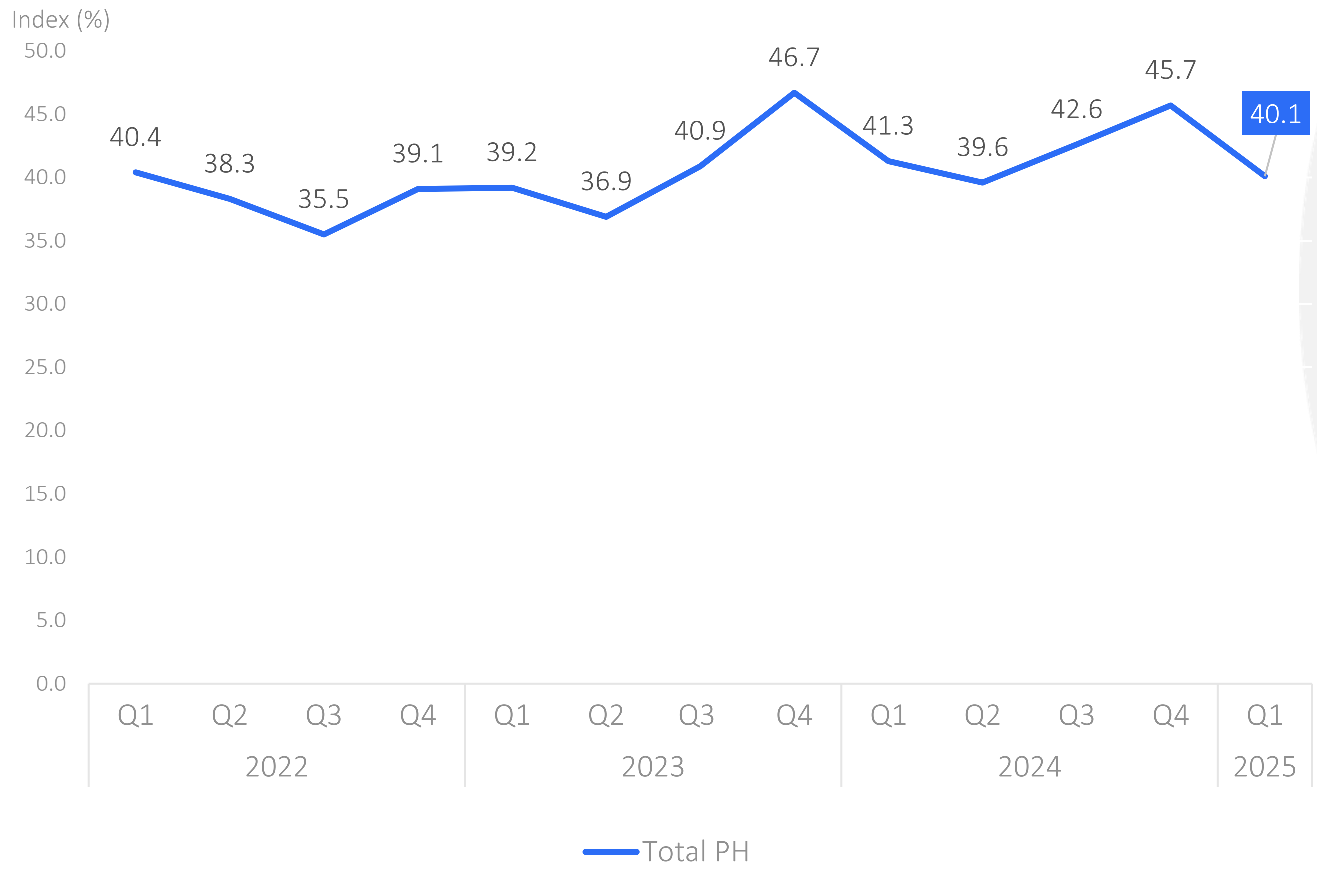
What to expect with PH Consumers?

❑ **Consumer Confidence Index on Expenditures for next quarter (%)**



Outside of water and electricity, the spending outlook index of households on goods and services for Q2 2025 ***turned less upbeat*** *for most other Household expenditures.*

-BSP Q1 2025

Source: Bangko Sentral ng Pilipinas Consumer Expectations Survey for Q1'25

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... just when favorable economic impact reflects, then comes another price hikes to brace for: imposition of PH digital tax law and the impact of tariffs

Tailwinds → **Headwinds**

Increasing Urbanization and Disposable Income

Growing need for variety of choice and better value

Stronger influence of Social Media to food choices and places

Thriving Tourism industry that drive demand for food
- Highest Domestic Tourism Market within SEA

Growth of digital channels

PH Digital Tax Law to increase prices of services

Metro Manila Water Tariffs to Rise in 2025

US – China Tariff/Trade tensions

Source: NIQ Foodie Syndicated Report 2024 | News Articles

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FMCG & Retail Environment

Data as of : MAT APR’25 & YTD APR’25

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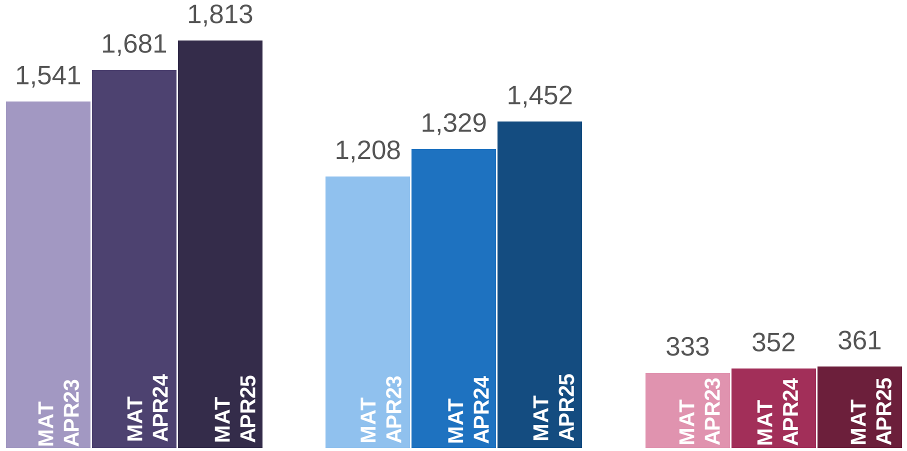
Food growth expand even across YTD'25 read; Non-Food ex. Cig also see stable movement

❑ **Total PH – Total FMCG less CG - MAT APR'23-25**
Value Sales



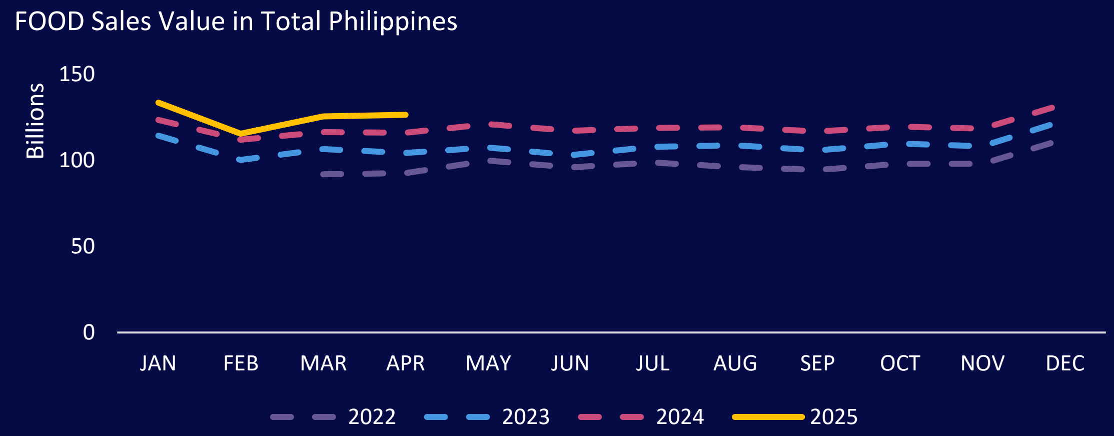
❑ **Total PH– Total FMCG less CG- MAT APR'24,25 | YTD APR'24,25 vs YA**
Value and Volume Growth

Growth Rates	Value		Volume	
	MAT APR24	MAT APR25	MAT APR24	MAT APR25
Total FMCG	9	8	3	6
Food	10	9	3	7
Non-Food	6	2	1	1

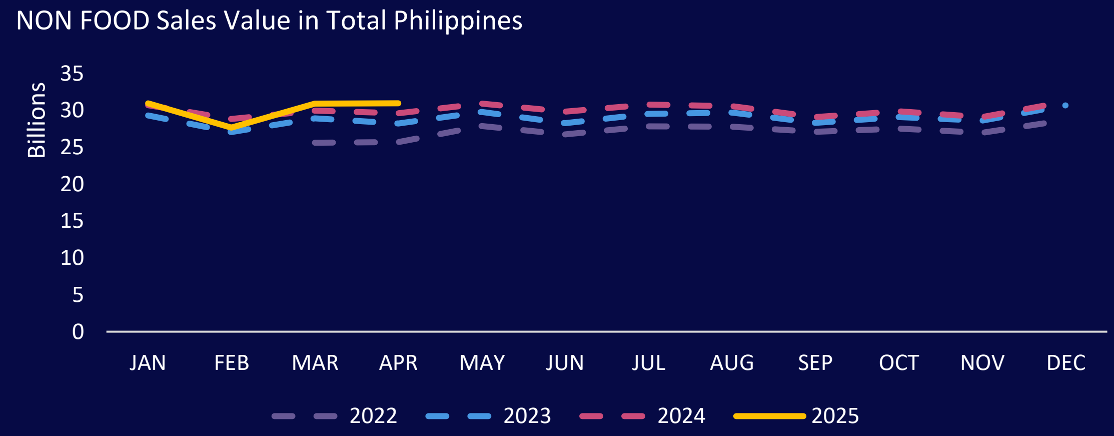
Growth Rates	Value		Volume	
	YTD APR24	YTD APR25	YTD APR24	YTD APR25
Total FMCG	9	6	6	4
Food	10	7	7	5
Non-Food	5	1	2	0

Source: NIQ Retail Measurement Services 2025

❑ **Total PH – Total Food**
Value Sales Trended



❑ **Total PH – Total Non-Food less CG**
Value Sales Trended



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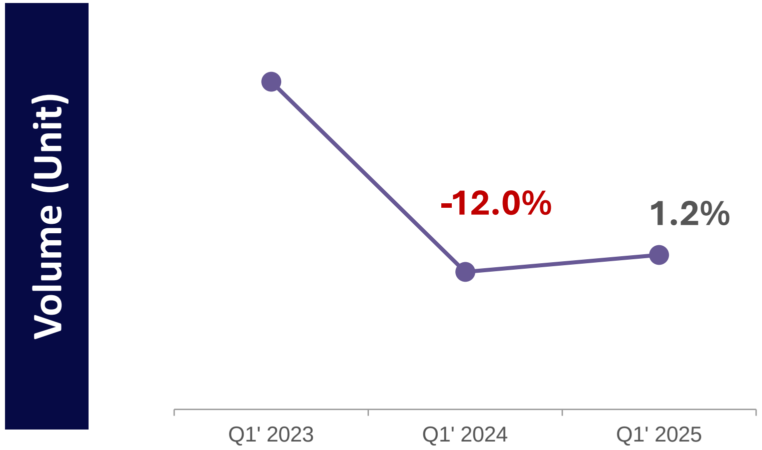
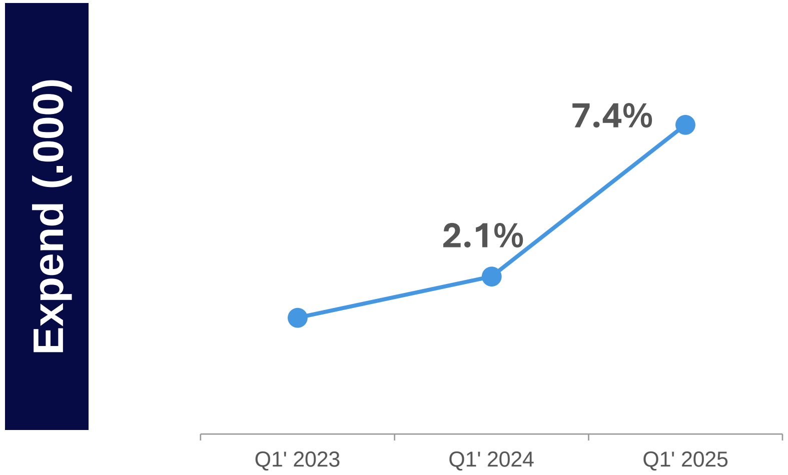
Consumer struggles point toward higher spend, not only affecting overall volume but also number of buying trips

- % GROWTH RATES vs. YA – Q1 23, Q1 24, Q1 25





PURCHASE BEHAVIOUR	Q1’ 2025	%Growth LY	%Growth TY
Shop Frequency	94	-5.2	-2.4
Expend per Shop Trip (PHP)	96	5.9	8.3
AVG Price per STD CONV (PHP)	0.32	7.9	1.9
Unit per Shop Trip	5	-8.7	2.0

Source: NIQ Consumer Panel Services

Note: 12 weeks ending 26/04/23, 24/03/24, 23/03/25

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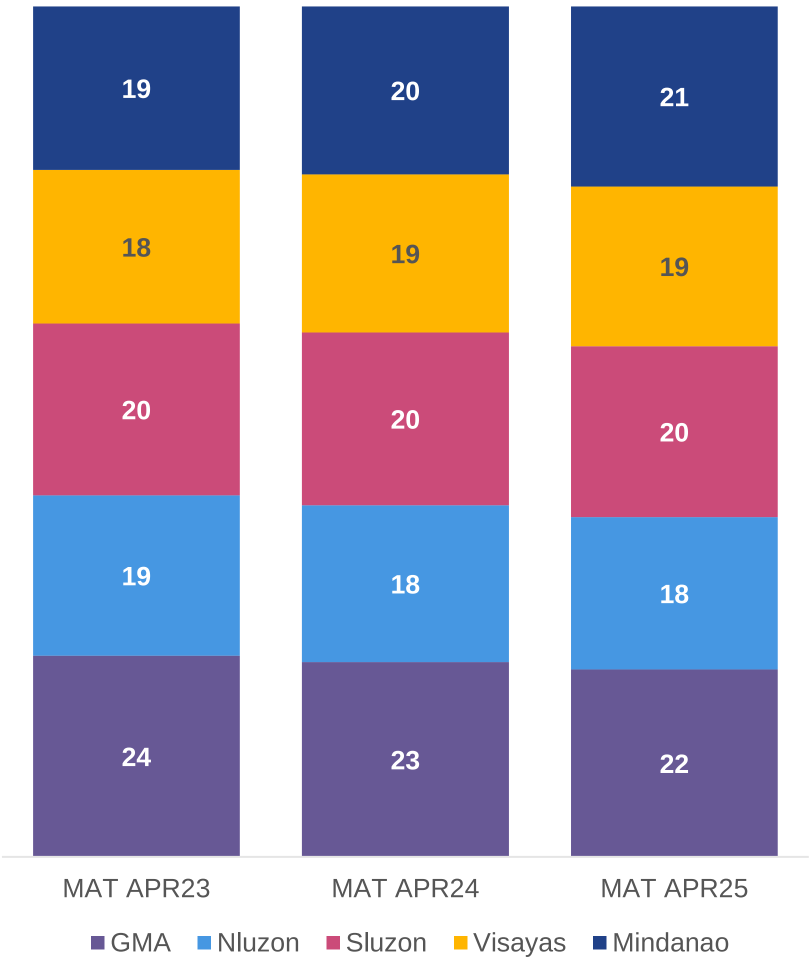
FMCG continues to expand in more southern regions VISMIN, proving sustained growth esp in Value Y-o-Y

❑ **TOTAL PH BY REGION – TOTAL FMCG less Cig – MAT APR'23-25**
Value Share of Trade



❑ **TOTAL PH BY REGION – TOTAL FMCG less Cig – MAT APR'24,25 vs YA**
Value and Volume Growth Rates

Growth	Value		Volume	
	MAT APR24	MAT APR25	MAT APR24	MAT APR25
Total PH	9	8	3	6
GMA	6	4	1	2
North Luzon	7	5	1	2
South Luzon	10	7	4	5
Visayas	12	9	6	7
Mindanao	12	16	5	15

❑ **TOTAL PH BY REGION – TOTAL FMCG less Cig – YTD APR'24,25 vs YA**
Value and Volume Growth Rates

Growth	Value		Volume	
	YTD APR24	YTD APR25	YTD APR24	YTD APR25
Total PH	9	6	6	4
GMA	6	2	4	0
North Luzon	6	3	3	1
South Luzon	10	4	7	3
Visayas	10	9	8	7
Mindanao	14	13	11	12

Note: Based on all FMCG Categories audited by Nielsen – excluding Fresh items, on-premise purchases and General Merchandise (dry goods)
Total FMCG excludes Categories (Liquid Con, RTE Beans, Drain Decloggers and Cleaning Pads)

Source: NIQ Retail Measurement Services 2025

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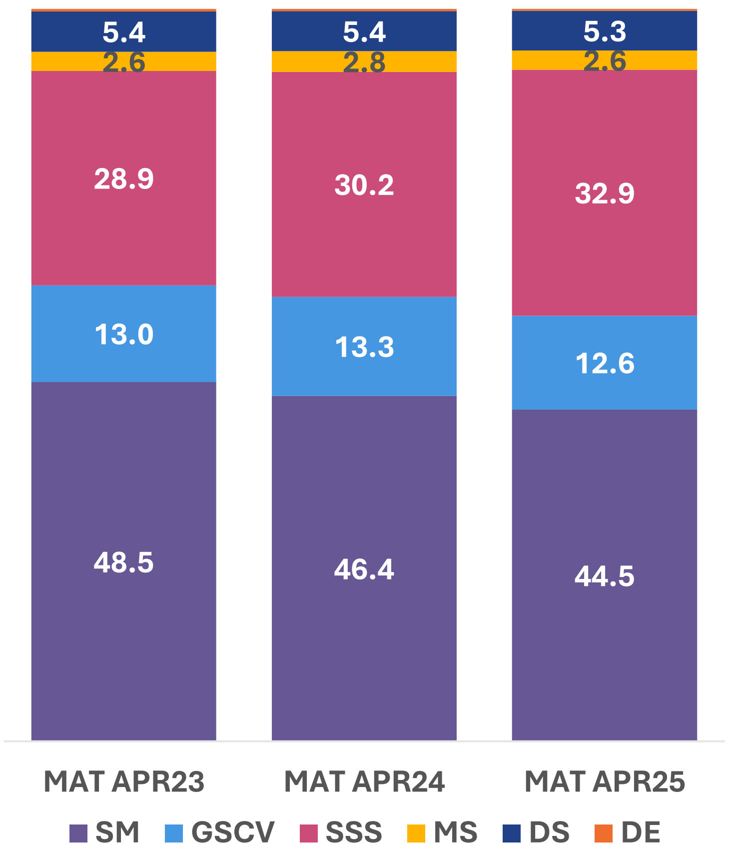
SSS & DS still main benefactor of growth for FMCG less Cig. As SMKT and GSCV fail to see growth despite sustained frequency

❑ **TOTAL PH BY CHANNEL– TOTAL FMCG less CIG – MAT APR'23-25**
Value Share of Trade



❑ **TOTAL PH BY CHANNEL TOTAL FMCG less CIG – MAT APR'24 ,25 vs YA | YTD APR'24,25 vs YA**
Value and Volume Growth Rates | Purchase Behavior

Growth Rates	Value		Volume		Penetration #	Frequency #	Value pr Trip %
	MAT APR24	MAT APR25	MAT APR24	MAT APR25	MAT MAR'25 vs YA		
Total PH	9	8	3	6			
Supermarket	4	3	-1	3	0.1	0.7	3.5
Grocery/CV	11	2	5	-1	2.9	-0.9	1.0
Sari-Sari Store	14	18	6	16	0.7	-0.8	2.3
Market Stalls	17	0	11	0	-0.4	-13.6	6.3
Drugstores	8	7	2	5	-1.8	-0.3	14.4
Department Stores	3	-11	2	-8	-0.5	-1.3	9.8
Others	35	12	29	9	-2.4	-0.1	8.8

Growth Rates	Value		Volume		Penetration #	Frequency #	Value pr Trip %
	YTD APR24	YTD APR25	YTD APR24	YTD APR25	QTR MAR25 vs YA		
Total PH	9	6	6	4			
Supermarket	1	3	-1	3	-0.1	0.0	7.6
Grocery/CV	10	-1	6	-3	2.9	-0.2	5.9
Sari-Sari Store	19	14	14	12	-0.3	0.1	7.4
Market Stalls	14	-5	11	-6	-0.8	-2.4	6.0
Drugstores	8	5	5	4	-0.6	-0.2	4.8
Department Stores	1	-17	1	-15	0.3	0.2	14.6
Others	34	4	36	1	0.3	-0.2	14.7

Note: Based on all FMCG Categories audited by Nielsen – excluding Fresh items, on-premise purchases and General Merchandise (dry goods)
Total FMCG excludes Categories (Liquid Con, RTE Beans, Drain Decloggers and Cleaning Pads)

Source: NIQ Retail Measurement Services 2025,Home Panel 2025

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Given total FMCG growth not shared across products, Important to assess which categories are finding growth within Food (CSD, Water, Pow Milk & Prep Cakes) & Non-Food (Fabcon Liquid)

❑ TOTAL PH – TOP 10 FOOD AND NON-FOOD CATEGORIES – MAT APR'24-25

Value and Volume Growth

	Value	Volume
Total FMCG	6	5
Total FMCG Less CG	8	6
Food	9	7
Carbonated Soft Drinks	24	20
Spirits	6	4
Biscuit	6	3
Snackfoods	8	4
Coffee Mixes	1	-2
Dietetics	0	-3
Instant Noodles	5	4
Powdered Milk	4	5
Packaged Water	22	19
Prepared Cakes	10	7

	Value	Volume
Non-food	1	-1
Non-food less CG	2	1
Cigarettes	-1	-3
Laundry Products	4	1
Liquid Shampoo	4	0
Toilet Soap	2	-1
Fabcon-Liquid	6	5
Disposable Diapers	-16	-15
Toothpaste	5	3
Facial Care	6	3
Hair Conditioner	-6	0
Sanitary Protection	3	3

Source: NIQ Retail Measurement Services 2025

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Lower volume do not always mean consumers are buying less

It may be buying smaller but MORE;
Or buying bigger but LESS

- *Consumers tend to lean towards buying on promos, BUT only if they already like the brand*

Source: NIQ Retail Measurement Services 2025 | NIQ Shopper Trends 2025

NIQ

UPSIZING WITHIN FOOD: SACHET BUNDLING

PMD Sachet Bundling

Introduction of Twin packs

WITHIN NON-FOOD

Liquid Shampoo	Dishwashing
Pouch & Bottle > Sachet	*Value Growth*
11+1 Packs Vol Gr	*Total Category* 1.6%
	Doubles 9.5%

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NIQ PH Market Pulse MAT & YTD APR'25

Positive Economic performance not translated to better living
As good level of GDP and Inflation are always welcome, present high prices and upcoming impositions may outweigh benefits of positive economy

FMCG recovery for the starting months of 2025 enjoyed only by Food
And even within food, only select categories are finding growth, specifically within Beverages.

Non-Food more challenged as they move slowly in finding growth
As total Non-Food lean towards growing top categories, which are now also posting slowdown in consumption.

Still important to note that consumers are finding ways to manipulate volume within their baskets

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Thank you!

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2025

NIQ Philippines Market Pulse

Stay above the market and master the landscape

What is it

A quarterly report dedicated to provide as an industry newsroom and source of insight by understanding;

- Economic Indicators
- FMCG Landscape
- Retail Environment

How it works

Market Pulse incorporates local Government and NIQ data to deliver a Macro-to-Category report, aiding manufacturers and retailers alike in their strategies. Also providing trends on category movements, and where consumers evolve in shopping avenues.

What's in it for you

VISUALIZE how the Macro impacts the Micro

MEASURE performance across categories

Update your business in trends to aid in upcoming strategies and **ADAPT** to the FMCG terrain

INSIGHTS

UNDERSTAND YOUR PRODUCT, FROM A BIRD'S VANTAGE POINT TO THE RETAIL SHELF

For more details about this report, please contact ***Akshay.Potnis@nielseniq.com***

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