

News Release

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VIETNAM SEES A SIGNIFICANT INCREASE IN CONSUMER CONFIDENCE INDEX IN THE LAST QUARTER OF 2016

VIETNAM, FEBRUARY 20th 2017 – Vietnamese consumer confidence finished 2016 on a high note that helped Vietnam become the fifth most optimistic country globally, with an index score of 112 (+5 points compared to previous quarter) – ending the year of positive performance, according to the latest Consumer Confidence Index released recently by Nielsen, a global information and measurement company.

The report also reveals that confidence in the South East Asia region strengthened modestly in 2016, rising five points between the first quarter and the fourth quarter to 115. Four out of six Southeast Asia markets finished 2016 more optimistic than they started that keep them in the top 10 world's most optimistic countries. The biggest increase was in the Philippines, where confidence rose 13 points from the first quarter to the fourth quarter. The next one is Thailand where the confidence increased 5 points to 110. Both Indonesia and Vietnam increased 3 points in the last quarter compared to the first quarter. Sentiment declined slightly during the year in Singapore (-2pp). Although confidence in Malaysia rose 5 points to 84 in the last quarter, overall Malaysian consumers continued to show their pessimism. (See chart 1)

“We continue to see an increasing confidence among Vietnamese consumers along with a positive market bounce back in Quarter 4. The build-up and sentiment towards the TET period has been one of excitement, with consumer's willingness to spend increasing along with retailers' sentiment improvement. And the fact is that the sizable population, the higher intellectual standards of the people as well as the growth of aspiring middle class and a stable government's economic outlook continue to be the key drivers to help Vietnam become an optimistic country in comparison to other nations in the region.” – said Ms. Nguyen Huong Quynh, Managing Director of Nielsen Vietnam.

CONSUMERS ARE SAVING FOR THE FUTURE. HOWEVER, THEY ARE WILLING TO SPEND ON BIG TICKET ITEMS.

Southeast Asian consumers continues to be among the world's most avid savers, with more than two in three (68%) putting their spare cash into savings. When coming to savings, consumers in Vietnam keep the highest globally (76%), followed by Indonesia (71%), Philippines (64%), Singapore (65%), Thailand (63%) & Malaysia (59%). (See chart 2)

Along with channeling spare cash into savings, consumers in Vietnam continue to spend on big ticket items. The survey also revealed that, after covering essential living expenses, around two in five

Vietnamese consumers have willing for spending on big ticket items such as holidays and vacations (35%), new clothes (33%), new technology products (30%), home improvements (27%) and out of home entertainment (26%).

“Vietnamese consumers have a strong desire for a better life. This reflects in their saving intention to prepare for the better future and their aspiration to own new technology/clothes/home or to go on holidays for longer.” - observed Ms. Quynh.

VIETNAMESE CONTINUES TO STAY HOPEFUL DESPITE BEING WORRIED ABOUT JOB SECURITY AND HEALTH.

In this quarter, Vietnamese consumers’ concerns stay the same as the previous quarter. Job security continues to lead Vietnamese consumers’ list of top key concerns – 45%. The next key concern is health (42%). In fact, the report shows that health witnesses a big increase in this quarter, gained 10ppt, from 32% in Q3 to 42% in Q4. The other two concerns are work/life balance (26%) and the economy (20%).

In this quarter, the parents’ welfare and happiness (20%) continues to be in the top 5 biggest concerns for Vietnamese consumers. This is the 2nd quarter that this concern emerges visibly. (See chart 3).

“It comes as no surprise that health and wellness belongs to the Top 5 concerns. As consumers are looking to lead healthier lives, the need for food safety and product’s quality arise. Thus, this trend proposes both manufactures and retailers the opportunities to innovate and offer the best products to address this need of the consumers.” - emphasized Ms. Quynh.

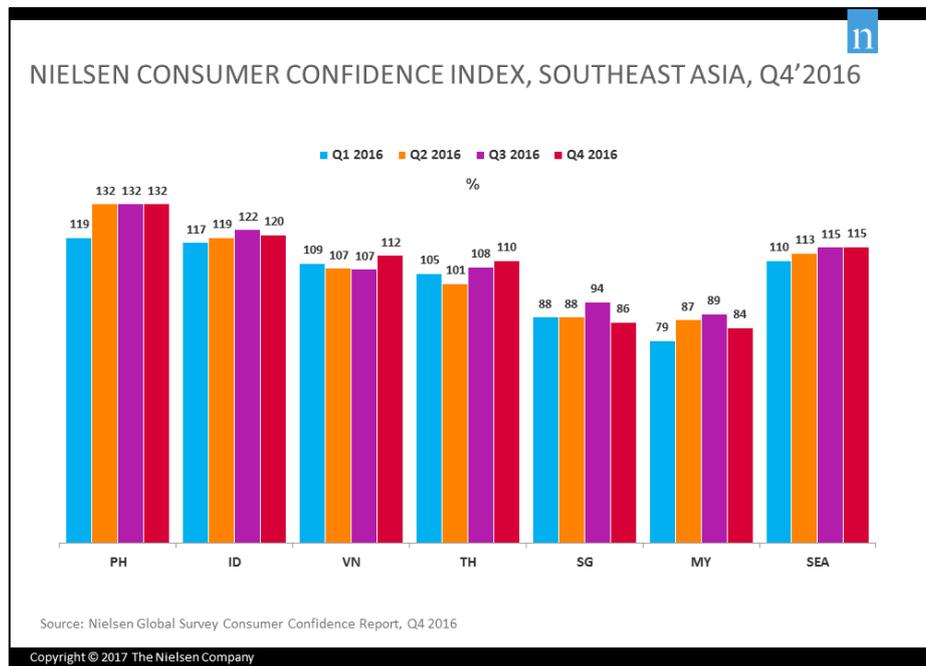


Chart 2: Spending and saving intentions of Vietnamese consumers, Q4/2016

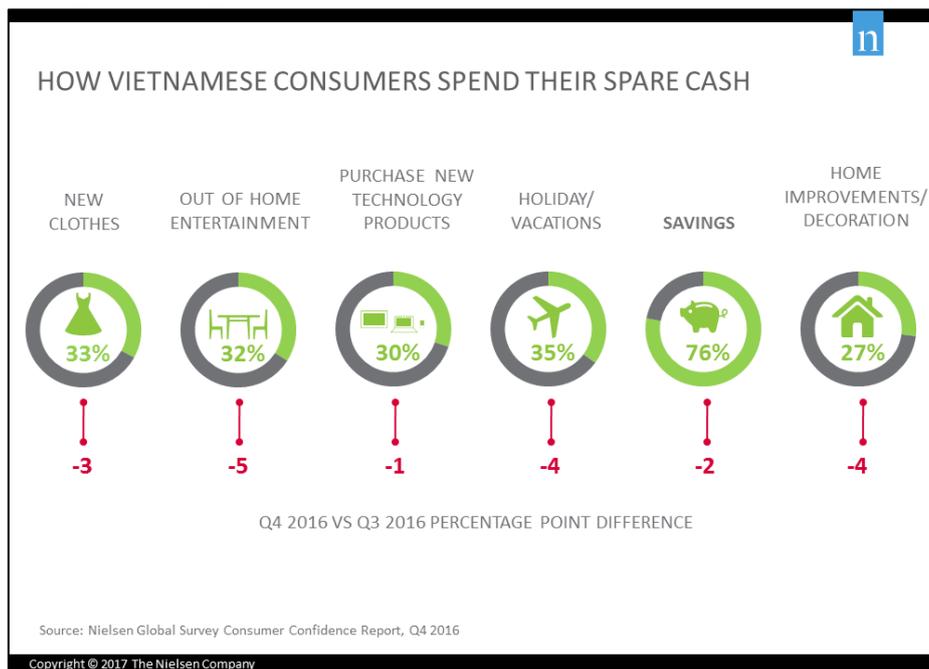
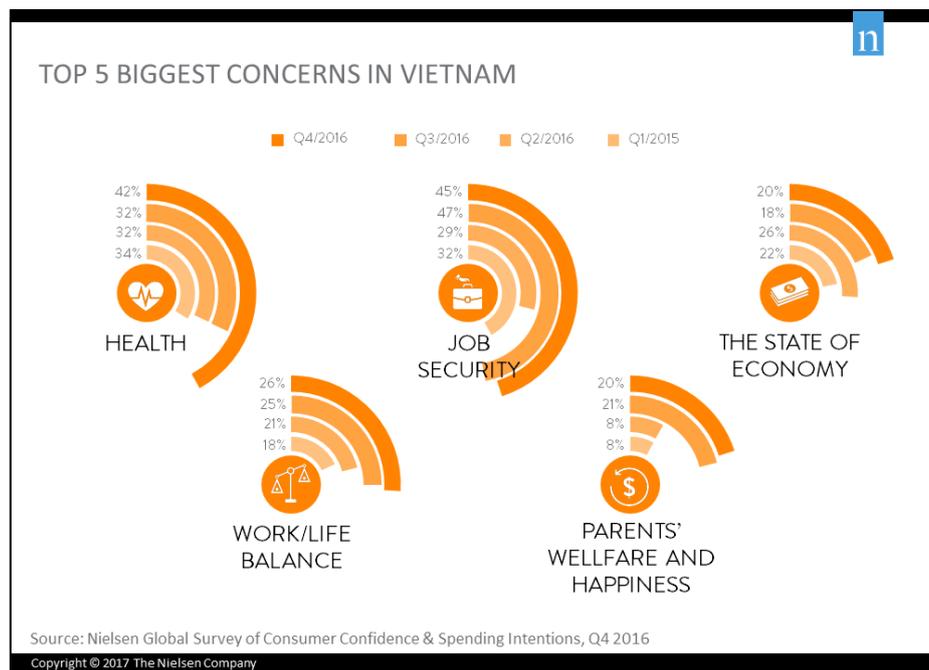


Chart 3: Major concerns



About the Nielsen Global Survey

The Nielsen Global Survey of Consumer Confidence and Spending Intentions was conducted Oct. 31–Nov. 18, 2016, and polled more than 30,000 online consumers in 63 countries throughout Asia-Pacific, Europe, Latin America, the Middle East/Africa and North America. The sample includes internet users who agreed to participate in this survey and has quotas based on age and sex for each country. It is weighted to be representative of internet consumers by country. Because the sample is based on those who agreed to participate, no estimates of theoretical sampling error can be calculated. However, a probability sample of equivalent size would have a margin of error of $\pm 0.6\%$ at the global level. This Nielsen survey is based only on the behavior of respondents with online access. Internet penetration rates vary by country. Nielsen uses a minimum reporting standard of 60% internet penetration or an online population of 10 million for survey inclusion. The China Consumer Confidence Index is compiled from a separate mixed-methodology survey among 3,500 respondents in China. The sub-Saharan African countries in this study are compiled from a separate mobile survey methodology among 1,600 respondents in Ghana, Kenya and Nigeria. The Nielsen Global Survey, which includes the Global Consumer Confidence Index, was established in 2005.

About Nielsen

Nielsen Holdings plc (NYSE: NLSN) is a global performance management company that provides a comprehensive understanding of what consumers Watch and Buy. Nielsen's Watch segment provides media and advertising clients with Total Audience measurement services across all devices where content — video, audio and text — is consumed. The Buy segment offers consumer packaged goods manufacturers and retailers the industry's only global view of retail performance measurement. By integrating information from its Watch and Buy segments and other data sources, Nielsen provides its clients with both world-class measurement as well as analytics that help improve performance. Nielsen, an S&P 500 company, has operations in over 100 countries that cover more than 90 percent of the world's population. For more information, visit www.nielsen.com.