

SHOPPERS IN 4.0 ERA:

“Yes, all I need is CONVENIENCE”

The explosion of internet, mobile usage, faster paced lifestyles & challenging working hours are adding more & more layers of complexity to consumers' lives. They are increasingly striving for convenient solutions in all forms – whether simplicity, time saving or suitability.

INTAGE Vietnam VIETRACK 2018 report looks at the need for convenience in both online & offline, consumers' behaviors, factors driving their choices, ... to provide marketers with key insights & indicators for any changing habits.



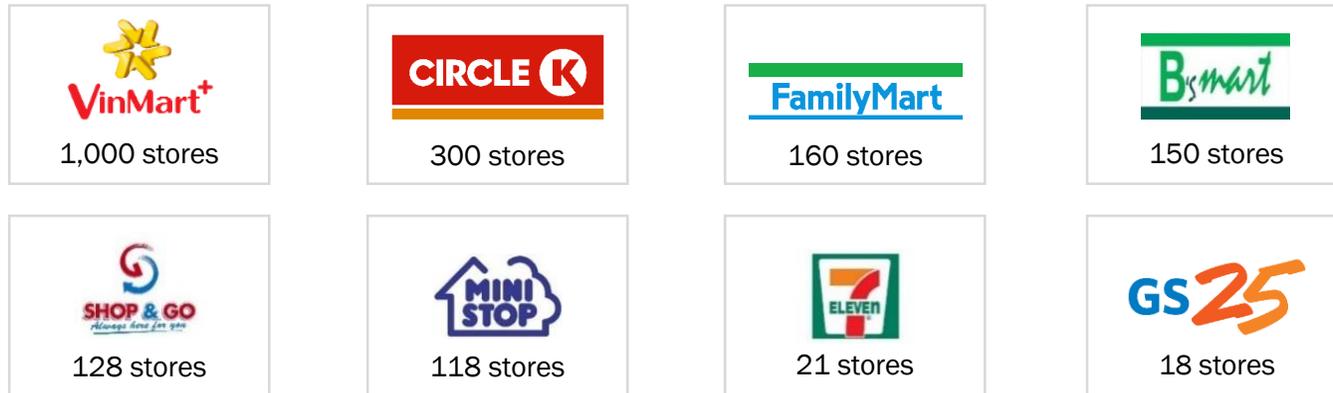
Beside shopping for routine mission, consumers continue to look for in-the-moment solutions that create ease, utility & simplicity. The explosion of Mini-mart & Convenience store (**C-store**) reflects a part of that need.

THE “CONVENIENCE” FORMATS IN VIETNAM



CONVENIENCE STORE (24/7)

evolving from “on the go” to alternative “for everyday needs”



MINI-MART (fixed hours)

a channel for nearby-convenient meal solution



What’s next?

When expanding store presence is nearly firmed and the variety of products is also quite similar among C-stores, C-brands now are moving forward to build their differentiation. Among many directions, investing in **Food service** is one of the strategic aspects to make each brand stand out from the crowd.



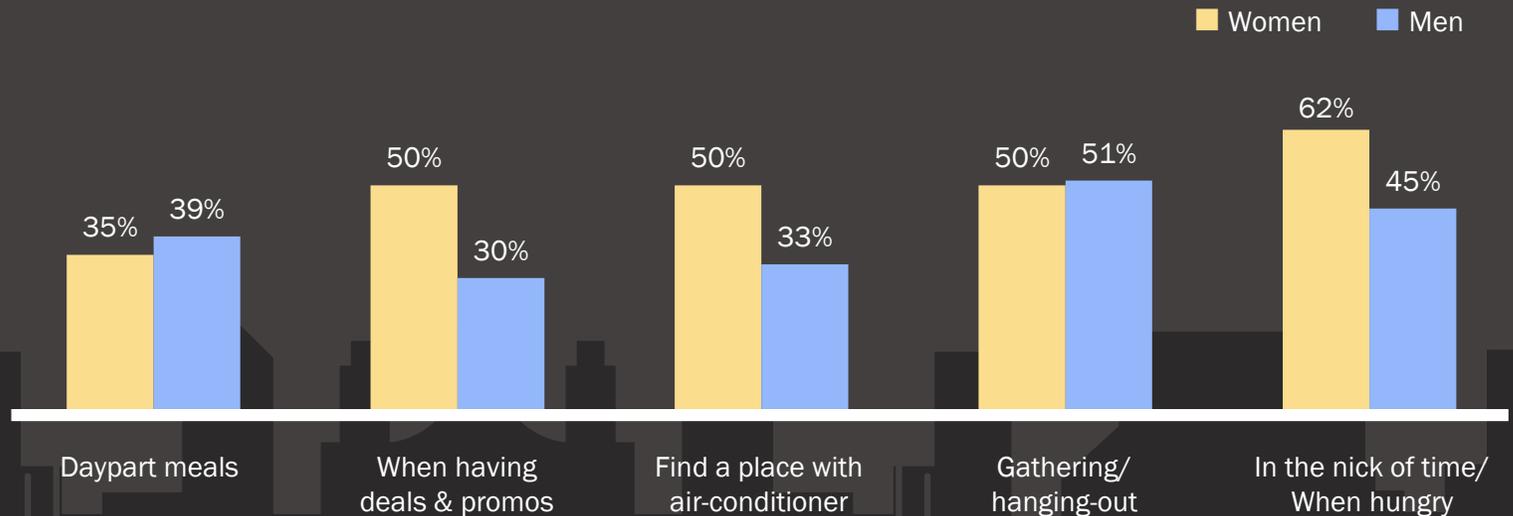
95%

targeted shoppers who visit C-store
PURCHASE A MEAL

C-store is moving beyond the retail format

As a chosen place for dining in the nick of time, hanging out & chit chat, C-store is expected to make a splash in F&B market when having huge investment, commodities suiting all tastes, ages, income levels & round-the-clock services. It is moving beyond the retail format to become a new type of F&B channel.

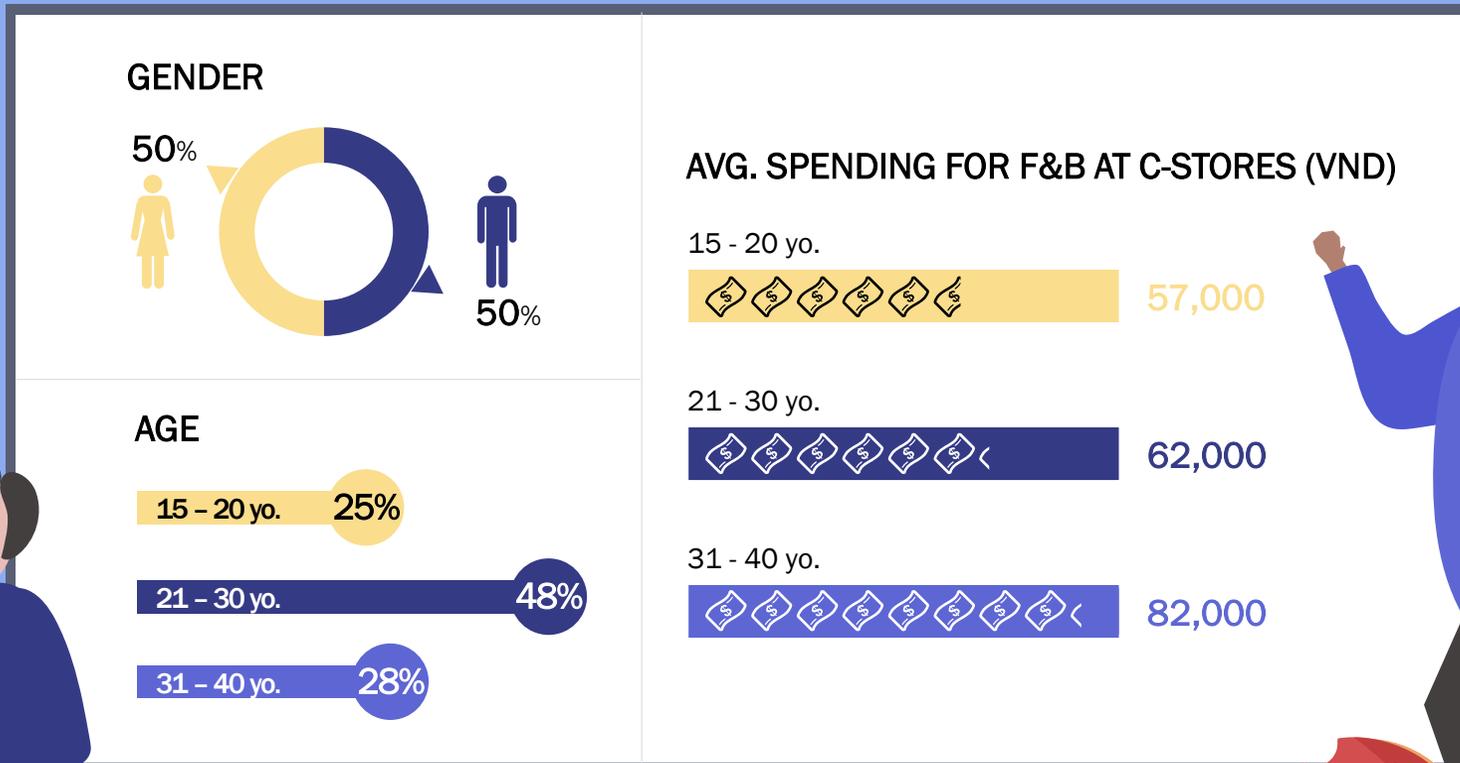
OCCASIONS/ DRIVERS FOR EATING AT C-STORE



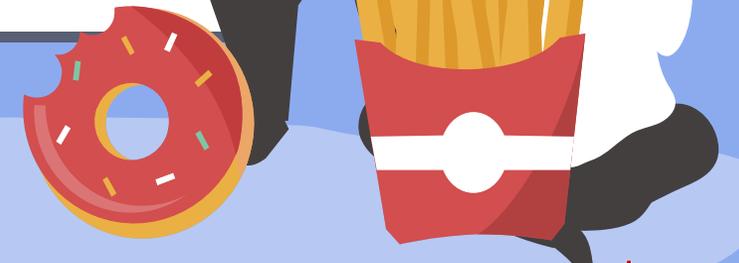
Based on N=256 respondents in HCMC & HN who've ever used F&B service at C-stores

Who are the F&B purchasers at C-stores?

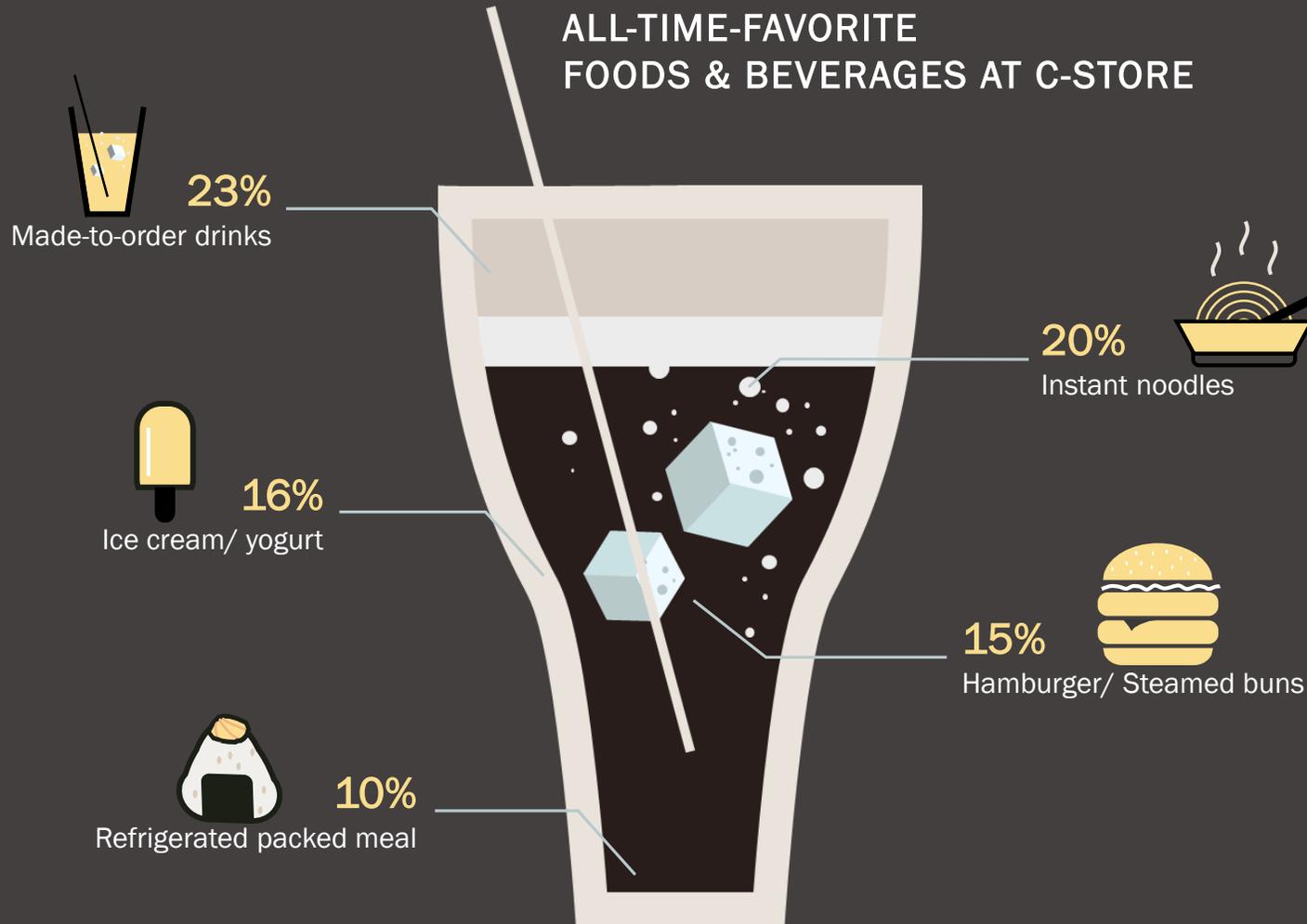
Nowadays, eating or drinking in C-store is more popular with both women & men. Especially, most people in their 20s with busy lifestyles are the main customers who choose C-store as a common place for eating out.



Based on N=256 respondents in HCMC & HN who've ever used F&B service at C-stores



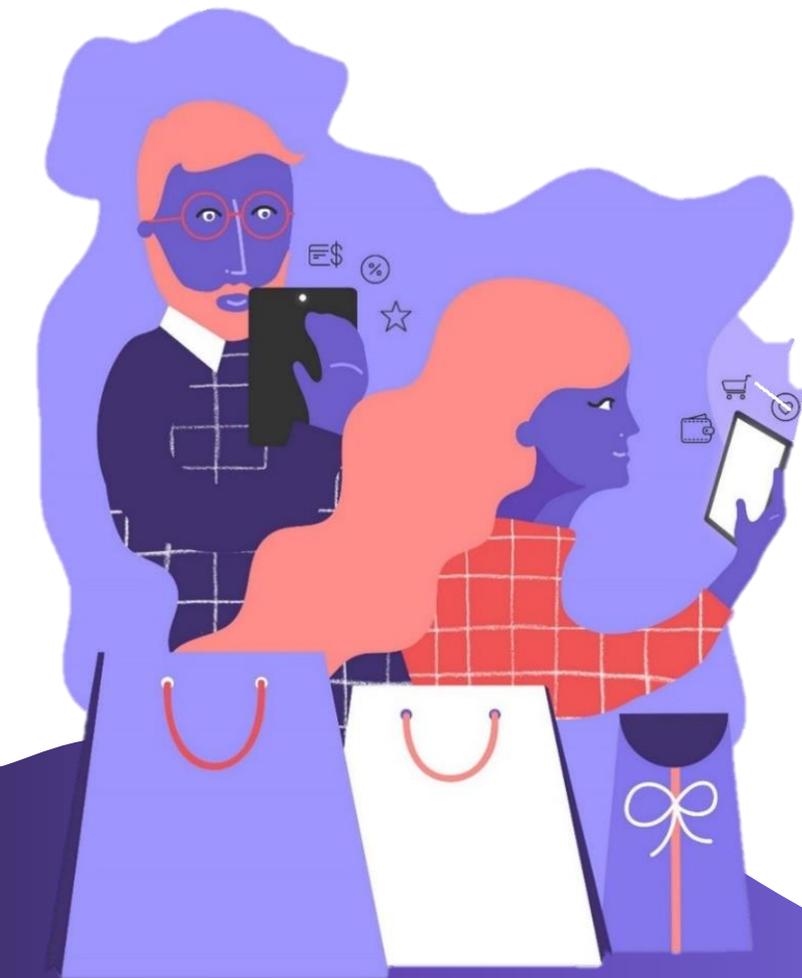
ALL-TIME-FAVORITE FOODS & BEVERAGES AT C-STORE



Today's C-stores have become go-to food destinations for busy consumers who are seeking satisfying snacks & on-the-go meals. With the demand for convenience growing everyday, there is huge potentiality in C-store food service.

Now it's the time to take advantage of the fact that C-store food service has become a prime category for capturing new customers & driving sales growth.

Is it time to re-think about C-store's concept?



Offline 'convenience' is not enough that much.

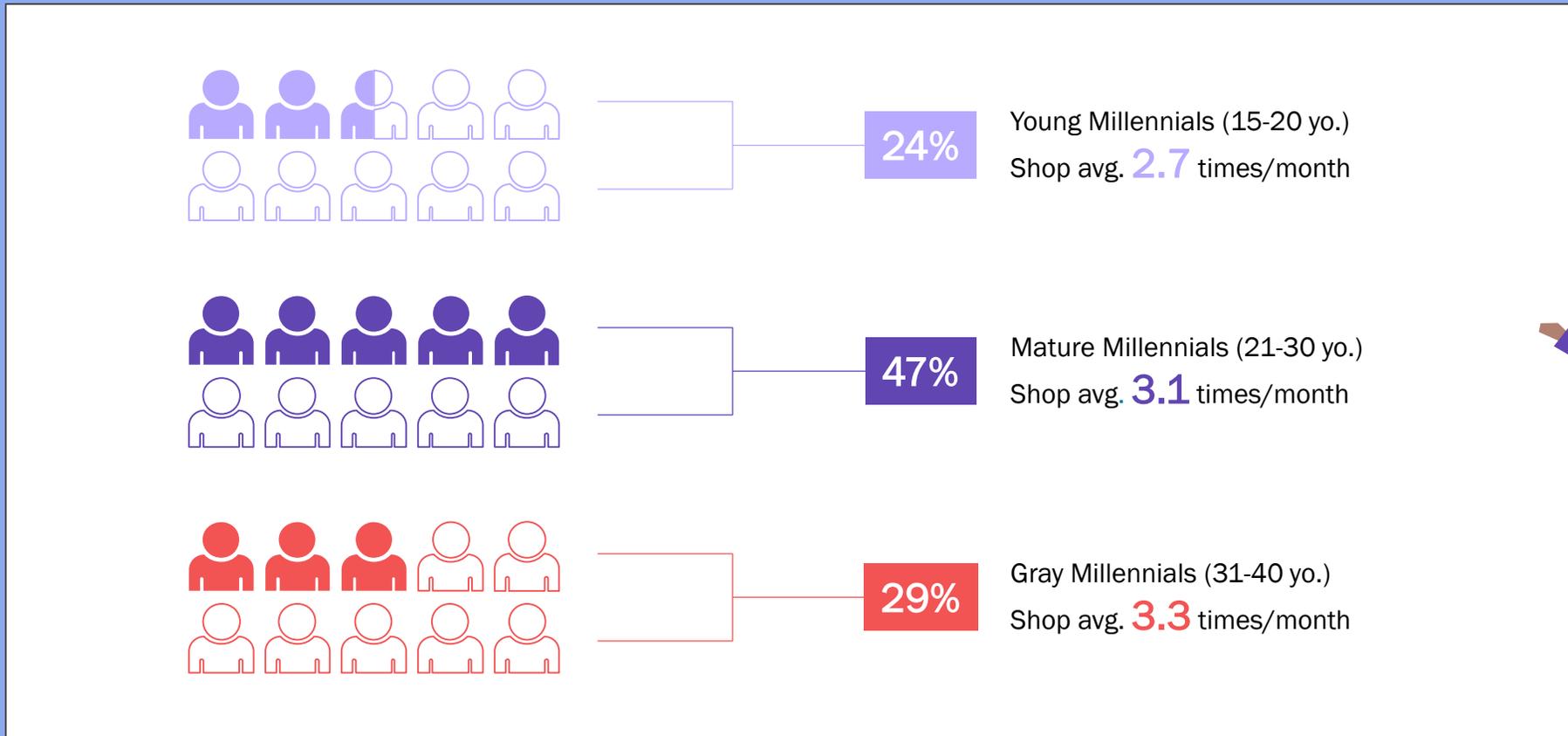
SO, ONLINE SHOPPING BURSTS OUT TO FULFIL EVERY in-the-moment DEMAND

The dramatic rise in online & mobile activity points to Vietnamese consumers who are increasingly sophisticated & hungry for 'convenience'.

Hence, 'convenience' in shopping totally transcends the visible presence or store location. It's also about the shopping experience, payment & home delivery to provide products & services at the right time & in the right place with less effort required.

WHO ARE THE E-SHOPPERS?

E-commerce is more popular among mature millennials. The older shoppers are, the more frequently they shop online.



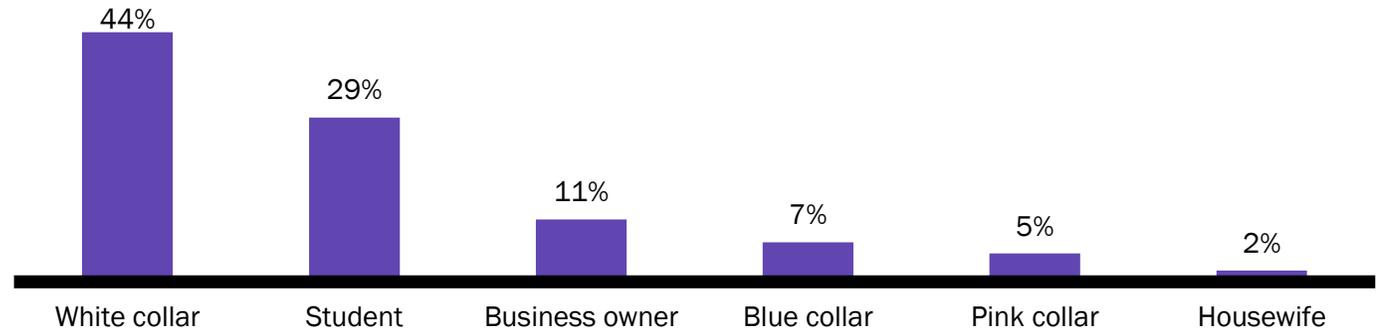
Based on N=269 respondents in HCMC & HN

WHO ARE THE E-SHOPPERS?

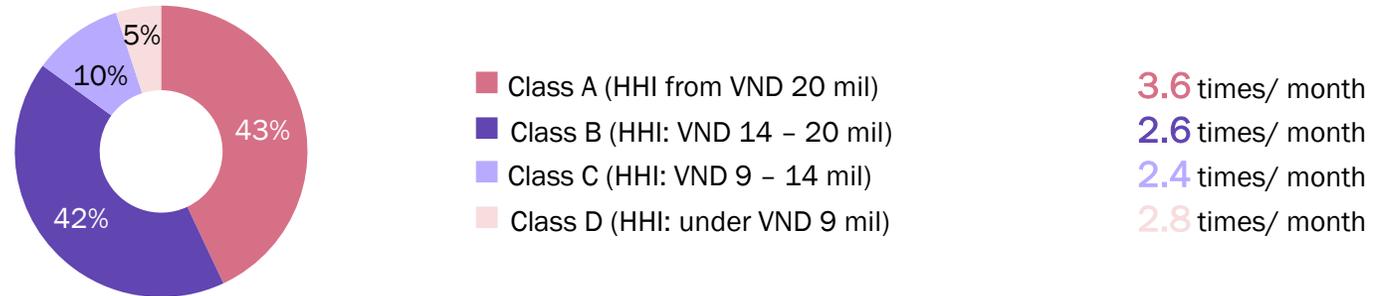
The office workers (white collar) & students comprise nearly $\frac{3}{4}$ of total e-shoppers and over 80% of them belongs to upper-class



Occupation distribution of E-Shoppers (%)



SEC distribution of E-Shoppers (%)



Based on N=269 respondents in HCMC & HN

Gender distribution of E-Shoppers (%)

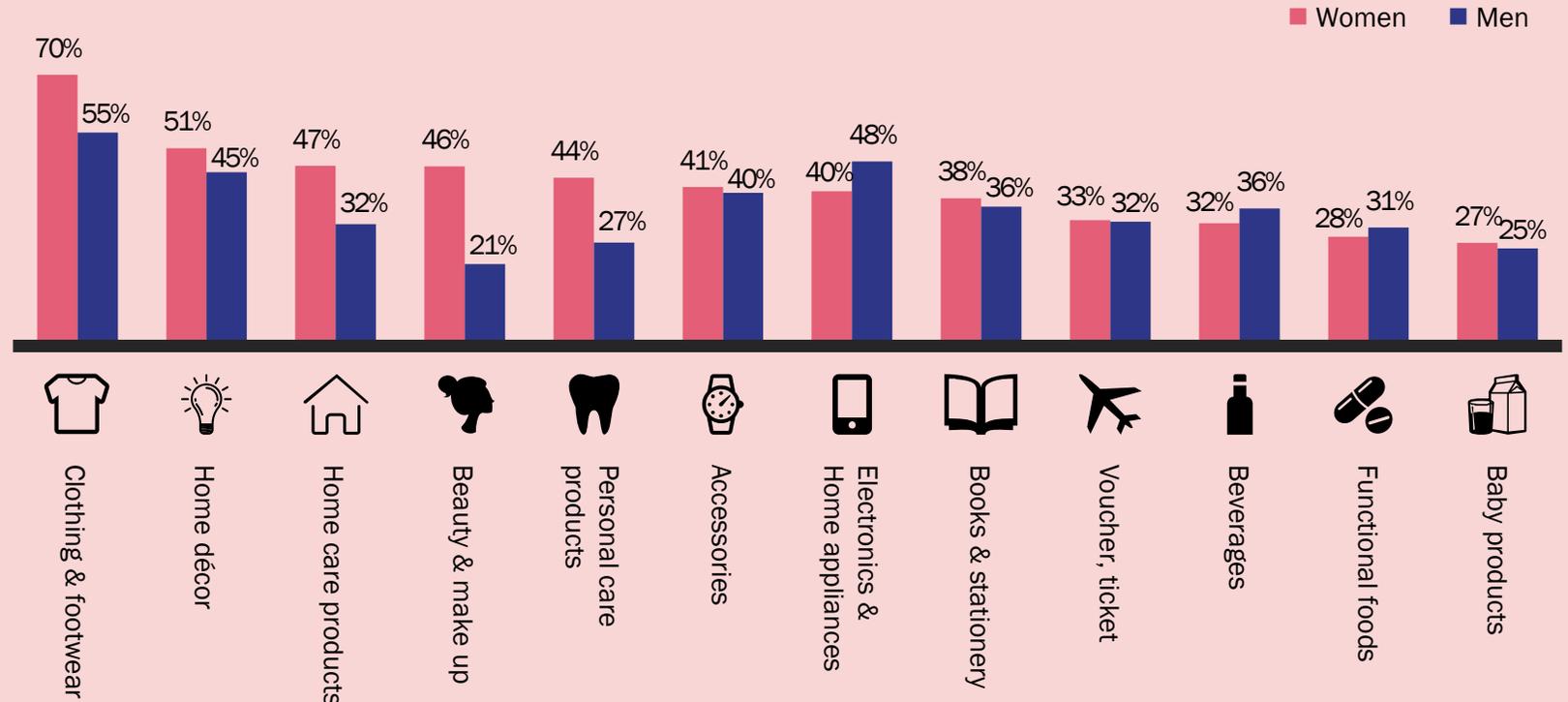


WHAT DO THEY SHOP?

Men start engaging in online shopping across the majority of categories

They are seeking for convenience more often than women for electronic devices, beverages & functional foods. In general, clothing & footwear continue to dominate the online basket but there is an increasing purchases of household essentials.

What do e-shoppers shop in P6M? (%)

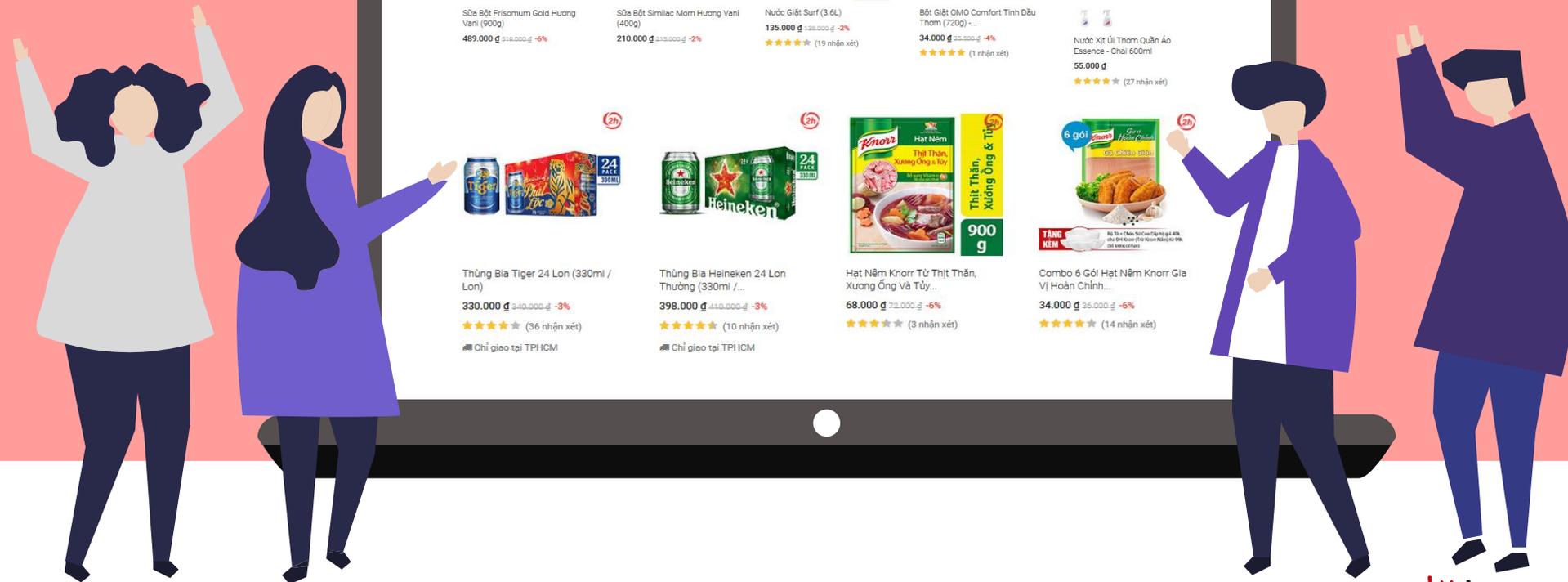


Based on N=269 respondents in HCMC & HN

Traditional FMCG products are moving toward an E-commerce future

Today's digitally adept consumers are always connected, browsing products on the move & comparing prices. More & more consumers are looking to purchase FMCG products online, with convenience being one of the major drivers.

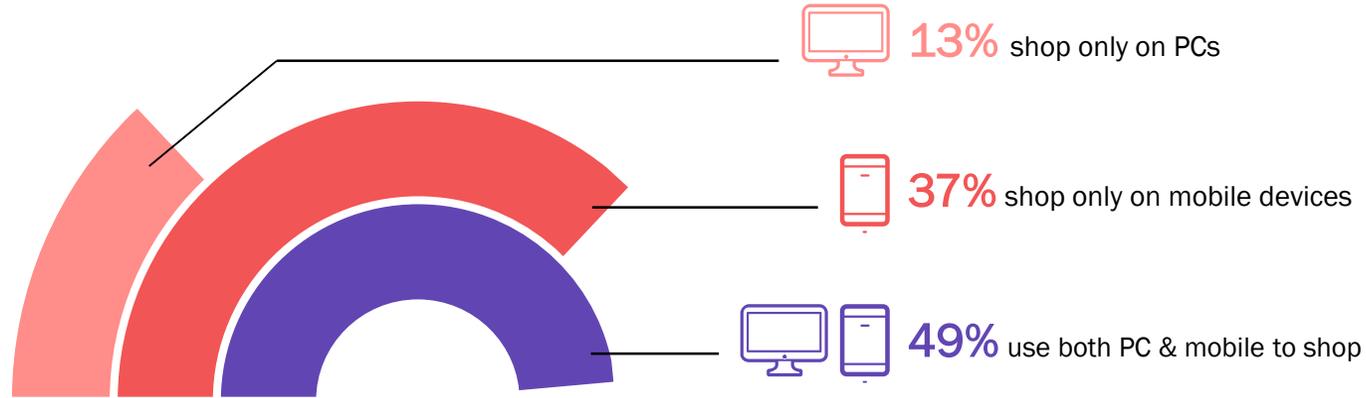
Products that are traditionally sold in supermarkets or other brick-&-mortar outlets can now be found on multiple e-Commerce platforms.



HOW DO THEY SHOP?

Online shopping is largely a cross-device activity

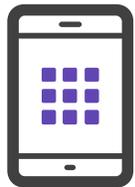
while PC & mobile (smartphone & tablet) are used to shop.



Shoppers prefer to make their online purchase via mobile app

rather than other web platforms thanks to its functional convenience & personalized custom.

57%
by mobile app



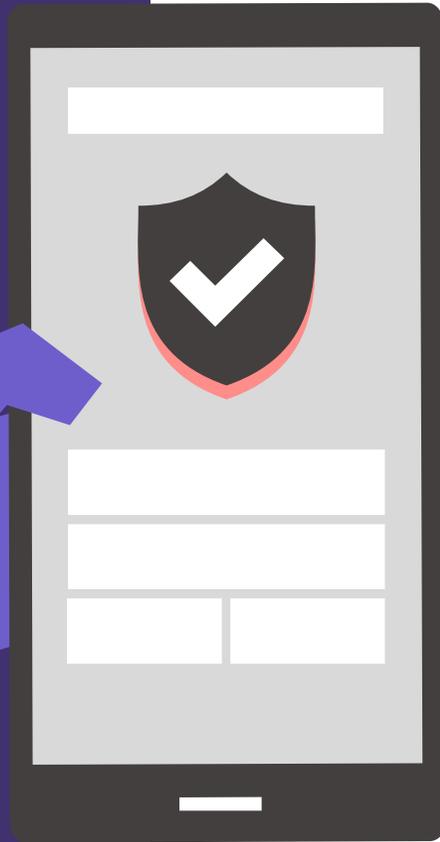
24%
by PC web



19%
by mobile web



Based on N=269 respondents in HCMC & HN



USERS' EXPECTATIONS ON MOBILE E-COMMERCE APP



71%

Exclusive deals & promos



57%

Enhance security



67%

Price comparison



55%

Increase loading speed



66%

Mobile-friendly interface

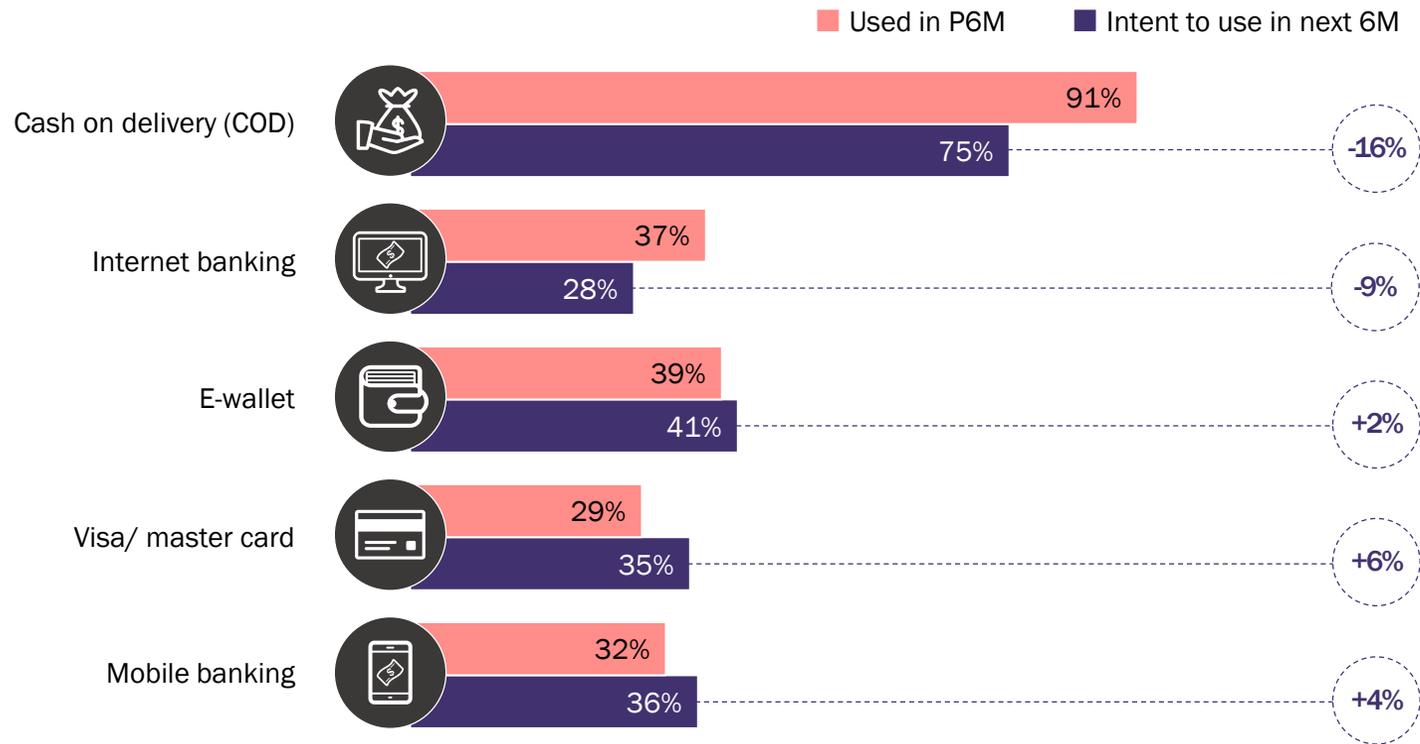


49%

Take up less storage

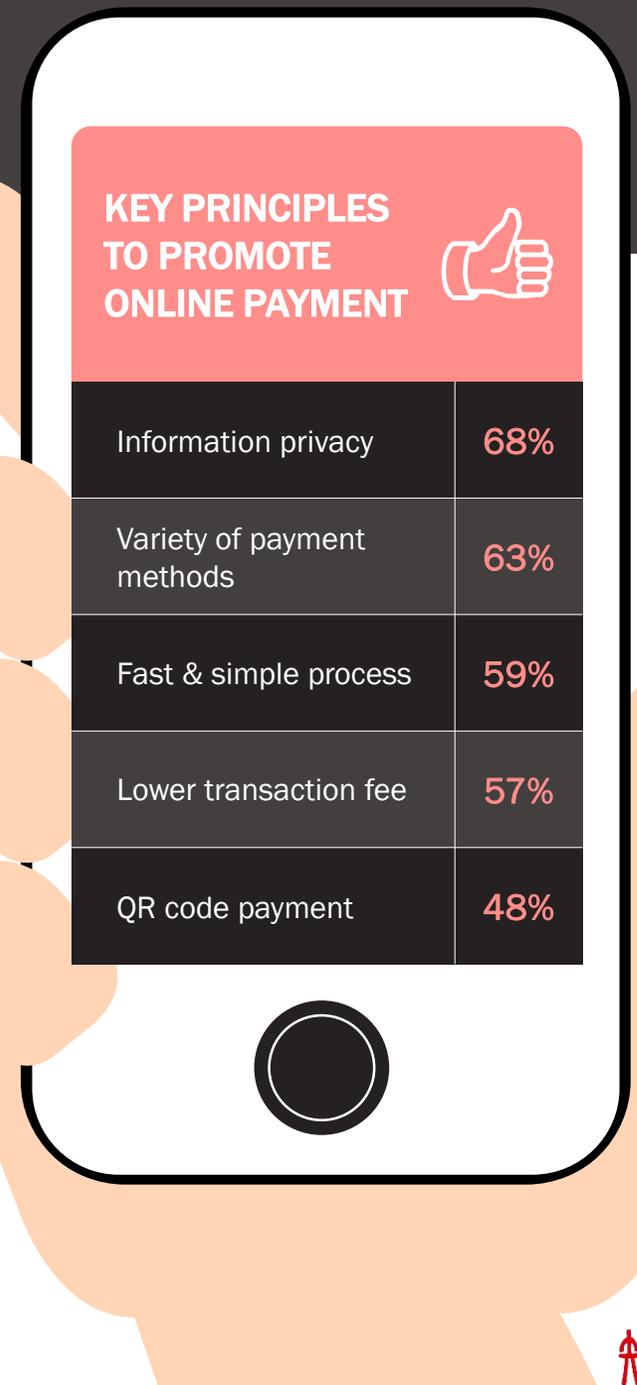
Modern customers expect excellent shopping experiences, which is driving e-commerce apps to create superior functions & features to adapt that need.

The shift to online payment methods evolves a cashless payment era



In Vietnam, cash payment (COD) are habitual payment method that is preferred most due to its ease of transaction and self-secured feeling brought to shoppers.

However, online payment are on the rise thanks to high convenience and benefits from rewards and exclusive promotions. E-shoppers become more accustomed to and increase usage for E-wallet, visa/ master card & mobile banking in most merchants and online sites.



Make the 'convenience' truly convenient

The e-commerce boom has certainly changed the way we shop. Connected devices, such as computers, mobile phones and tablets have become a way of life and a crucial part of 4.0 era, but shoppers are digitally engaged to varying degrees depending on their own shopping experiences. Addressing shoppers' concerns, improving service quality on **payment, delivery & after-sales** now become the most pressing mission of e-commerce.



WHAT'S STOPPING CONSUMERS FROM SHOPPING ONLINE?

PAYMENT ISSUES



60%

Privacy concerns



52%

High transaction fee



36%

No Cash on delivery

DELIVERY ISSUES



58%

Waiting for delivery



51%

High shipping cost



41%

Bad commodity packaging

SERVICE ISSUES



35%

Unclear return policies



32%

Complicated registration



29%

Delivery incorrect orders

Based on N=269 respondents in HCMC & HN



About VIETTRACK

VIETTRACK is an annual research which aims to deliver facts & indicators about various topics including consumers' changing perceptions & behaviors on general market trends or any categories or services, ... We believe that VIETTRACK could bring the breath of consumers to marketers, from which they find out the most appropriate way to connect & to satisfy their needs that are becoming more sophisticated by time.

This study are conducted in November 2018 and findings are based on 269 respondents from our MOBILE PANEL



TARGET

- Male & female
- Age: 15-40 yo.
- SEC: ABCD



METHODOLOGY:

- Quantitative
- Online Survey