



# Accelerating Growth by Building Foundations

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Chief Executive Officer  
Nestlé Vietnam

# Vietnam Today



Population  
**91 Mio**



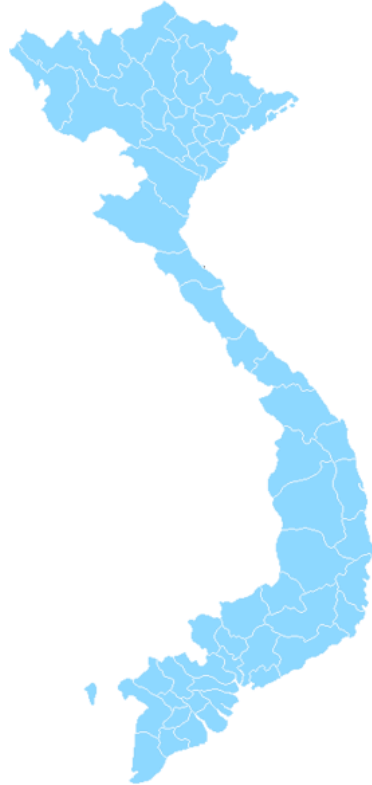
**24 Mio**  
Households



**53%** Population  
< 29 years old



**31 Mio**  
> 90% penetration



GDP  
**2,162 USD/Capita**



GDP  
**186 Billion USD**



**World's 2<sup>nd</sup>**  
Largest coffee exporter



**68%** living in rural areas  
**60%** of VN GDP

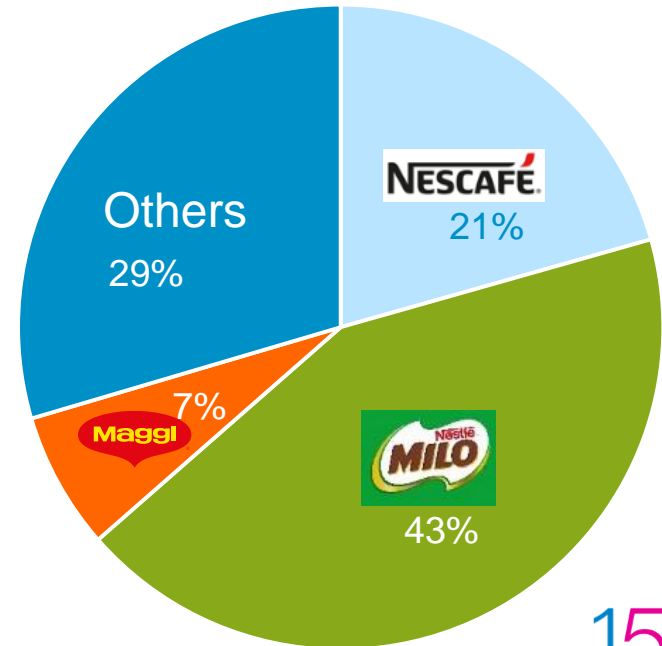


# About Nestlé Vietnam

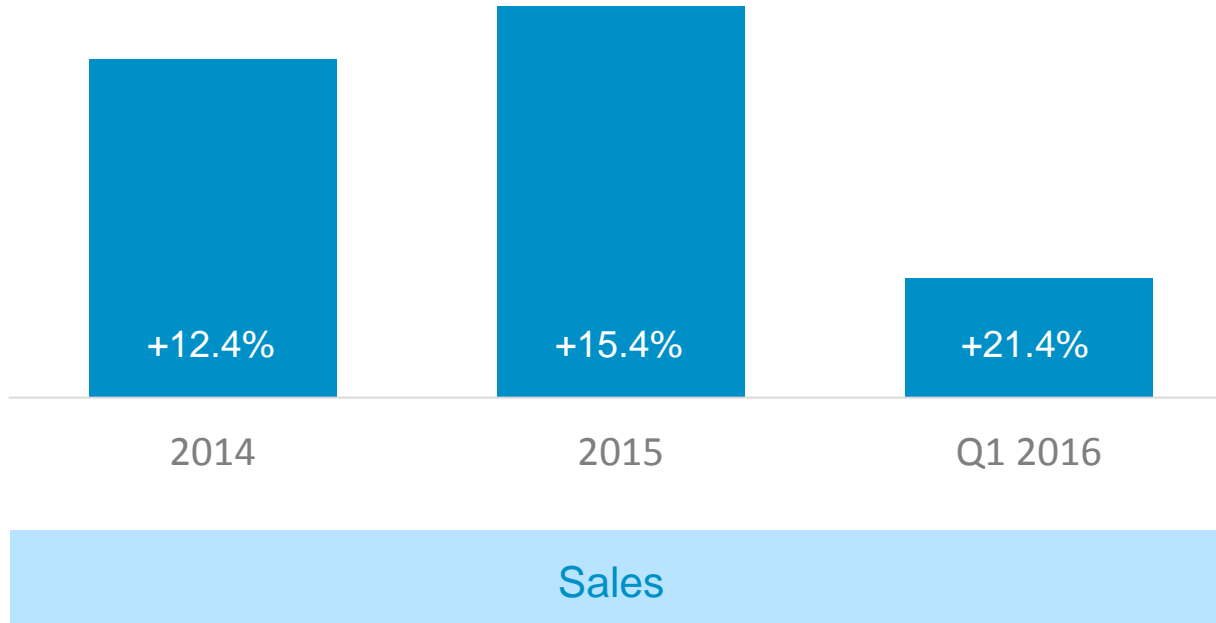
## Key Milestones

1995	Nestlé Vietnam Ltd
1998	Dong Nai Factory
2006	MILO RTD co-manufacturing
2011	Binh An Factory
2013	Tri An Factory
2015	Tri An Decaf plant
2016	Ground Breaking for Bong Sen Factory
2016	Ground Breaking for New Distribution Center

## Our Portfolio

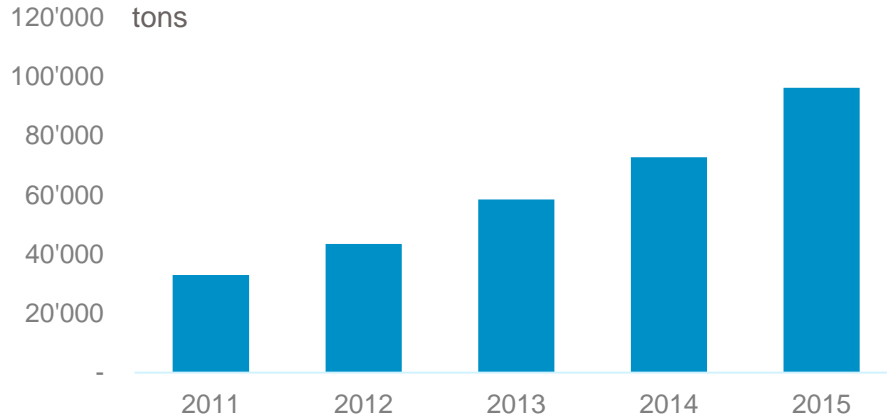


# Our Growth in Vietnam





# MILO: The Vietnamese Consumer Insight Decoded



- A **winning product** adapted to local taste **60:40+**
- The **biggest brand** in Nutritious Beverage with 45% market share
- Long term commitment to Vietnam's **grass root sports** development in collaboration with Ministry of Education



# NESCAFÉ: Understanding a Unique Coffee Culture



Tea Culture  
**LOW**  
coffee  
consumption



skewed to **3in 1**  
consumed **HOT**  
(influenced by seasonality)



**LOW**  
coffee  
consumption



consumed **COLD**  
across both  
**2in 1 & 3in 1**



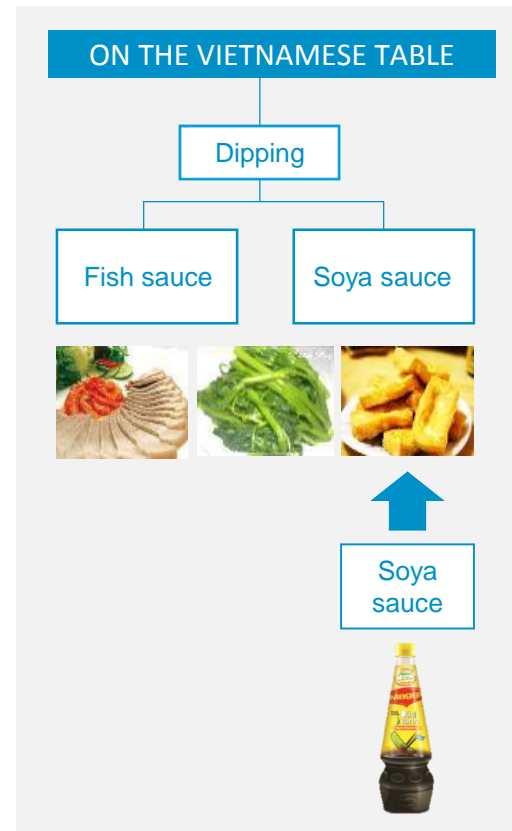
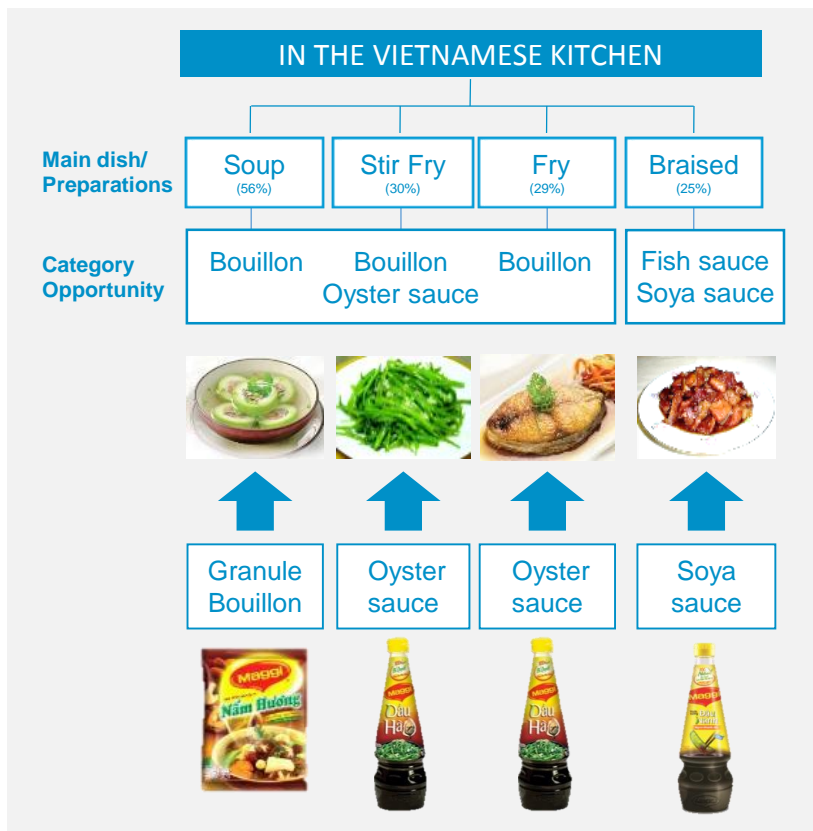
# NESCAFÉ CAFÉ VIỆT: *Adapting a Global Brand Locally*



- 80% coffee consumption is iced. Local R&G is the reference for authentic coffee
- Product developed with deep-rooted Vietnamese consumer insight
- Delivering the traditional Vietnamese coffee experience with the convenience of soluble 3in1



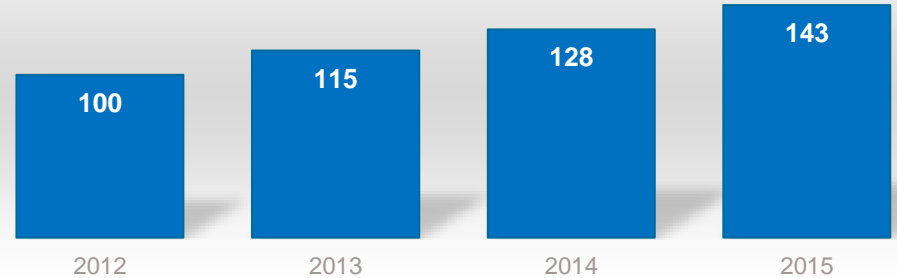
# MAGGI: Appreciating the Vietnamese Epicurean



# Growing Distribution by Going Deeper & Wider



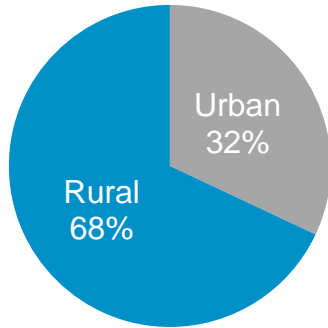
Direct outlet coverage (in '000s)



- A dense **distribution network** of 113 distributors
- 22,000 outlets visited per day
- 1,000 person disciplined sales force working in the **Sales Factory**

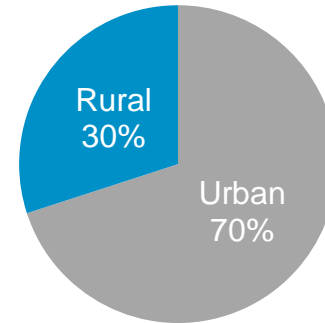
# The Geographical Expansion Opportunity

## Vietnam's Population Distribution



■ Urban ■ Rural

## Nestlé Vietnam's Sales Contribution



■ Urban ■ Rural

- Urban Vietnam defined by **89 cities**
- More than **2/3** of Vietnam resides in the rural heartlands
- **Go Rural** provides Nestlé Vietnam with future pipeline of growth



# Creating Shared Value the Nestlé Vietnam Way



- Vietnam's **biggest coffee buyer** and biggest 4C coffee buyer
- Working closely with **20,000** farmers
- Help increase farmer income by 14% with reduction in water & fertilizer usage
- Distributed **11 million** high yielding plantlets
- Nestlé Vietnam **co-chairs** the Public Private Partnership for Agriculture Task Force with Minister of Agriculture

# 4 Key Takeaways

## ACCELERATING GROWTH THROUGH:

1

### CONSUMER INSIGHT EXCELLENCE

Global inspiration, local insights

2

### BUILDING COMMERCIAL CAPACITY AND CAPABILITY

3

### RTM AND DISTRIBUTION EXPANSION

Go Rural

4

### WINNING AS A LOCAL MULTINATIONAL