

AFRICA AND MIDDLE EAST

QUARTER BY NUMBERS

Q2 2018





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THE BIG PICTURE IN AFRICA & MIDDLE EAST

The Middle East and North Africa (MENA) region's annualised economic growth strengthened in Q2'2018, with the economy increasing by 2.8%, ahead of Q1's 2.5%, representing the strongest expansion in more than a year. The acceleration reflected stronger growth among oil-exporting countries as crude oil prices were around 50% higher than levels of a year ago. Gulf Cooperation Council (GCC) countries also benefited from the recovery in non-oil activities in Saudi Arabia and the UAE, which were impacted in Q1'2018 by the introduction of value added tax.

Sub Saharan Africa's (SSA) economy picked up pace in the first quarter of 2018, with regional GDP increasing by 3% year on year, surpassing the 2.8% prediction by Focus Economics. However, at mid year the full year forecast for the SSA economy was revised down, the first downgrade in 10 months. SSA GDP is now expected to grow at 3.4%, down 0.1 percentage points from the previous forecast, although still ahead of 2017's 2.5% level. While higher commodity prices, improved agricultural output and recovering domestic demand should drive faster recovery, challenging business environments, poor infrastructure and high debt loads will continue to impact on activity.

Q2'2018 consumer confidence levels increased in five of the Africa and Middle East (AME) countries (Morocco, UAE, Saudi Arabia, Nigeria and Kenya), and whilst declining in Ghana, the overall index remains positive. In Egypt and South Africa, where declines were observed compared to Q1'2018, both country scores are ahead of the same quarter a year ago. The positive consumer sentiment bodes well for rising consumer demand and subsequent recovery in retail sales, and coupled with improving inflationary conditions in many AME countries, the second half of 2018 holds promising growth opportunities for consumer goods manufacturers and retailers.

In the Industry section of this edition we explore a significant global trend shaping future consumption and shopping opportunities in Convenience offerings. Six key lifestyle changes are detailed, that are shaping consumers' needs for greater ease, utility and simplicity. Local Nielsen client service teams are able to delve into sub regional and country specific indicators to provide you with valuable insights on this trend, and help you prepare to meet the growing demand for Convenience.



AFRICA & MIDDLE EAST AT A GLANCE

ECONOMIC AND CONSUMER PULSE

The Nielsen Consumer Confidence Index measures perceptions of local job prospects, personal finances and immediate spending intentions. Consumer confidence levels above and below a baseline of 100 indicate degrees of optimism and pessimism, respectively.

CONSUMER CONFIDENCE INDEX

	CCI Q2 2018	CCI CHG VS P/Q	GDP ANNUAL GROWTH	INFLATION
GHANA	108	-12	6.8	10.0
EGYPT	80	-5	5.4	10.9
SOUTH AFRICA	90	-5	0.8	4.2

GDP ANNUAL GROWTH	INFLATION		CCI Q2 2018	CHG VS P/Q
1.2	2.1	SAUDI ARABIA	107	11
1.9	10.7	NIGERIA	122	9
-	3.3	UNITED ARAB EMIR	116	6
2.9	2.5	MOROCCO	70	3
5.7	4.3	KENYA	104	2

CONSUMER CONFIDENCE INDEX

GDP and Inflation are annualised for the latest quarter available (GDP – Q1'18, Inflation Q2'18).
CCI change is relative to the previous quarter (PQ)

Climbing Consumer Sentiment in 5 countries, corresponds with more favourable and lowering inflation levels.



AFRICA & MIDDLE EAST AT A GLANCE

CONSUMER SENTIMENT TOP 2 CONCERNS IN THE NEXT SIX MONTHS

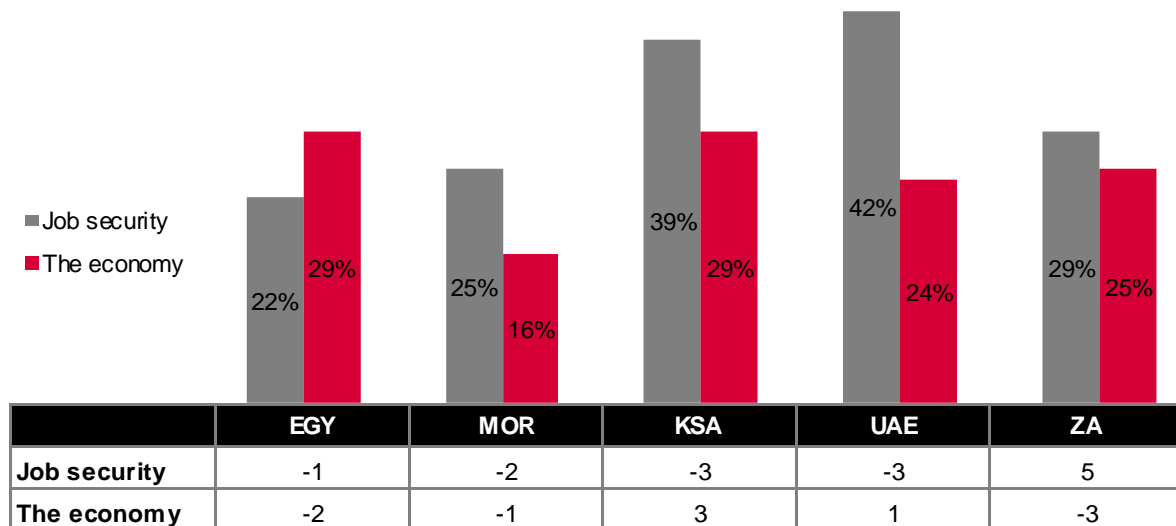
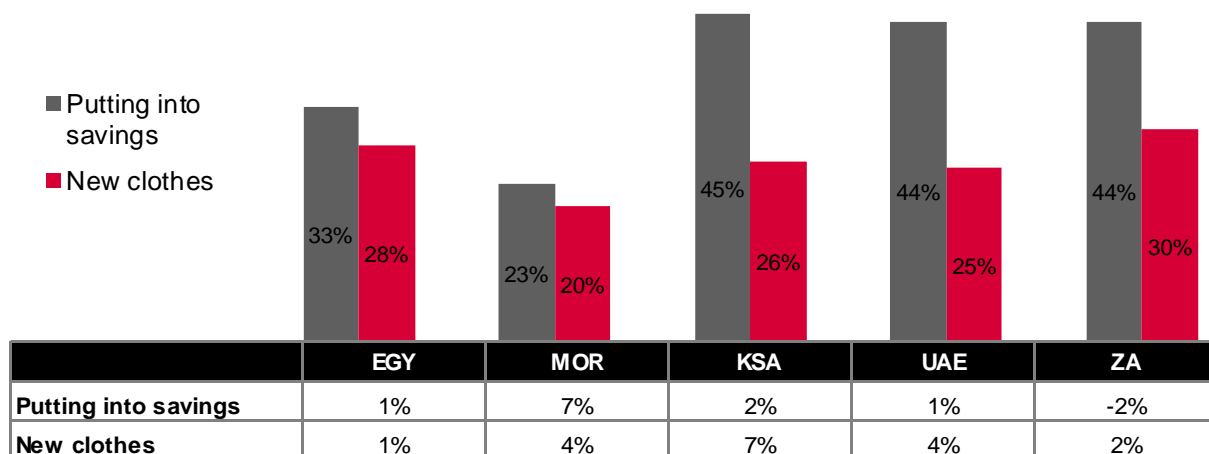


Chart - Current quarter, Table – Change vs PQ
Top Concern and Spending data unavailable for Ghana, Kenya and Nigeria

WHO'S SPENDING, SAVING AND INVESTING? After living expenses, how is spare money utilized?

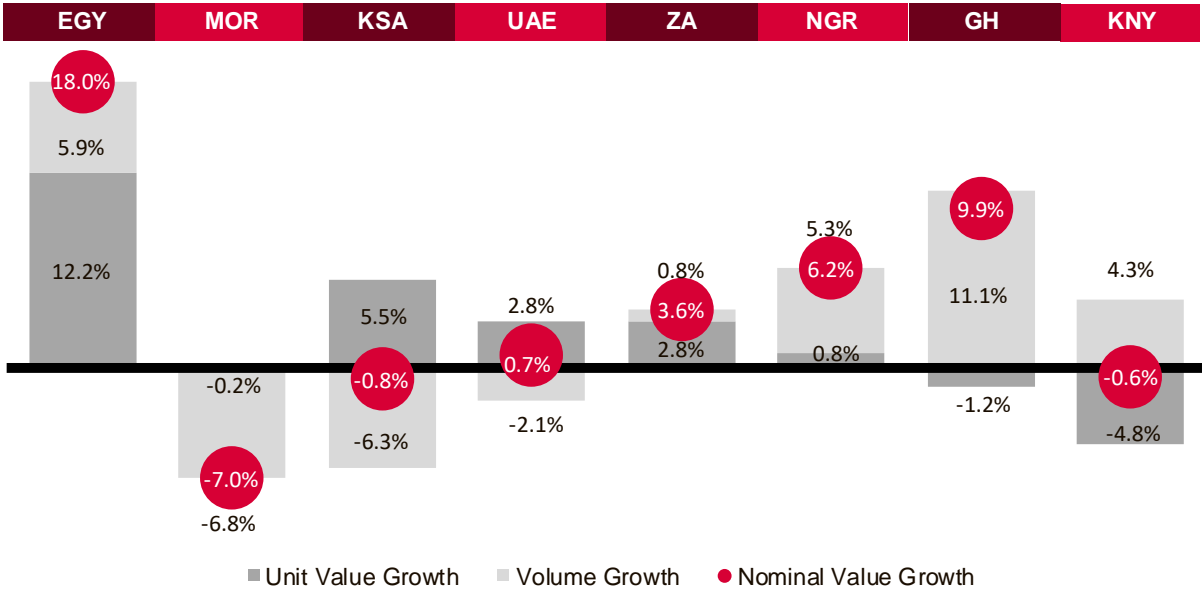


Cautionary sentiment regarding spend prevails, with consumers opting to save rather than spend. All countries show positive increases towards spend on clothing.

FAST MOVING CONSUMER GOODS RETAIL LENS

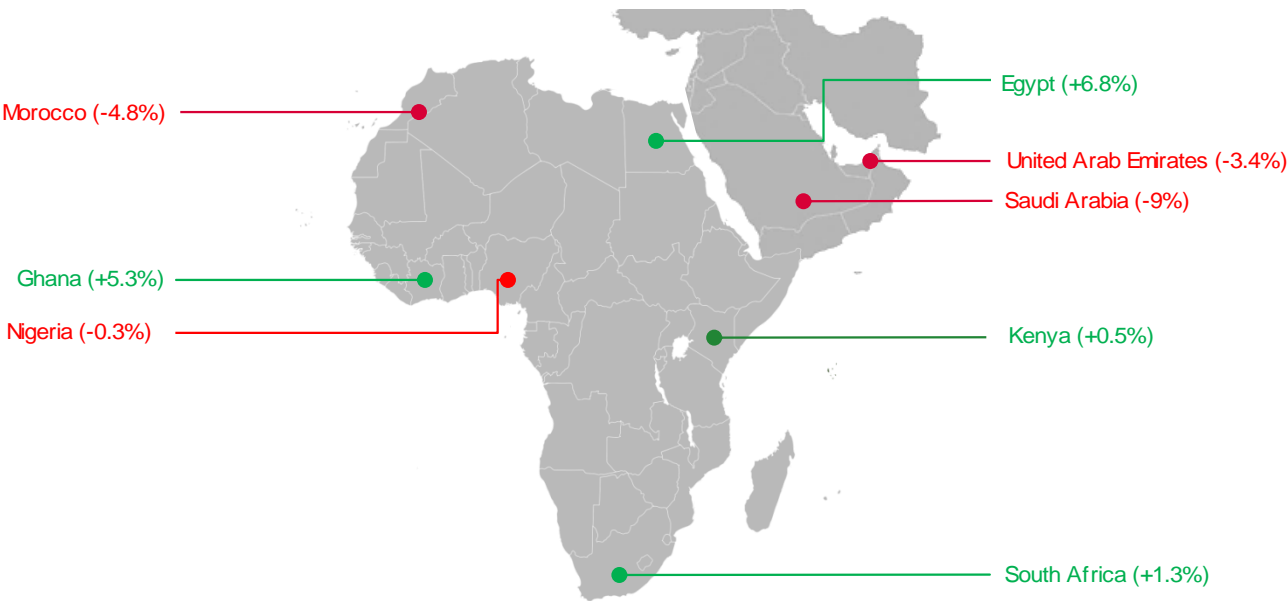
FMCG - MARKET DYNAMICS

Weighted average growth Q2'18 vs year ago



WHERE ARE THE FMCG GROWTH OPPORTUNITIES?

Average volume growth Q1'18 & Q2'18 vs year ago



COLOUR CODING INDICATES GROWING OR DECLINING TREND – AVERAGE Q2'18 & Q1'18 VS Q2'17 & Q1'17

● Avg. volume growth decreasing ● Avg. volume growth increasing

EGYPT SNAPSHOT



TAMER ELARABY
Managing Director
NORTH AFRICA
& LEVANT

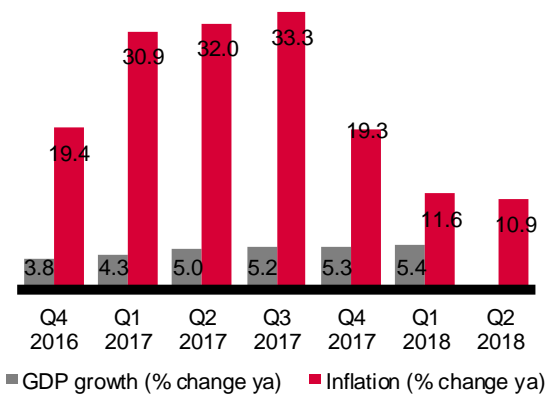
In the second quarter of 2018 Egyptian consumers continue to look for a sense of ‘normality’, despite marginal relief in prices. The continued, high inflationary environment has affected sentiment, evident in the second quarter Consumer Confidence Index. Consumer confidence in Egypt dropped five points to 80, the lowest score over the last four quarters. Respondents’ main concerns were with regard to their job prospects and the state of their personal finances over the next six months.

It is interesting to note, however, that their purchasing intent hasn’t wavered. At the end of Q2’2018 the FMCG industry recorded annualised value growth of 24.7%, and over the last two quarters volume trends have moved into positive territories.

Meanwhile, fuel price hikes are on the horizon, which are likely to result in subsequent price changes. So far manufacturers have attempted to absorb the extra cost, but that is unlikely to last for long. Promotions, always a winning strategy with the price-conscious Egyptian consumer, will take on a more strategic role.

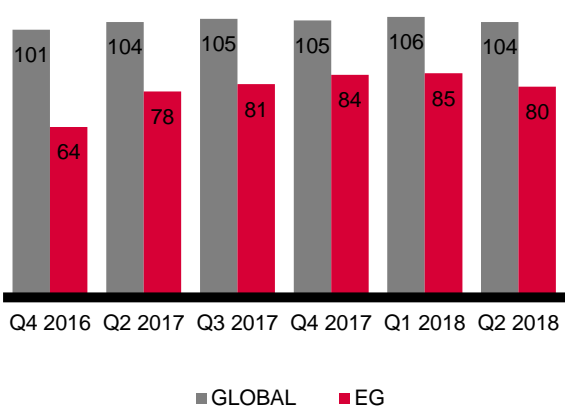
COUNTRY HIGHLIGHTS

ECONOMY WATCH



Source: Trading Economics, Q2 GDP unavailable

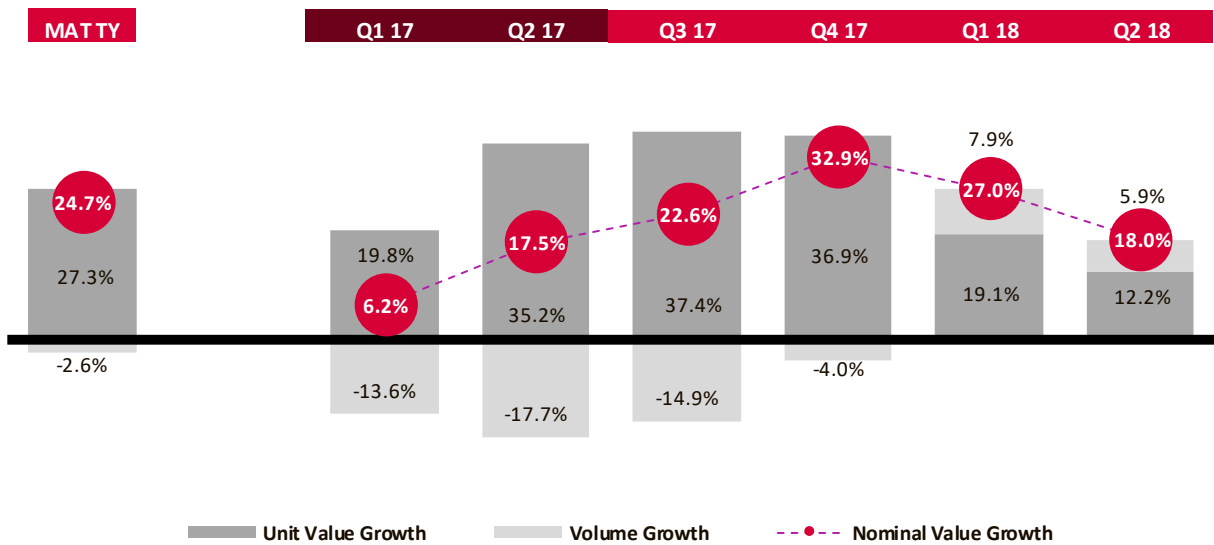
CONSUMER CONFIDENCE INDEX



Source: The Conference Board @ Global Consumer Confidence Survey is conducted in collaboration with Nielsen

EGYPT SNAPSHOT

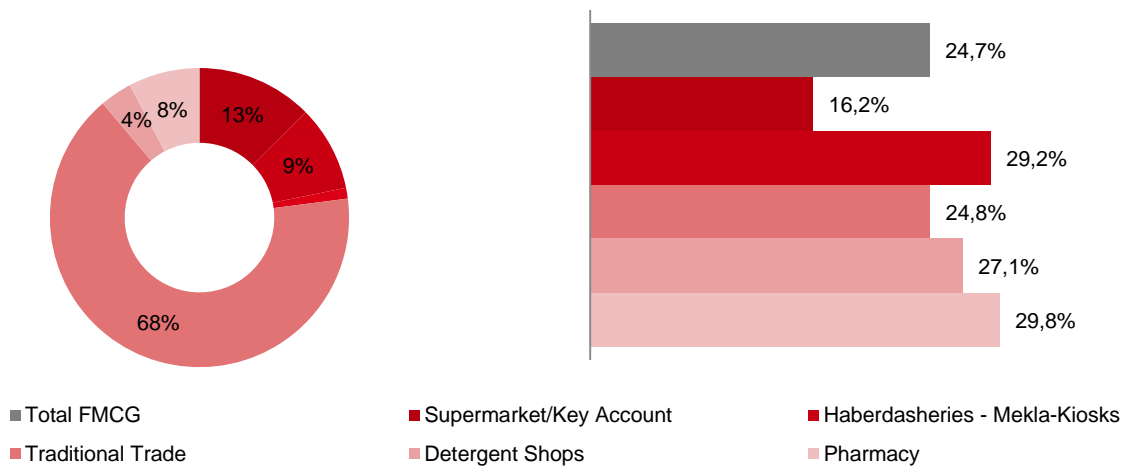
FMCG MARKET DYNAMICS (weighted average)



Double digit value growth in last MAT mirrors FMCG inflation. Volumes recover from Q1'18 due to relief in inflation to 12.2%.

CHANNEL PERFORMANCE

Value contribution and growth – MAT Q2'18

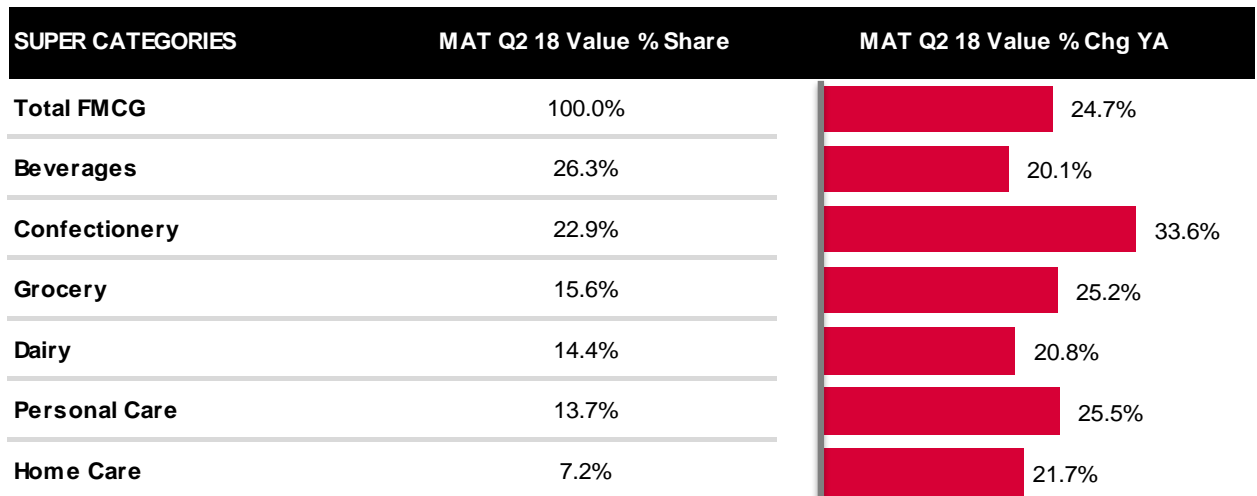


Market driven by Traditional Trade (68%). Pharmacies and Kiosks/Haberdasheries/Meklas are the fastest growing.



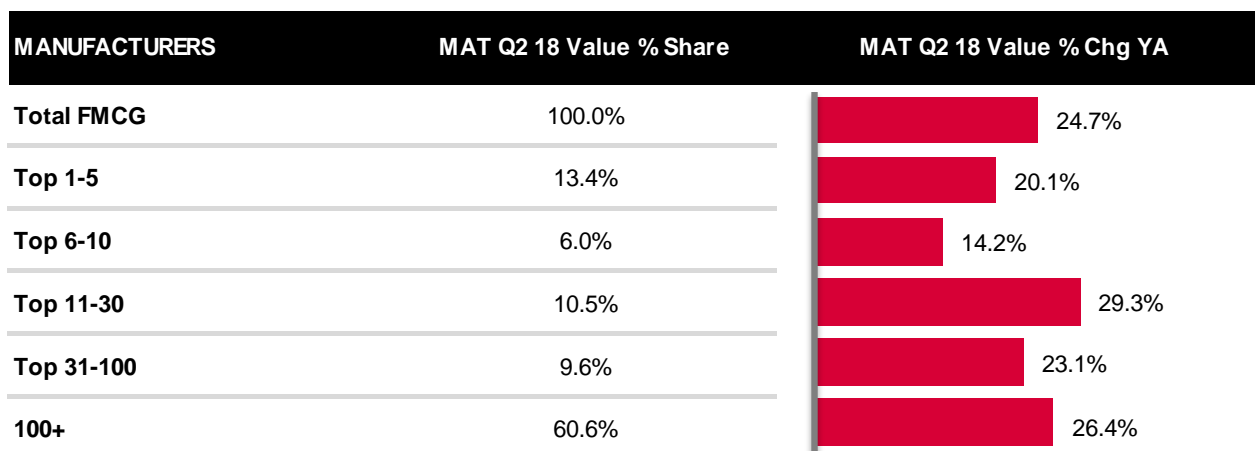
EGYPT SNAPSHOT

SUPER CATEGORY PERFORMANCE



The majority of FMCG spend is allocated to Food products (~80%), growth is highest in confectionery.

MANUFACTURER PERFORMANCE



Fragmented market with smaller manufacturers accounting for the bulk of FMCG value share. Large to mid-sized manufacturers (Top 11-30) are the fastest growing.

MOROCCO SNAPSHOT



TAMER ELARABY
Managing Director
NORTH AFRICA
& LEVANT

Morocco continues to deliver positive GDP growth, estimated at 3% by the end of 2018, following the recorded 4% in 2017.

The FMCG industry, on the other hand, is experiencing a new challenge as consumers take action to influence change. The second quarter of 2018 was critical as a boycott, that targeted three giants of industry, continued to grow in effect. Two of the three affected brands are FMCG manufacturers, one in the dairy category and the other in beverages.

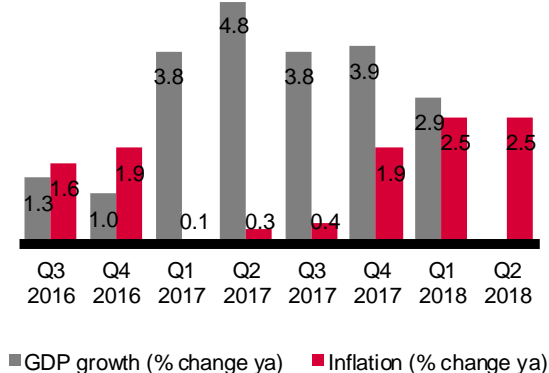
The social media campaign was driven by claims regarding increasing prices which is subsequently adding more pressure on household expenditures. The Nielsen Shopper Trends report for Morocco, reflects respondents stating a decrease of 5% in overall expenditure.

The FMCG market shows an overall decline of 4.5% in annualised value, with spend on dairy products declining by 5% versus the previous year. The beverages category was also significantly affected, declining by 8.6% year on year.

Reduction in FMCG spend is more pronounced in Traditional Trade outlets, while Modern Trade have managed to maintain a positive annual rate of value growth at 4.5%.

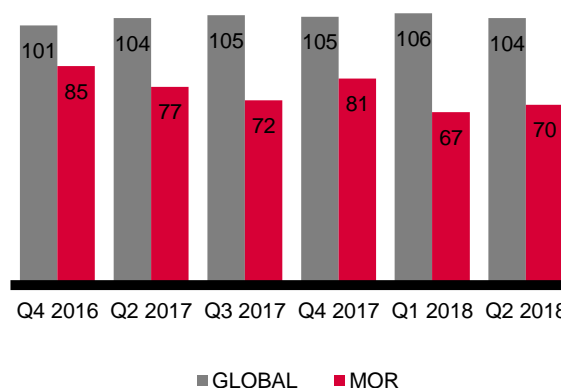
COUNTRY HIGHLIGHTS

ECONOMY WATCH



Source: Trading Economics, Q2 GDP unavailable

CONSUMER CONFIDENCE INDEX

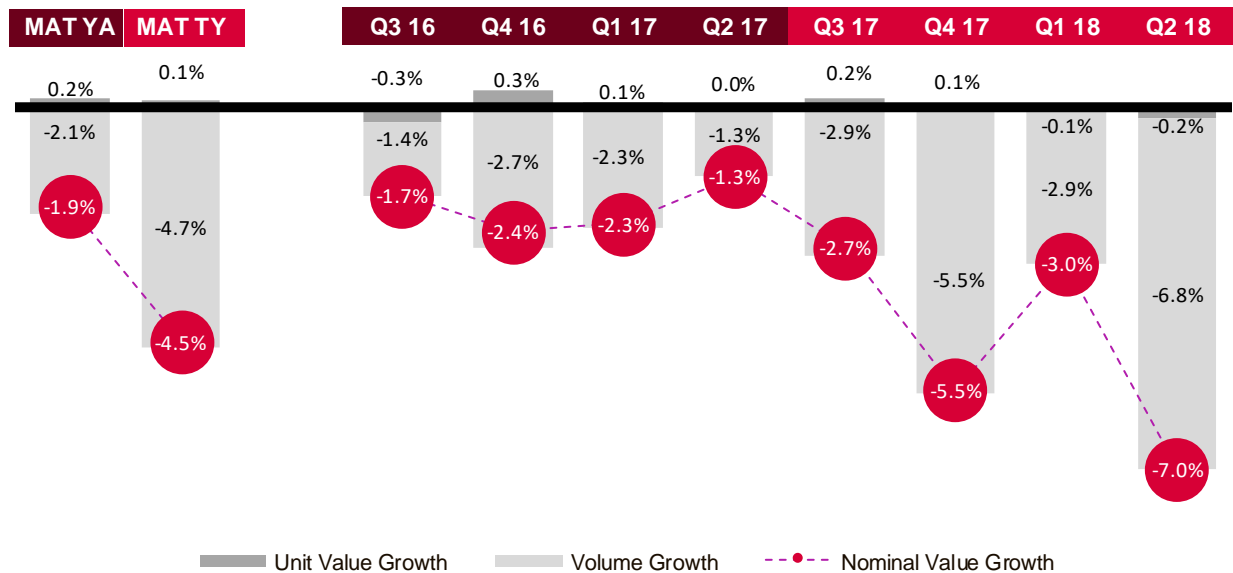


Source: The Conference Board © Global Consumer Confidence Survey is conducted in collaboration with Nielsen

MOROCCO SNAPSHOT

FMCG MARKET DYNAMICS

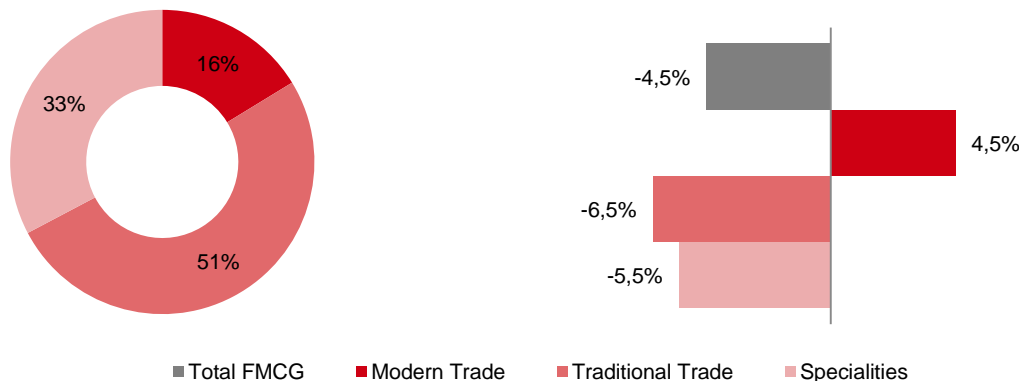
(weighted average)



Recent spend has been impacted by declining household expenditure, despite more favourable economic conditions.

CHANNEL PERFORMANCE

Value contribution and growth – MAT Q2'18



Modern Trade has gained consumer support and share of spend, from Traditional Trade and Specialities.



MOROCCO SNAPSHOT

SUPER CATEGORY PERFORMANCE

SUPER CATEGORIES	MAT Q2 18 Value % Share	MAT Q2 18 Value % Chg YA
Total FMCG	100.0%	-4.5%
Dairy	38.3%	-5.1%
Beverages	18.2%	-8.6%
Grocery	15.5%	-3.2%
Personal Care	10.3%	-3.7%
Confectionery	10.3%	0.6%
Home Care	7.3%	-1.4%

Beverages and Dairy have been most impacted due to the recent boycott campaign.

Manufacturer data is unavailable

UNITED ARAB EMIRATES SNAPSHOT



**ANDREY
DVOYCHENKOV**
Managing Director
ARABIAN PENINSULA
& PAKISTAN

The economic activity in the UAE indicates a rebound in Q2'18, aided by a pick-up in oil production, recent pro-business reforms and solid activity in the non-oil sector. In recent months, new policies implemented — including a visa reform in May and several measures aimed at cutting red tape and increasing the ease of doing business — have also been supportive of business confidence, which is part of the government's efforts to drive economic growth.

Consumer confidence is more upbeat in this environment compared to the previous quarter; with 62% of consumers optimistic about their job prospects in the next 12 months (up 1% from Q1'18) and 53% of the belief that it is a good time to buy the things they want and need (up 4% from Q1'18).

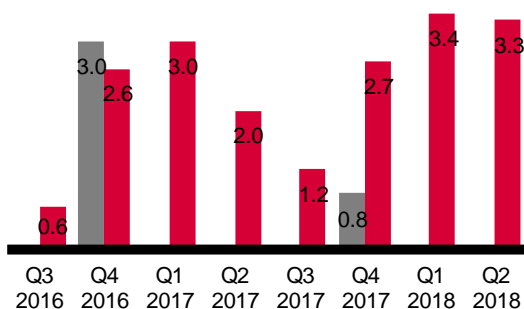
Despite the positive economic indicators and the increase in consumer confidence, we are yet to see any sustained uplift to FMCG consumption, as consumers continue to seek value in the face of price increases from the recent implementation of value added tax (VAT).

While many manufacturers and retailers continue to respond by using tactical over strategic measures - heavy promotions and discounts to boost growth - it is imperative not to lose sight of brand-building efforts, as well as deploying optimal in-store execution, as these initiatives are highly relevant to consumers in aiding purchasing decisions.

In addition, a deep understanding of the shopper and optimal assortment, with innovative new and premium products, providing good value for money, will also help manufacturers and retailers win with consumers.

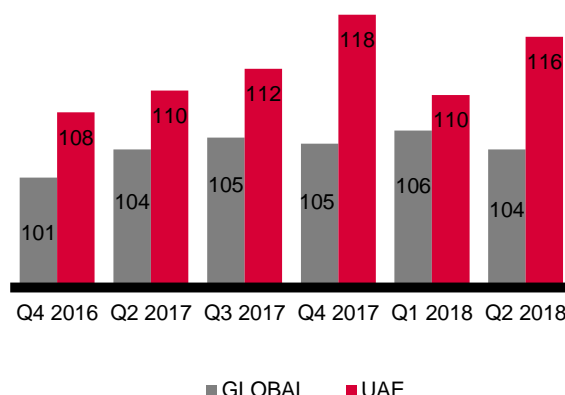
COUNTRY HIGHLIGHTS

ECONOMY WATCH



Source: Trading Economics, quarterly GDP unavailable

CONSUMER CONFIDENCE INDEX

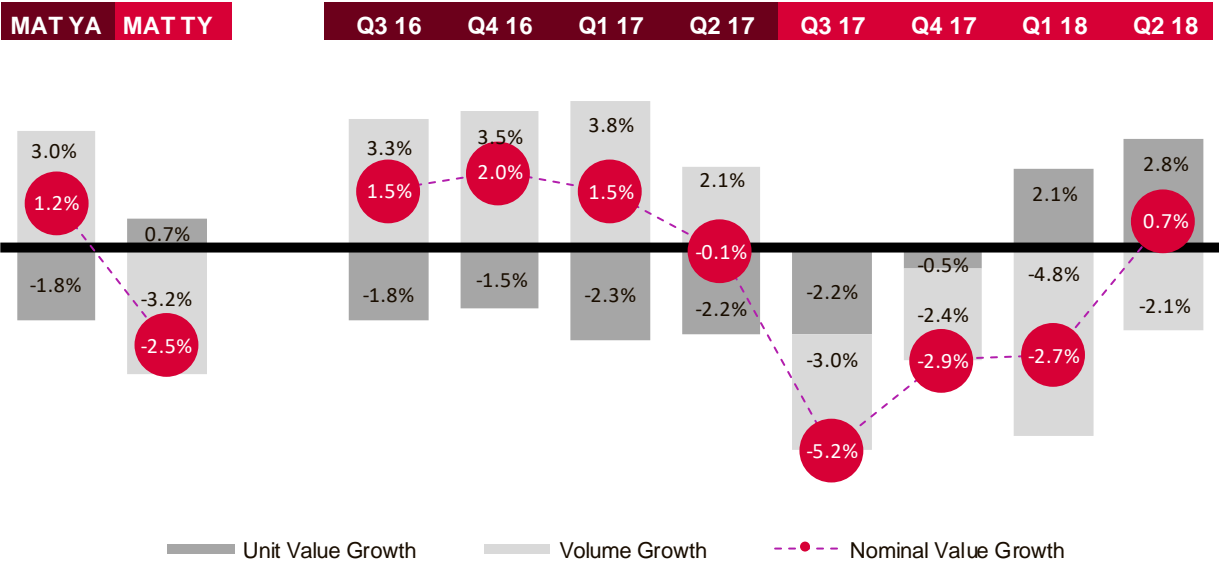


Source: The Conference Board © Global Consumer Confidence Survey is conducted in collaboration with Nielsen



UNITED ARAB EMIRATES SNAPSHOT

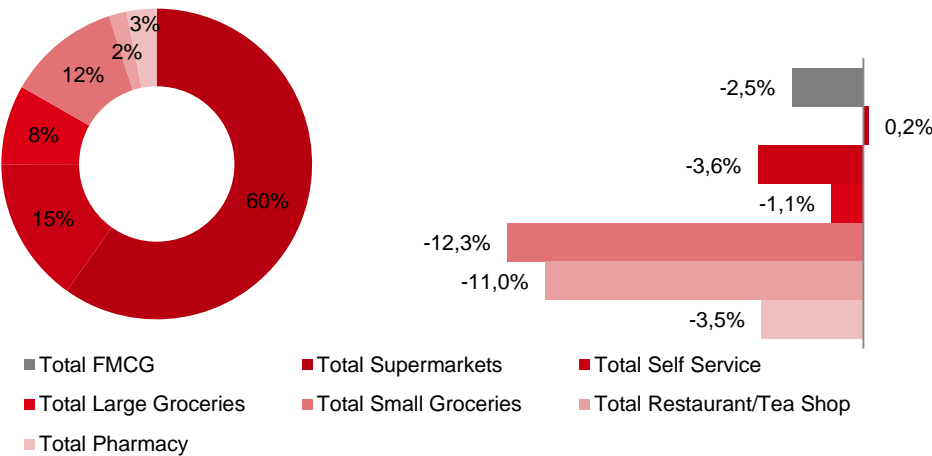
FMCG MARKET DYNAMICS (weighted average)



While the post-VAT effect is still evident, it is stabilizing due to heavy promotional activities, providing a transitory boost in spend, evident in the short term increase in value growth.

CHANNEL PERFORMANCE

Value contribution and growth – MAT Q2'18



Consumers are shifting to supermarkets as they seek bigger promotions and value-for-money options.



UNITED ARAB EMIRATES SNAPSHOT

SUPER CATEGORY PERFORMANCE

SUPER CATEGORIES	MAT Q2 18 Value % Share	MAT Q2 18 Value % Chg YA
Total FMCG	100.0%	-2.5%
Groceries	32.6%	-1.1%
Dairy	16.6%	-0.8%
Beverage	16.5%	-4.6%
Personal Care	15.3%	-4.5%
Confectionery	11.9%	-3.2%
Home Care	7.2%	-1.8%

Shoppers remain cautious in their spending, postponing the non-essential purchases, rather than cutting back on entire grocery spend

Manufacturer data is unavailable

SAUDI ARABIA SNAPSHOT



**ANDREY
DVOYCHENKOV**
Managing Director
ARABIAN PENINSULA
& PAKISTAN

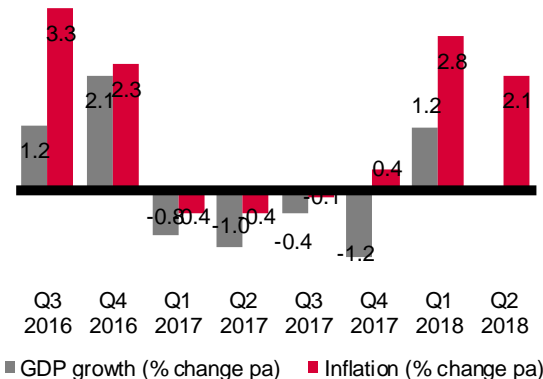
After a sluggish Q1'18 due to a volatile 2017, the economic recovery for Saudi Arabia is gathering pace. This is mostly aided by rising oil prices, higher government spending and steady progress in economic reform. Moreover, the recovery is broadening as the VAT implementation that disrupted activity at the outset of the year starts to fade, and recovery in the oil-sector is slowly trickling down to the rest of the economy.

The effect of the economic recovery has reflected well on consumer sentiment as confidence indicators climb from Q1'2018; with job prospects, personal finances and spending intentions all improving. This has translated into a slight improvement in FMCG industry performance, although the growth rate is still conservative. High levels of promotion appears to be the new norm adopted by manufacturers and retailers, especially during the Ramadan period, which has also contributed to the slight improvement.

Consumers are changing their shopping behavior by shifting their visits away from grocery stores to neighbourhood supermarkets that offer better prices. Consumers are evaluating the best equation between price and volume via promotions, multipacks and bigger sizes. While consumers seek value, it is critical for manufacturers and retailers to carefully manage promotional strategies to avoid promotional dependence. Consumers today are not only purchasing based on price, but rather seek and assess the total product offering, based on criteria that matters most to them, including elements such as health offerings, convenience and uniqueness.

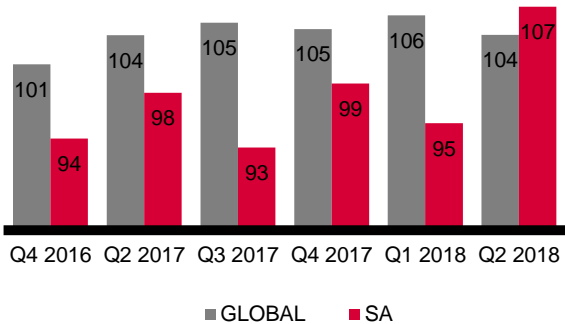
COUNTRY HIGHLIGHTS

ECONOMY WATCH



Source: Trading Economics, Q2 GDP unavailable

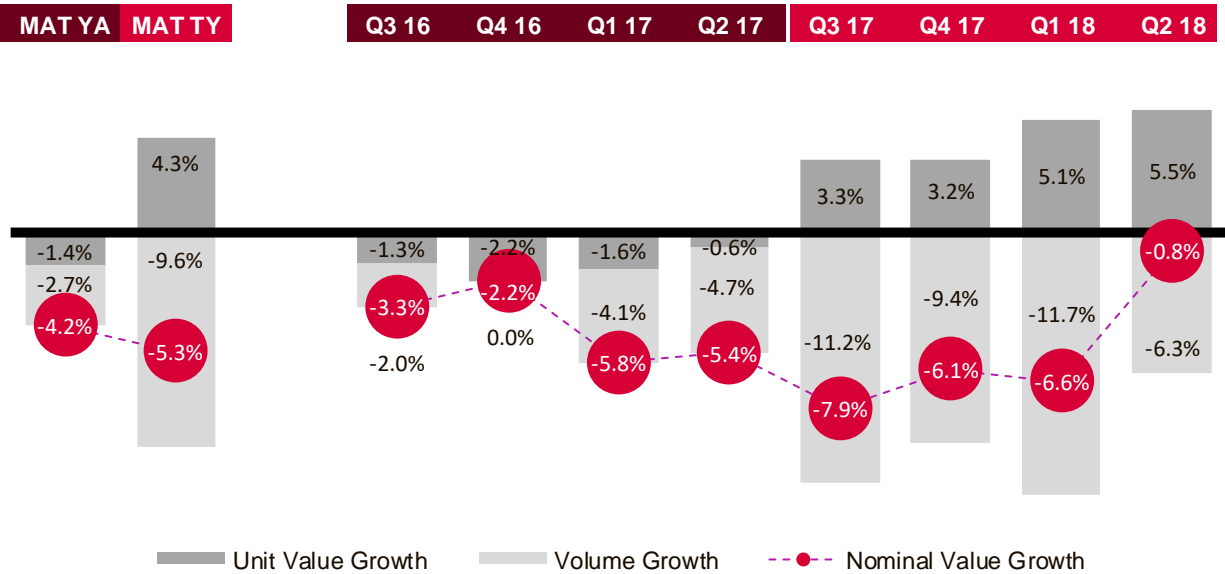
CONSUMER CONFIDENCE INDEX



Source: The Conference Board © Global Consumer Confidence Survey is conducted in collaboration with Nielsen

SAUDI ARABIA SNAPSHOT

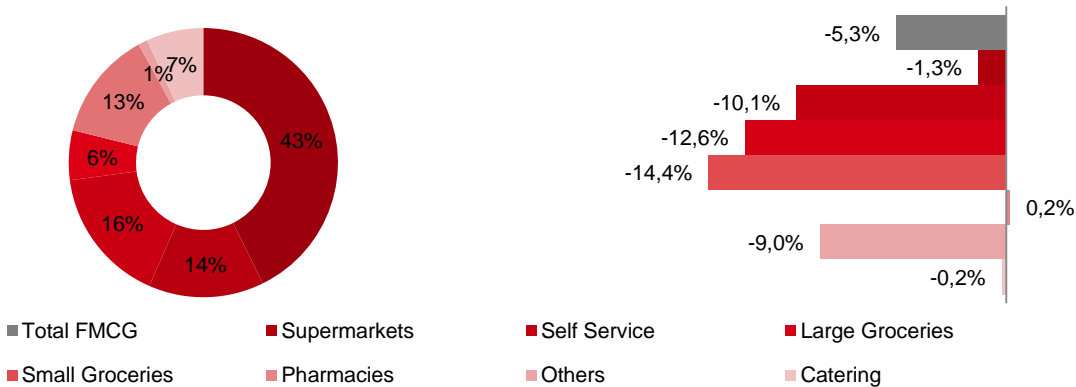
FMCG MARKET DYNAMICS (weighted average)



Positive consumer sentiment is reflected in greater confidence to take advantage of promotions, providing a boost for FMCG

CHANNEL PERFORMANCE

Value contribution and growth – MAT Q2'18



Consumers are shifting to supermarkets as they seek better promotions and value-for-money purchases.



SAUDI ARABIA SNAPSHOT

SUPER CATEGORY PERFORMANCE

SUPER CATEGORIES	MAT Q2 18 Value % Share	MAT Q2 18 Value % Chg YA
Total FMCG	100.0%	-5.3%
Grocery	28.0%	-4.5%
Beverage	26.0%	-6.6%
Dairy	14.9%	-5.9%
Personal Care	14.0%	-2.2%
Confectionery	9.5%	-6.3%
Home Care	7.6%	-6.9%

While shoppers continue to seek value, there is no intention to stock-up on FMCG for home. Instead shoppers prefer frequent visits to stores and focus on buying only the essentials.

Manufacturer data is unavailable

SOUTH AFRICA SNAPSHOT



BRYAN SUN
Managing Director
SUB SAHARAN
AFRICA

In the second quarter of 2018, South Africans felt more pressure on their overall household expenditure due to a combination of rising petrol prices, the VAT increase, of one percent, to 15% and the implementation of sugar taxation. These combined factors contributed to a more sensitive pricing environment for consumers. Consumers have had to rebalance their largely unchanged incomes, scaling back on discretionary purchases.

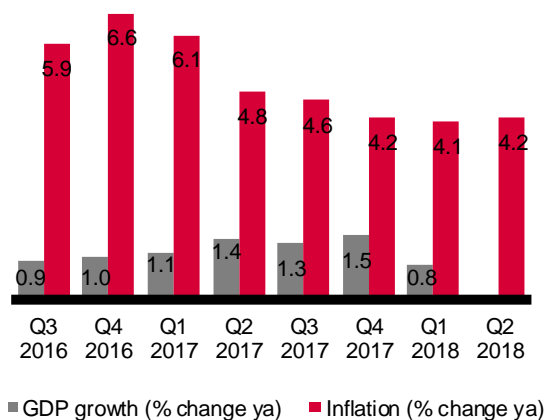
As expected, the cost pressures have dampened consumer confidence and spend, resulting in consumers seeking value-for-money brands, including Private Label. Recent Nielsen shopper insights also revealed that consumers are dropping categories from their basket as they rationalised spend, opting for more basic essentials.

More broadly, the negotiations on land reform and additional political pressures have also contributed to the drop in the consumer confidence index by five points to 90 in Q2'18. The initial optimism experienced earlier in the year has subsided and consumers have again become more cautious in their outlook.

Manufacturers and retailers are competing for overall share of the wallet that is increasingly allocated to other, non negotiable living expenses, meaning that the mix of FMCG spend is changing to accommodate the broader household budget. Companies will need to provide more flexibility in products, pricing and promotion to consumers seeking to better manage their FMCG allocation of spend.

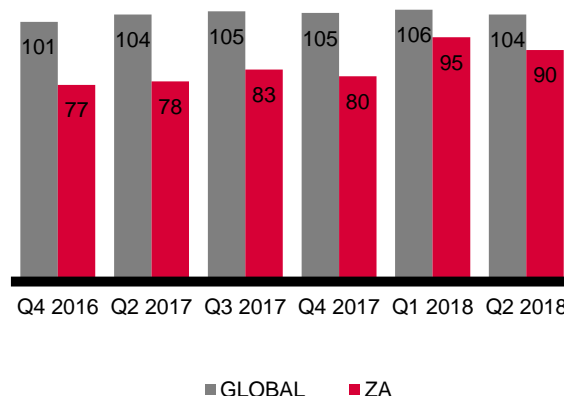
COUNTRY HIGHLIGHTS

ECONOMY WATCH



Source: Trading Economics, Q2 GDP unavailable

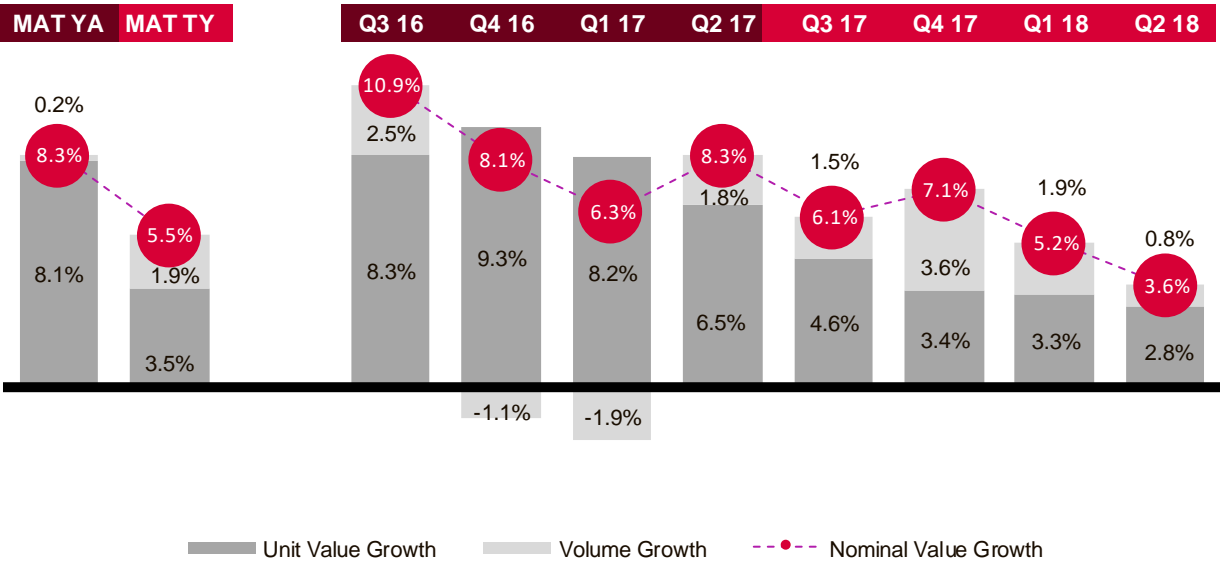
CONSUMER CONFIDENCE INDEX



Source: The Conference Board © Global Consumer Confidence Survey is conducted in collaboration with Nielsen

SOUTH AFRICA SNAPSHOT

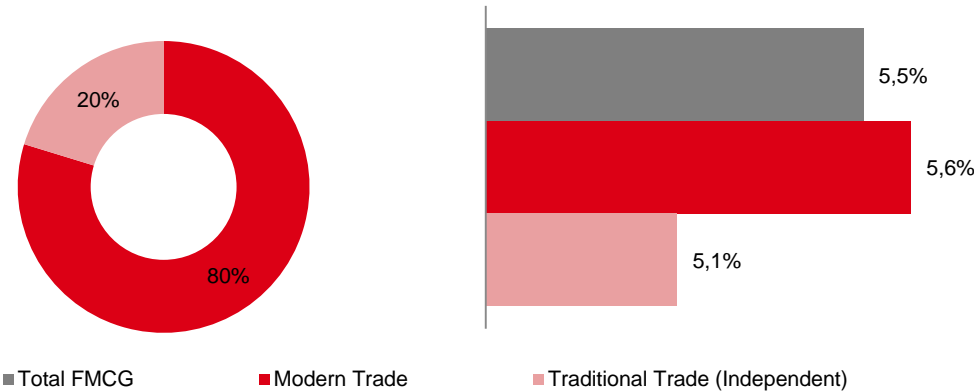
FMCG MARKET DYNAMICS (weighted average)



Tapering spend, despite lower food inflation levels, as price increases 'beyond the basket' diminish FMCG spending ability.

CHANNEL PERFORMANCE

Value contribution and growth – MAT Q2'18

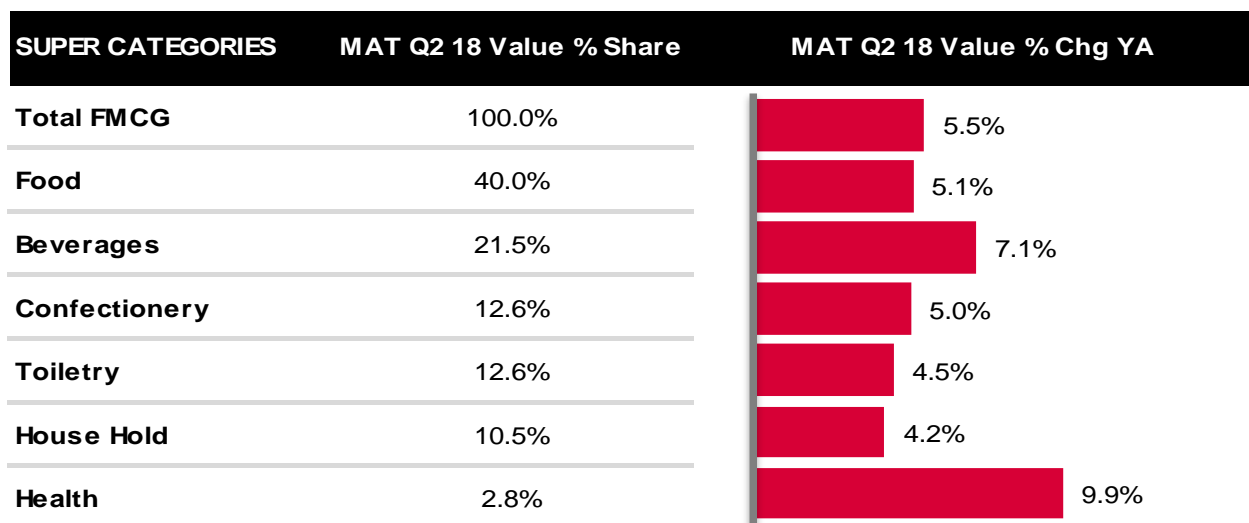


Modern Trade growth picks up ahead of Traditional Trade, with competitive offerings on zero-rated VAT items.



SOUTH AFRICA SNAPSHOT

SUPER CATEGORY PERFORMANCE



Spend on Health categories, although discretionary, remain a priority for increasingly 'wellness' conscious consumers.

Manufacturer data is unavailable

NIGERIA SNAPSHOT



BRYAN SUN
Managing Director
SUB SAHARAN
AFRICA

Nigeria economic growth remains nominal despite the recovery in oil prices, stable foreign exchange and improving inflation. However, the FMCG industry was buoyant as normalising inflation drove consumer volume and value spending into positive territories for the first time in two years.

The consumer confidence index in Nigeria followed with a very healthy nine point increase to 122 this quarter, mirroring the stronger spending momentum and steady Naira, that resulted in stable retail prices of most manufactured goods and imported staples.

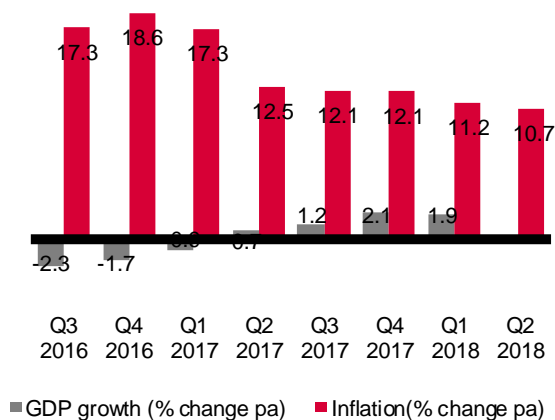
The positive sentiment is reflected in the volume sales of FMCG which picked up in the last quarter and grew along with value sales. However, the continued price increases is a drag for the sector. It is interesting to note that the growth continues to be led mainly by smaller players who have adapted more quickly to the new economic realities, and are better meeting consumers' needs for value for money through innovation and packaging.

It is expected that modest economic recovery will continue for this African powerhouse in 2018, although businesses and consumers remain apprehensive ahead of the impending election.

Manufacturers and retailers will need to continue to focus on optimising their product portfolios and delivering value to their cautious consumers.

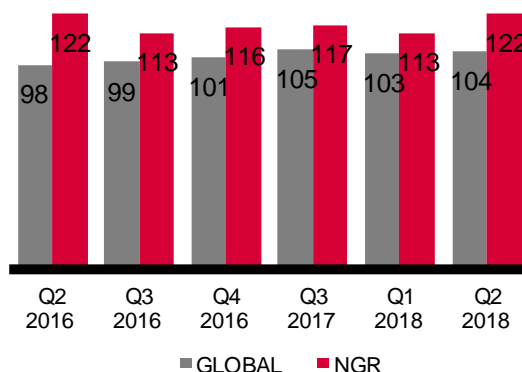
COUNTRY HIGHLIGHTS

ECONOMY WATCH



Source: Trading Economics, Q2 GDP unavailable

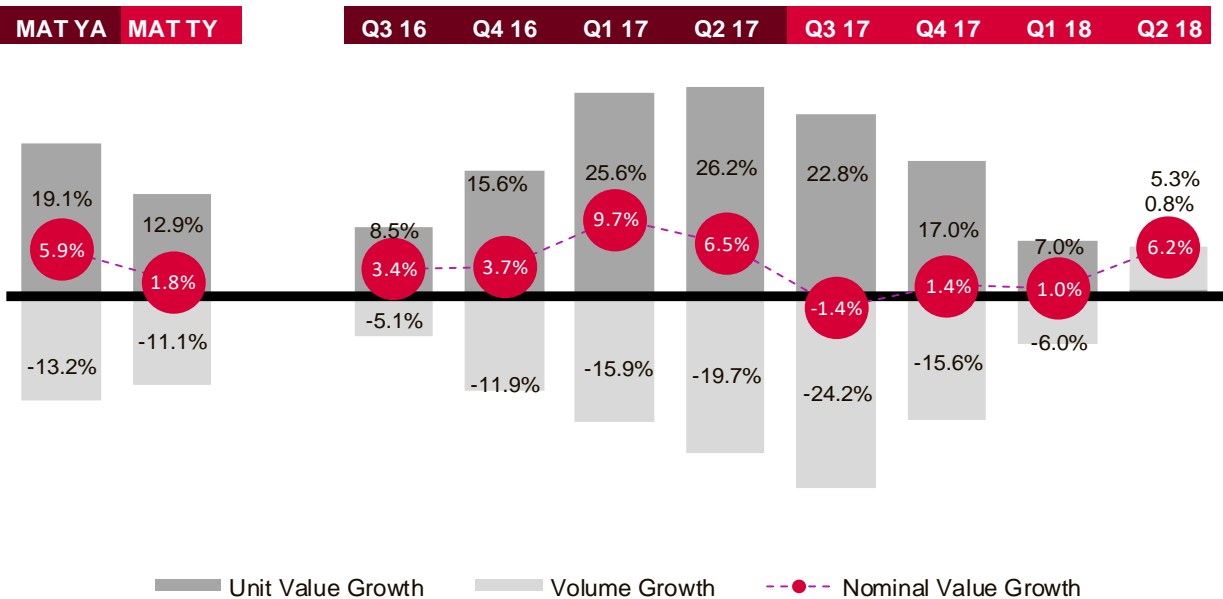
CONSUMER CONFIDENCE INDEX



Source: The Conference Board © Global Consumer Confidence Survey is conducted in collaboration with Nielsen

NIGERIA SNAPSHOT

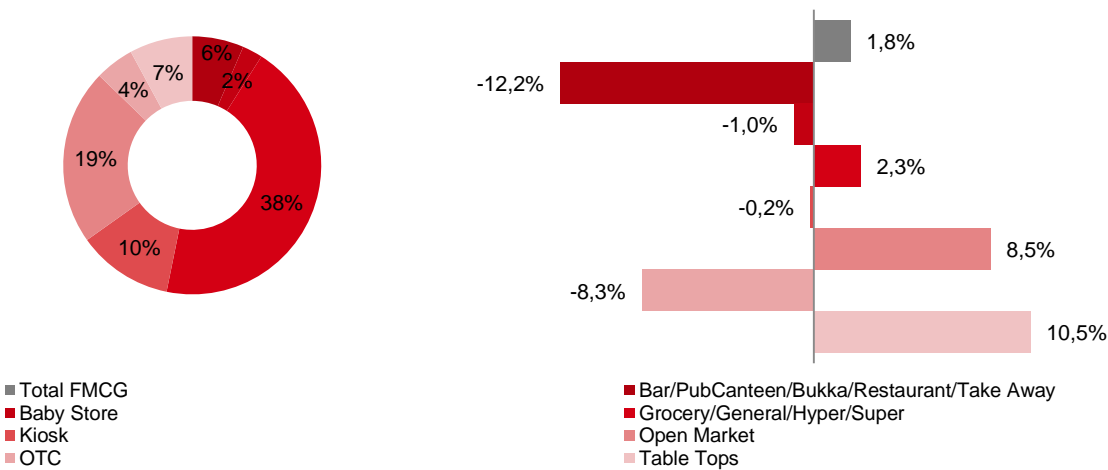
FMCG MARKET DYNAMICS (weighted average)



Positive volume gains follow on from the stabilising Naira and lower food inflations levels.

CHANNEL PERFORMANCE

Value contribution and growth – MAT Q2'18

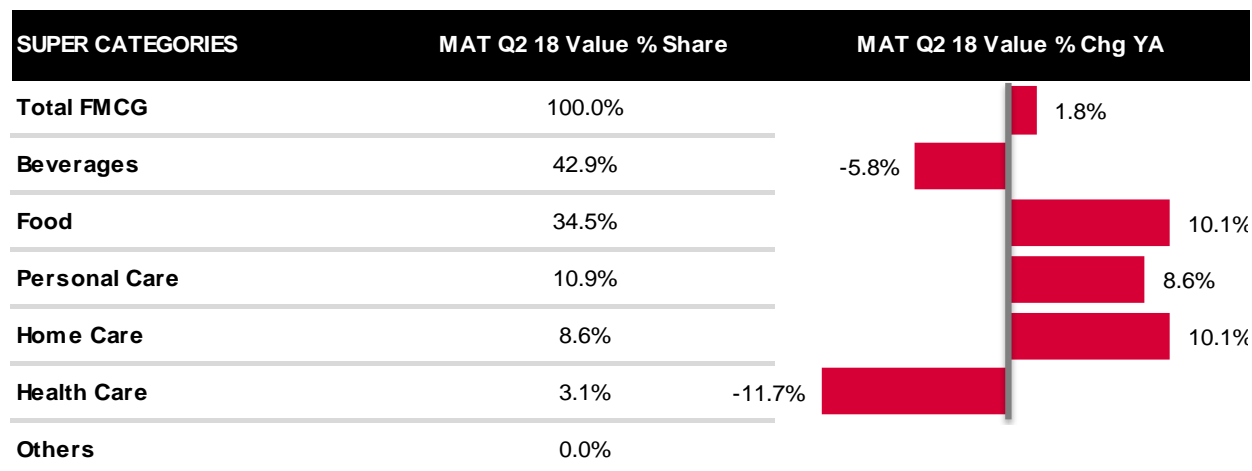


Grocers, Open Markets and Table Tops lead the growth recovery with adaptable offerings.



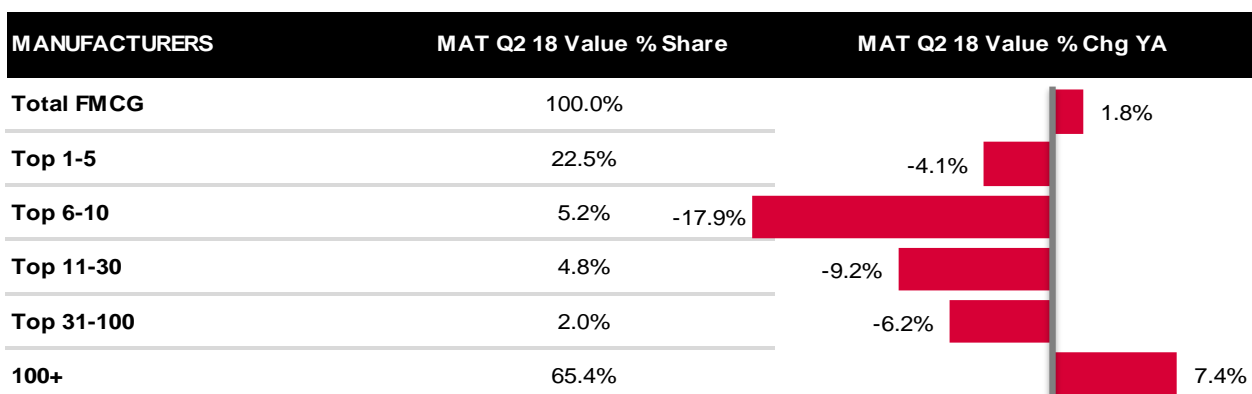
NIGERIA SNAPSHOT

SUPER CATEGORY PERFORMANCE



Food and Personal/Home Care recover ahead of the basket average, as essentials and non discretionary products are added back into the basket.

MANUFACTURER PERFORMANCE



Smaller manufacturers (100+) lead the recovery with flexible, localised offerings.

GHANA SNAPSHOT



BRYAN SUN
Managing Director
SUB SAHARAN
AFRICA

Ghana posted positive, but slightly lower GDP growth and inflation in the latest quarter. Consumer sentiment in Ghana, however, waived from successive, strong confidence levels in previous quarters. Ghana consumer confidence dropped 12 points in Q2'18 to 108, the lowest level since Q3'16. Slowing economic growth, subdued performance in the non-oil and industrial sector, and poor agricultural performance has led to the lower confidence levels this quarter.

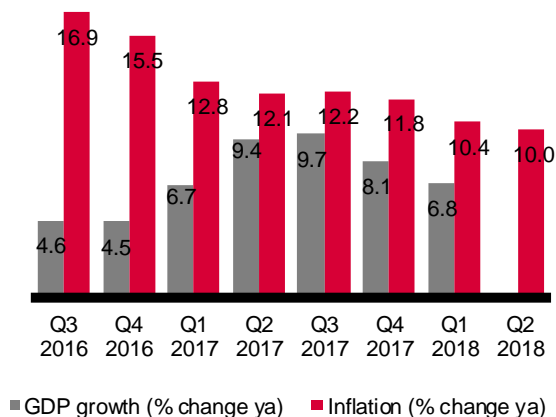
On a more optimistic note, a higher percentage of consumers confirmed having spare cash available in Q2'18. This resulted in an upswing in FMCG performance – with both sales volume and value growing ahead of a year ago, and the annual average.

Food categories posted robust growth in the second quarter; although the discretionary (non-food) segment outpaced growth in beverages. The rebound in food spending has had a positive effect on the growth of medium-size manufacturers, whereas the leading FMCG manufacturers are yet to show the same recovery. Operating conditions in Q2'18 for small FMCG manufacturers remained tough and they posted a sharp decline in sales vs the previous year.

In the latter half of the year, we anticipate solid GDP growth as government policies and spending filter down further to boost the economy. Consumer purchasing ability is expected to improve further bolstering increases in the FMCG sector.

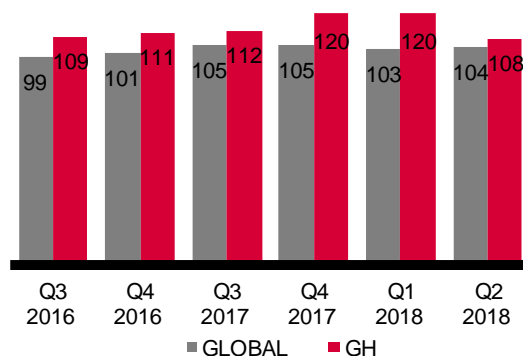
COUNTRY HIGHLIGHTS

ECONOMY WATCH



Source: Trading Economics, Q2 GDP unavailable

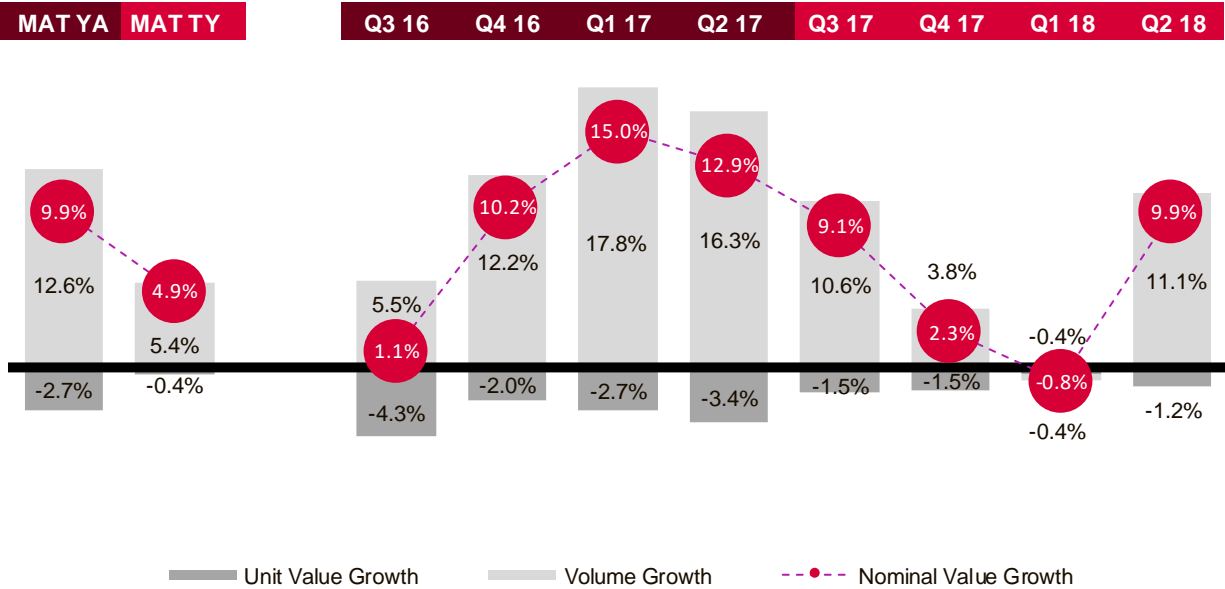
CONSUMER CONFIDENCE INDEX



Source: The Conference Board © Global Consumer Confidence Survey is conducted in collaboration with Nielsen

GHANA SNAPSHOT

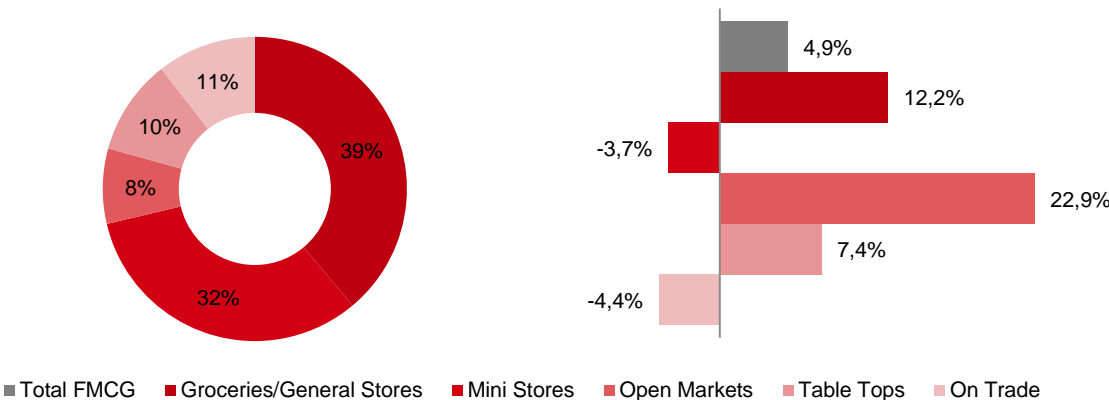
FMCG MARKET DYNAMICS (weighted average)



Stronger Q2'2018 volume growth spurred on by lower inflation and positive economic conditions.

CHANNEL PERFORMANCE

Value contribution and growth – MAT Q2'18



Open markets provide flexibility in their offerings, sustaining strong growth, while Grocers/General stores offer more choice.



GHANA SNAPSHOT

SUPER CATEGORY PERFORMANCE

SUPER CATEGORIES	MAT Q2 Value % Share	MAT Q2 Value % Chg YA
Total FMCG	100.0%	4.9%
Beverages	44.1%	1.0%
Food	35.8%	10.4%
Non Food	20.1%	4.7%

Food categories benefit from the uplift in spending due to more stable pricing and lower inflation levels.

MANUFACTURER PERFORMANCE

MANUFACTURERS	MAT Q2 Value % Share	MAT Q2 Value % Chg YA
Total FMCG	100.0%	4.9%
Top 1-5	46.2%	-1.5%
Top 6-10	18.1%	19.6%
Top 11-30	20.6%	10.4%
Top 31-100	12.8%	7.3%
100+	2.3%	-14.0%

Medium sized manufacturers have adapted their offerings to suit consumer circumstances and spending ability.

KENYA SNAPSHOT



BRYAN SUN
Managing Director
SUB SAHARAN
AFRICA

The Kenyan economy has experienced a renewed period of confidence and is projected to rebound to GDP growth of 5.6% in 2018 and 6.2% in 2019 as per an African Development Bank report. The economy is also more diversified than its regional peers, which has supported its growth over the past decade and given it the ability to weather the most recent economic storms far more effectively.

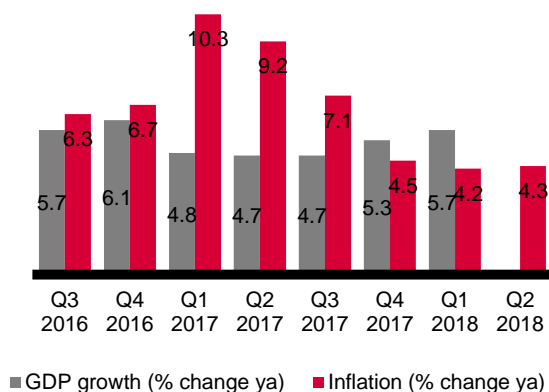
In light of improved agricultural forecasts, declining inflation levels, and a more stable political environment, consumers are more optimistic about their future. Reflecting these sentiments, the consumer confidence index for Kenya has risen two points to 104 in the second quarter of 2018. The private sector has continued to bolster the economy, even though the pace of acceleration was moderate in Q2.

Nielsen's retail data also shows that the grocery basket in Kenya is growing and consumers are opening their wallets. The FMCG category is recovering and we have seen growth in quarter 2, with household and personal care categories leading this growth. Prices for food and non-alcoholic beverages saw the largest decline, whilst prices for health increased the most.

Kenya is on the road to recovery, however, manufacturers and retailers need to take note of the shifting needs of the consumers and provide value for money offerings to sustain continued spend.

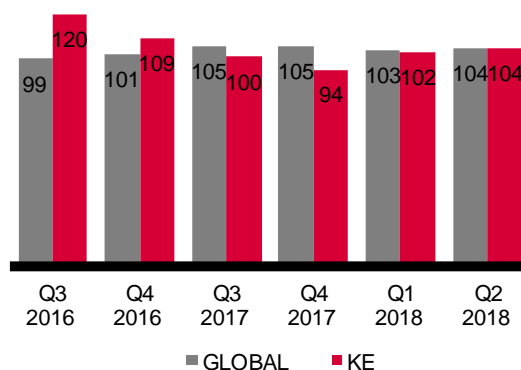
COUNTRY HIGHLIGHTS

ECONOMY WATCH



Source: Trading Economics, Q2 GDP unavailable

CONSUMER CONFIDENCE INDEX



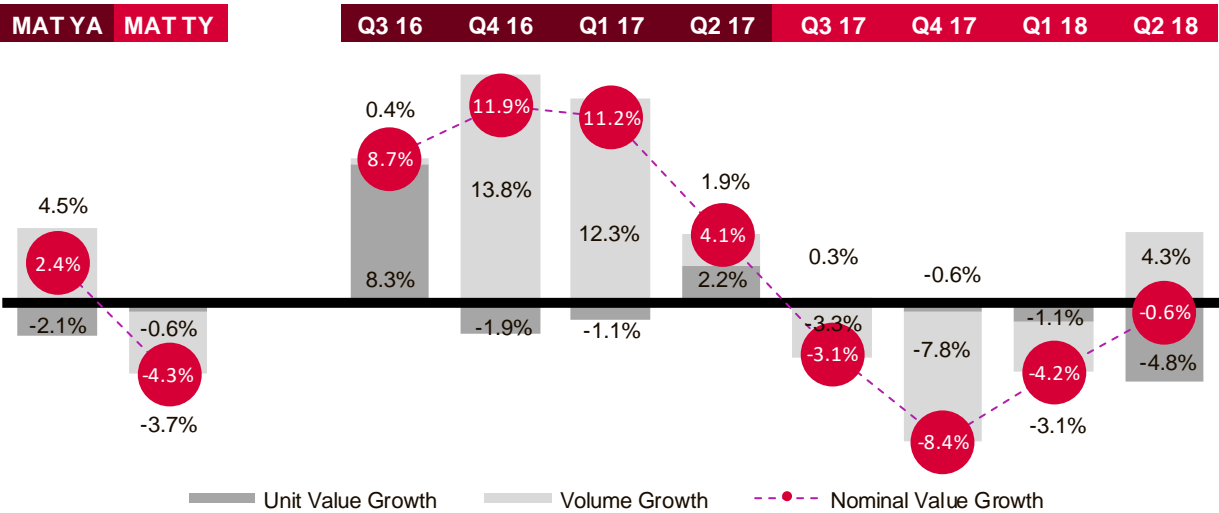
Source: The Conference Board © Global Consumer Confidence Survey is conducted in collaboration with Nielsen



KENYA SNAPSHOT

FMCG MARKET DYNAMICS

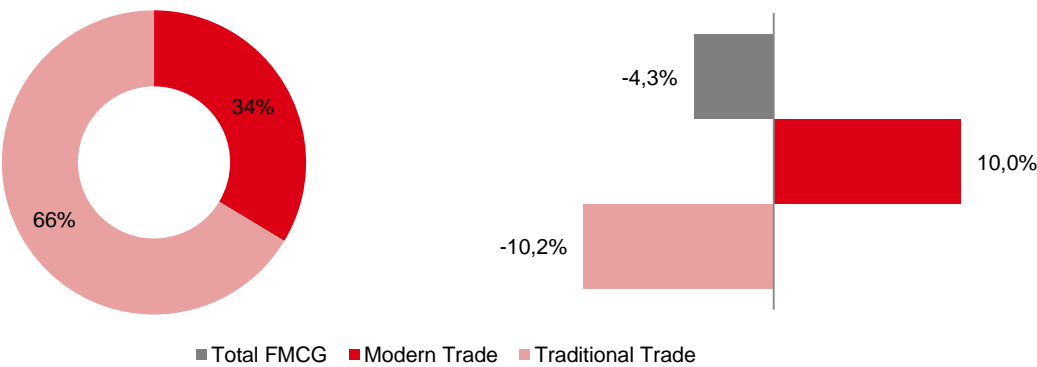
(weighted average)



Volume rebounds as inflation in Food and Beverages eases.

CHANNEL PERFORMANCE

Value contribution and growth – MAT Q2'18



Modern Trade continues to grow as consumers seek competitive pricing and broader product ranges.



KENYA SNAPSHOT

SUPER CATEGORY PERFORMANCE

SUPER CATEGORIES	MAT Q2 17 Value % Share	MAT Q2 17 Value % Chg YA
Total FMCG	100.0%	-4.3%
Food	41.8%	-4.5%
Non Food	29.2%	-1.3%
Beverages	29.0%	-6.9%

Non Food categories added back into the basket as inflation eases into the short term.

MANUFACTURER PERFORMANCE

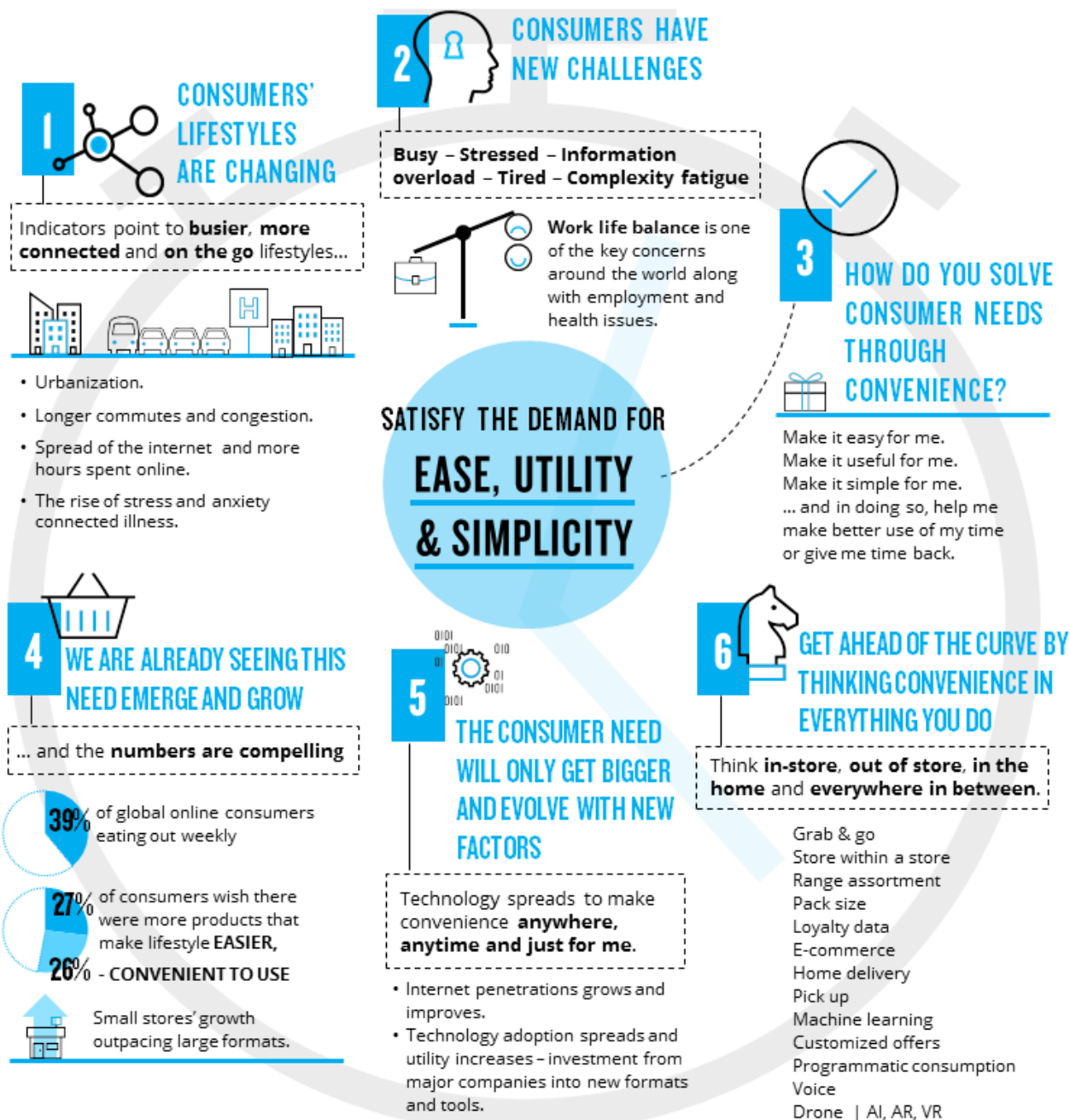
MANUFACTURERS	MAT Q2 17 Value % Share	MAT Q2 17 Value % Chg YA
Total FMCG	100.0%	-4.3%
Top 1-5	31.5%	-5.8%
Top 6-10	21.7%	-15.4%
Top 11-30	36.0%	-0.4%
Top 31-100	24.0%	7.9%
100+	-13.3%	1.7%

Smaller manufacturers post positive growth as they adapt their offerings to suit consumers' wallets and needs.



IN THE INDUSTRY

THE QUEST FOR CONVENIENCE



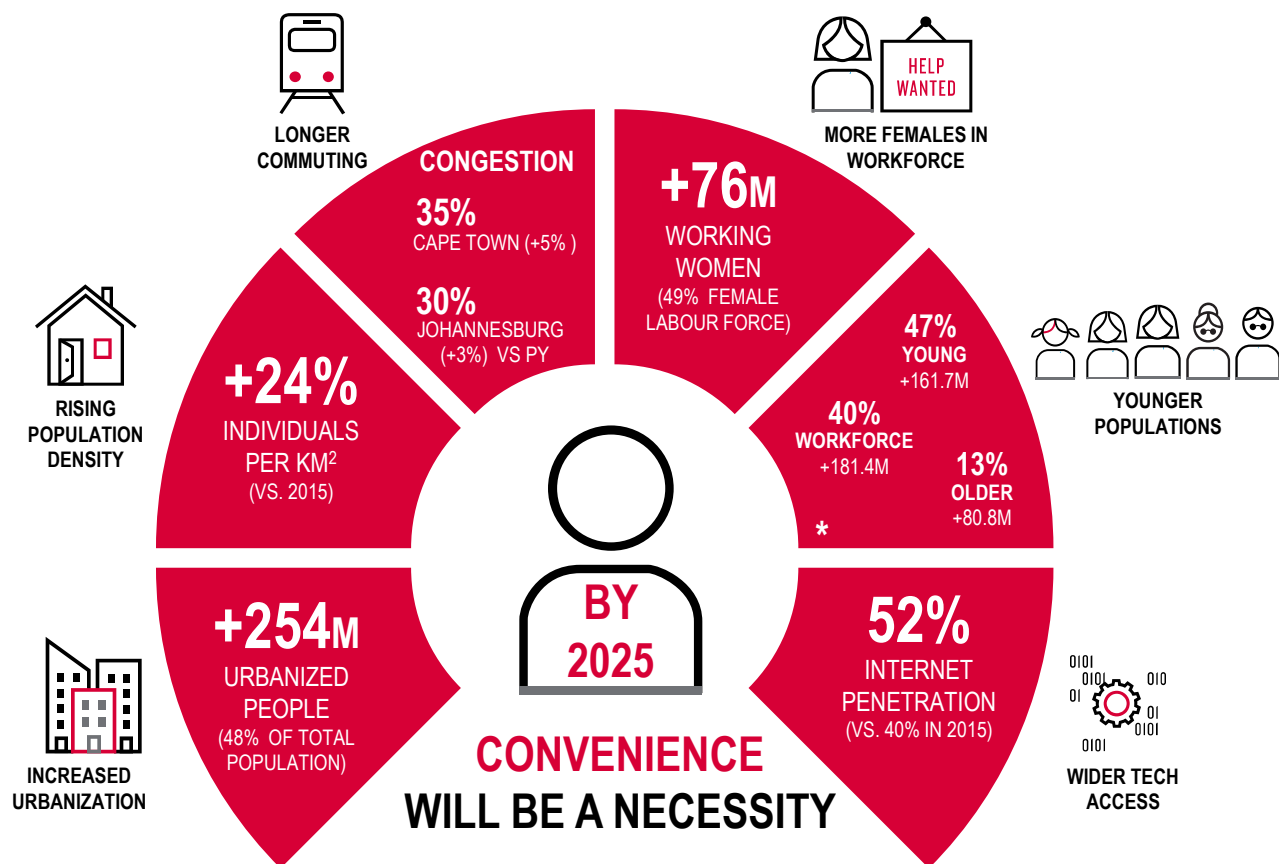
HOW CAN NIELSEN HELP? TALK TO US ABOUT HOW WE EMBED CONVENIENCE THINKING IN:

PRODUCT RANGE, ASSORTMENT & CATEGORY MANAGEMENT | RETAIL FORMAT, LOYALTY DATA & E-COMMERCE | IN-STORE EXECUTION & "GOLDEN STORES" | PRODUCT DESIGN & INNOVATION | PROMOTIONAL EFFECTIVENESS AND MORE.



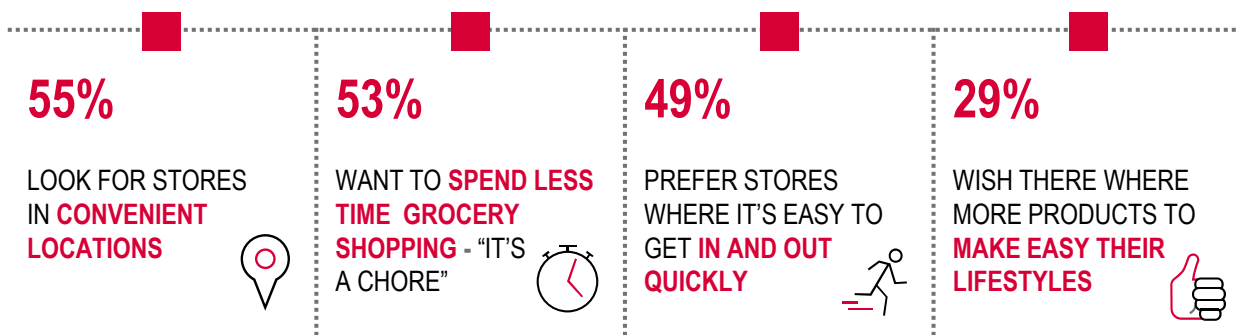
THE QUEST FOR CONVENIENCE

WHAT IS DRIVING CONSUMER LIFESTYLE CHANGES IN AFRICA AND MIDDLE EAST?



WHAT ARE CONSUMERS SEEKING?

EASE, UTILITY & SIMPLICITY



DISCOVER HOW YOU CAN MEET THE NEED FOR EASE, UTILITY AND SIMPLICITY

Download [THE QUEST FOR CONVENIENCE](#) report.
Reach out to your local client service team for localised insights.

* POPULATION - YOUNG: 0-19 YEARS | WORKFORCE: 20-49 YEARS | OLDER: 50+ YEARS



DEFINITIONS AND SOURCES

Economy Watch

Annualised Quarterly % GDP growth sourced from Trading Economics
Annualised Quarterly Inflation, consumer prices % change sourced from Trading Economics unless otherwise specified.

Consumer Confidence

The Conference Board® Global Consumer Confidence Survey is conducted in collaboration with Nielsen. The survey is based on respondents with Internet access in Egypt, Morocco, UAE, Saudi Arabia and South Africa. The Nielsen Consumer Confidence Survey in Nigeria, Ghana and Kenya is based on respondents with Mobile access. Index levels above or below 100 indicate degrees of optimism/pessimism. Q1'2017 CCI results are unavailable for all countries, Q2 2017 results are unavailable for Nigeria, Ghana and Kenya.

FMCG Market Dynamics - compares overall market dynamics (value and volume growth) in the Fast Moving Consumer Goods sector based on the sales tracking Nielsen performs in the mentioned AME markets. The FMCG definition is based on the widest possible basket of product categories that are continuously tracked by Nielsen in each of these countries and channels.

Nominal value growth: Percentage change in value sales (expenditures) as measured by the total basket of reported product categories

Unit value growth (\approx 'price' change):

The change in average price per unit may result from:

- Price changes of individual products
- Change in the mix of purchased products; more or less expensive products, more or less promotions, etc.
- Channel switching; more or less purchases in discount stores, or hypermarkets, or convenience outlets, etc.
- Product or channel mix changes may be induced by price change or may just be the result of market dynamics.
- The unit value growth reflects how consumers experience 'cost of living' in their actual grocery shopping behaviour.

Volume growth: Percentage change in purchased volume (quantity) of products

Super Category Performance – inclusions of categories into Super Categories are based on local market definitions, country level details available [here](#).

