



Given the current economic climate, where do you see the opportunities for FMCG (CPG) companies in BRIC and other emerging markets?

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Sandy Chen,
Head of Consumer, China

The impact of the global financial crisis to Chinese consumers has not been as severe as expected. The transactions are still there but people are buying cheaper versions with a reduced budget. Therefore, the opportunities for FMCG companies lie in giving consumers a more compelling reason for purchase i.e. your product offers better value for money.



Wander Meijer,
Regional Director, Latin America

Brazil has been less affected by the credit crisis due to the strength of local banks who are not as exposed to the high risks of Western banks. Domestic consumption has slumped but technology, healthcare and parts of the consumer sector are still growing and although major players may reduce overall global investment, Brazil will likely remain in their growth/ investments programs.



Karina Milare,
Planning Director, Consumer & Retail, Brazil

Although the emerging markets will be less impacted by the financial crisis, consumers are still concerned about reducing their expenditure. Over the past 5 years, BRIC consumers have been experiencing higher levels of consumption and although they will be looking to reduce spending it provides good opportunities for FMCG companies to launch/re-launch new products but at more affordable prices.



James Fergusson,
Strategic Head Sectors, Asia Pacific, Latin America, Middle East & Africa (ALM)

The global economic down-turn will have less of an impact on consumers in emerging markets when contrasted against their more developed counterparts. Emerging and middle class consumers in markets like India and China are less likely to own shares and property. As such their disposable income is less likely to be impacted and their purchasing behavior less likely to be compromised.



Ram Mohan Rao,
Executive Director, India

Strategy should be to increase reach and distribution in the smaller Tier 2 towns (largely unaffected by the recession), and in rural India which is benefiting from a bountiful crop and rising commodity prices. In the large metro cities FMCG players will need to increase availability of their low priced brands and SKUs due to signs of down-trading.