



# Asia-Pacific Consumer Products Report 2025

Six trends are reshaping the world's largest consumer base. CPGs must learn to navigate Asia-Pacific's complexity to unlock sustainable growth.

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## Asia-Pacific Consumer Products Report 2025

## At a Glance

- ▶ The Asia-Pacific region is expected to surpass North America, becoming the largest contributor to global private consumption by 2035. Therefore, global consumer packaged goods (CPG) companies must succeed in this region to achieve sustainable growth.
- ▶ The region's vast diversity presents both immense opportunity and significant complexity. There is no one-size-fits-all playbook for winning across its markets.
- ▶ While not universally applicable, six trends reflect the dominant dynamics reshaping Asia-Pacific markets. The trends also contain essential insights for CPG leaders.
- ▶ To build lasting competitive advantages, CPGs must understand local nuances and tailor their strategies, route-to-market approaches, and operating models. They also need to accelerate AI transformations.

The Asia-Pacific region is the world's largest consumer base—and it continues to expand, resulting in increasingly divergent consumer behaviors and channel preferences. That expansion is fueling rapid channel disruption and the rise of ambitious local players.

For CPG leaders, the region's complexity raises pressing questions, such as: Where is growth truly coming from? How should expansion be sequenced, and how should investments be planned? How can companies navigate increasingly divergent market trajectories and ever-evolving channel landscapes? And where can cross-market commonalities be leveraged to drive scale and efficiency?

This report examines how the greater Asia-Pacific market is developing and offers insights to help leaders foster fresh thinking and craft effective strategies.

## Growth dynamics in the Asia-Pacific region

Global private consumption is expected to nearly double in the next decade, rising from \$65 trillion in 2025 to \$110–\$120 trillion by 2035. The Asia-Pacific region will drive much of this growth. With steady population growth, increasing affluence, and urbanization, it could surpass North America as the world's largest consumption region.

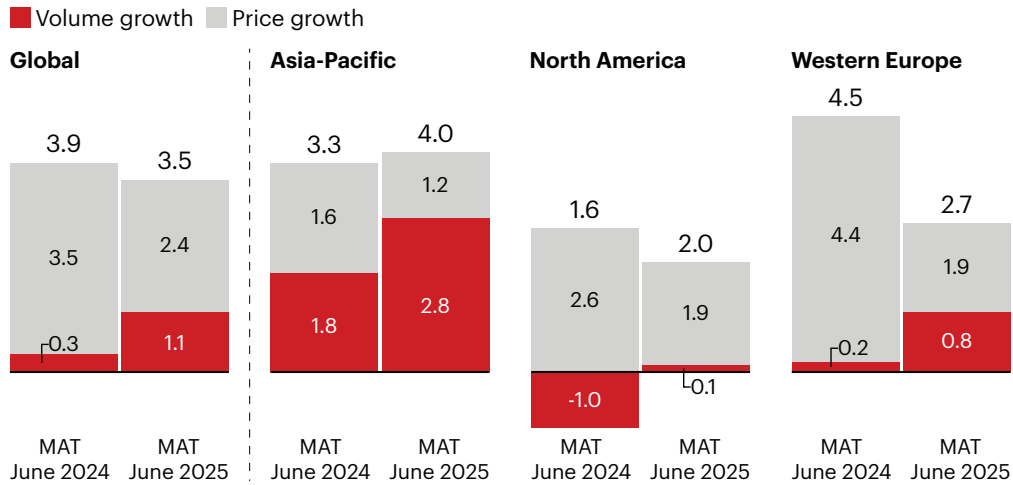
For consumer packaged goods (CPG) companies, restoring profitability and volume-led growth to the fast-moving consumer goods (FMCG) segment is a top priority—and the Asia-Pacific region is already a step ahead. In the moving annual total (MAT) ending in June 2025, FMCG value grew 4% in the Asia-Pacific region, fueled by 2.8% volume growth and a modest 1.2% price increase. By contrast, growth in North America and Western Europe was lower and largely price-driven (see *Figure 1*).



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**Figure 1:** Compared to the rest of the world, the Asia-Pacific region has achieved a better balance of value and volume growth

**FMCG value growth by region**  
(percentage, MAT June 2024 and June 2025)

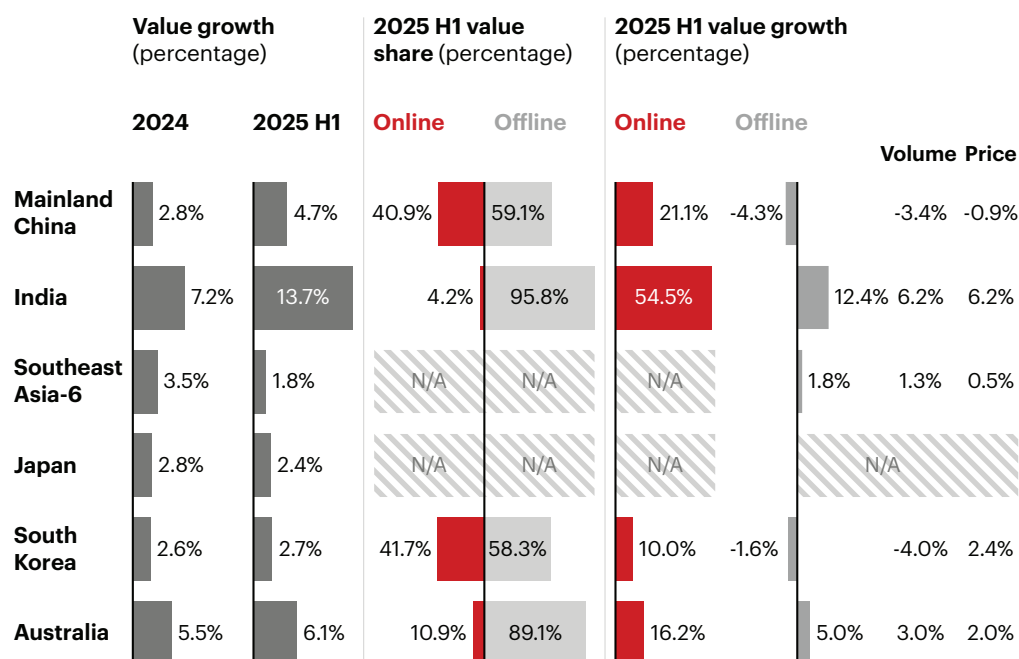


Notes: MAT is moving annual total; Asia-Pacific data covers offline channels plus China e-commerce channels such as JD and Tmall, as well as e-commerce channels in Singapore and Australia  
Source: NielsenIQ

However, performance varies significantly across the Asia-Pacific region. Developing markets such as India are seeing robust value growth (7.2% in 2024 and 13.7% in the first half of 2025), while Southeast Asia is experiencing a slowdown. Southeast Asia's growth eased to 1.8% in the first half of 2025—down from 3.5% in 2024. China is showing early signs of a rebound; its overall growth rose from 2.8% in 2024 to 4.7% in the first half of 2025, primarily driven by online channels. Online is also sustaining South Korea's growth trajectory (see *Figure 2*).

As growth patterns diverge, CPG leaders must look beyond regional averages to uncover where momentum is coming from—and how to build on it.

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**Figure 2:** Across Asia-Pacific markets, performance varies significantly**FMCG year-on-year growth by market**

Notes: Japan is not covered by NielsenIQ, therefore the data for Japan is sourced from Euromonitor, growth refers to 2023–24 and 2024–25 (estimated) retail sales value of fast-moving consumer goods, covering all channels; for Mainland China and South Korea, the data covers commonly tracked categories across offline and online channels, i.e., 60 categories for China and 73 for Korea; for Southeast Asia, only offline data is included due to NIQ data availability; Australia data is based on the consumer panel  
Sources: NielsenIQ; Euromonitor

## Six CPG trends reshaping the Asia-Pacific region

To help CPGs navigate this complexity and refine their strategies, we identified six trends reshaping the sector in the Asia-Pacific region. While not uniform across all markets, these trends reflect the dominant forces driving growth. They also reveal critical insights for CPG leaders seeking sustainable growth.

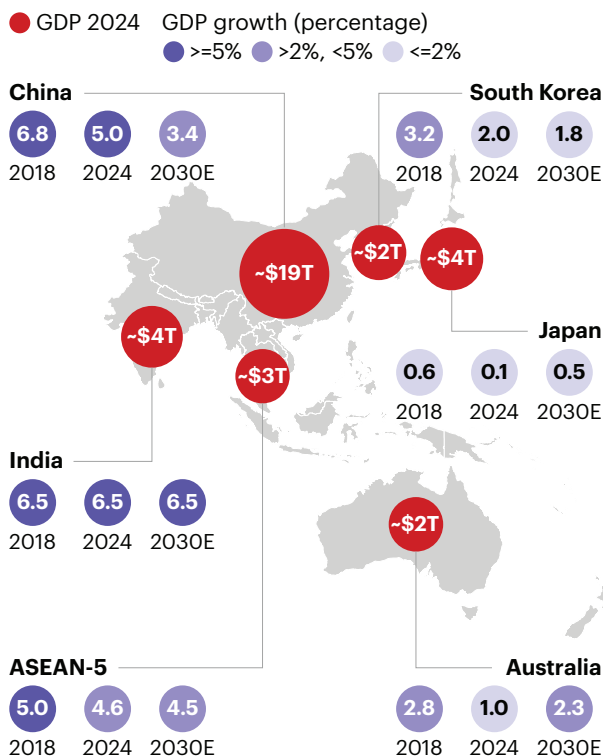
### 1. Shifting market dynamics

The Asia-Pacific region is a critical territory for multinational companies (MNCs) and the global economy. However, each country within the region has evolved differently, particularly post-Covid-19 (see Figure 3).

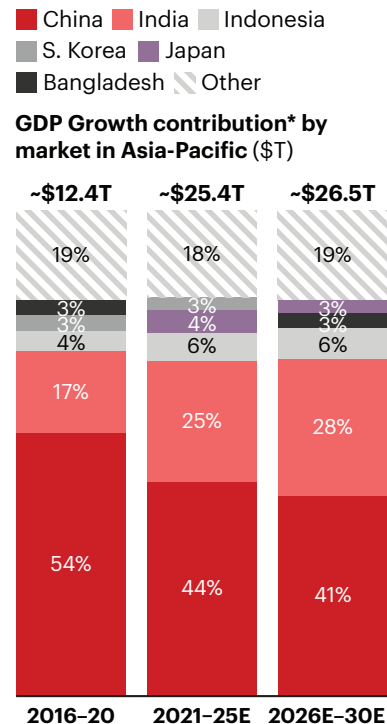
A decade ago, multinational CPGs often viewed China as a surefire growth engine. Yet in recent years, the country's GDP growth has moderated. China's GDP was 5.0% in 2024, down from 6.8% in 2018. According to the International Monetary Fund, the country's 2030 growth forecast has been revised down further to 3.4%. Despite the dip, China will remain the region's largest contributor to economic growth.

**Figure 3:** Asia-Pacific countries have evolved differently under broader macro shifts, yet Asia remains central to global economic growth

#### Growth continues across Asia-Pacific, driven by developing markets



#### China remains the largest driver; India's contribution is rising



Notes: \*GDP growth contribution is calculated based on purchasing power parity, using international dollars  
 Sources: IMF; Bain analysis

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Meanwhile, India has exhibited robust GDP growth (6.5%), which it's expected to sustain through 2030. The ASEAN-5 (Indonesia, Malaysia, the Philippines, Thailand, and Vietnam) are forecast to grow around 4.5% through 2030, led by Indonesia. While these markets offer promising growth, they are not expected to reach the scale China commands.

As a result, there is no single growth engine in the Asia-Pacific region. Diversification is the new reality—and one that demands bold, market-specific strategies to unlock sustainable growth across diverse and quickly evolving economies.

## 2. Diverging consumer preferences

Anecdotal stories suggest that Asia-Pacific consumers are becoming more value-conscious, but the data show otherwise. In reality, consumer preferences are deeply divergent.

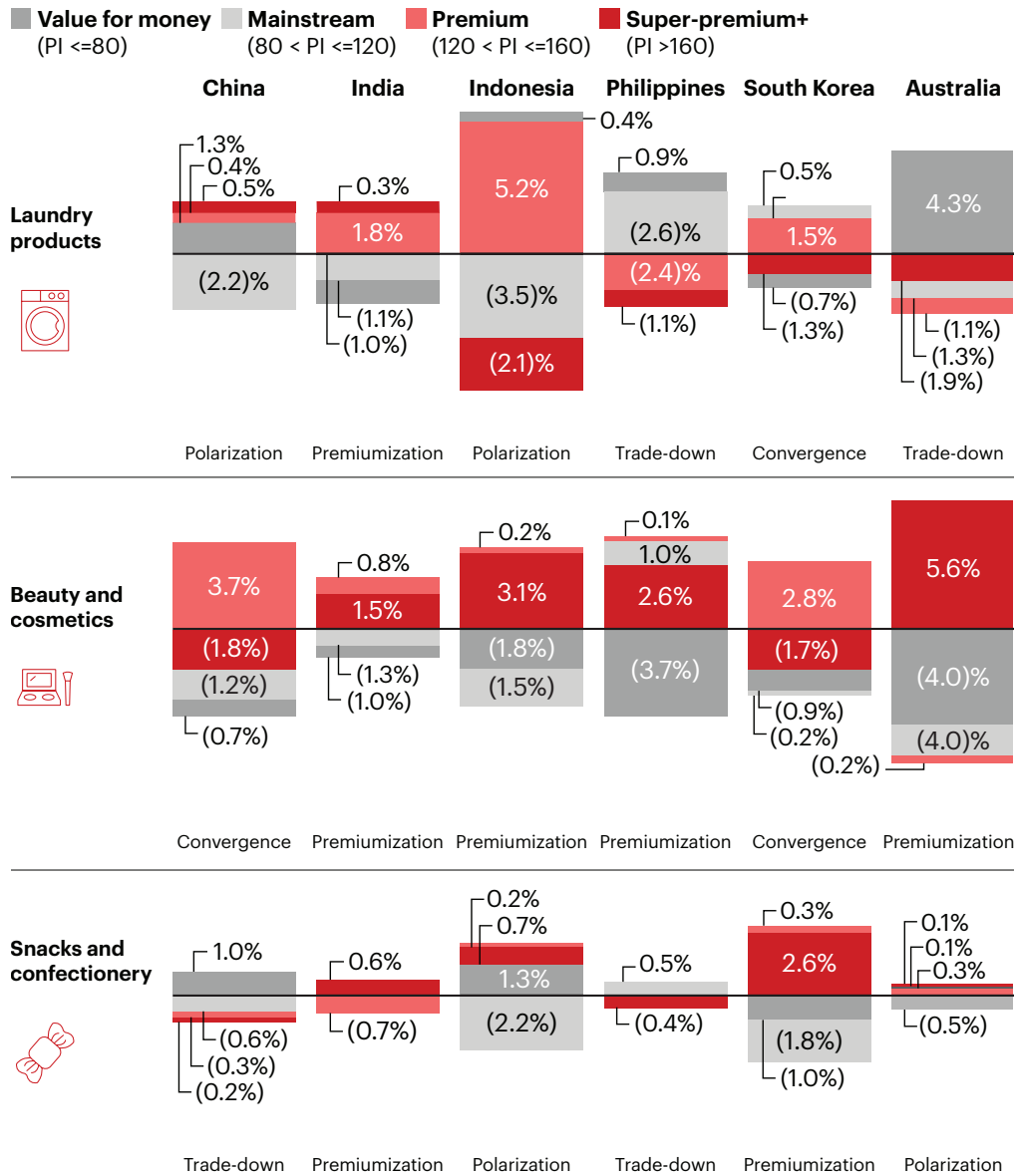
We analyzed eight CPG categories in six markets, then classified each category by pricing trend: polarization, premiumization, convergence, or trade-down. No Asia-Pacific market exhibited a consistent trade-down trend across all categories, and no category displayed the same trend across all markets (see *Figure 4*).

This means consumer preferences diverge significantly across the region, reinforcing the need for tailored strategies and solutions. CPGs need to address local consumer needs rather than adopting one-size-fits-all approaches.

Although consumers may appear more price-conscious in certain categories and markets, this is often due to deliberate cross-category trade-offs. Consumers consciously reduce spending in select areas while remaining willing to pay a premium in others. Several categories show clear premiumization or polarization trends, such as laundry in China, India, and Indonesia, and beauty and cosmetics in India, Indonesia, the Philippines, and Australia. The data highlights opportunities for brands to compete in the premium segment and capture growth.

Bain's Elements of Value® framework explains how brands can succeed as premium offerings, even amid economic headwinds, by embedding higher-level values into their value propositions. For example, Australian-based toilet paper company Who Gives A Crap demonstrates the higher-level value “global impact” by producing eco-friendly products and donating half its profits. By clearly delivering differentiated values, Who Gives A Crap increased its share from 0.9% to 2.6% as of MAT June 2025. (More information about the Elements of Value framework is available in the Bain Article “A Crisis of Value in China and Southeast Asia.”)

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**Figure 4:** Across the Asia-Pacific region, consumer preferences vary by country and category**Market share change by price segment, category, and market**  
(percentage, offline only, MAT June 2025 vs. MAT June 2023)

Notes: PI is price index; MAT is moving annual total; polarization is both value-for-money and premium/super-premium segments gained share; premiumization is premium and/or super-premium segments gained share; convergence is premium and/or mainstream segments gained share at the expense of others; trade-down is value-for-money (and mainstream) segments gained share

Sources: NielsenIQ; Bain analysis



### 3. Increasing channel complexity

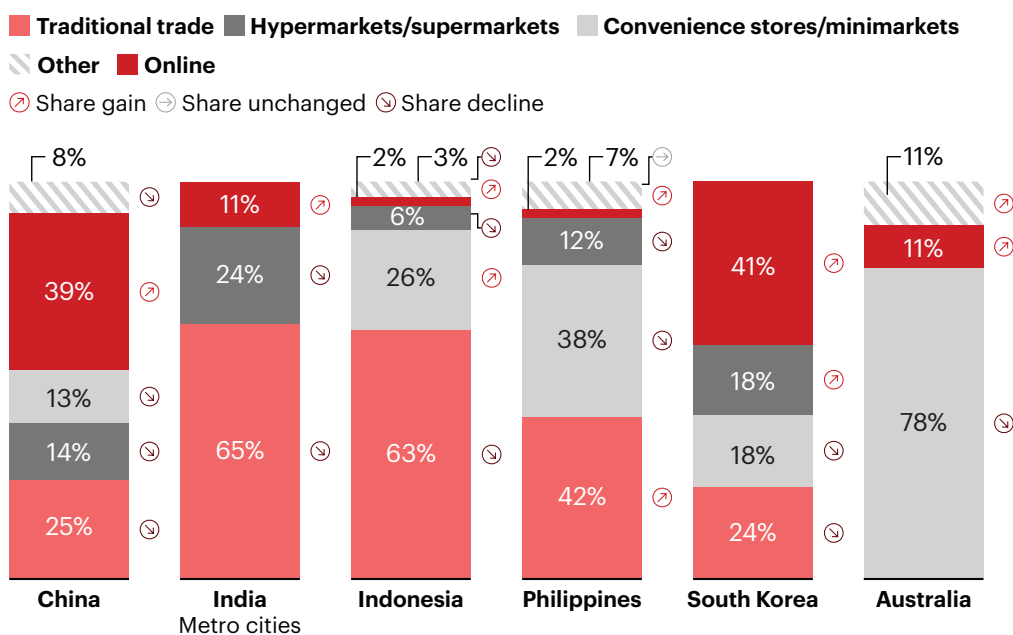
The region's channel landscape is also diverse. While online channels lead in China and South Korea, contributing about 40% of FMCG sales, most other Asia-Pacific markets are dominated by offline channels. Still, e-commerce remains the central growth engine, steadily gaining share across all major markets (see Figure 5).

Two major disruptions are adding new layers of complexity to the channel landscape.

Firstly, emerging channels are expanding quickly and reshaping consumer journeys, such as social commerce (a fast-growing subset of e-commerce) and quick commerce. TikTok Shop, which fuses entertainment and commerce, became the number two e-commerce platform in the ASEAN-6 (Indonesia, Malaysia, the Philippines, Singapore, Thailand, and Vietnam) within just two to three years of its launch. Douyin Shop, the Chinese version of TikTok Shop, became the country's leading FMCG e-commerce platform in MAT June 2025.

**Figure 5:** E-commerce remains the central growth engine, gaining share in every major Asia-Pacific market

#### FMCG channel share by market (percentage, MAT June 2025)



Notes: MAT is moving annual total; Indian "hyper/super" refers to total modern trade; for Indonesia and Philippines, various sources of data for e-commerce channel exist with a wide range—shown in the charts above are data from GlobalData, while other channels are proportionally scaled from NielsenIQ data; other channel includes drugstores, pharmacies, cosmetics; in South Korea and Mainland China, the share is based on commonly tracked categories across offline and online channels; share change refers to share in MAT June 2025 vs. MAT June 2024  
Sources: NielsenIQ; GlobalData; Bain analysis

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Quick commerce is also gaining momentum, particularly in China and India, where there's high demand for ultra-convenience. In China, the quick commerce market is projected to reach \$120-\$150 billion by the end of 2025, reflecting a CAGR of 15%-30% over the past two years. FMCGs account for about half of the gross market value (GMV). In India, quick commerce GMV quadrupled from 2022 to 2024.

Secondly, AI is reshaping the consumer shopping journey. According to a NielsenIQ survey, 39% of consumers in the region already use AI in online shopping, and an additional 40% are willing to adopt it in the future.

Combined, these shifts are changing how CPGs design go-to-market strategies, and early movers in emerging channels are already seeing strong results. Kans, a Chinese incumbent beauty brand, adopted a Douyin-first strategy and playbook in 2023 and quickly became the top beauty brand on Douyin Shop. Kans' online success extended into the broader market, where it claimed the number three position across channels. Skintific, an Indonesian insurgent beauty brand created by a Chinese company, also leapfrogged the competition with social commerce. After achieving the number one place in beauty on TikTok Shop, it expanded offline, where market share rose from 0.5% to 2.3% between MAT June 2023 and MAT June 2025.

## 4. Rising local heroes

The Asia-Pacific market is largely dominated by local and regional brands, with domestic brands gaining share across most developing markets, except India (see *Figure 6*).

Over the past few years, local brands have significantly raised their game, largely matching and sometimes surpassing multinational competitors in innovation, marketing, sales, and digitalization. More importantly, they are undeniably more agile and more closely attuned to local consumer needs than MNCs. Some local brands also innovate faster and excel in design-to-cost, leveraging deep market insights to deliver value at a competitive price. Moreover, many local players are willing to pursue longer-term approaches to achieving profitability—and stay the course.

For example, Chinese beverage company Eastroc tripled its revenue in four years (from RMB 4.9 billion in 2020 to RMB 15.8 billion in 2024) by targeting blue-collar workers. To cater to this audience, Eastroc expanded its one-drink portfolio into a broad range of beverages, including ready-to-drink coffee and tea. It also expanded distribution, growing from a regional footprint to national coverage. With over 3,200 distributors, Eastroc now reaches more than 4.2 million retail outlets. It also modernized its route-to-market approach with digital tools, adopting an integrated “five-code-in-one” system to improve visibility and gather real-time input for demand generation.

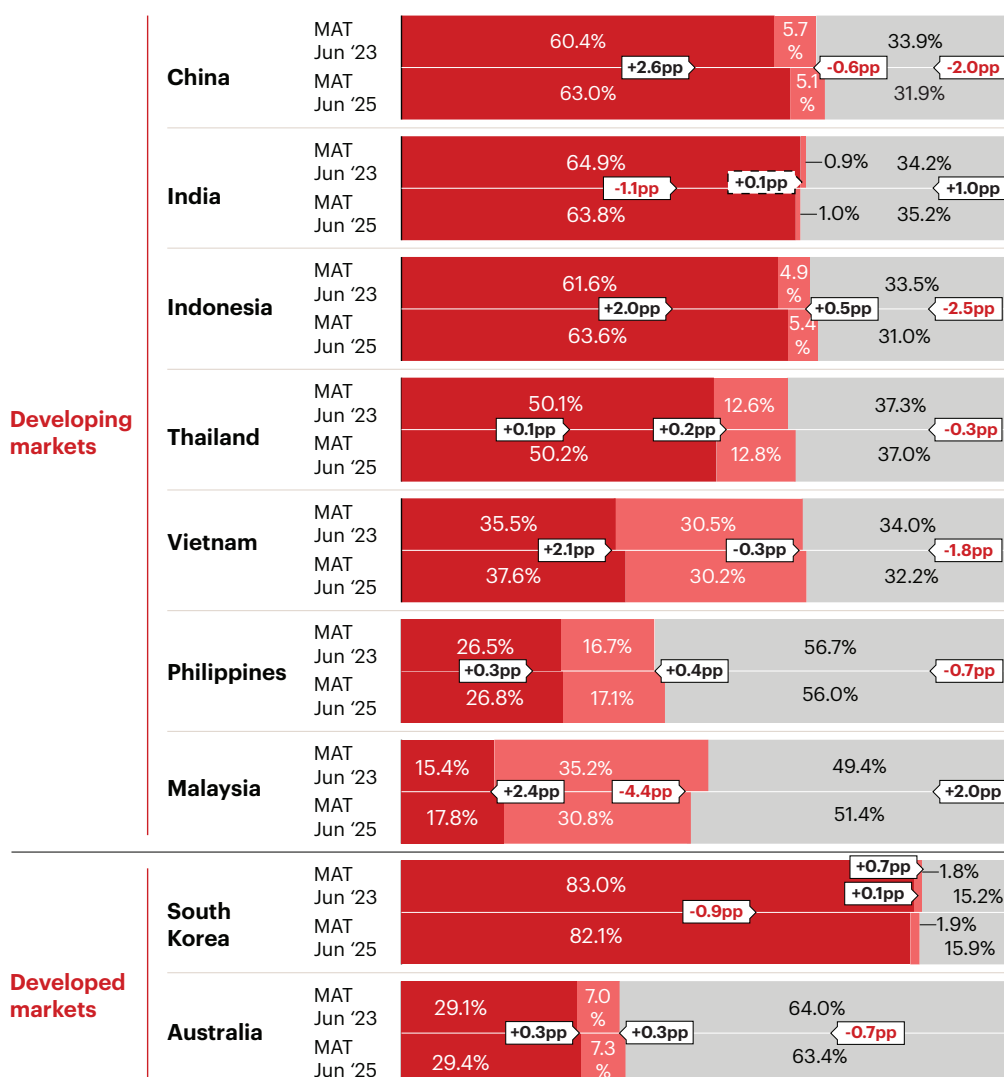
Asian brands are also becoming more ambitious on the global stage and gaining traction in Western markets. In the US, the rising influence of “K-culture” helped Korean beauty brands grow about 70% in MAT August 2024 and another 37% in MAT August 2025. The Korean ramen brand Samyang grew at a CAGR of more than 200% over the past two years. And Chinese toymaker Pop Mart became a global phenomenon with its Labubu character. Pop Mart's overseas revenue grew at a CAGR of 243% between 2022 and 2024.

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**Figure 6:** Local and regional players dominate most of the FMCG market in the Asia-Pacific region**Offline value share by origin of manufacturer**  
(percentage)

□ Difference between MAT 2025 and MAT 2023 share

■ Local ■ Asia-Pacific regional ■ Outside of Asia-Pacific



Notes: MAT is moving annual total; excludes private label; based on manufacturers within top 80% of sales; local refers to manufacturers based in the domestic market; Asia-Pacific regional refers to companies headquartered within Asia-Pacific but outside the local market; the origin of each manufacturer is categorized based on its latest ownership status and remains consistent across all years

Sources: NielsenIQ; Bain analysis

## 5. Scalable agility as the next differentiator

Agility is essential. But scalability is emerging as the true differentiator in today's fast-paced and uncertain world. It's not feasible to design and build local capabilities in each market, especially in the diverse Asia-Pacific region. Success increasingly depends on a company's ability to amplify what works across markets.

Scalability is not just about economies of scale. It also involves knowledge transfer and capability-sharing. Knowledge transfer allows companies turn insights from one market into advantages in another. For example, lessons learned about serving aging populations in Japan can help companies prepare for China's aging population. Similarly, expertise in Douyin Shop in China can accelerate CPGs' success as TikTok Shop expands globally.

Capability-sharing has traditionally focused on back-office efficiencies. Now, it's expanding into front-office functions, such as marketing and sales. AI is accelerating this shift, powering use cases for AI-enabled marketing, including campaign planning, activation, and measurement. To strengthen digital marketing, CPGs are using AI to analyze cross-market data lakes and create AI-driven analytics for precision targeting at scale.

CPGs that scale knowledge and capability sharing will not only survive—they will shape the future of global business.

## 6. AI as a game changer

AI is transforming how CPGs operate across the value chain. Leading companies in the Asia-Pacific region are deploying AI to get closer to consumers, accelerate growth, and capture significant cost savings:

**In innovation:** AI compresses development cycles from months to days by enabling zero-touch product creation, virtual testing, and rapid feedback loops. A consumer health company is using AI to generate “always-on” insights and ideate new products in China.

**In marketing:** AI agents generate, test, and adapt brand content in real time, then execute concepts through “media-in-a-box” platforms. Hindustan Unilever used AI to slash its media planning time from twenty-five days to just five.

**In sales:** AI agents optimize pricing and retail execution across channels, enabling faster decisions and closer alignment with demand signals.

**In supply chain:** AI-driven systems forecast, produce, and fulfill orders with increasing autonomy, using shared data and real-time signals to rebalance supply and demand. In procurement, AI-led spending reviews enable smarter, faster decision-making and surface new cost-saving opportunities. Yili, a Chinese dairy manufacturer, revolutionized its supply chain by adopting an AI-driven planning solution; it achieved a 17% reduction in transportation costs and a 5% increase in productivity.

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**In operating models:** AI-powered workforces regain time and resources, unlocking new opportunities to generate revenue.

The bottom line is: CPGs that treat AI as a business transformation rather than a tech deployment will accrue the greatest benefits—and gain a sustainable competitive edge. (More AI-related applications are explored in the Bain Brief “Capturing the Future of Digital in Consumer Products.”)

## Implications for CPGs

To achieve sustainable growth in the Asia-Pacific region, CPGs must capitalize on emerging trends and adapt their approaches to create new and lasting competitive advantages. Right now, they can:

- 1. (Re)prioritize markets and redefine strategic roles.** The Asia-Pacific region comprises multifaceted markets that are affected differently by macroeconomic shifts. To compete here, companies should reassess their market priorities and clearly define the strategic role of each territory—whether as growth engines, profit hubs, or innovation testbeds. KPIs, investment levels, and resources should be aligned accordingly to ensure focus and execution excellence. In “big bet” markets, brands should commit adequate funding and resources to stay the course.
- 2. Redefine the value equation—beyond price.** Pricing dynamics have diverged across markets in the Asia-Pacific region in recent years. For instance, China is trending toward deflation, while India is showing clear signs of premiumization. In FMCG, consumer preferences vary widely by country and category, requiring brands to choose deliberately which markets, categories, and segments to compete in.

To succeed in premium segments, brands must deliver higher-level elements of value through tangible, omnichannel experiences that build brand love and loyalty. For multinational brands, core brand values can remain consistent globally; however, it is critical to localize communication and ensure cultural relevance in each market.

- 3. Build fit-for-purpose business models to unlock new channel growth.** The rapid uptake of emerging channels—such as social commerce, quick commerce, and AI agents—is disrupting demand generation and conventional business models across the Asia-Pacific region. In this new environment, success requires more than tailored playbooks. CPGs must redefine their underlying business models, break down functional silos, and empower cross-functional teams. People, processes, and technology must align around the unique dynamics of each channel to capture growth, create differentiated consumer experiences, and scale new opportunities.
- 4. Compete like a local brand.** A company’s operating model plays a vital role in supporting its growth and expansion ambitions. While it’s not feasible to build full design teams and end-to-end capabilities in every Asia-Pacific market, companies can prioritize “big bet” markets, drawing inspiration from China’s proven “4D model”—design for China, decide in China, deliver at China speed, and digitalize China business.



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In the must-win markets, CPGs must embrace local nuances, tailor products and campaigns, empower local teams with autonomy, and digitalize operations. They need to enable swift responses to evolving consumer demands to capture growth from agile local competitors. Strategically leveraging local resources—including partners and talent—will also be key to sustaining growth.

- 5. Transfer knowledge and capabilities across markets.** Despite their diversity, Asia-Pacific markets share some common trends, such as social commerce growth in China and Southeast Asia (and emerging interest in Japan). These trends create opportunities for MNCs to leverage scale. CPGs can systematically transfer knowledge across markets, turning success in one country into a competitive advantage in another. In parallel, sharing capabilities across front- and back-offices can significantly enhance operational efficiency and agility.
- 6. Accelerate AI adoption at scale.** Despite increasing their technology investments, many CPGs in the Asia-Pacific region struggle to move AI beyond pilots or capture more than micro-productivity gains. To scale AI, companies must pursue AI as a business transformation rather than a technology play. That means AI initiatives should be grounded in strategy, supported by the right foundations, and sustained through disciplined execution.

Despite its complexity, the Asia-Pacific region is full of opportunities. CPGs that understand and adapt to local nuances can access a growing consumer market—and achieve sustainable growth and scale.

## Further reading

For deeper market-level insights, please refer to the following Bain market insights available on Bain.com:

*Southeast Asia: What's Happening with Consumers and Consumer Products*

*China Shopper Report 2025, vol. 1*

*LEAP to Win: A Playbook for Consumer Products Multinational Corporations in India*



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