

ASIA PACIFIC FOOD FORWARD TRENDS REPORT II



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engaging, always.

Introduction

Our relationship with food is changing.

Weber Shandwick's *Asia Pacific Food Forward Trends Report II* examines the driving forces behind this relationship shift. Again we focus on four key markets in the region: Australia, China, Singapore and South Korea. In doing so we wanted to contribute to the insight and understanding of those in the food industry in Asia Pacific, specifically brands that seek to develop a more effective means of consumer engagement in the sector.

Four trends emerged from our study: the frequency and sophistication of home cooking; the impact of social media on knowledge, insight and cooking habits; the slow but steady adoption of online shopping in the grocery sector; and emerging scrutiny over the influence of celebrity endorsements. Combined, these trends have created an environment in which brands face challenges that are unique to the sector.

We were most interested in the impact

of social media and the digitalisation of the grocery shopping experience. Given the prevalence of social media in all but a few industry sectors, it's little wonder that it has profoundly influenced the way consumers search for new sources of culinary and cooking inspiration. But that change has not yet extended to online grocery retail where consumers in some markets in particular would rather see and choose the products themselves.

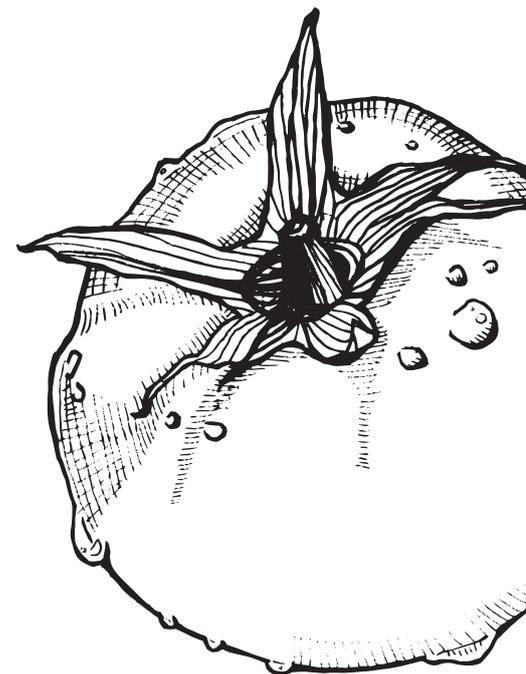
As well as our cross-regional trends, a separate annex specific to each country in our study is available via the relevant contact at the end of this report.

While the *Asia Pacific Food Forward Trends Report II* it is not intended to provide a comprehensive review of the entire food industry, we do hope that, when used in conjunction with other credible resources in the public domain, it makes a meaningful contribution to the discussion about consumer and brand engagement in the food sector.

About the Asia Pacific Food Forward Trends Report II

Weber Shandwick's *Asia Pacific Food Forward Trends Report II* reveals and compares sentiment about Asia Pacific food culture from more than 3096 consumers and more than 25 leading food industry experts from around the region including food editors, chefs, food bloggers and nutritionists. Four different Asia Pacific markets were

included: Australia, China, South Korea and Singapore. The consumer survey was conducted online in December 2014 by Weber Shandwick and research company Qualtrics. Weber Shandwick conducted in-depth interviews with each of the food experts. Profiles of each of the experts can be found at the end of this report.



Food Culture Trends : A World View

Janet Helm

MS, RD, Global Food and Nutrition Strategist, Weber Shandwick

Behind virtually every food trend is a macro shift in food culture. These are the major societal drivers that change what we eat, and how we shop, cook and dine out. How these specific food trends are translated around the world may differ, but the cultural shifts are amazingly similar.

Economic factors are mostly behind the home cooking trend. This trend is also fueled by the growing foodie culture around the world. People have a deeper engagement with food — it's become a source of self-expression, entertainment and adventure. It's also viewed to be more real and authentic when you make your own food at home.

Technology has dramatically changed how we shop, learn about food, find inspiration, and share our food experiences. Social media has made our world more connected around food. It's made food discovery easier — new

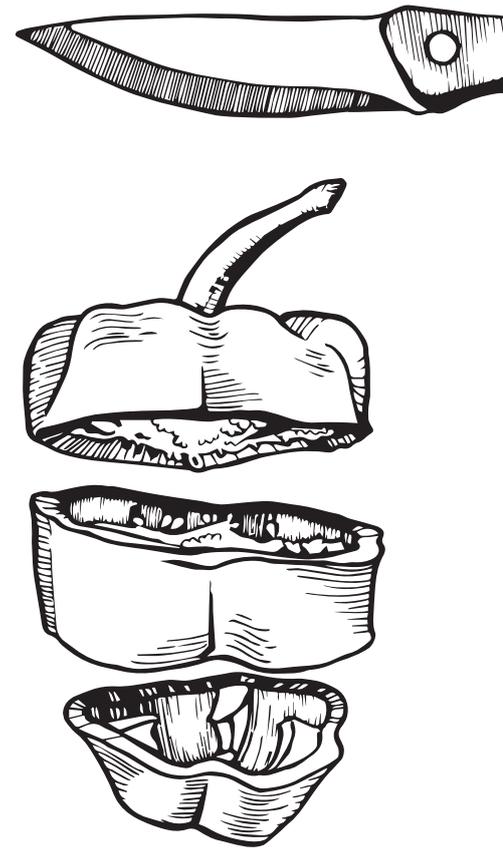
brands of foods or beverages to try, new global cuisines to explore, and new restaurants to check out.

Social media has also changed who will listen about food. We've seen the rise of citizen scientists and we've seen an increase of celebrities who write cookbooks, promote diets and endorse products.

One major change due to social media is the shift to consumer control. People respect advice from their friends and family. They would rather hear from people who eat food, not entities who sell it.

All of these cultural shifts are not only influencing food behaviors, but it is changing who consumers trust and what they value — which presents both opportunities and challenges for food brands.





Trend 1

Eating at Home or Away, the Preference Gap Narrows

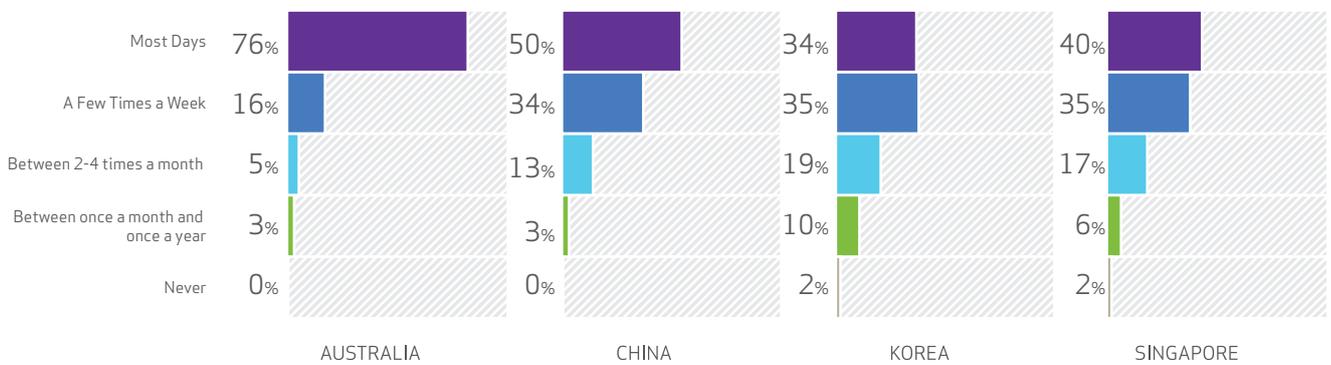
Popular food culture and the convenience of healthy home cooking options give the Home Chef plenty of reasons to eat at home.

The prevalence of choice in at-home dining experiences, as well as the diversity of eat-out options, has helped create some distinct differences in consumer eating and cooking habits in Asia Pacific.

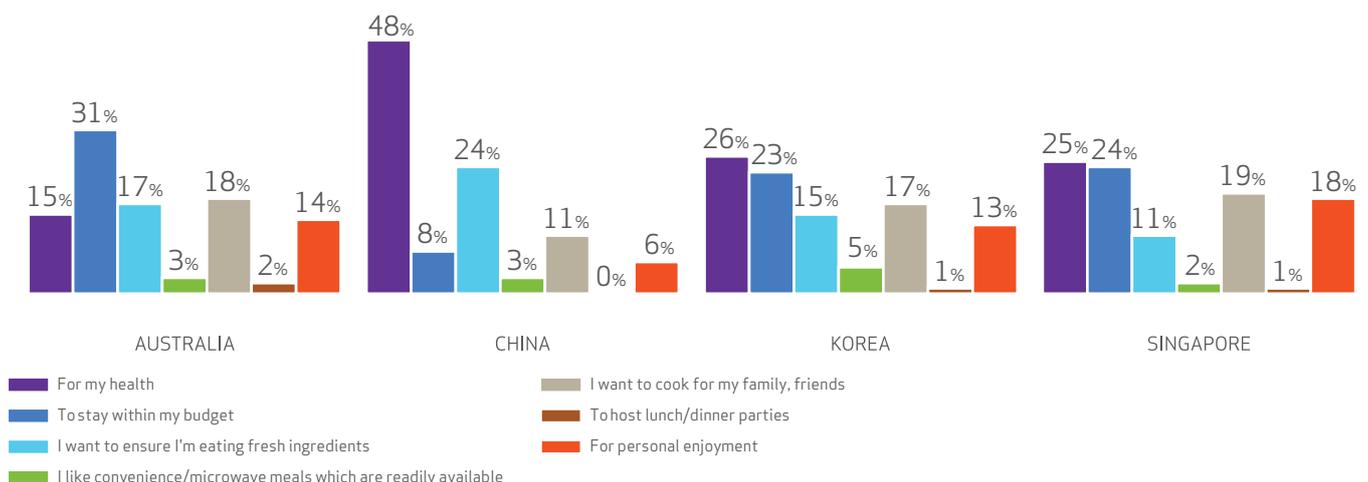
In Australia, three quarters (76%) of respondents eat a home-cooked meal

on most days and primarily do so due to budget concerns (31%). Chinese consumers are more likely (50%) than their Singaporean (40%) or Korean (34%) counterparts to eat a home-cooked meal on most days. Our research showed the primary motivation in each of these Asian markets was for their health.

How often do you eat a home-cooked meal?



What is the main reason you cook at home?



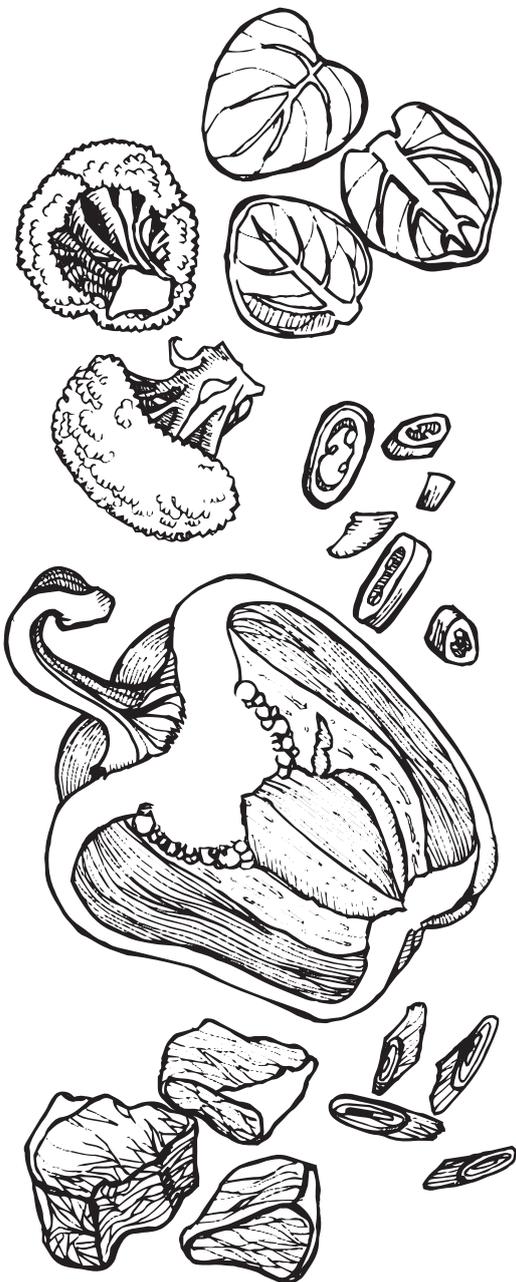
Social and demographic shifts in the markets surveyed may go some way in contributing to local dining habits. In Korea, for example, forecasts of an increase in single households of 30% by 2020⁸ is likely driving the development of healthy and convenient home-alone dining experiences whilst supporting continued interest in single eat-out options. The growth in television shows profiling hip, young, amateur cooks may also be encouraging respondents to try new at-home cooking experiences.

In Korea, 92% of respondents said they would sometimes or often try out new recipes when cooking. Elsewhere, 96% of Chinese, 92% of Australian, and 80% of Singaporean consumers said they would try new recipes when cooking, even if only sometimes.

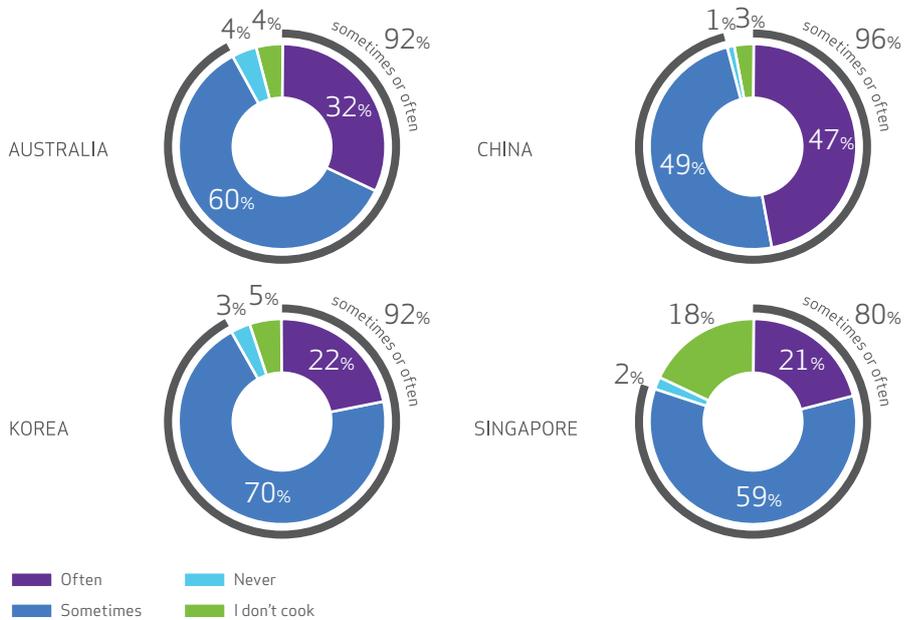
In Korea, the availability of new ingredients and accessibility to produce sourced from overseas has heightened consumer interest in being more ambitious in the kitchen.

“I’ve noticed recently that there are more places where I can buy foreign ingredients, and cooking seems to have become a new way to express oneself”

YOUNG-JI LEE, JOONGANG ILBO, KOREA.



When cooking, do you try out new recipes?



The prevalence of food delivery services appears to go some way in influencing dining habits too. In China, 44% of consumers order food, of any kind (including supermarket deliveries or fast food), to their home once a week, or more. And in Korea, three in ten respondents (31%) said they had food delivered to their home once a week, or more. Both Chinese and Korean respondents are also more likely to have food delivered to their workplace with four in ten (42%) Chinese consumers ordering it once a week or more, followed by three in ten (29%) Koreans.

In Singapore and Australia however, respondents are doing more of the food-buying leg-work themselves with only 18% and 16%, respectively, ordering food to their homes at least once a week. Similarly, food delivered to the workplace is less common than in China or Korea with only one in ten Singaporeans (11%) and Australians (10%) ordering it once a week or more. In fact, food delivery to the workplace is so uncommon in Australia that half of the respondents (50%) said they've never done it.

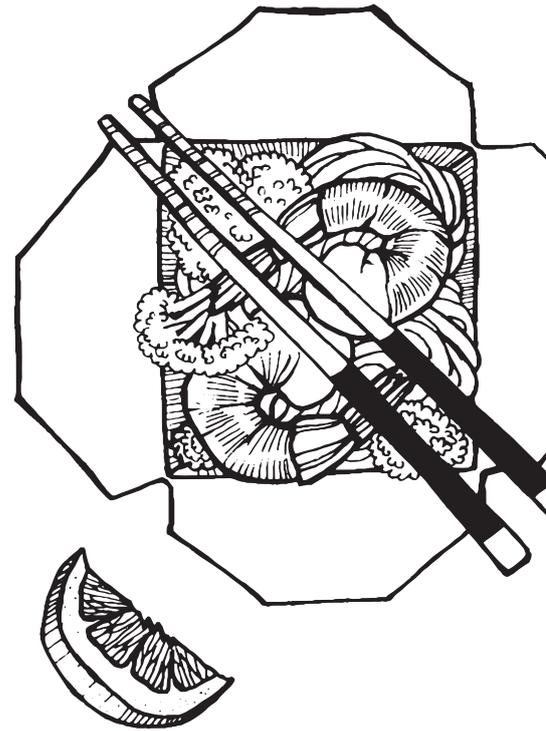
It would seem that despite the prevalence of food delivery companies catering to time-pressed families and office workers, Singaporeans are still more likely to eat out, with a range of food readily available within easy walking distance of most homes and workplaces. Hawker centres are conveniently located within housing estates and shopping malls and have a wide selection of food available. According to research conducted by the Department of Statistics in 2014, Singaporean households are spending an average of S\$267 (US \$200) a month on dining out, a two-third increase since 2009⁹.

The growth of the home delivery sector in Australia looks set to strengthen the preference for at-home dining experience. From the services provided by major supermarket chains to the emergence of smaller, specialist

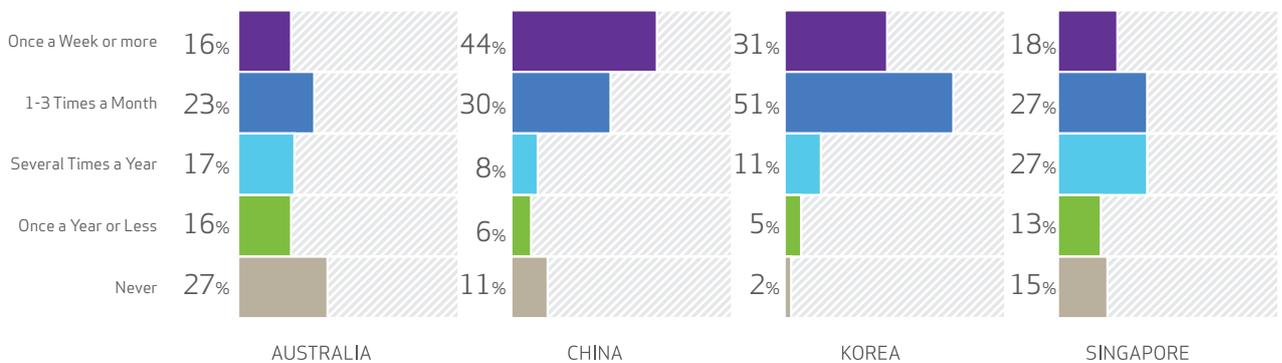
services, the opportunity to get the best dining experiences without leaving the house is set to influence local eating habits.

“People want convenience and want to eat healthily, but they also want to know their meals are balanced and maybe even checked by a nutritionist. Most people struggle with time or lack the skills to want to cook every night of the week.”

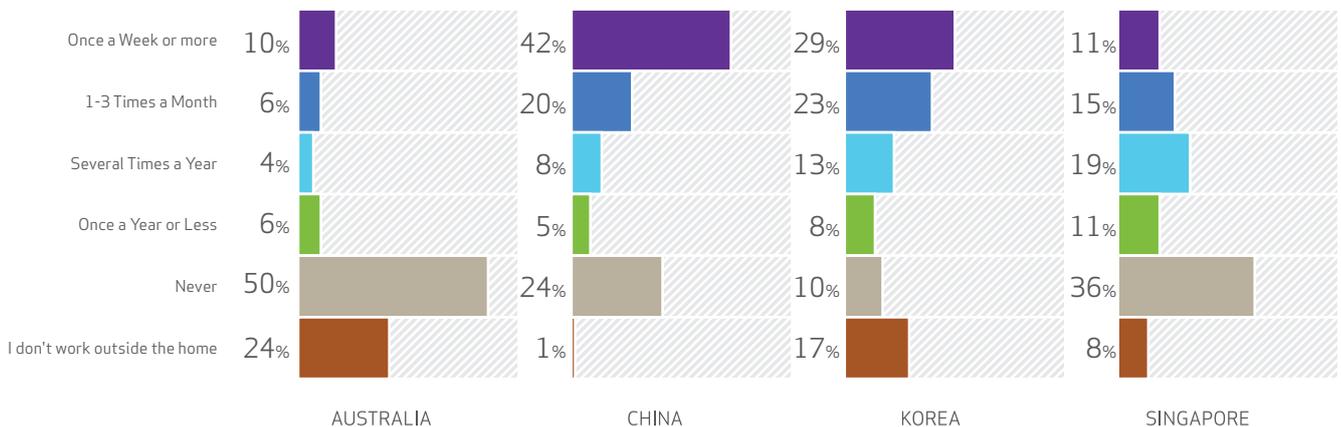
EMMA STIRLING, ACCREDITED PRACTISING DIETITIAN, SCOOP NUTRITION, AUSTRALIA



How often do you order food (of any kind) to be delivered to your home?



How often do you order food (of any kind) to be delivered to your workplace?



8 Korea National Statistical Office

9 Euromonitor International, 2014, Singapore: Country Pulse

Trend 2

I heart food: Asia's Online Foodie Culture Thrives

Social media sharing and recipe inspiration is being driven by widespread food appreciation.

Social media has profoundly changed our relationship with, and understanding of, food. Our research shows just how significant the adoption of social media tools by consumers has impacted knowledge, insight and cooking habits.

With consumers evidently more adventurous to try new recipes (see Trend 1), finding new recipes online has never been easier. Blogs and online portals are the most common source for finding new recipes — 74% of Korean, 55% of Chinese, 51% of Singaporean and 41% of Australian respondents search for new recipes online. Food companies have been quick to respond to the trend with the development of interactive content that connects brands with produce choice.

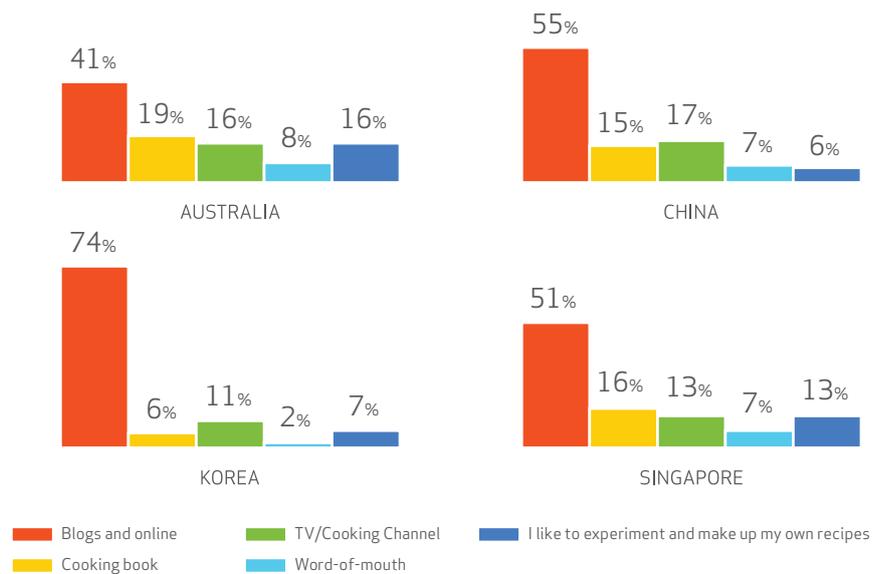
In Australia, a surge in branded online recipe sites that are better connected to sources of produce, including the major supermarket chains, has been witnessed.

Meanwhile in Korea, a proliferation of celebrity lifestyle blogs has further advanced the interest in the sourcing, preparation and cooking of produce — sometimes with an increase in demand for a specific product or food type.

With the growing volume of recipes now available online, cookbooks are seemingly gathering dust with 19% of Australians, 15% of Chinese, 16% of Singaporean, and only 6% of Koreans using them to find new recipes. And it isn't just blogs and online recipe sites that have eaten into the popularity of the cookbook.



Where do you mostly find new recipes?



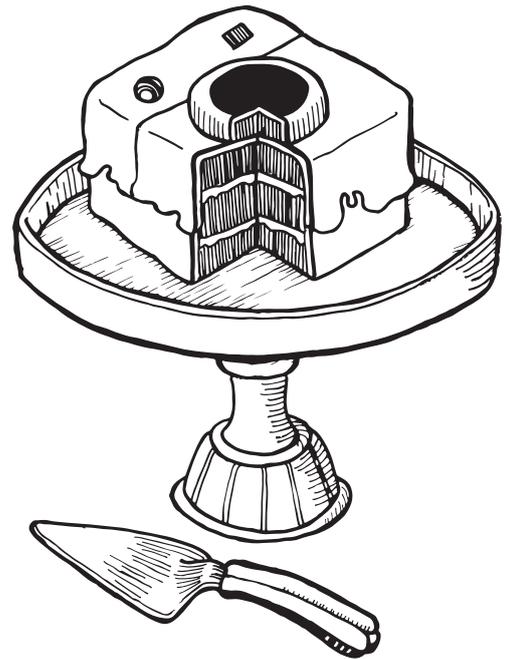
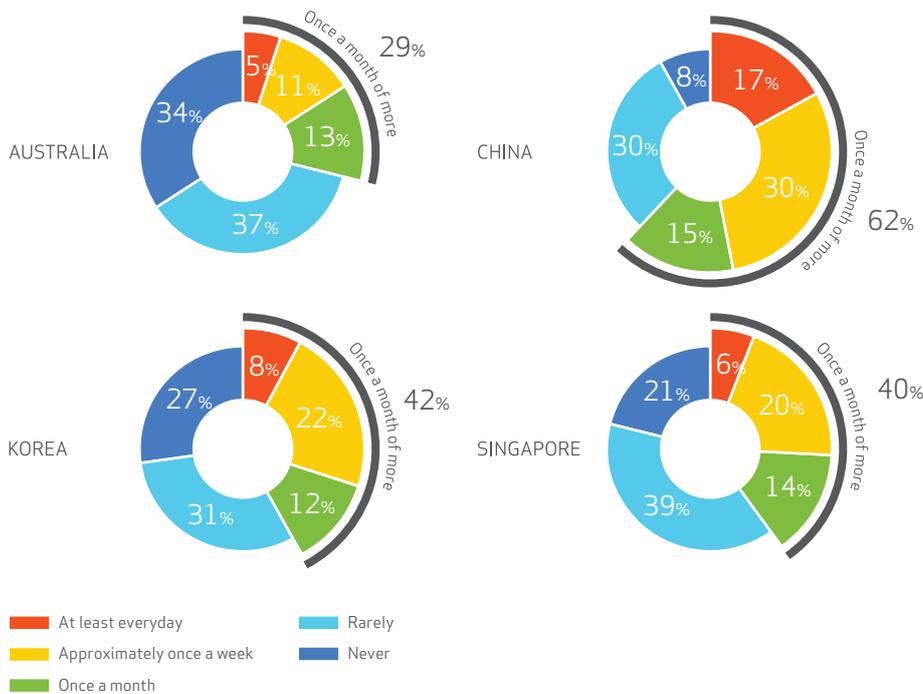
Social networking platforms are also widely used by food companies, and consumers with four in ten consumers in Singapore (40%) and Korea (42%), and six in ten consumers in China (62%) and Korea (42%), and six in ten consumers in China (62%) posting about their food experiences on social media once a month, or more. 17% of Chinese respondents and 8% of Koreans post at least once a day. Australians are less active with just 29% posting once a month or more, and 34% say they never post about their food experiences.

Our research showed that respondents in all four markets posted details of their food experiences online because of a shared interest they and their friends/followers have in food. This was particularly the case in China (45%) and Korea (34%), whilst just over a quarter of Australian (28%) and Singaporean (28%) respondents agreed. Australian and Singaporean respondents were however more likely to use social media to praise/critique the venue (38% and 32% respectively) than their Chinese or Korean counterparts.

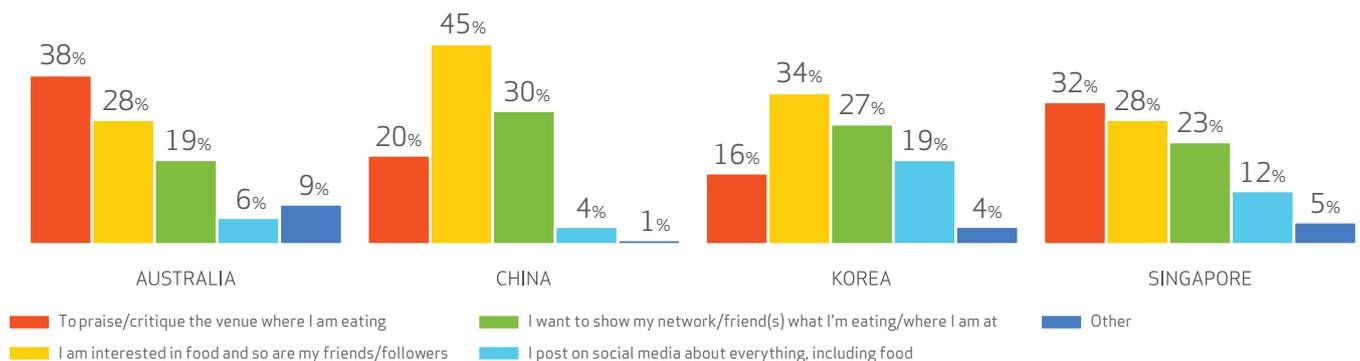
“People use social media to boast about where they are. Once the latest food craze hits, whether it’s cronuts or watermelon cake, people can’t wait to jump on the bandwagon and it causes enough hype to get queues around the block at that place.”

ANNA POLYVIU, PASTRY CHEF, AUSTRALIA

How frequently do you post about your food experiences on social media?



What is the primary reason that you post your food experiences online?





Trend 3

The Click Clique

Online shopping uptake slow but steady as supermarkets retain mass appeal.

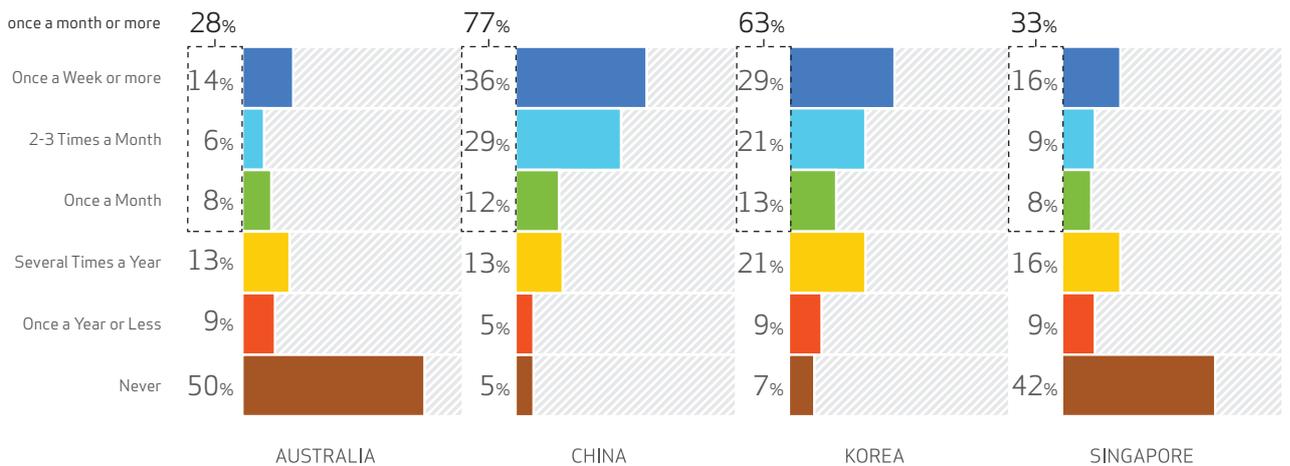
Online sales growth continues to rise in most retail spaces with the growing trend also making an impact on the food and drink sector, and more-so in some markets than others.

In our research, Chinese and Korean respondents said they were most active, with approximately a third (36% and 29% respectively) purchasing food

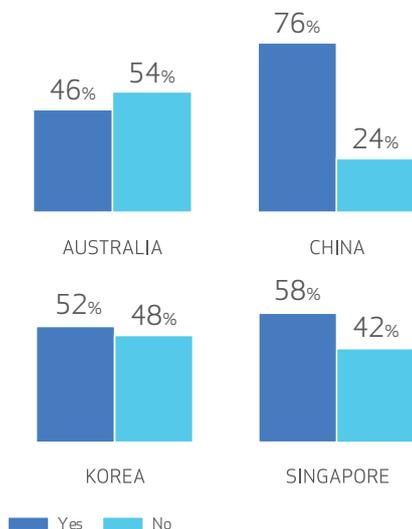
or drink online once a week, or more. Over three quarters (77%) of Chinese respondents purchased food or drink online once a month or more, and 63% of Korean consumers said the same. It was a different story in Australia, where only 14% of respondents said they purchased food or drinks online once a week or more; 28% are buying it once a month

or more but a significant 50% in that market said they never do. Singaporeans showed similar online purchasing habits — 16% bought food or drink once a week or more, 33% bought it once a month or more, and 42% said they never shop for food online.

How often do you purchase food or drinks online? (E.g. groceries, takeaway.)

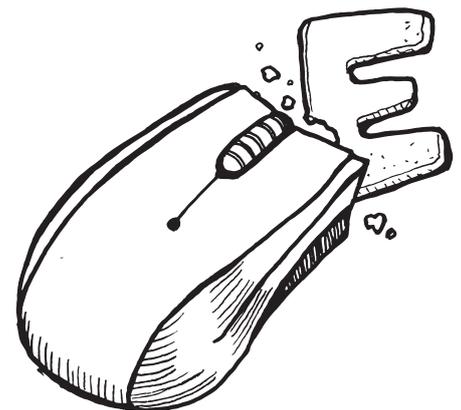


Would you say your online food purchasing has increased in the past year?



There are signs however, of a marked shift in online food shopping habits. In Australia, 46% of respondents said they have increased their online food purchasing in the past year. Statistics from IBISWorld verified the trend with forecast growth of 14.6% in 2015 to AU\$2.19 billion (USD1.75 billion) in online grocery sales. And in Korea, half (52%) of the respondents said they had increased their online purchase of food and drink in the same period - a trend that was reflected by a local grocery store when it recently announced its fresh food online sales exceeded canned and packaged goods for the first time. Elsewhere, the Chinese have embraced

online retail over the past 12 months with three quarters of respondents (76%) saying that they have increased their online food purchasing during that time.

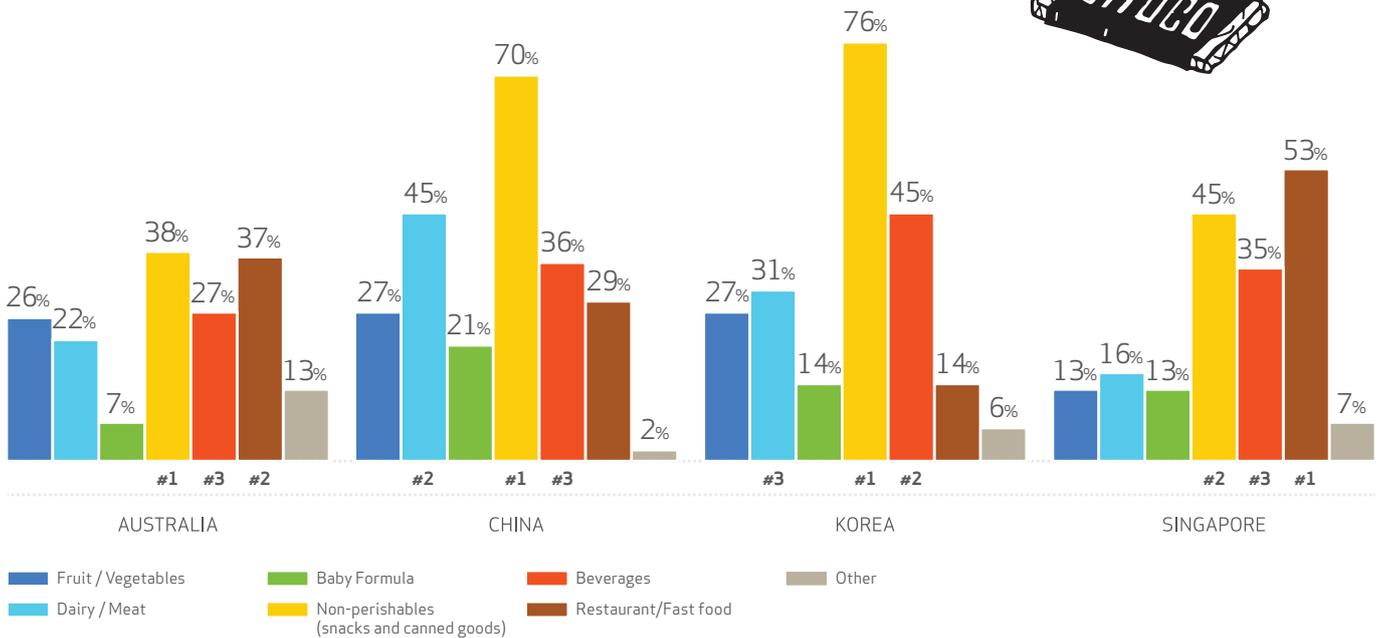


Across the four markets, non-perishable foods such as packaged snacks and canned goods are most popular foodstuffs accounting for 76% of Korean, 70% of Chinese, 45% of Singaporean and 38% of Australian online food purchases. With the exception of Singapore, non-perishables

were the preferred online purchase for all markets, and beverages were also rated within the top three for all markets. Restaurant/takeaway food is most popular in Singapore (53%) and Australia (37%), and dairy/meat ranked within the top three choices in China (45%) and Korea (31%).

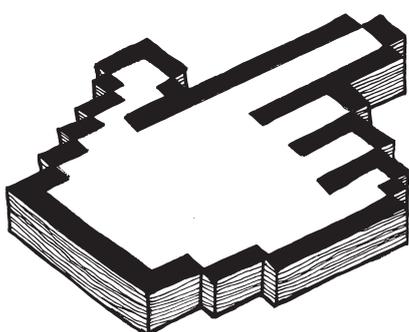
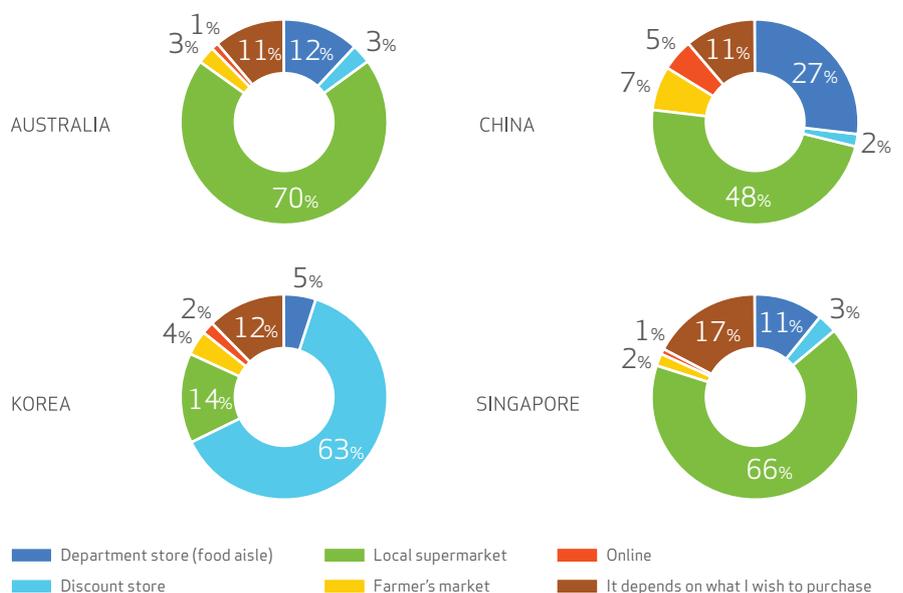


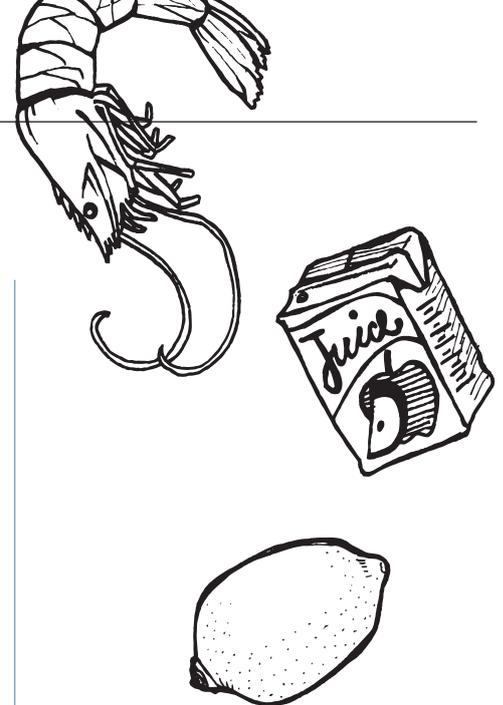
What kinds of food do you normally buy online?



Whilst online sales of food and drink remains one of the most exciting opportunities in the sector, it has some way to go before it overtakes more traditional means of purchase. Over two thirds of consumers in Australia (70%) and Singapore (66%) and nearly half in China (48%) said they most often purchase their food at the local supermarket. In Korea, discount stores were the most popular choice (63%), with supermarkets lagging behind at 14%.

Where do you most often purchase your food?





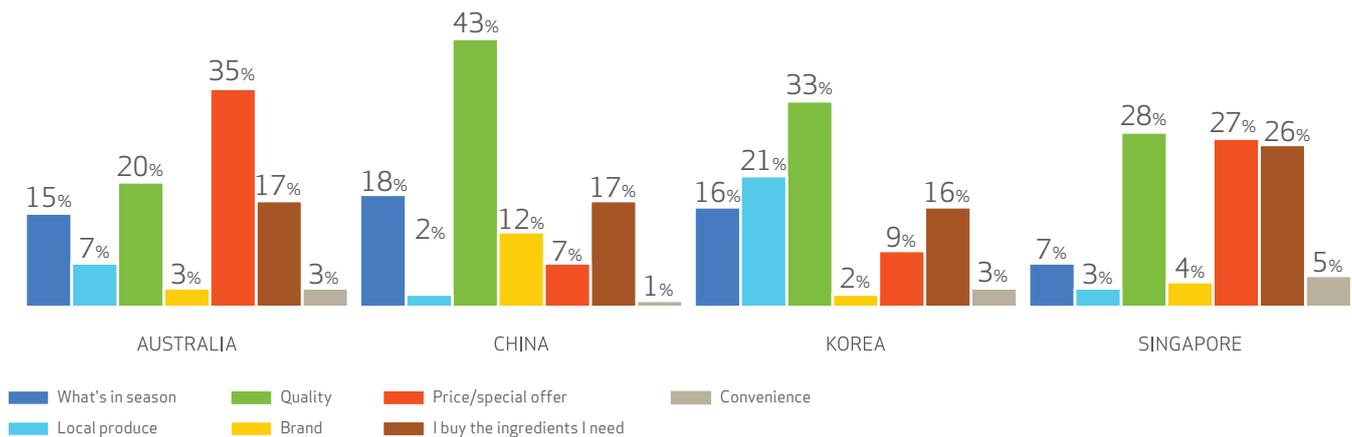
We saw some variation between markets in the rationale for choosing to shop for groceries online or in-store. However, quality was consistently referenced as a top influencer of grocery choice. In Australia, respondents ranked price/special offer as the primary influence in grocery choice.

With quality ranking, by far, the number one thing that affects grocery choices in our survey, access to foreign products are helping to drive this desire for quality produce.

“Many people will now pick foreign products over locally produced items in the pursuit of better quality produce, and online shopping makes foreign food more accessible to consumers.”

PENG WEI, ACCOUNT DIRECTOR, FEMINA, CHINA

Which of the following most affects your grocery choices?



According to the Singapore Business Review, in 2014 Singapore’s grocery newcomer, RedMart, introduced a smartphone app for orders. Within two months of its introduction, 24% of the store’s orders came from the app, reflecting a growing appetite in the City State for online purchase through mobile.¹⁰



10 Singapore Business Review, Singapore's 20 hottest startups to watch in 2014



Trend 4

Celebrities, Food and the Endorsement Recipe

Star-struck Chinese buck the trend as celebrity endorsements have limited appeal elsewhere.

Celebrity endorsement may be embraced by some retail sectors, but when it comes to food and restaurants, only Chinese respondents suggested it had any influence over their buying habits.

In our research, 73% of Chinese respondents said they were more likely to buy a product or visit a restaurant on account of its endorsement by a celebrity chef or brand ambassador. And only 6% said they would not be influenced by such an endorsement.

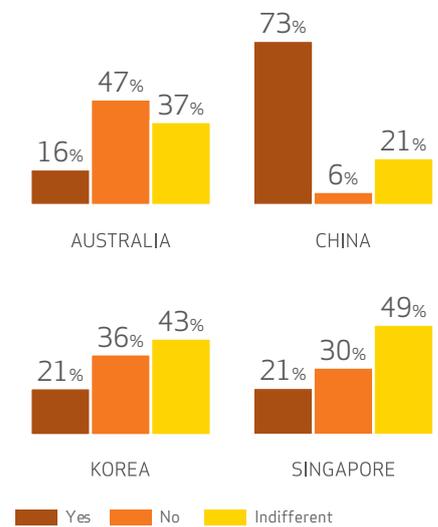
It was a very different story elsewhere. In both Singapore and Korea, just 21% of our respondents said they would react favourably to an endorsement and in Australia, respondents were even more cynical — only 16% said they would be more likely to make a purchasing decision because of it.

However, when it came to identifying which source of information and

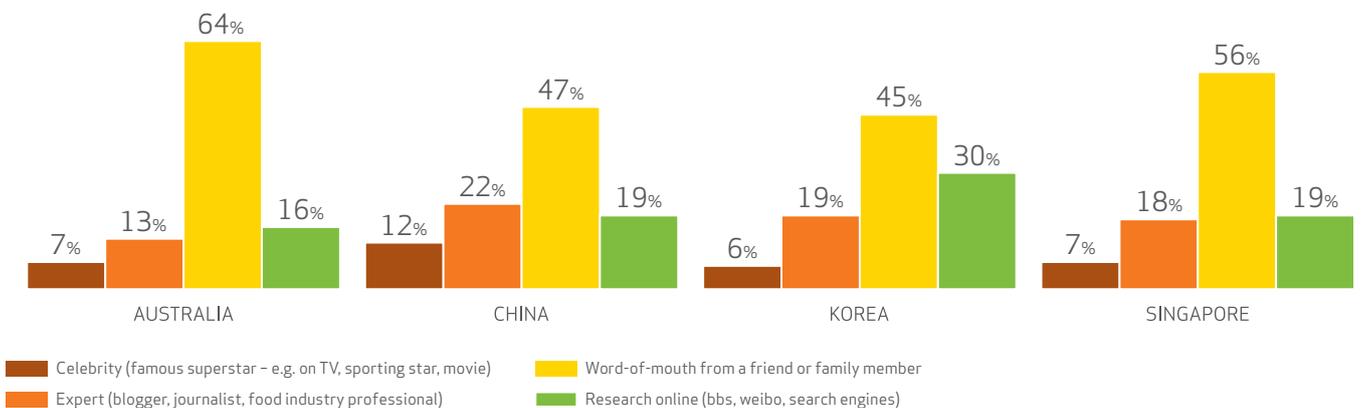
endorsement was the most influential, respondents from each of the four markets agreed — recommendation from a friend or family member remains the most effective means of influence. In Australia (64%), Singapore (56%), China (47%) and Korea (45%) respondents considered word-of-mouth to be, on average, three times more influential than any other source of information cited in our survey and seven times more influential than celebrity endorsement.

Related to this, some commentators have suggested that there is a growing level of nervousness about the implications of endorsements for both consumers and celebrities. In China, new food safety laws now make public personalities liable if they knowingly endorse products of questionable quality^{11,12}. Meanwhile in Singapore, paid endorsements are under scrutiny and public confidence in their validity is waning.

Are you more likely to buy a product or visit a restaurant that is endorsed by a celebrity chef or ambassador?



Which of the following is most influential when it comes to choosing a new food product or service?



11 <http://www.adweek.com/news/advertising-branding/china-cracks-down-laughable-celebrity-endorsements-159833>
 12 <http://www.treehugger.com/green-food/latest-victim-of-chinas-food-safety-scandals-celebrities.html>

Final thoughts

Our *Asia Pacific Food Forward Trends Report II* reveals that access to information and shared experiences through the continued growth and sheer number of digital and social platforms in the region continues to shift people's relationship with food and the way in which they engage with food brands.

Food producers, brands and service providers wanting to create a product or experience that meets the needs of their audience should focus on a targeted marketing communications strategy that watches, listens and engages with its key consumers.



Expert Profiles

Australia

Alex Adams

Food Blogger

Alex Adams, aka Ms Darlinghurst, is one of Sydney's most prominent food and beverage bloggers. Alex's weekly 'Ms Darlinghurst Newsletter' goes out to over 35,000 Sydneysiders. Alex also owns a boutique events company called Secret Foodies who host regular surprise dining experiences for adventurous foodies.

Sophie Langley

Journalist
Australian Food News

Sophie is a writer for AFN and explores issues around food, wellbeing and environment. She is also a yoga teacher and is undertaking a research degree on waste and how it relates to food culture.

Anna Polyviou

Pastry Chef

Melbourne-born, Anna Polyviou's career has taken her all around the globe working alongside some of the world's most talented pastry masterminds such as Pierre Herme in Paris. She has taken up residency at the Shangri-La Hotel, Sydney for the past two and a half years where she is famous for her sell-out dessert events. Anna has won a number of prestigious awards, including "Best Dessert in Australia" in 2014 for her Carrot Cake and recently featured on the most recent season of Masterchef.

Kathy Cogo

Communications Manager
Australian Organic

Australian Organic is the largest and most recognised organic certification body in Australia.

Katrina Meynink

Food Writer

Katrina Meynink has a background in food communications and has trained as a chef. She has combined her two great loves of food and words into a career in food writing. She has written two cookbooks, writes a weekly recipe column as part of the Fairfax Media Daily Life team and freelances for a number of food magazines nationally and internationally.

Emma Stirling

Accredited Practising Dietitian
Scoop Nutrition

Emma Stirling has over twenty years' experience as a dietitian. She is also a business owner, blogger, media commentator, writer, academic and editor of award winning nutrition blog, The Scoop on Nutrition. Her Melbourne based consultancy, Scoop Nutrition, services the food, hospitality, media and health industries. In 2015 she launched Storehouse Blog Directory stocked with credential-approved nutrition bloggers.

Phillip Davenport

Chef, TV Host

New Zealand born and classically trained in French cuisine, Chef Phillip Davenport's insatiable passion for food started at an early age. He is also the host and executive producer of The Toque 12 series, an exciting destination cooking show, which airs in 55 countries.

Thang Ngo

Journalist, Food Writer,
Commentator and Blogger.

One of the first to embrace video blogging, Thang's YouTube channel recently passed 1 million views. He's currently ranked #4 on the Top Australian Food Blogs list and #3 on the Top 100 Australian Food Social Media Influencers ranking.

Necia Wilden

Food Editor
The Australian

Necia is a food editor and writer for Weekend A Plus and Personal Oz in *The Australian*. She is also co-author of *The Australian's* Hot 50 restaurants list.



China

Gao Chong

Director, City Section
Life Style

Life Style, a bilingual magazine that specialises in real estate, art, travel, gourmet food, luxury and the latest news about top brands in the world. Gao often writes about the cross cultural exchange of food gourmet between Chinese and foreign tastes.

Wang Shuo

Deputy Editor in Chief
Modern Weekly

Wang Shuo, is the Deputy Editor in Chief of *Modern Weekly*, one of the most prominent newspaper glossies that has become an authority on style, culture and business. Shuo's articles often reveal the latest trends in food and fashion.

Kula Jiang

Senior Lifestyle Editor
JOKER

Kula Jiang is the Senior Lifestyle Editor of Men's *JOKER* a popular magazine that covers the lifestyle features on fashion, style, and culture for men. Kula has written many articles that have unearthed the latest topics in food, fashion, and other modern lifestyle trends in China.

Zeng Dan

Editor
La RVF

La Revue du Vin De France (La RVF) is one of the world's oldest wine magazines. Dan covers wine brands in China and also occasionally writes about gourmet food.

Peng Wei

Account Director
Femina

Peng Wei is the City Section Account Director of *Femina*, a sister magazine to *ELLE* and *Marie Claire*. Peng Wei heads the lifestyle section for the biweekly and covers features that include food, big brand cosmetics, shoes, bags, and other modern female fashion interests.

Zhang He

Editor
New Western Cuisine

New Western Cuisine, a monthly bilingual publication focused on food and beverage. Zhang He is responsible for the food and beverage features and restaurant recommendations section.

Korea

May, (Yu-Jin Kim)

Cooking Specialist

May is a cooking specialist having had a career in publishing and web content planning. After years of living abroad, she has developed her own distinct identity as a food stylist. She now shares her specialty through influential food and lifestyle magazines such as *Essen* and *Lemon Tree*. She also manages a cooking website *choolchool.com* and cooking blog (*may041208*), and runs her cooking studio 'May's Table'. Additionally, May publishes many of her own recipe books, including "Onigiri," "A small bowl," and "May's Simple Cooking."

Young-ji Lee

Journalist
JoongAng Ilbo

Young-ji Lee is a journalist for Gangnam Tongshin, a section in *JoongAng Ilbo*, that focuses on life, culture and food. *JoongAng Ilbo* is one of Korea's leading top-tier newspapers and Gangnam Tongshin provides new trends and in-depth lifestyle stories on topics such as food and dining. With her extensive background as a food and lifestyle journalist, Young-ji Lee is considered a prominent expert who shares food trends and news with consumers in Korea.

Sung-koo Chung

Head Chef of Goo STK 528 & 733

Sung-koo Chung is head chef at Goo STK 528 & 733, the restaurant that brought the dry-aged steak craze to Korea. Chef Sung-koo Chung has focused on Italian and French cuisine for 17 years and manages the full maturing process in the restaurant's own steak aging room. With distinguished skill and field knowledge, Chef Sung-koo Chung is well known for his expertise in dry aged steak.



Singapore

Jamie Foo

Student Advocate of **We Are Singavore**

We Are Singavore is a project helmed by a group of four final year students from the Wee Kim Wee School, Nanyang Technological University. The group aims to raise awareness about the need to support eating local food.

Chef Tan Yong Hua

Director-Executive Chef of Restaurant HOME and Iron Chef Thailand Winner 2013

Chef Tan Yong Hua was the first Singaporean chef to win Iron Chef Thailand and he has also won the gold and two silver medals at the prestigious 6th World Championship of Chinese Cuisine in China. He also clinched the gold medal at the Singapore Gourmet Hunt 2004. He has been the director-executive chef of restaurant HOME since August 2013.

Dr Leslie Tay

Author, Photographer, Food blogger

Dr Tay is regarded as one of the best authorities on Singaporean food and has published three books on the City State's food scene. He has spent almost a decade trawling Singapore in search of the best hawker food and sharing these gems with his readers.

Aurélien Laban

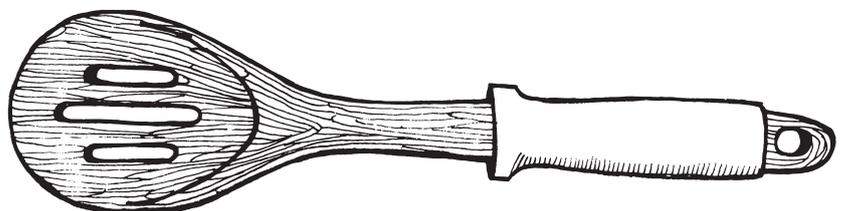
Operations Manager, Brasserie Gavroche

Aurélien is the operations manager of the French Brasserie Gavroche on Tras street. The restaurant, helmed by Chef Frédéric Colin, focuses on recreating classic Parisian dishes.

Tan Pin Yen

Correspondent and Features Editor *Lianhe Zaobao's ZbBz*

Pin Yen had a hand in building Singapore's very first bilingual high-end lifestyle newsgazine ZbBz, specialising in gastronomy. Her time as features editor saw her sourcing for high profile individuals to feature, including top chefs such as Joel Robuchon.





For more information about the **Asia Pacific Food Forward Trends Report II**, contact:

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