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**Prepared By:** Ornkamol Puranabhandu

**Approved By:** Kelly Stange

**Report Highlights:**

The COVID-19 health crisis continues to change the behavior of consumers and shaping new trends in the food and restaurant industry. Restaurants and retail stores are producing new products and services that are based on the consumer trends towards health and wellness.

## **Thailand's Food and Restaurant Trends in 2022**

Food trends in Thailand in 2022 will largely be a continuation of the trends seen in 2021. The COVID-19 pandemic has accelerated the growth of several food trends in Thailand, especially ones relating to health and sustainability. More people are looking for food and beverage products that nourish their bodies and minds. In addition, sustainable products continue to rise in importance as consumers are willing to pay more for products that have either a positive or, at the least, a limited impact on the environment. U.S. food and beverage products that focus on health and sustainability will benefit from current trends and the increasing purchasing power of Thai consumers, especially fruits, keto friendly or gluten free products, dietary supplements, and organic products. Krungsri Research forecasted that the Thai economy will grow an average of 3.7 percent annually over next three years (2022-2024) and that there will be a 3.6 percent increase in private consumption among the high-income consumer group in 2022. Many businesses within the hotel, restaurant, and institutional sector (HRI) are developing new business strategies to survive the economic hardships brought on by the spread of COVID-19. Consumers will see new dining experiences as well as collaborations among brands, chefs, and restaurants

### **Plant-Based and Nutritional Food**

One of the most notable changes in consumer behavior over last two or three years is the focus on health and the environment. The pandemic forced global consumers to pay closer attention to their own health and the effects that their food consumption has on the environment. Consumers are more conscious in seeking for products that have health benefits. Euromonitor and Allie Company estimated that the market value of plant-based food in Thailand will surge from \$845 million in 2019 to \$1.5 billion in 2024, with an average annual growth of 10 percent. Major Quick Service Restaurants (QSRs) groups (e.g., Starbucks, Au Bon Pain, Sizzler, McDonald, Burger King, A&W, McDonald, etc.) have been offering some of the first plant-based products to customers in Thailand since the beginning of 2021 and are continuing to increase their plant-based menu items. Sizzler, under Minor Food, expects to earn 30 percent of the revenue from their new plant-based menu options. Apart from the foodservice sector, there are many new brands entering the plant-based food segment in retail stores and supermarkets with a wide range of different tastes, textures, and ingredients, including OmniMeat, Phuture, Let's Plant Meat, Beyond Meat, Meat Avatar, and More Meat.

Start-ups and major brands in the food sector are developing new plant-based products that imitate the flavor and characteristics of traditional meat products. Many producers have moved away from using soy, corn, and wheat as the primary ingredients in plant-based foods and have incorporated plant-based proteins such as chickpea, fava bean, mushrooms, and barley in new products. Producers have also recently started developing plant-based based food that imitate seafood as opposed to imitating beef, pork, and chicken. There is also a shift in plant-based milk products as new potato and barley milk products enter the market, replacing some of the traditional plant-based milk products such as almond and oat milk. Whole Foods predicts that barley will be an important grain for 2022 as U.S. companies, including Take Two Food, are introducing new barley milk products.

## **Flexitarian and Reducetarian Diets**

The rise of veganism and vegetarianism several years ago encouraged restaurants to expand their plant-based menu items with an array of vegetables, fruits, mushrooms, and legumes. The rise of flexitarian and reducetarian diets will continue to encourage restaurants to produce more plant-based food in 2022. The flexitarian diet, a diet that accommodates meat but only occasionally, is now becoming popular among consumers who want to have a mostly meat-free diet but are not willing to give up meat completely. The flexitarian diet offers consumers more diverse and flexible options with their diet choices than veganism and vegetarianism. The reducetarian diet also aims to gradually reduce the consumption of animal products, including dairy and eggs. The Reducetarian Foundation attribute the growth of both flexitarian and reducetarian diets to the fact that not everyone is willing to follow an “all-or-nothing” diet. Research from Nestlé Professional shows that 65 percent of Thai consumers who have adapted either the flexitarian or reducetarian diet did so due to health concerns, while 20 percent would like to lose weight.

Food brands are increasingly developing foods in line with both flexitarian and reducetarian diets to attract more health-conscious consumers, consumers with alternative diets, and those who are just looking for new products. Perdue Foods launched CHICKEN PLUS products contain a blend of chicken, vegetables, and plant-based protein. Farm Food USA Inc. introduced a variety of flexitarian meat products that are 25 to 30 percent plant-based. Flexitarian and reducetarian diets have gained popularity in Thailand with 53 percent of Thai consumers wanting to reduce their consumption of animal meat. Cargill Thailand introduced a flexitarian nugget product under the PlantEver brand in response to the growing demand for plant-based products.

## **Borderless Cuisine and Global Flavor**

Consumers are seeking new novel flavors and more exotic food options as fine dining slowly returns. Consumers would like to experience global cuisines that have an authentic story. Chefs and restaurants are looking to blend specific regional ingredients (e.g., spices, herbs, fruits, vegetables, and seasonal proteins) as they aim to create new dishes that more adventurous and enjoyment-seeking consumers demand. The “borderless” cuisine food trend aims to merge regional foods to create new flavors and twists on classic dishes using more diverse regional raw materials. Riley Sanders, a young American chef from the Michelin-starred restaurant Canvas in Bangkok, is well known as a pioneer in borderless cuisine by offering unique combinations that break traditional boundaries and create remarkable new flavor profiles.

Retail shelves are also displaying a world atlas of culturally inspired experiences, including exotic ingredients. Central Food Retail in Thailand offers a wide range of exotic food ingredients imported from around the world while also promoting local and seasonal ingredients that have a unique story behind them.

## **Collaborations**

Many companies within the food industry collaborated with one another in 2021, such as MK Restaurant and Fire Tiger Boba Milk Tea. The food industry will see more of these collaborations in 2022 but will also see cross-business partnerships including chef collaborations, and joint projects between celebrities

and food brands. The collaborations allow companies or businesses to share customers database, distribution channels, media platforms, and reach untapped target groups. One example is when Bar BQ Plaza Food, a grilling restaurant, partnered with Sansiri, a leading Thai real estate developer. Together they launched “Sansiri x Barbecue Plaza Spread Happiness” campaign to provide discounts on both Sansiri and Gon Gang delivery platforms. Both brands also used social media to create awareness of the campaign, inviting families to create their own dancing videos on Tik-Tok and at live events at Sansiri Residents, which attracted over 100,000 families. This collaboration between two different industries created new outreach opportunities and revenue streams both companies.

### **Local Produced Products and Urban Farming Concept**

Chefs and restaurateurs are looking for more ways to support their own communities and often try to source locally when possible to support local producers. Sourcing locally also helps chefs and restaurateurs make connections with the community and provides them with a story about their food. Chefs and restaurants can mention about their locally sourcing process in menu concepts, create special dishes depending on the season, and talk about community support programs to build customer loyalty.

Urban Farming is another idea that has taken off during the pandemic as chefs, restaurants, and some small-scaled retails have started to grow herbs, vegetables, and fruit on location. Urban farming allows customers to see firsthand the process of producing food and seeing it go right from the “farm” to their table. Chefs and restaurants are using urban farms to build additional connections with their customers. Urban farming is growing worldwide among city-residential consumers who are looking for a sustainable friendly menu and unique story.

### **Changing in Restaurant Concepts**

The restaurant segment has been one of the hardest hit segments during the pandemic. Restaurant owners have constantly been looking for innovative ways to maintain their business as well as to create multiple income streams. Restaurants that have endured the pandemic well have optimized their operation and leveraged new strategies and solutions. Some of the more successful strategizes utilized by restaurants include limiting menu options, reducing the number of days they are open during the week to cut down inventories and lower food costs, manage their own delivery, turn some dining spaces into community hubs for home office workers or cultural events outside their traditional service hours, and install more technologies such as QR codes for self-ordering or implement self-serving machines at QSRs minimize reliant on employees and to save on labor costs.

The pop-up restaurant idea has become one of the most common trends in the Thai restaurant sector allowing chefs to showcase their talent at temporary locations in order to build their reputation among new customer groups and to experiment new menu concepts. Secondly, celebrity chefs are joining together to offer limited chef table experiences that combine their unique cooking styles to create new menu combinations. These chef collaborations are also helping chefs and restaurateurs network. Thirdly, chefs and restaurants are starting new product lines for the retail segment (e.g., signature hot sauces, ready-to-eat foods, frozen bakeries, etc.) Lastly, chefs and some restaurants have started servicing private dinners or parties and have introduced private chef tables and at-home services during the pandemic.

There are many opportunities for U.S. imported products, especially for products that are considered beneficial to consumers' health and wellness such as alternative milk products, plant-based proteins, and dietary supplements. Thai importers are aware of the trends in the Thai market and are always looking for new and innovative products to introduce, especially as the flexitarian and redudetarian consumer groups aim to capture 10 percent of the traditional meat market.

End of Report

**Attachments:**

No Attachments.