

Voluntary Report – Voluntary - Public Distribution

Date: March 06, 2022

Report Number: TW2022-0013

Report Name: New Consumers Embrace Plant-based Trends in Taiwan

Country: Taiwan

Post: Taipei ATO

Report Category: Tree Nuts, SP1 - Expand International Marketing Opportunities, Grain and Feed, Vegetables

Prepared By: Katherine Lee

Approved By: Emily Scott

Report Highlights:

As the world's third largest vegetarian market with an increasing flexitarian population, Taiwan bodes well for the ingredients that address low fat, high fiber, and plant-based protein. The plant-based market in Taiwan is valued at US\$22 billion, attracting numerous traditional food manufacturers to rev up new food product developments. It provides tremendous opportunities to the U.S. food and ingredients that resonate with this trendy lifestyle, including not just fresh fruit and vegetables, but also dried beans, peas, lentils, tree nuts, soy flour, and many more.

Taiwan— A Significant Long-standing Vegetarian Market

Taiwan is the world’s third largest vegetarian market¹, with a vegetarian population exceeding three million, accounting for 14 percent of total population. Its vegetarian diet practices used to be strongly associated with Buddhism² belief, which has been prevalent in Taiwan since the 1980s. The Buddhists follow a rigorous vegan diet that avoids five pungent ingredients (garlic, onion, chives, scallions, and leeks) on every first and fifteenth day each month. The common vegetarian food they eat are mainly made by soy and wheat gluten. However, the society is transforming into more flexitarian dining culture with a new segment of consumers following “meat less” trend.

More Young Consumers Opt for “Meat Less.”

According to Food Industry Research and Development Institute (FIRDI), Taiwan’s flexitarians hold 18 percent of total population. Thanks to Beyond Meat’s popularity on social media, an increasing number of young consumers become curious about the alternative meat and start to follow a flexitarian diet trend. These consumers adopt less strict vegetarian diets. Instead, accessible plan-based diets are ideal for their busy, sociable lifestyle. The phenomenon bodes well for the ingredients that address low fat, high fiber, and plant-based protein. The plant-based market is valued at US\$22 billion, attracting numerous traditional food manufacturers to rev up new food product developments. The importers of related ingredients, such as soy flour, are positive about the market’s robust growth of at least 20 percent in 2022.

Convenient Flexitarian Diets Catch On.

According to Rakuten Insight in 2021, approximately 70 percent of Taiwan consumers had consumed plant-based alternatives to animal-based food products. To catch up with the flourishing “meat less” demand, convenience store chains, including 7-Eleven, Family Mart, and HiLife unanimously initiated eye-catching plant-based meal counters from 2019. Consumers can easily find a diversified selection of plant-based meals, from burdock black rice balls as breakfast, truffle mushroom risottos as microwavable lunch box, to frozen vegetarian dumplings as quick dinner, and many more. 7-Eleven commented that they had sold the plant-based meals to more than three million consumers within less than half year since the new menu launch. Family Mart, strategically collaborating with multiple famous vegetarian restaurants, successfully sold 10,000 microwavable meal boxes on a weekly basis.

¹ Source: Global Vegan Foods Market Research Report in 2020

² 35% of Taiwanese identify themselves as Buddhist. Source: 2019 Report on International Religious Freedom



Photo: Brain.com.tw

Since 2019, 7-Eleven has launched brand-new vegetarian counter in more than 300 stores, catering to growing flexitarian consumers.

Local Food Manufacturers Pivot its Marketing to Attract Gen Z.

Seeing today's Generation Z are tomorrow's consumers, local food manufacturers reframe the vegetarianism as trendy. Hoya, the largest alternative meat manufacturer, debuted its retail brand Vv Eat at Costco and PX Mart in 2021. Instead of targeting traditional vegan consumers, the products appeal to novelty-seeking young consumers who are intrigued about plant-based protein in various forms of food selections, from burgers, popcorn chicken, braised rib, to dumplings.



Instead of targeting traditional vegan consumers, Vv Eat appeals to novelty-seeking young consumers who are intrigued about plant-based protein in various forms of food selections.

Invested by Hoya, a plant-based diner "Space Bao" that was launched in 2021, creatively disrupts traditional concept that vegetarian food is boring. The exterior diner's futuristic looks successfully catch young consumers' attention. Its collaboration with a hip hop signer as spokesperson helped boost its awareness quickly on social media. Most important of all, the food is no more cold tofu or plain vegetables. The plant-based pan-fried buns, with patty made with pea protein and soy flour, mimic real meat texture with fusion variations, enticing consumers to try and share on Instagram.



The renowned meat analogue manufacturer, Hoya, invested in a hip diner "Space Bao" that features plant-based pan-fried buns with affordable price (US\$5.5 per box of 6 buns).

In addition to vegetarian food manufacturers, traditional food manufacturers are all riding the wave to substitute global look-alikes³. For example, the leading beverage manufacturers, such as I-Mei, Taisun, and Kuang Chuan, rolled out brand-new non-dairy milk product lines recently, launching oat milk, almond milk, walnut milk, and mixed tree nuts milk. The branding and strategy to collaborate with cafés appeal to metropolitan consumers, who indulge themselves with quality coffee at an instagrammable café.

Suggestions for U.S. Suppliers

Highlight health benefits.

Based on the survey conducted by *Merit Times* in 2021, the reasons that consumers follow flexitarian diets are no longer confined to traditional Buddhist religion. “Health” tops the reason list (36%), leading “religion” (28%), and “family” (20%). It is worth noting that Taiwan consumers are not on the same level as Western consumers that cite animal welfare and climate change as key reasons for consuming less or no meat.

Price point is the key.

U.S. vegetarian products with strong branding have established awareness in the trade. However, the trade comments that the price point is too high to be competitive with locally made similar products. For example, the pricing difference for alternative meat can be up to US\$3.7 per 300 grams.

Localize textures and flavors.

Taiwan consumers tend to perceive vegetarian food as overly processed, and the U.S. food products are too salty for them. To counter these barriers, ATO Taipei suggests the U.S. suppliers highlight the ingredient traceability as transparency assurance and provide samples for importers to collect customer feedback before entering the market in rush.

Capitalize on local food manufacturers’ product development.

Thanks to the global trend of social media frenzy, consumers mimic this plant-based diet phenomenon in the United States. Famous vegan brands that are popular in the United States will soon catch their attention, inspiring local food manufacturers to develop similar products catering to local milder palates. The number of Taiwan-made new food products related to vegetarian or plant-based concepts has rapidly grown. It provides tremendous opportunities to the U.S. ingredients that fit in this category including not just fresh fruit and vegetables, but also dried beans, peas, lentils, tree nuts, soy flour, and

³ Global dairy-free brands that are available in Taiwan include Almo, Alpro, California Farms, Elmhurst, Milk Lab, Minor Figures, Mylk, Oatly, etc.

many more. For example, dried peas, lentils and beans that feature quality protein, are perceived to shine in diverse culinary options by appealing to those health-conscious flexitarian consumers. Grains and tree nuts, including oat, almonds, pistachios, and walnuts are anticipated to expand their applications to meet the thriving demand from the non-dairy market in coffee-making and bakery uses.



DaChan, Taiwan’s key chicken meat supplier, invested in US\$37 million to rev up its vegetarian meat product innovation, targeting not just Taiwan but Southeast Asian market. The brand NEO was launched in 2021, offering a wide range of plant-based foods from retail frozen food, foodservice prepared meals, to baked goods.

Enrich users with versatile ingredient applications.

Education targeting users is critical to propel the ingredient adoption. As the market traditionally associates plant-based diets with religious belief, a majority of consumers, even chefs, are just familiar with limited applications focused on Asian-style meals. It is advised for suppliers to enrich users with popular recipes, marketing the ingredients as versatile as possible to pique trial interest and sustain growth.

Contact Agricultural Trade Office Taipei

Office Hours: 8:00 AM – 5:00 PM
Telephone: (011-886-2)2705-6536
Fax: (011-886-2)2754-4031
Email-FAS: atotapei@usda.gov



美國美食報你知
UNITED TASTES IN TAIWAN



Attachments:

No Attachments.