

Voluntary Report – Voluntary - Public Distribution

Date: September 01, 2021

Report Number: TH2021-0061

Report Name: Plant-Based Food and Beverage Market in Thailand

Country: Thailand

Post: Bangkok

Report Category: Market Development Reports, Product Brief, Promotion Opportunities, Retail Foods, Food Service - Hotel Restaurant Institutional, Food Processing Ingredients

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Report Highlights:

Plant-based diets and meat substitutes are gaining popularity and are capturing the interest of Thai consumers. The plant-based food market in Thailand is currently growing 2-10 percent per year with growth projected to reach 10-35 percent per year, with the sector's value reaching U.S. \$1.5 billion in 2024. There are huge market opportunities for U.S. plant-based food ingredient and finished food product exports to Thailand.

Plant-Based Food and Beverage Market in Thailand

The plant-based food market has grown rapidly over the past few years as a result of the global trend in health. There is an expanding consumer segment of plant-based in many parts of the world. Euromonitor International reported that the substitute meat market in the Asia-Pacific region was worth U.S. \$15.3 billion in 2019. COVID-19 has accelerated the growth with growing concerns over safety and personal health. Global consumer concern over planetary health, animal welfare, and human health are the key driving factors behind the plant-based food trend, which stretches from strict diets like veganism to flexitarian consumers looking to reduce their meat and dairy intake.

Plant-based food has captured consumers' interest in Thailand. The plant-based food market in Thailand is growing, and Krungthai Compass Research Centre expects the sector's annual growth to go from the current 2-10 percent per year to 10-35 percent, with the sector's value reaching U.S. \$1.5 billion in 2024. The market includes plant-based meat, milk, meal, and eggs. The sector's value in 2019 was U.S. \$935 million. Innovative food start-ups in Thailand invested an estimated U.S. \$3 billion in 2019. Large companies around the world and start-up companies are developing technologies to produce plant-based products that have similar flavor and characteristics to natural meat.

Sales of Dairy and Meat Alternative Products in Thailand 2016-2020 (U.S. \$million)

Product	2016	2017	2018	2019	2020
Dairy alternative products	604.2	670.8	759.2	823.4	803.3
Meat alternative products	13.7	15.4	17.2	19.3	20.8
Total	617.9	686.2	776.4	842.7	824.1

Source: Euromonitor



Textured soy protein used as main ingredients for traditional vegetarian foods in Thailand

Plant-based food products are not new to Thai Chinese (an ethnic Chinese community in Thailand) and have easily gained popularity due to their cultural traditions. Every year, millions of Thai Chinese abstain from eating meat during the nine-day vegetarian festival, which normally takes place in October. Food developers often launch many plant-based food products during the vegetarian festival. Soymilk and tofu are traditionally part of Thai Chinese meals. Soymilk and Patongko (Chinese doughnut) are part of a quintessential breakfast for Thais and are easily found at street vendors. Vegetarian restaurants are common in major cities in Thailand, and most restaurants include a vegetarian section on their menus.

Most food and beverage products available for this festival, however, are normally made from textured soy protein. The growing urban mainstream demographic of flexitarians, rather than strict vegans and vegetarians, is driving the rising demand for more vegetarian options (e.g., plant-based protein beverages and artificial meat). An estimated 25 percent of consumers who eat plant-based food are flexitarians other than vegans or vegetarians. These consumers tend to abstain from consuming meat products at least once a week.



A wide range of plant-based drinks on supermarkets' shelves in Thailand

Flexitarians have several reasons for choosing to eat less meat including health and environmental benefits. Flexitarianism and plant-based eating preferences are becoming increasingly mainstream among Thais due to the rise in pandemic-related food safety, health, and sustainability concerns. Taste is the most important factor for many consumers when making food purchase decision, including buying plant-based foods, especially among younger consumers. Young women are the most frequent buyers, but consumers in all major demographic groups are eating more plant-based foods for health reasons. Plant-based food purchases, however, remain low when compared to their traditional counterparts due to higher costs and taste preferences.

The plant-based beverage category also continues to grow in line with consumer preference for non-dairy based food and beverages. There are more new entrants into this market ranging from start-ups to leading food manufacturers. The growth of plant-based diets has led to upgrades and transformations of Thai food and beverage sectors, changing existing business patterns. Thailand is still in the early stages of plant-based food development. Companies are now paying more attention to R&D, distribution, and customer bases. The higher costs and un-familiar taste of meat substitutes are obstacles to turning plant-based protein into an everyday staple for Thais.



Plant-based meat such as mince pork and crispy pork used as raw meat ingredients.

The positioning of plant-based food being sustainable and environmentally friendly in the West has been successful. However, Thailand needs a different approach. Health benefits and the Buddhism belief to abstain from killing animals are the main drivers for Thais shifting to meat-alternative products. Consumers' increasing concern for their health and nutritional wellbeing is encouraging them to replace their consumption of animal-based products with plant-based items.

The key international players leading the plant-based market are well-known U.S. companies, such as Beyond Meat and Impossible Foods. While these companies are marketing and selling their products in several international markets, their current products do not cater to Asian tastes. Local Thai food companies and companies from neighboring Asian countries entering the market are at an advantage as they understand local tastes and culture. They are focusing on local dishes, as well as opting for pork and seafood rather than beef flavors.

Food and Beverage Manufacturers of Plant-Based Food Products in Thailand

Food Manufacturer	Brand	Products
CPRAM (https://www.cpram.co.th/en/product-detail/23/VGforLove)	VG for Love	Frozen ready to eat food (microwavable)
Charoen Pokphand Foods Public Co., Ltd (https://www.facebook.com/meatzero/)	Meat Zero	Refrigerated and frozen ready-to-eat food
Nestle Professional (https://www.nestleprofessional.co.th/harvest-gourmet)	Harvest Gourmet (imported from Malaysia)	Imported from Malaysia
NR Instant Produce Pcl. (https://www.nrinstant.com/th/co-manufacturing/plant-based-foods)	Phuture	Plant-based meat and OEM
More Foods Innotech Co., Ltd. (https://www.morefoods.in/)	More Meat	Plant-based meat
Meat Avatar Co., Ltd. (https://meatavatar.com/)	Meat Avatar	Plant-based meat
Green Monday (https://www.facebook.com/OmniMeat)	Omni Meat Happy Bao	Frozen ready-to-eat food
SeaTech Intertrade (https://www.facebook.com/krop.thailand/)	Krop	Frozen ready-to-eat food
Thai Union Group PCL. (https://omg-meat.com)	OMG Meat	Frozen ready-to-eat food
Nithi Foods Co., Ltd. (www.letsplantmeat.co)	Let's Plant Meat	Plant-based meat
V Foods Co., Ltd. (http://www.vfoodsthailand.com)	V Farm	Frozen ready-to-eat food, sweet corn products, and corn milk
Tang Ying Wattana Co., Ltd. (http://www.sesamilkfoods.com)	Sesamilk	Sesame milk
Simple Foods Co., Ltd. (http://www.137degrees.net)	137 Degrees	Almond milk, walnut milk, pistachio milk, corn milk, and almond milk ice cream
Heritage Snacks and Foods Co., Ltd. (www.heritagethailand.com)	Almond Breeze and Sunkist	Almond milk and pistachio milk
Lactasoy Co., Ltd. (www.lactasoy.com)	Lactasoy	Soy milk
Green Spot Co., Ltd. (www.greenspot.co.th)	Vitamilk and V-Soy	Soy milk
Tofusan Co., Ltd. (www.tofusan.com)	Tofusan	Soy milk
Lam Soon (Thailand) Public Co. Ltd. (https://www.ufcrefreshcoco.com)	HomeSoy	Soy milk
	UFC Velvet	Almond milk, Oat milk, and Coconut milk
Dutch Mill Co., Ltd. (www.dutchmill.co.th)	DNA	Soy milk

Source: USDA Thailand

The following images are examples of plant-based menus offered by Burger King and Sizzler restaurants:



Most plant-based food importers and manufacturers introduce their products by partnering with major restaurant chains to establish their product’s brand awareness. B2B collaborations, including restaurant and foodservice partnerships, provide the best opportunities to expand plant-based meat products and gain broader customer segments. Restaurants are sourcing meat substitutes to expand their offerings to customers, which is raising consumer awareness and fostering familiarity with the mass market. Both local and international players in retail and quick service restaurants (QSR) have launched several new plant-based menu items, driving the popularity of alternative meat options since 2020. For example, Beyond Meat has partnered with QSRs such as Starbucks, Au Bon Pain, Sizzler, McDonald, Pepper Lunch and has occasionally shown up in some food service restaurants and Kiang (Thai restaurant chains). These products are not only popular among vegetarians but also among flexitarians and general meat-eating consumers who are intrigued in trying them at least once.

Not only are quick service restaurants offering plant-based menus, but even some luxury hotel restaurants such as Mei Jiang. Mei Jiang, a well know Chinese restaurant at The Peninsula Bangkok, offers a nine-course, 100 percent plant-based Chinese cuisine dinner.



Plant-based main dish, “Barbecue”, featuring clay ovens low-cooked king oyster mushrooms, served with “char siu” and Chinese vinegar

Note: Photos from www.greenqueen.com.hk



Plant-based dessert, “Soy Custard”

Distribution is another major driver of the growth of plant-based food and beverage products in Thailand. Plant-based food and beverage products are becoming more common at major supermarkets, hypermarket, and convenient stores in urban cities. In addition, retailers are offering these products through their own social media channels including website, Facebook, Instagram, Line, or leading e-commerce platforms such as Shopee and Lazada.

The main barriers to people eating more plant-based foods in Thailand are taste and cost relative to conventional options. However, the market will become more competitive, which will drive down prices, as new players enter the market and food developers create new innovations. The number of Thai consumers interested in plant-based diets is increasing and driving a wave of innovation in plant-based meat and dairy alternatives. There is a growing demand for plant-protein ingredients. Food and beverage manufacturers are increasing R&D activities to find the right mix of protein with natural flavors and textures to boost product uptake to enhance consumer experience. This is opening new possibilities for food manufacturers to explore plant-based alternatives and opportunities for U.S. exporters of U.S. plant-based ingredients, such as ingredients from soy, legumes, potato, wheat, tree nuts, dried fruits, and other specialty ingredients, to explore this new market.

The most popular plant-based categories are milk and meat replacements among plant-based consumers in Thailand. The soy protein segment commands the largest share of the overall plant-based products market in Thailand. Soybean protein benefits from better availability, lower costs, and a wider-application base when compared to other plant-based protein options. Other plant-protein based options available in Thailand include rice, wheat flour, mushroom (Shiitake, Eryngii, and Split gill), jackfruit, konjac, nuts (almonds, walnuts, pistachio, cashew nuts), beans, sesame seeds, potato, cereal, chickpeas, and green peas. Major plant-based food and beverage products are sausage, beef mince, pork mince, burger patty, buns, ham and bologna, alternative milk, yogurts, ice cream, cheeses, eggs, snacks, and ready to eat.



Ready to eat food: Plant-based spaghetti with tomato sauce. (Meat Zero Brand)



Ready to eat food: Plant-based stir-fried Thai basil with rice.

Most plant-based proteins are in the early stages of development and require continued innovation to succeed. There are several opportunities for innovation across the value chain of the plant-based market, including sourcing, product formulation, processing, and distribution. Sourcing and developing new plant-based products will play a key role in growing the plant-based protein market. U.S. food ingredients and finished food products can play a significant role in supplying the growing demand for plant-based ingredients and food in Thailand. Examples of U.S. plant-based food brands available in

Thailand are Beyond Meat's burger patty, canned and frozen ready-to-eat Amy's kitchen vegan products, frozen ready-to-eat Morning Star Farms' vegan products, Tofurky vegan chicken products, Bob's Red Mill protein, baking, and smoothie powder, Sunwarrior plant-based proteins and collagen powder, Almond breeze for almond milk, Sunkist for pistachio milk, Silk soymilk, and more.

Attachments:

No Attachments.