

Asia Pacific

The **OMMMM** of **MMMMM**

Redefining Value Through

Food & Flavour Innovation

Issue 19 | February 2023



Learn about ways brands can create *value* for consumers and how to get ahead with their needs this 2023.

Discover  Flavour Forecast  Flavour of the Year;
23rd Edition
Vietnamese x Cajun Style Seasoning



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A new era of austerity that is shaping consumers' attitudes and behaviour in 2023

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I. The Foodture

2023 and beyond

Meeting consumers' needs in times of inflation
through *value creation* and *flavour innovation*



Top 2023 trends that are *influencing* our food industry

Redefining *Value*

- Consumer Outlook
- Savvy Sustenance

Consumer *Changes*

- Phygital World
- Local Authenticity
- Unpuzzle Health

Trends in *Food Innovation*

- Taste Temptations
- Power in Packaging

Consumer Outlook

29%

Global consumers believe that their households have **adequate financial savings**. (2022)

72%

Global consumers are **concerned about rising living costs** in the country that they live. (2022)

63%

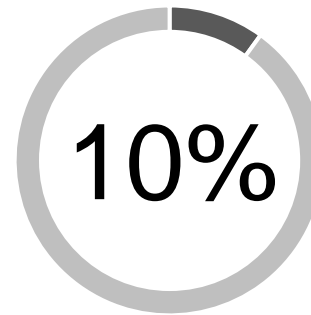
Global consumers are looking to **reduce their spend on food and drink**. (2022)

43%

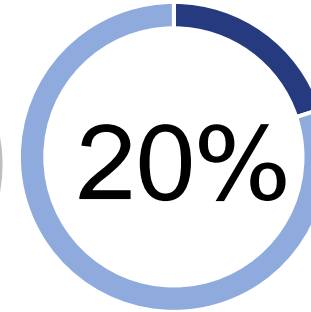
Global consumers **have reduced spend in the foodservice channel** in the last six months. (2022)

Across various demographics, those ages 75 & older were among the least concerned about their personal finance situation while **Generation X** (ages 42 – 57) **comprised the most concerned cohort at 47%**, followed by millennials (ages 26- 41) at 43%.

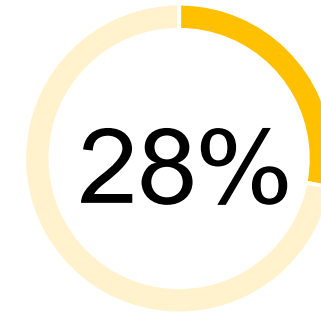
Overall consumers' sentiments on economic climate



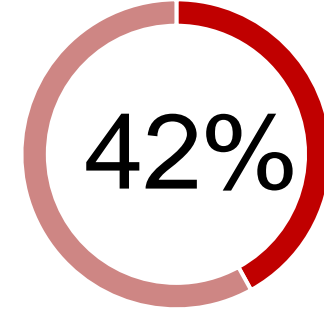
Not concerned and haven't changed behaviour on non-essential spending



Concerned but haven't changed behaviour on non-essential spending



Concerned to some extent and have taken action on non-essential spending



Most concerned and have taken action on non-essential spending

During an economic downturn, households are more cautious with their spending and prioritise their essential needs. However, price is not always the only deciding factor. It is important to **balance price with quality and meeting personal needs**. Consumers still want products that meet their needs and are willing to trade up for them, even during tough economic times.



> 70% consumers* are willing to **pay more for local produced** or goods made by a company known for **ethical practices**.

*PWC Global Consumer Insights Survey (Feb, 2023). 9180 consumers over 25 territories



FOODTURE: REDEFINING VALUE

Savvy Sustenance

Companies will need to get back to basics with food and drink that nourishes and fills bellies yet yielding that added perceived value for consumers, despite tightened purse strings.

Ways brands can create value



Nutritional



Better For You



Storytelling



Product Guide



AI Technology



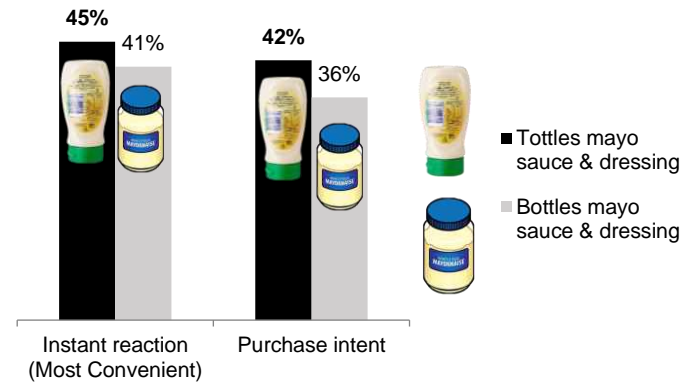
Packaging



Sustainability



Flavours & Textures



Packaging

Convenience in packaging can help your brand create value. In this study among Australian consumers, Tottles packaging are observed to have higher purchases intent and better value among consumers because of its ease of usage.



Product Guide

Meal kits with educational content will resonate with consumers who are feeling the financial pinch, yet at the same time, seeking for experiences at the comfort of their homes.

Love Struck launched a range of cocktail mixes to tap into the in-home mixology trend. The packs feature preparation instructions along with a QR code with additional recipe suggestions (UK).



Flavours & Textures

Brands can position pleasurable food and drink as necessities in tough times. For example co-branding or recreating a restaurant flavour could help with premium positioning.

Calbee Kourakuen Chinese Noodle Flavored Potato Chips bring the flavours of Kourakuen noodle shop that's been open since 1954 to chips (Japan).



Sustainability

Calling out their eco-friendly pack materials, use of upcycled ingredients, and sustainable core ingredients while linking to tangible benefits like taste.

Nojo Oh So Spicy Mayo is described as "a vegan-friendly sauce that fights food waste". It contains locally sourced aquafaba, a liquid left from cooked chickpeas (UK).



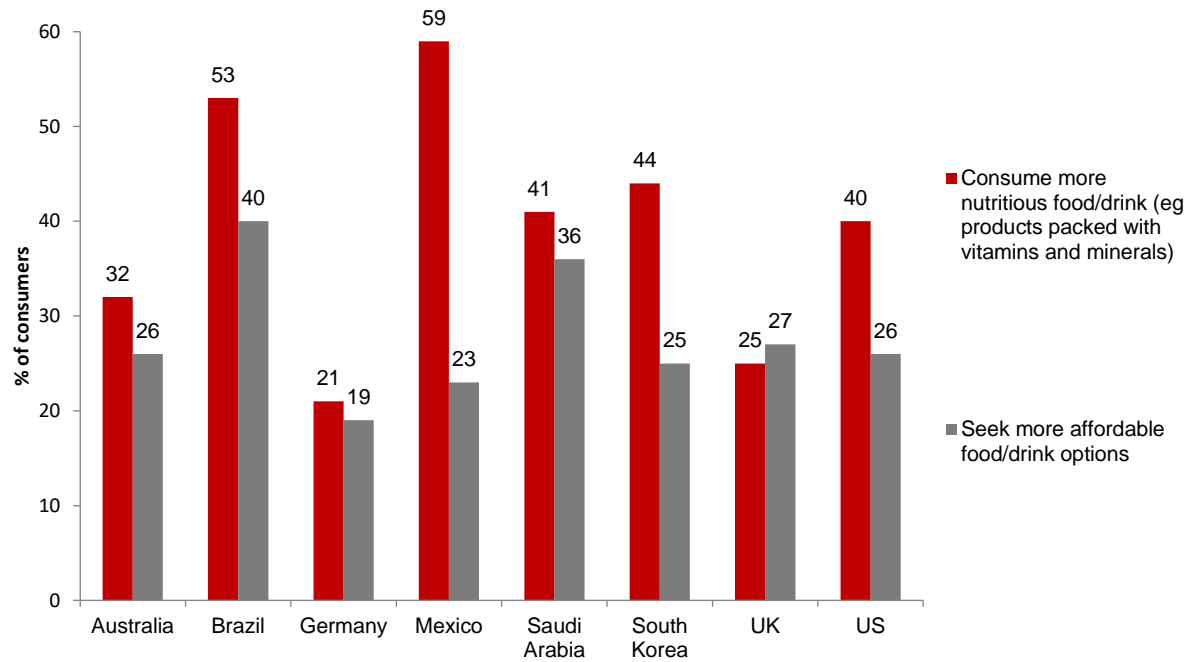
With the popularity of home cooking, the number of **meal kit launches in India** has seen an **increase from 13% to 52%** between July 2019 to June 2022.

FOODTURE: REDEFINING VALUE

Savvy Sustenance

Adults across markets want to consume more nutritious products. While price may be part of the consideration set, nutrition is still a key factor and highly sought after by consumers, especially after a pandemic. Brands that offer nutrition at affordable prices will stand out to shoppers as good value for money.

Nutrition vs Affordability: selected food and drink aspirations for the next 12 months, 2022*



*Base: UK, Germany, Brazil: 1,000 internet users aged 16+ in each market; Australia, Mexico, Saudi Arabia, South Korea, US: 1,000 internet users aged 18+ in each market



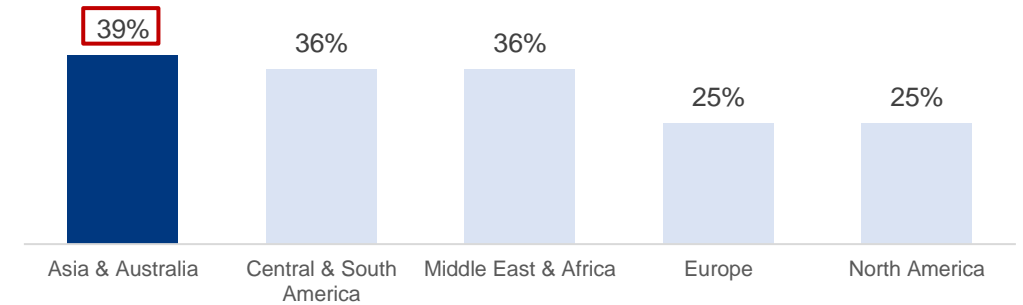
Nutritional

Macronutrients and vitamin/mineral intake will be more important to value-conscious consumers who are focused on getting the most from their budgets.

Uncle Tobys Protein Lemon with a Yoghurty Drizzle Muesli Bars are said to contain 20% protein to help one feel fuller. The bars are made with oats, soy protein crisps and yogurt (Australia)

Similarly in the food service sector, consumers in Asia Pacific are also on the look out for nutritious menu offerings.

Factors influencing restaurants visits by regions – “Availability of health and nutritious menu options”, 2022



Burger King Malaysia Rye Breakfast Menu was introduced in August 2022 as a healthier menu offering which uses Rye buns instead of wheat.

FOODTURE: CONSUMER CHANGES

Phygital World

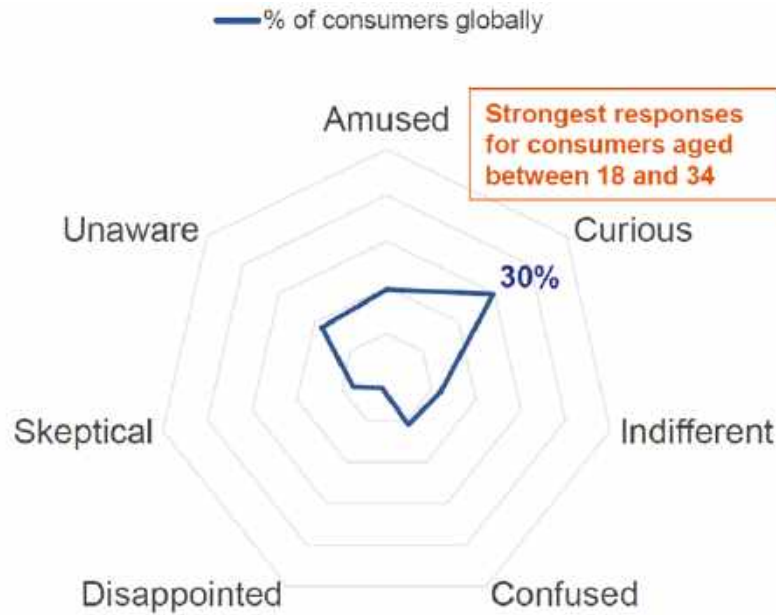
Physical + Digital – the seamless integration of both physical and digital elements in our daily lives. Engage with consumers and build connections with them by enhancing real life with digital experiences.



Metaverse

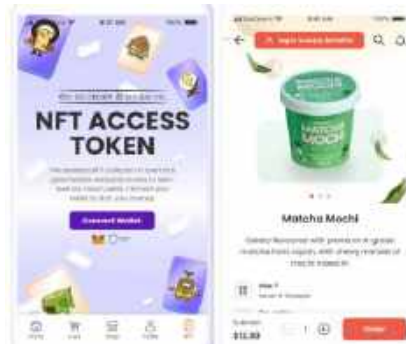
Chipotle launched a 90s-themed restaurant in the metaverse, using the platform Roblox. Players can virtually visit the first Chipotle, opened in 1993, and work behind the counter to accumulate “burrito bucks” which entitles them for free burritos at the physical store.

“How do you feel about digital food and beverage experiences?”



Co-creation

Harvest Snaps, a plant-based snack brand of Calbee America, has launched a music-driven, TikTok-branded, QR code packaging designed to attract and engage college students across USA.



Non-Fungible Tokens (NFTs)

The Ice Cream & Cookie Co (ICC) is set to launch its very own app with NFT integrations. Consumers can scan a QR code and mint an ICC NFT dubbed ‘Ingredient’ which is a series of illustrated ice-cream ingredients characters.



45% of Thai consumers* agree that **new technology** products/services that can be incorporated into their daily life would be appealing.

*Dynata/Mintel, April 2022. Thailand: 2,000 consumers aged 18+

FOODTURE: CONSUMER CHANGES

Local Authenticity

As the world becomes more unpredictable, consumers are turning to their communities and cultural heritage for a sense of connection and belonging. Beyond encouraging consumers to support local produce, brands could also look into highlighting the stories behind their products such as the usage of traditional production techniques and partnership with local communities.

Consumers who agree that "support for the local community is more important than buying from larger multinational brands" 2022

NORTH AMERICA

57%

EUROPE

59%

CENTRAL / SOUTH AMERICA

69%

MEA

66%

ASIA & AUSTRALIA

67%



Farm-fresh ingredients

Domino's Pizza launched a Sanchoku Pizza – with 4 distinct quarters of pizza consisting of ingredients from different regions of Japan. For each pizza sold, Domino's will donate a portion of the profit to their Sanchoku to support farmers and other produce workers. (Japan)



Ancient techniques

Xiao Ya Xian Spicy Ancient Style Chargrilled Pressed Duck in Sauce is processed with six ancient production techniques, and is butchered by hand. (China)



Back to traditions

Buitoni Bella Pinsa Four Cheeses Pizza is said to be inspired by an ancient Roman tradition and has a unique dough thanks to its mix of wheat and rice flours. Pinsa, a style of flat-bread pizza has seen recent growth in launch activity in Europe. (France)



63% of pizza consumers in the UK say it is worth paying more for pizza /Italian dishes that are made in traditional ways.

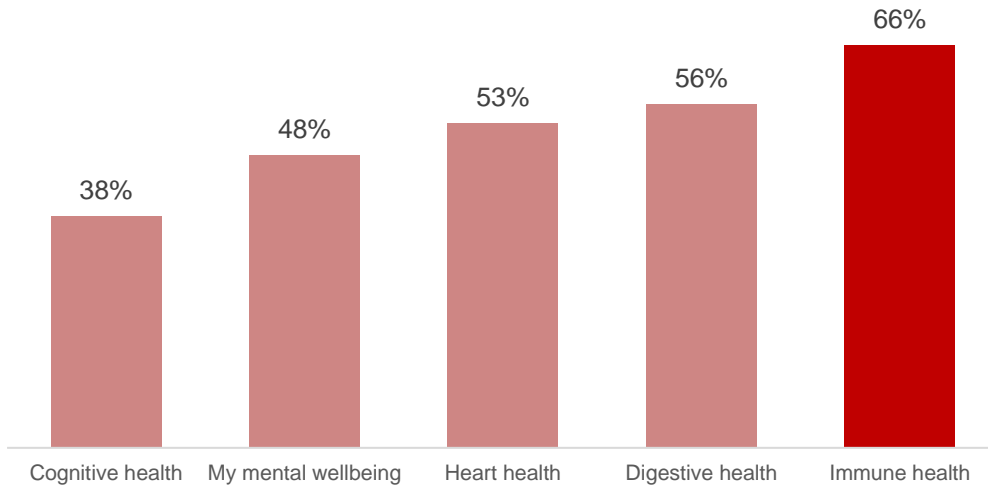
*Mintel 2022. UK: 1,294 internet users aged 16+ who have eaten in or ordered takeaway from a pizza/Italian restaurant in the last 12 months

FOODTURE: CONSUMER CHANGES

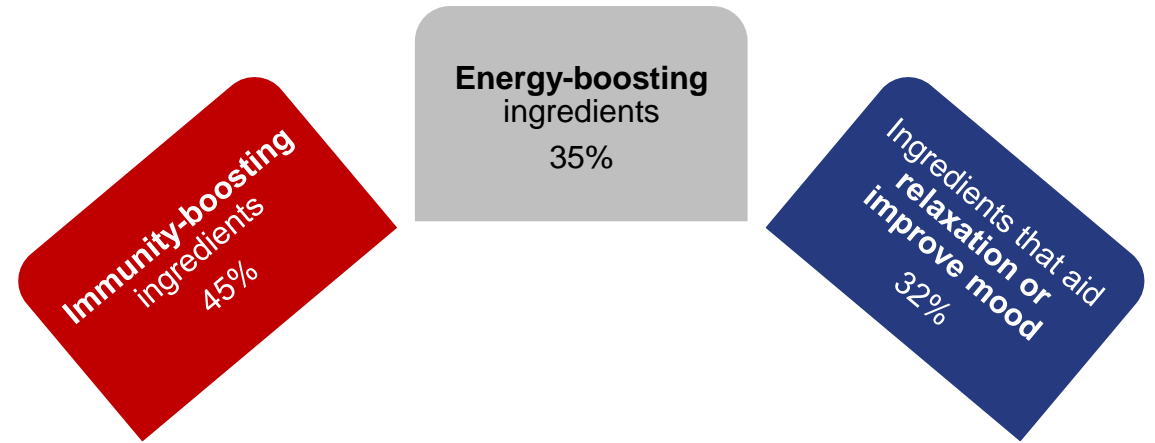
Unpuzzle Health

Consumers are taking charge of their health and making informed choices. On-pack messaging serves as a reliable source of information for individuals who are keen to know about the health and nutritional value of a product. Packaging claims that focus on boosting immunity health will have the highest interest among consumers as it is the top health concern.

Top five areas of health that consumers globally plan to address over the next twelve months, 2022



Global: consumers who consider the following factors to be essential or a key purchase driver when deciding which food and drink products to buy (2022)



BOL Immune Boosting Butternut Squash & Chilli Power Soup is described as a butternut squash and chilli soup with sweet potato and turmeric. The plant-based soup provides 4/5 recommended daily intake of fruit and vegetables per jar (UK).



RiteBite Max Protein Active Plum Spice Bar is said to boost energy levels up to four hours. The cinnamon spiced bars offer 20g of protein, which is said to be equivalent to three servings of daal (lentils) (India)



Sonnentor Spice Advent Calendar contains a selection of aromatic seasoning blends claiming to have a mood-enhancing effect, eg 'turmeric latte ginger organic spice blend' and 'immune organic spice blend'. (Germany).



67% of German consumers* have the perception that **certain ingredients** (e.g. chamomile) have a **beneficial effect on their mood**.

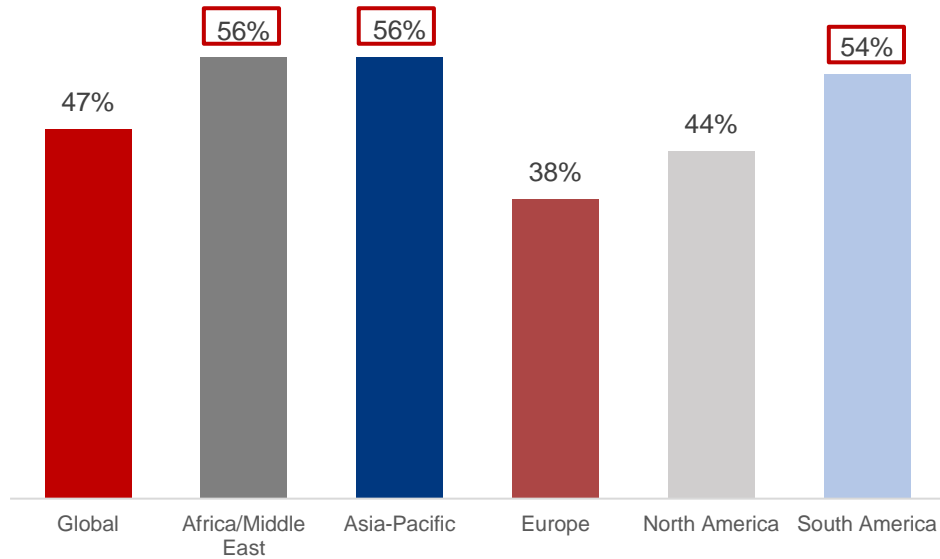
*Mintel 2020. Germany: 2,000 internet users aged 16+

FOODTURE: TRENDS IN FOOD INNOVATION

Taste Temptations

With an increased focus on getting the most for their money, consumers will demand more from the non-essential products they purchase, seeking out premium items that offer unique experiences and opportunities for experimentation.

The proportion of consumers who say that they “like products with new and unusual/exotic flavours” 2022



Expanded category

Boar's Head Apple Pie Hummus puts a sweet and savoury spin on the traditional Middle Eastern dish. It is made with chickpeas, natural green apple flavour, vanilla, sugar, and spices. The product broadens the potential of hummus as a dip but also versatile with desserts. (USA)



Bigger & bolder

KFC introduces a new “shaker” chicken cutlet that is bigger in size. Accompanied with Pepper Pomelo seasoning which allows consumers to experiment a new flavour and discover an interactive way of consuming fried chicken. (China)



Premium indulgence

Burger King has elevated its new limited offering with a touch of gourmet garlic – black garlic sauce and garlic chips accompanied with their signature flame-grilled Angus beef. (Singapore)



44% of Australian consumers* say they tend to buy the **premium version** of a product.

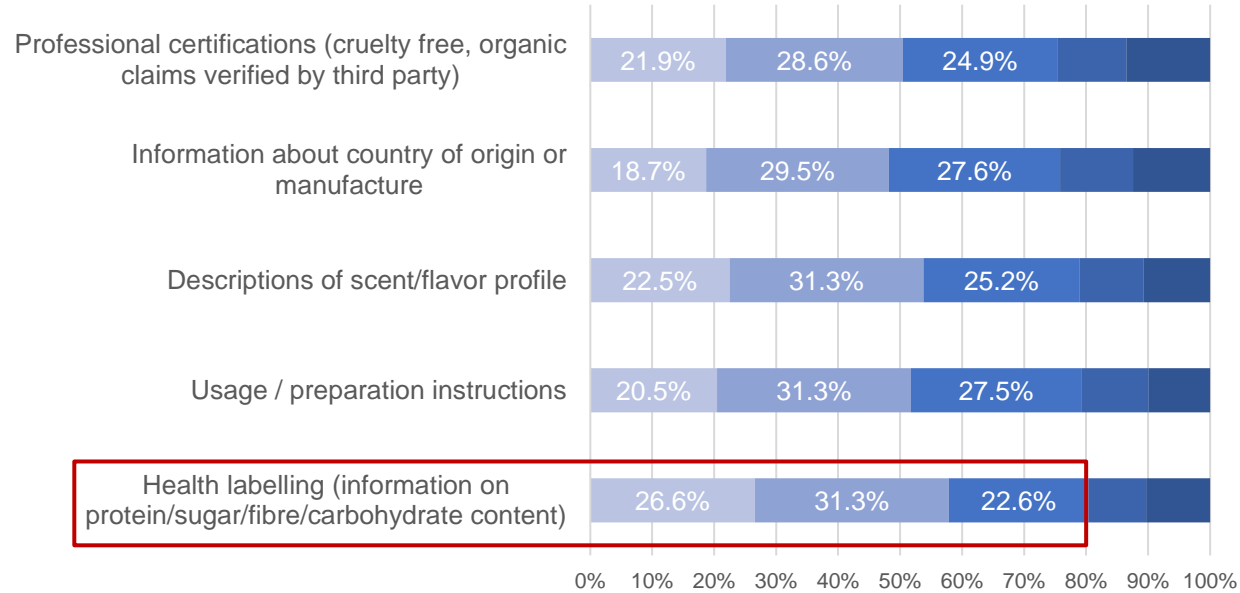
*Mintel 2021 – The Holistic Consumer

FOODTURE: TRENDS IN FOOD INNOVATION

Power in Packaging

Product communication is being simplified to focus on the key selling points important to consumers and brands. This is driven by the need for consumers to easily find products that meet their needs and save money, while companies are focusing on basic benefits to maximize advertising budgets during times of inflation and supply chain challenges.

Top packaging attributes that impact consumers' product choice, 2022



- Always influences my product choice
- Somewhat influences my product choice
- Never influences my product choice
- Often influences my product choice
- Rarely influences my product choice

Minimalist messaging



Pare down to connect with overwhelmed shoppers
Bagrry's Fruit & Nut Muesli simplified its pack design versus the Jan 2022 version (India).

New usage inspiration



Inspire consumers to embrace 'new' cooking methods
 Shoprite Ready to Cook Chicken can be prepared in the oven, air fryer or microwave (South Africa).

Focus on health



Spotlight on key natural ingredients or health benefits for consumers to choose easily
 Vaalia Kefir Vanilla Yoghurt is all-natural with probiotics proven to boost digestion and immunity (Australia).



II. Flavouracle

McCormick® Flavour Forecast® 23rd Edition:

Flavour of the year: Vietnamese x Cajun Style Seasoning

A blend of two cultures and ingredients like paprika and cayenne pepper (Cajun), and garlic and lemongrass oil, (Vietnamese), to deliver a playful flavour with mild heat.

TRENDS



*Full Flavoured
Fats*



*Everyday
French*



*Beyond
Heat*



Vietnamese x Cajun Style Seasoning

Our first-ever inaugural Flavour of the Year, Vietnamese x Cajun Style Seasoning, is a marriage of key ingredients from Cajun and Vietnamese cuisines. With influences in French cuisine and a prominence of heat throughout both, they come together to seamlessly complement each Flavour Forecast trend identified for 2023, whether it be compound butters (Full Flavoured Fats), Beurre Blanc Shrimp (Everyday French), or a fried chicken sandwich (Heat Beyond Hot).



Recipes

VIETNAMESE X CAJUN



Ross Romero,
McCormick
CPD Upstream
Innovation
Scientist

“The Cajun portion of this seasoning is based on my family's Cajun seasoning I grew up on. The Vietnamese portion of this fusion was inspired by the leading Viet Cajun Dish- Viet Cajun Crawfish which features green onion, lemongrass, fish sauce, and lime. A culture crush of key ingredients, it's the ultimate love letter to both cuisines.”



**VIETNAMESE CAJUN
FRIED CHICKEN SANDWICH**

US, Cynthia Gilbert, Culinary Development Manager



**VIETNAMESE CAJUN
BEURRE BLANC SHRIMP**

US, Hadar Cohen Aviram, Executive Chef

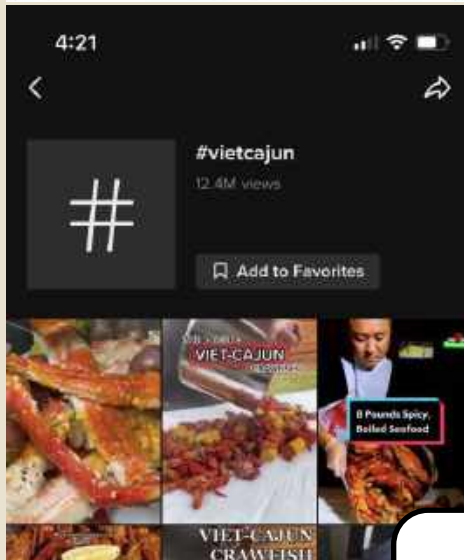


**VIETNAMESE CAJUN
SALAD CRUNCH**

US, Hadar Cohen Aviram, Executive Chef

TREND Signals

VIETNAMESE X CAJUN



58% YoY increase in number of global Viet Cajun social posts.

Global Social Listening: Date Range: Aug 2021 – July 2022. Social Channels: Facebook, Instagram, Tik Tok, Pinterest and Twitter

51.5MM views for 'Vietnamese Cajun Shrimp' and **12.4MM**

views for #VietCajun on TikTok – similar insight to Ube trend signal in 2021 FF report.

People continue to travel more domestically than internationally, and when they visit other parts of the US, they **increasingly want to try truly local cuisines.**

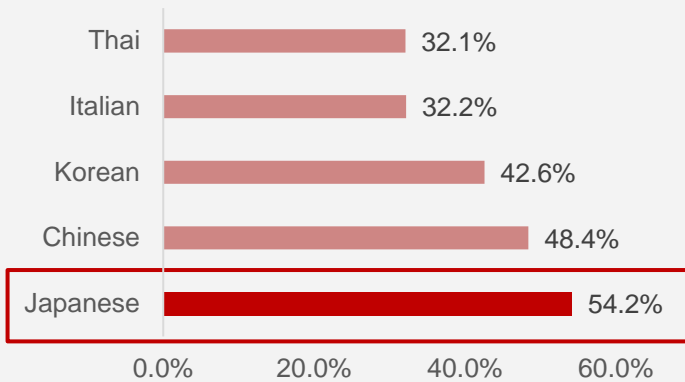
Supermarket Perimeter, 10.11.2022

There is a growing demand, both at home and abroad, for regional American cuisines, such as Southern Nashville-style hot chicken, **Cajun food** and more. *Proprietary Global Heat Study 2022*

Witnessing a similar insight **with Viet-Cajun** on TikTok as we did with **Ube**, reinforcing that 2023 is the perfect time to talk about this flavour profile.

Fusion Flavours in Asia Pacific

Top 5 appealing cuisines among Asia Pacific consumers



Asian x Western



Drumplings, Australia

An infusion of global culinary flavours into a bite-sized dumpling format. Drumplings offers a visual experience that is delicious and unique, but with an old classic favourite.

"Yōshoku" – Western food reinvented in Japanese way



Mentaiko Pizza, Singapore

Creamy mentaiko mayonnaise topped with torii (chicken) or ebi (prawn) on pizza.



Nippori Bistro, Malaysia

Nippori bistro was established in late 2020, embracing Japanese, French and English style. This deep sea kombu pasta combines nori (seaweed) flavour with pasta and cream.

Fusion flavours of east & west cuisines will emerge in 2023

10 HOT TRENDS FOR 2023

1. Experiences/local culture and community
2. Fried chicken sandwiches & Chicken sandwiches 3.0 (i.e., spicy and sweet-heat fusion flavors on chicken, etc.)
3. Charcuterie boards
4. Comfort fare
5. Flatbread sandwiches/healthier wraps
6. Menu streamlining
7. Sriracha variations
8. Globally inspired salads
9. Zero waste/Sustainability/Upcycled foods
10. Southeast Asian (Vietnamese, Singaporean, Philippine, etc.)



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