



NEW ZEALAND
TRADE & ENTERPRISE
Te Taurapa Tūhono

TAIWAN FOOD & BEVERAGE RETAIL OVERVIEW

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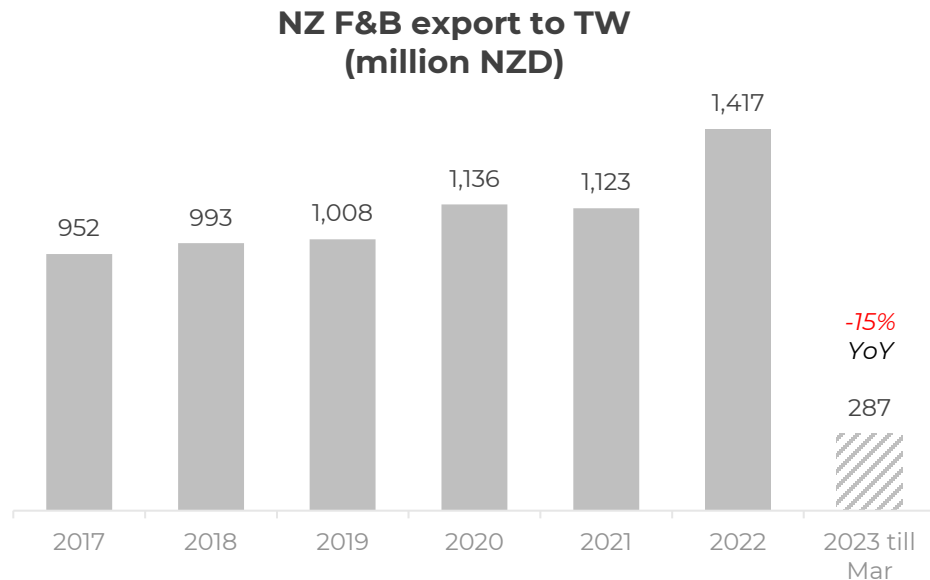
TRADE RELATIONSHIP

Overview of New Zealand's F&B trade to Taiwan, including major categories and products, as well as competitive landscape

Food and beverage export from New Zealand to Taiwan continues to rise

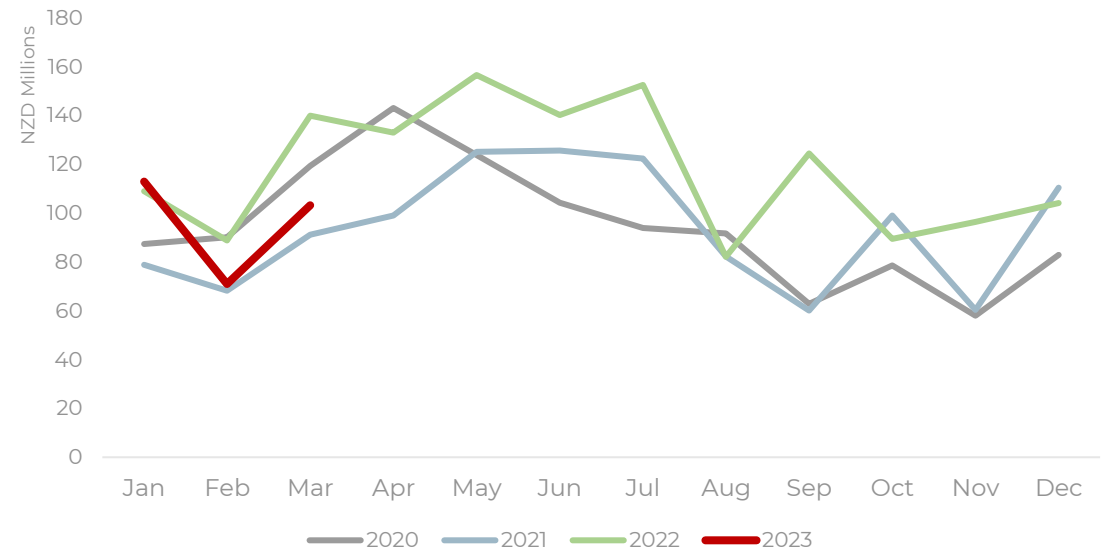
1 F&B exports from New Zealand to Taiwan increased significantly in 2022

- New Zealand F&B product exporting to Taiwan continued to grow with 8.3% CAGR in the past 5 years. In 2022, F&B export to Taiwan reached 1.4 billion NZD, increasing significantly by 26% yoy. In first 3 months in 2023, export value decreased by 15% compared with same time last year to 287 million NZD. Taiwan ranks 7th in New Zealand F&B exports with 2.8% value share.



2 Monthly F&B export from New Zealand to Taiwan

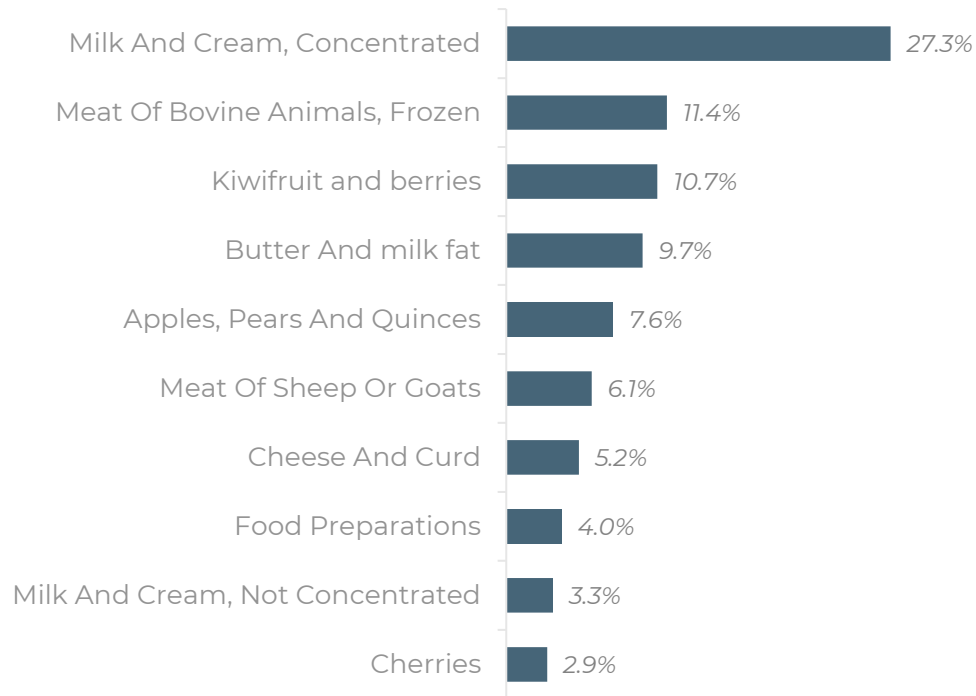
- Monthly data showed that large part of New Zealand's F&B export to Taiwan concentrated in Q2 and Q3, especially in the year of 2022. In 2023, F&B export from NZ to Taiwan went slow in the first quarter comparing with last year.



New Zealand ranks 2nd in Taiwan F&B products import

3 Dairy products, fruit, and meat are the top F&B categories Taiwan imported from New Zealand

Top 10 F&B products TW import from NZ
By value, 2022

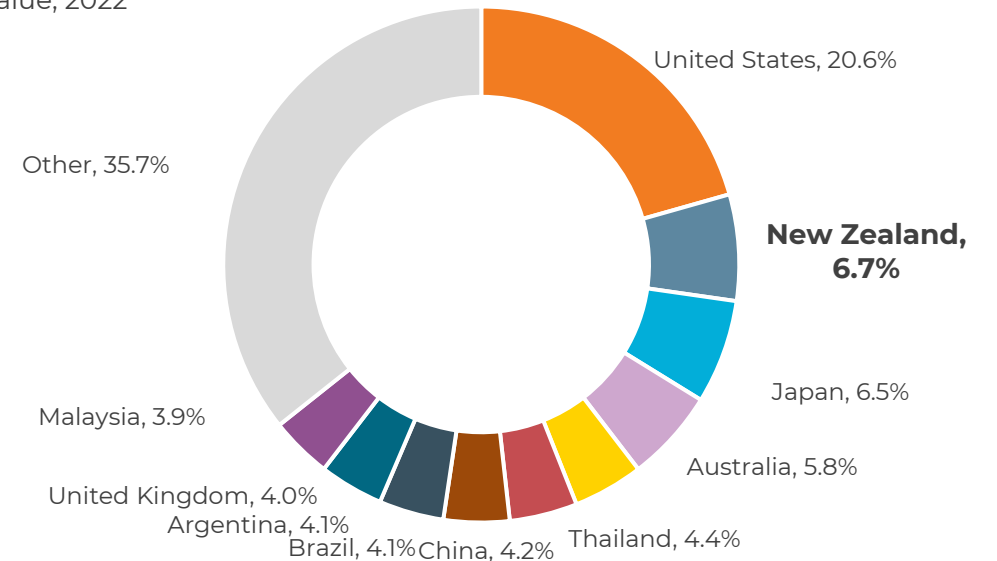


*Percentage of total F&B products import. See Appendix for F&B product definition

4 United States leads Taiwan F&B import, followed by New Zealand and Japan

- United States leads Taiwan F&B import with 20.6% value share. In 2022, New Zealand ranks 2nd in import value of Taiwan F&B products, accounted for 6.7% value share.

Taiwan F&B import origins
By value, 2022





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MARKET OPPORTUNITY

F&B retail market size in Taiwan, forecast after the pandemic, and trends impacting F&B consumption.

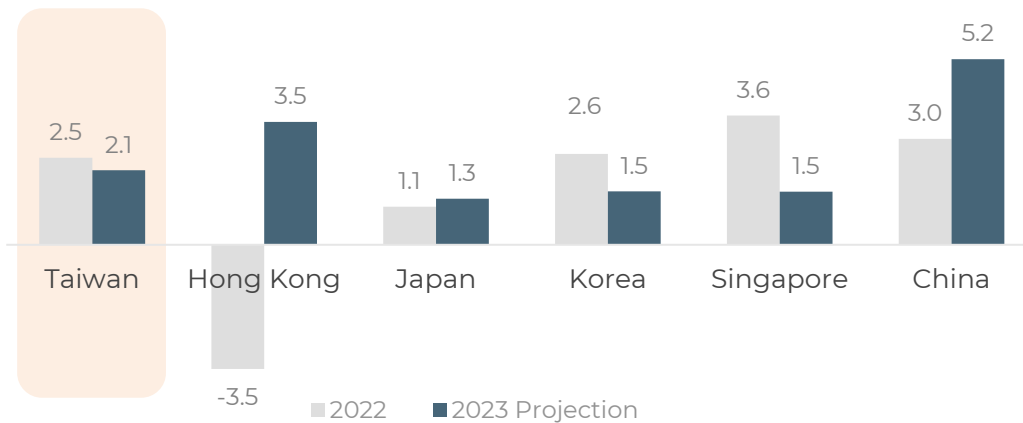
New economic forecast after the pandemic

1

Taiwan is seeing stable economic forecast after the pandemic

- With COVID-19 no longer constituting a public health emergency of international concern, it is expected that economy would gradually return to normal. Taiwan's economic forecast is expected to stabilize in the next few years with less fluctuation comparing with other East Asia countries.

GDP, constant prices
Percentage change

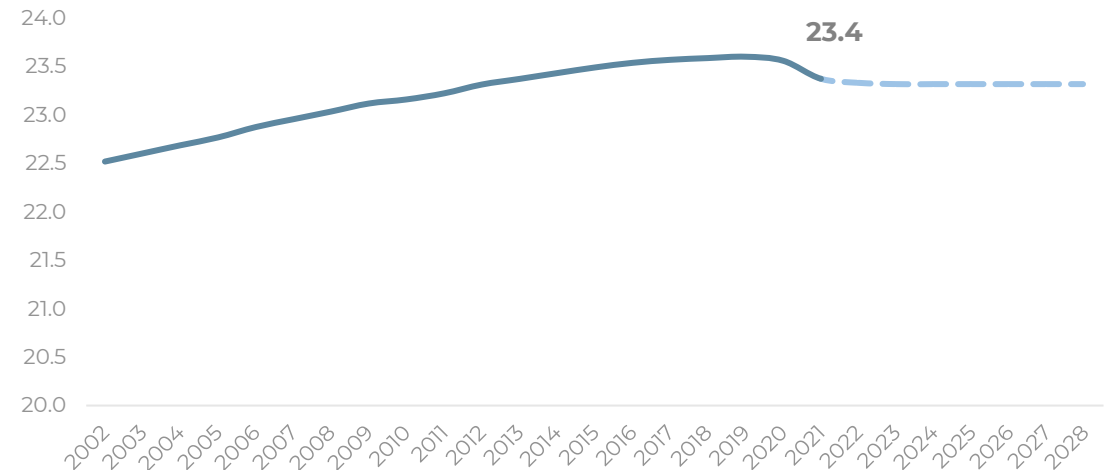


2

Declining population poses changes to market structure and consumer profiles

- Total population of Taiwan reached 23.4 million people in 2021, declining by 0.8% year-on-year. It is forecasted that the declining trend would continue, and Taiwan population is likely to be stabilized at around 23.3 million people.

Population in Taiwan
million

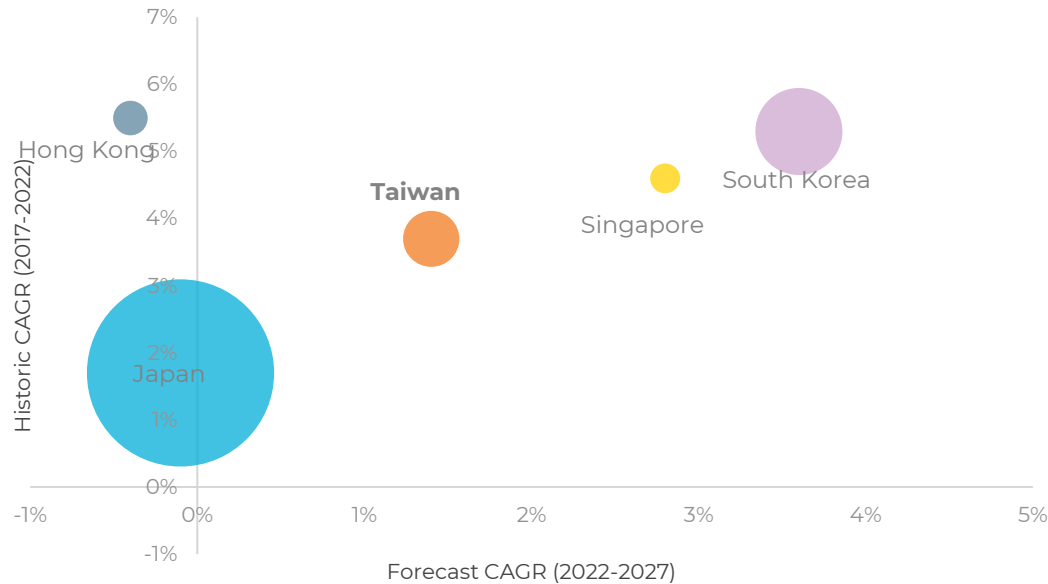


Taiwan F&B market is expected to grow at a moderate pace

3

F&B market in Taiwan is projected to expand at CAGR of 3.7% through 2022-2027

- F&B market in Taiwan is sized at 41 billion USD in 2022. While Taiwan experienced a relatively low growth rate 2017-2022 of 1.4%, forecast growth is expected to come back to a moderate CAGR of 3.7% over 2022-2027.

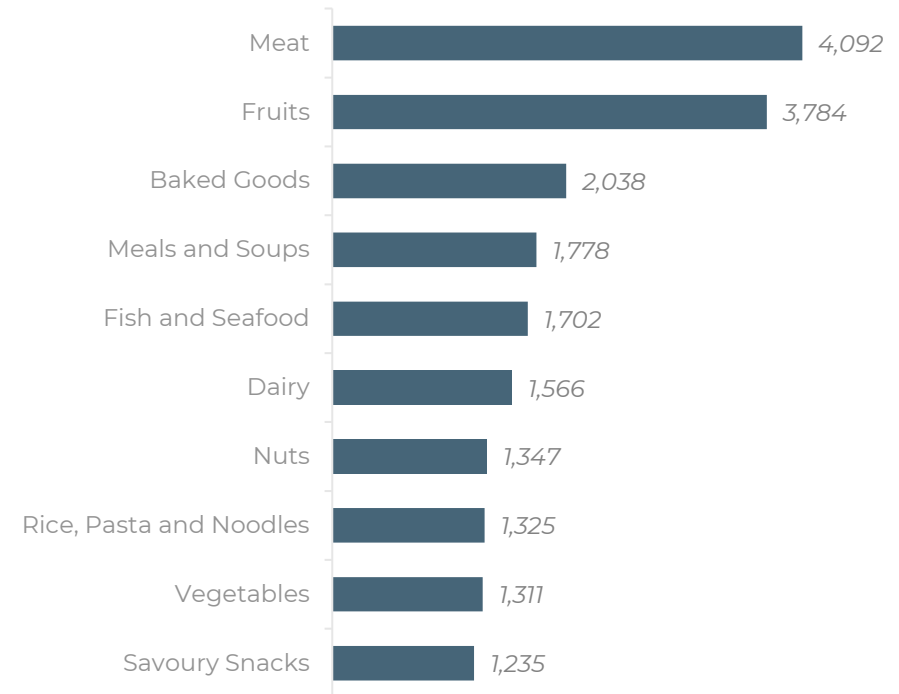


4

Meat, Fruits, and Baked Goods are the largest F&B categories consumed in Taiwan

Top 10 F&B categories in Taiwan

Market size 2022, million USD



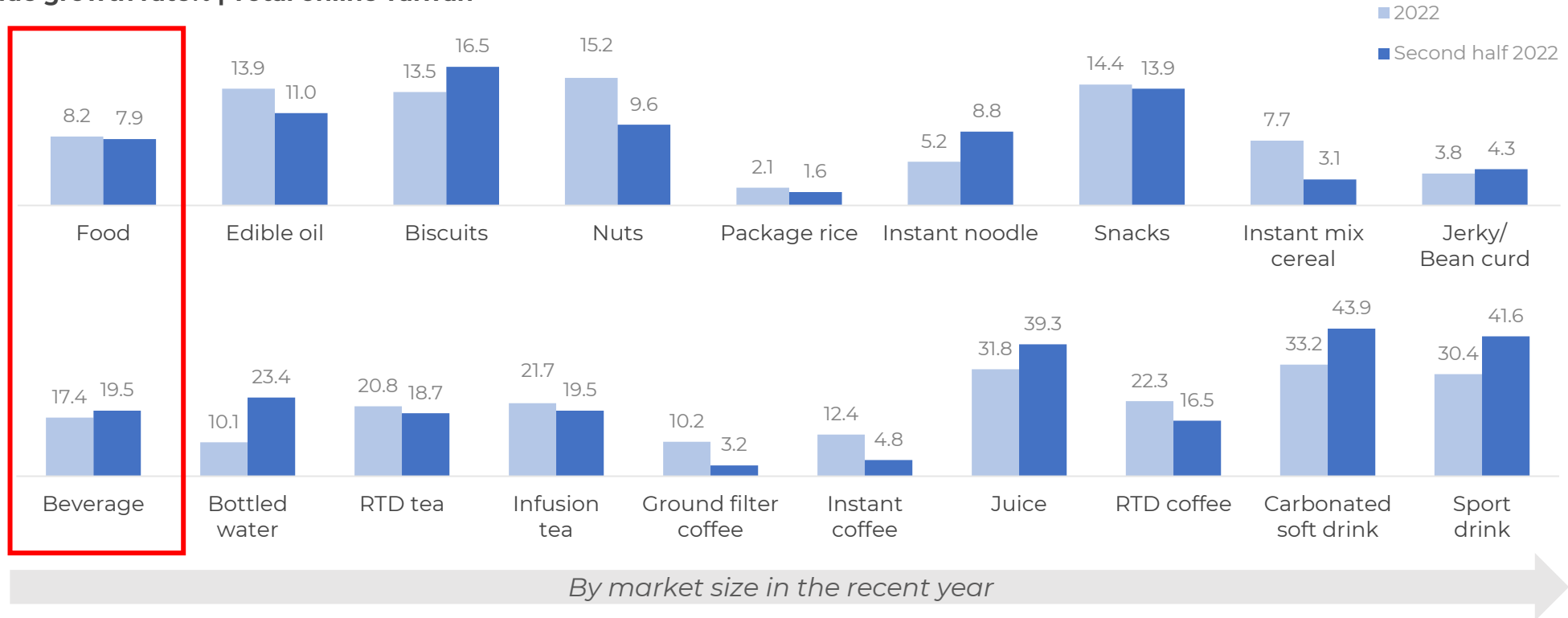
Online food & beverage momentum

5

Food and beverage category growth in online channel, Year 2022 and second half 2022

- In past 6 months, biscuits, instant noodle and jerky had stronger growth compared to total year.
- In past 6 months, bottled water, juice, carbonated drinks and sport drinks momentum sped up compared to total year.

Value growth rate% | Total online Taiwan



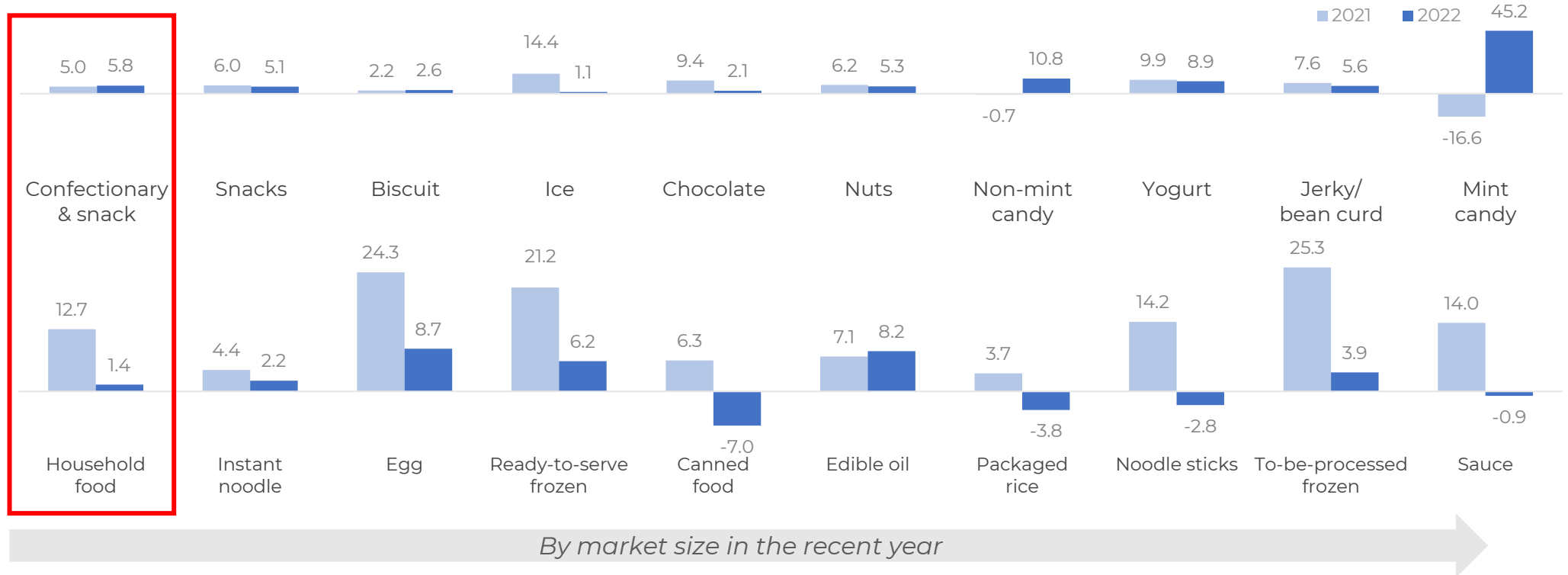
Offline food momentum

6

Food category growth in offline channel, Year 2021 and 2022

- Main categories of confectionary & snack kept growing; Mint candy's bounce back was driven by the rising demand as covid peaked.
- Main household food categories growth slowed down or turned negative, except for edible oil.

Value growth rate% | Total offline Taiwan



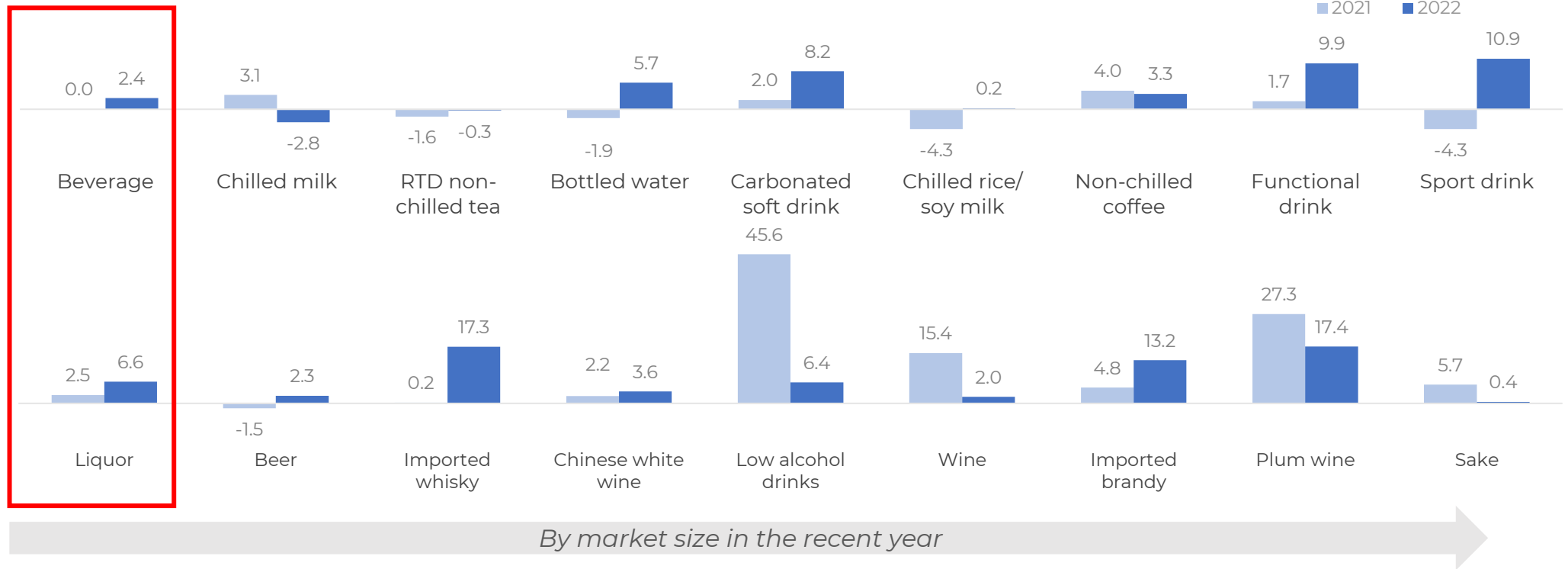
Offline beverage momentum

7

Beverage & alcohol category growth in offline channel, Year 2021 and 2022

- Beverage's growth was driven by bottled water, carbonated soft drink, and functional and sport drink.
- All liquor categories grew, especially for imported whisky, Chinese white wine, and brandy.

Value growth rate% | Total offline Taiwan





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DISTRIBUTION CHANNELS

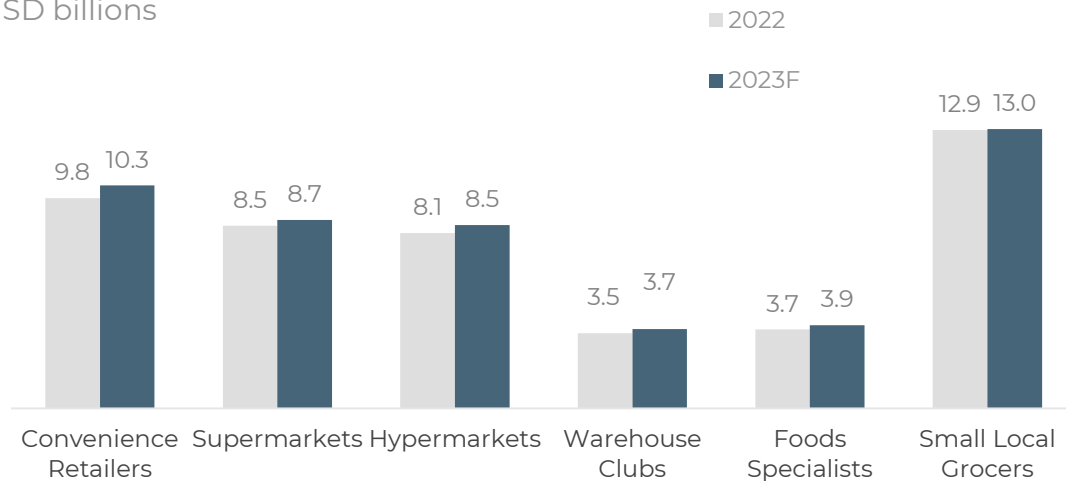
Key distribution channels, snapshot of key grocery retailers,
and the current state of F&B e-commerce in Taiwan.

Modern groceries are favored grocery retailing channels

1 Modern grocery retailers are leading the market with faster growth rate

- Convenience retailers, supermarkets, and hypermarkets are preferred modern grocery channels, accounting for 27.5 billion USD market size in 2023. Warehouse clubs, namely Costco, also have significant presence in Taiwan market. Traditional groceries such as small local grocers showed little growth.

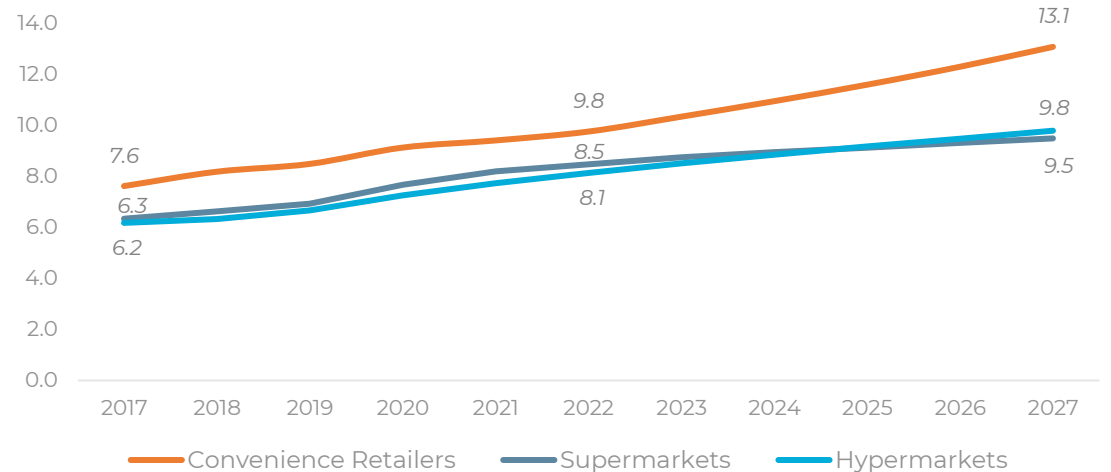
Sales through grocery channels
USD billions



2 Convenience stores continue to be the most significant modern grocery channel

- Convenience stores are the most significant grocery distribution channel in Taiwan, reaching 9.8 billion USD market size in 2022, and is expecting to grow to more than 13 billion USD in the next five years. Supermarkets and hypermarkets have similar market size of over 8 billion USD.

Sales through modern grocery channels
USD billions



Leading players in modern grocery channels

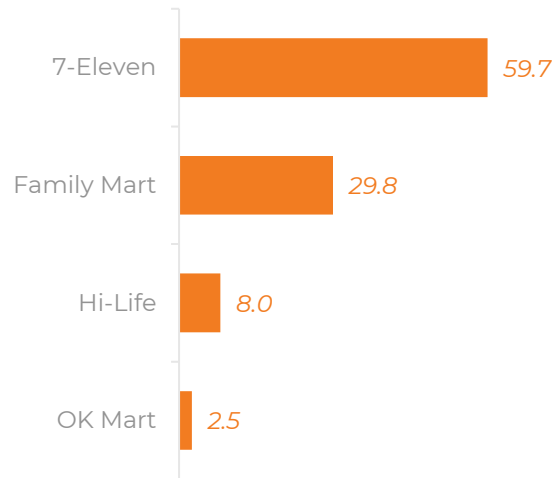
3

Convenience stores with higher growth potential

- 7-Eleven continues to be the leading brand with nearly 60% market share. Average annual growth rate of convenience retailers is tuned up to 6% in the next five years.

CVS in Taiwan

Market share by value (%), 2022



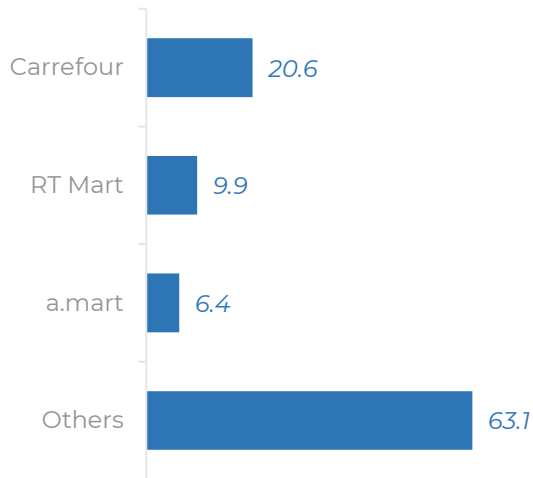
4

Hypermarkets remain steady with player reshuffle

- Carrefour leads while its market share continue to shrink. Chyuan Lien (PX mart) acquired RT market from Auchan in 2022. Average annual growth rate of hypermarket is 4% in the next five years.

Hypermarkets in Taiwan

Market share by value (%), 2022



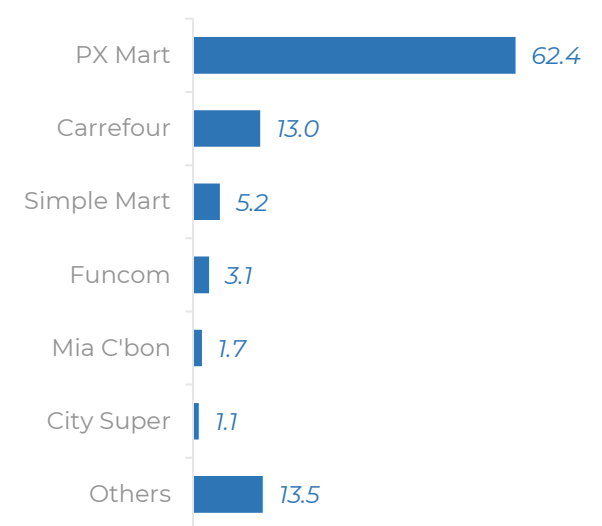
5

Supermarkets see slight drop

- PX market leads the sector with increasing market share. The market is more concentrated towards the top players. Average annual growth rate of supermarket tuned down to 2% in the next five years.

Supermarkets in Taiwan

Market share by value (%), 2022



Leading retailers in Taiwan

	7-Eleven	PX Mart	Carrefour	FamilyMart	Costco
Retail Format	Convenience store	Supermarket	Hypermarket and Supermarket	Convenience store	Hypermarket
Positioning	Largest convenience retailer	Largest supermarket chain, low pricing strategy	Expanding hybrid format with high quality and safety	New meal solutions and fresh food with local providers	Imported product & Premium
Online presence	https://shop.7-11.com.tw/	https://shop.pxmart.com.tw/ and mobile app	Partners Uber Eats, foodpanda and LINE; Carrefour App	Mobile App	https://www.costco.com.tw
Number of stores 2022	6,631	1,135	342	4,138	14
Sales 2022 (USD million)	6,615	6,909	3,250	3,283	2,963
Sales CAGR 2022-2027	6.9%	3.6%	N/A	8.4%	9.6%
Average transaction (in NZD)	4	40	100	4	200

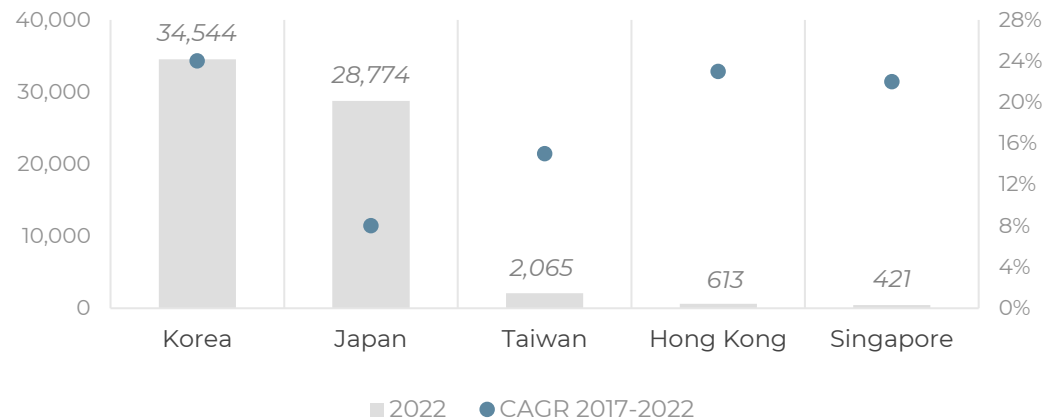
E-commerce in food & beverage

6 Food & beverage e-commerce reached over 2 billion USD in 2022, and remains over 5% annual growth rate in the next five years.

- F&B e-commerce in Taiwan showed significant growth during pandemic time period, due to the restrictions that limited offline channels. When these restrictions are lifted after the pandemic, it is expected that e-commerce growth will be tuned down to a more stable 5% annual growth in the next five years.
- Comparing with other East Asia countries and regions, Taiwan e-commerce market is significant in terms of both market size and growth rate.

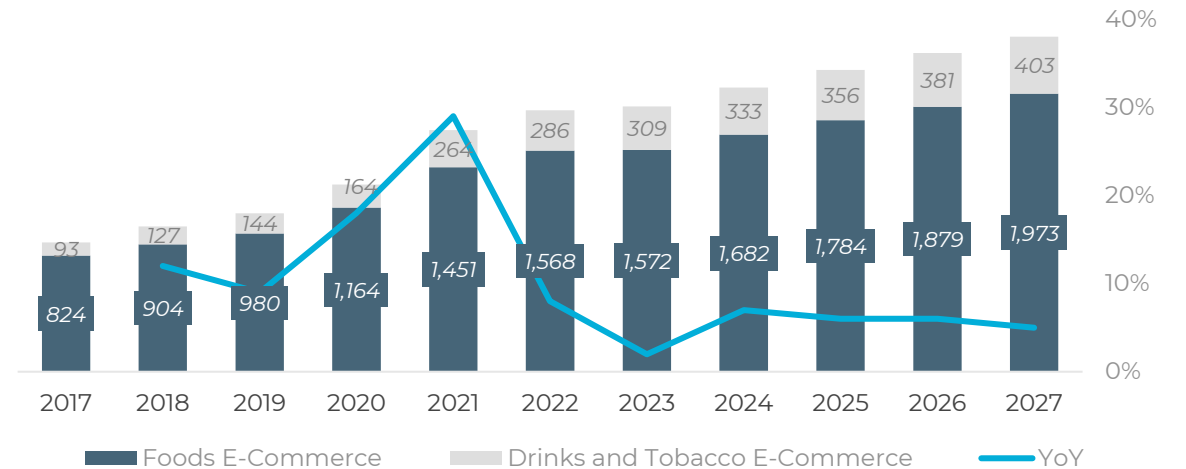
F&B E-commerce

Market Size in USD million, 2017-2022% CAGR



F&B E-commerce market forecast

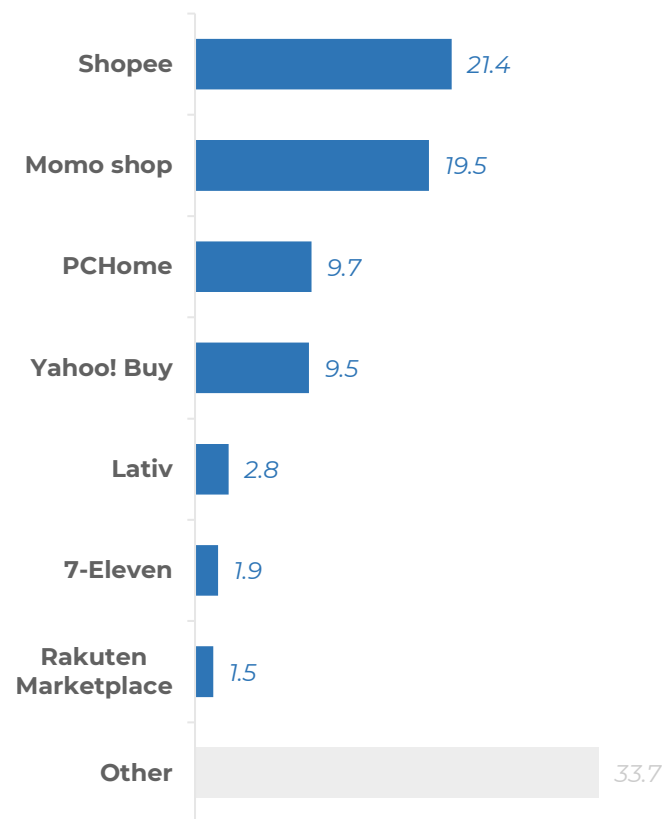
Market Size in USD billion, YoY change%






Retail e-commerce landscape in Taiwan

Leading e-commerce in Taiwan

Market share by value (%), 2022



	Shopee	Momo shop	PChome	Yahoo!Buy
				
Website	https://shopee.tw/	https://www.momoshop.com.tw/	https://24h.pchome.com.tw/ https://www.pchome.com.tw/	https://tw.buy.yahoo.com/
Retail Value (USD million)	3,719	3,390	1,695	1,653
YoY growth (%)	35.9%	14.4%	-1.5%	7.0%



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TARGET CONSUMERS

Profile of a typical high-income shopper, sizing the target segment of high-income households, and spending trends.

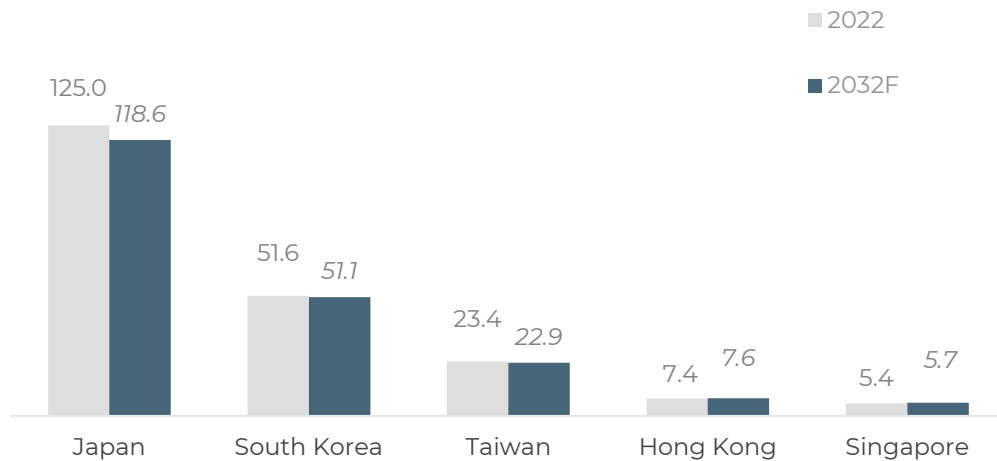
Population in Taiwan in down trend

1

Taiwan population with 10-year CAGR of -0.2%

- Similar to many other East Asia countries and regions with high GDP and income, Taiwan has entered the down trend of total population, which brings more aging consumers with higher income.

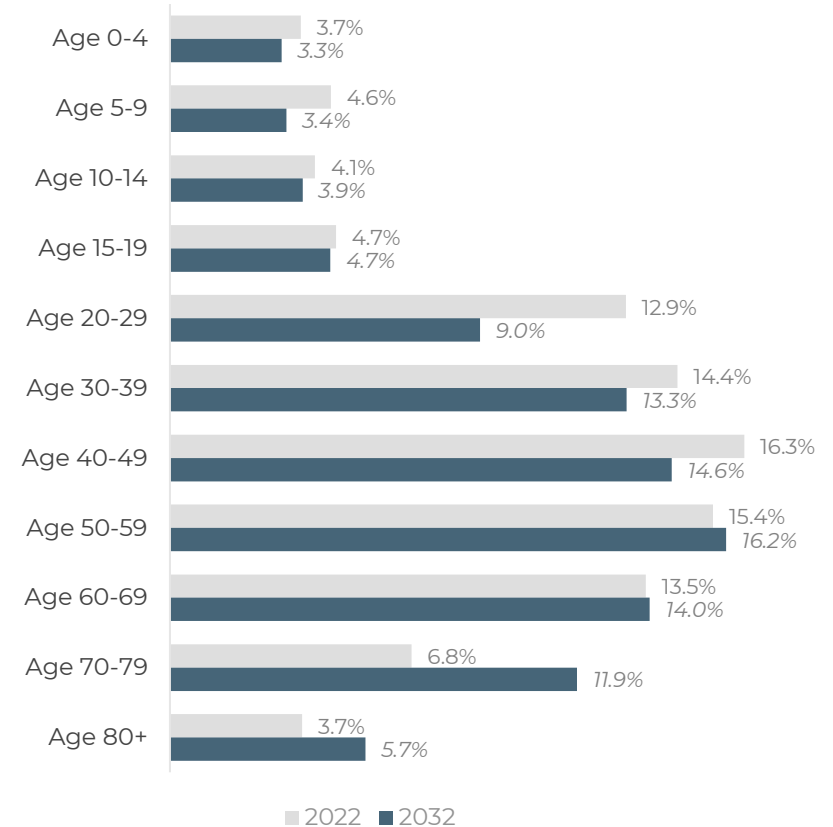
Total population
millions



2

Declining population results in an aging population

Population by Age Segmentation, Taiwan

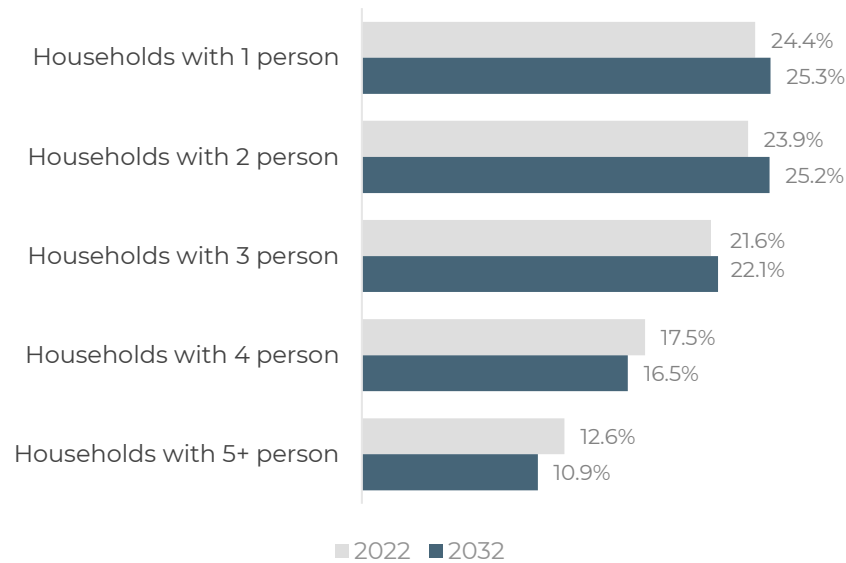


Increasing consumer disposable income

3 Households with smaller size are getting more popular

- Households with smaller size (1 or 2 persons) are set to grow in numbers, driven by the youth postponing forming families and the country's ageing population.

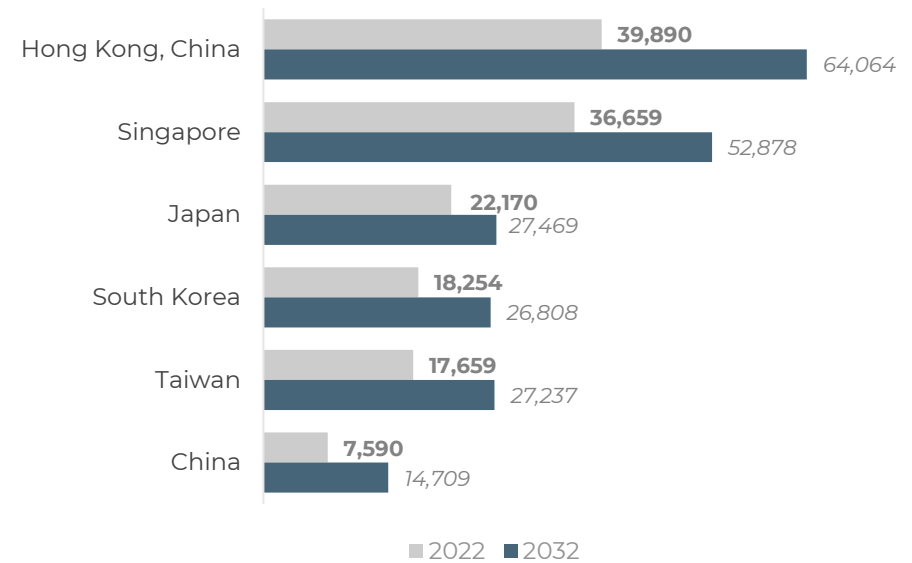
Households by number of person, Taiwan



4 Growing disposable income

- With the ease of pandemic restrictions and recovery of economy, disposable income per capita in Taiwan is expected to remain steady growth, which will be the same level as Japan and South Korea forecasted in 2023.

Annual disposable income per capita (in USD)

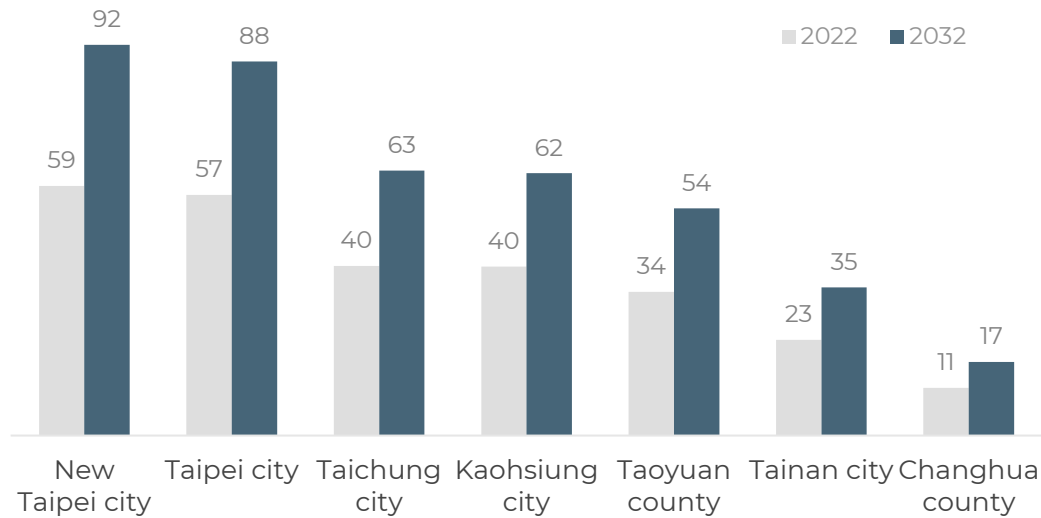


Large number of high-income households in Taiwan

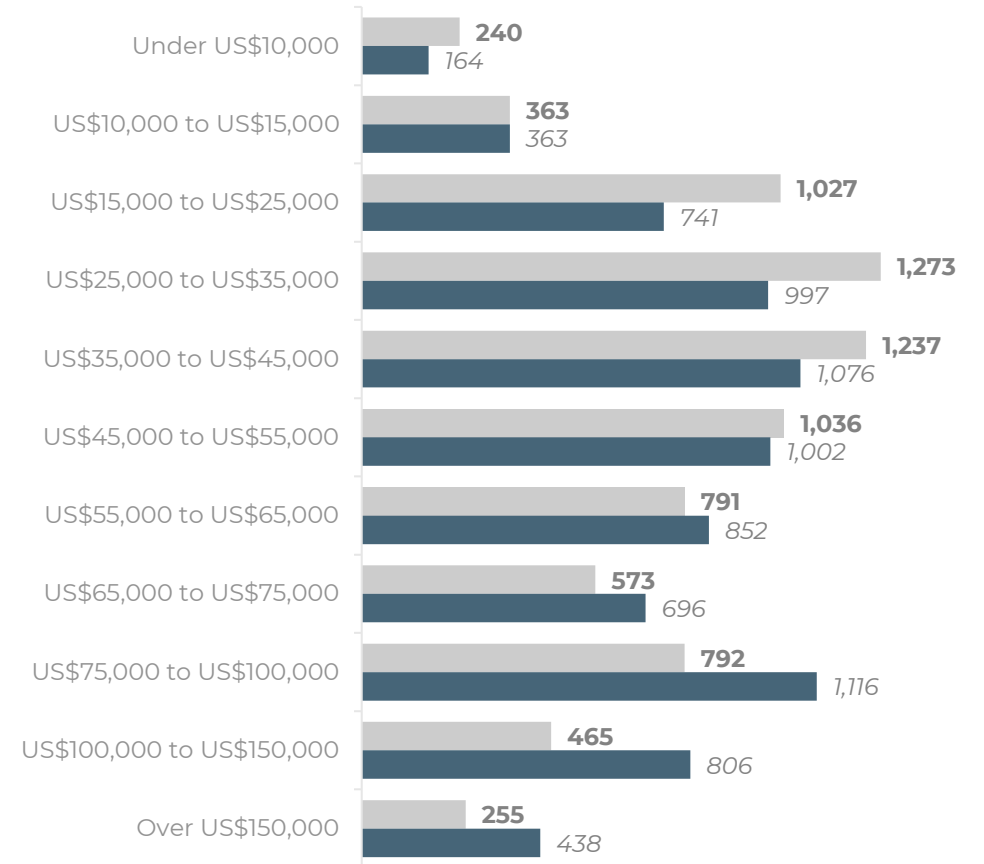
5 Large population of high-income households in key cities and areas

- 6.4 million households with annual disposable income over 25k USD in 2022, which is expected to reach 7 billion in 2032.
- Economy is distributed across the island, with key cities include Taipei, Taichung, Kaohsiung, and Taoyuan.

Consumer expenditure
USD billion



Distribution of Households by disposable income
Number of households (thousands)





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APPENDIX

Appendix

SOURCES

- Global Trade Atlas
- Euromonitor - Passport
- IGD Retail Analysis – Insight on Taiwan
- International Monetary Fund – World Economic Outlook, April 2023
- Nielsen, Market Information Digest 2023 Taiwan

DEFINITIONS

- Food and Beverage (F&B) import is defined as the sum of exports in the following HS2 codes: 02, 03, 04, 07, 08, 09, 10, 11, 13, 16, 17, 18, 19, 20, 21, 22.
- F&B market in Euromonitor include Cooking Ingredients and Meals, Dairy Products and Alternatives, Staple foods, Snacks, Soft Drinks, Hot Drinks, Alcoholic Drinks and Fresh Food.
- Region definition: Taiwan could be divided into 22 areas which include 5 special municipalities (Kaohsiung city, New Taipei city, Taichung city, Tainan city, Taipei city), 3 provincial cities (Chiayi city, Hsinchu city, Keelung city) and 14 counties (Changhua county, Chiayi county, Hsinchu county, Hualien county, Kinmen county, Lienchiang county, Miaoli county, Nantou county, Penghu county, Pingtung county, Taitung county, Taoyuan county, Yilan county and Yunlin county).
- Modern Grocery Retailers: Modern grocery retailing is the aggregation of five channels: Hypermarkets, Supermarkets, Discounters, Forecourt Retailers and Convenience Stores.
- Convenience Stores: Chained grocery retail outlets selling a wide range of groceries with extended opening hours and area less than 400 sq meters.
- Hypermarkets: retail outlets with a selling space of over 2,500 square meters and with a primary focus on selling food/beverages/tobacco and other groceries.
- Supermarkets: Retail outlets selling groceries with a selling space of between 400 and 2,500 square meters.

Appendix

Household income band (in 000')

Band	2022	2032
Households with a Disposable Income Over US\$500 (Constant)	8,022.2	8,116.9
Households with a Disposable Income Over US\$750 (Constant)	8,021.7	8,116.6
Households with a Disposable Income Over US\$1,000 (Constant)	8,021.0	8,116.2
Households with a Disposable Income Over US\$1,750 (Constant)	8,017.4	8,113.7
Households with a Disposable Income Over US\$2,500 (Constant)	8,011.3	8,109.5
Households with a Disposable Income Over US\$5,000 (Constant)	7,970.3	8,081.5
Households with a Disposable Income Over US\$7,500 (Constant)	7,894.5	8,029.8
Households with a Disposable Income Over US\$10,000 (Constant)	7,782.1	7,953.0
Households with a Disposable Income Over US\$15,000 (Constant)	7,448.6	7,722.4
Households with a Disposable Income Over US\$25,000 (Constant)	6,421.4	6,981.8
Households with a Disposable Income Over US\$35,000 (Constant)	5,148.9	5,985.1
Households with a Disposable Income Over US\$45,000 (Constant)	3,911.9	4,909.6
Households with a Disposable Income Over US\$55,000 (Constant)	2,876.0	3,907.8
Households with a Disposable Income Over US\$65,000 (Constant)	2,084.6	3,056.1
Households with a Disposable Income Over US\$75,000 (Constant)	1,511.5	2,360.0
Households with a Disposable Income Over US\$100,000 (Constant)	719.4	1,243.9
Households with a Disposable Income Over US\$125,000 (Constant)	395.1	702.6
Households with a Disposable Income Over US\$150,000 (Constant)	254.7	438.1
Households with a Disposable Income Over US\$200,000 (Constant)	155.7	230.6
Households with a Disposable Income Over US\$250,000 (Constant)	127.5	165.4
Households with a Disposable Income Over US\$300,000 (Constant)	117.5	152.5

Consumer Expenditure by Region (in USD)

City	2022	2032
New Taipei city	58,889.8	92,187.1
Taipei city	56,743.1	88,246.8
Taichung city	39,988.4	62,524.5
Kaohsiung city	39,825.4	61,871.5
Taoyuan county	33,852.8	53,589.9
Tainan city	22,537.4	34,950.2
Changhua county	11,213.1	17,307.1
Hsinchu county	8,980.5	14,271.3
Pingtung county	8,656.6	13,299.8
Hsinchu city	8,042.6	12,733.8
Yunlin county	6,335.8	9,681.3
Miaoli county	5,614.1	8,731.9
Keelung city	5,067.1	7,809.9
Yilan county	5,005.5	7,723.8
Natou county	4,874.1	7,518.4
Chiayi county	4,501.0	6,899.3
Chiayi city	3,605.2	5,591.9
Hualien county	3,161.3	4,860.6
Taitung county	1,857.2	2,879.6
Penghu county	862.0	1,338.6
Kinmen county	654.6	1,019.0
Lienchiang county	116.9	178.8