INSIGHTS INTO FOOD CONSUMER PREFERENCES IN MYANMAR, VIETNAM & LAOS

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Rationale for the studies

- **Consumer concerns over food quality, safety and healthiness in the Greater Mekong Sub-region (GMS) are growing**
  - Together with urbanization, rising living standards, and health and environmental issues.

→ Safe and Environmentally Friendly Agricultural Products (SEAP) develop in all GMS countries

- Better unpack urban consumers' drive to market transformations with a view to support pathways towards:
  - expanding the market for SEAP for local farmers and SMEs
  - and ensuring access to food safety to all consumers

Objectives & Questions

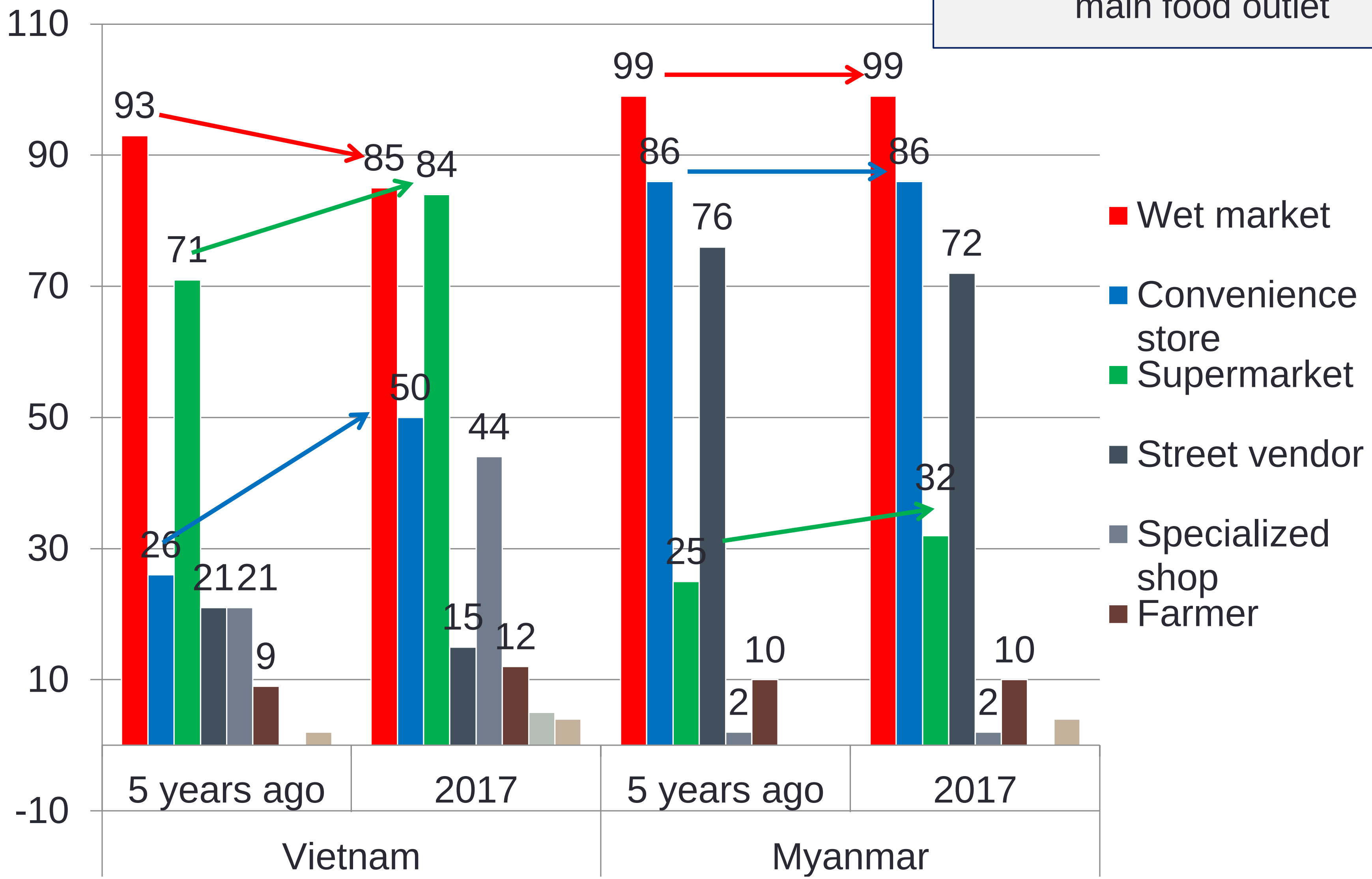
- **Overall objective**:
  - ✓ To understand the knowledge, perceptions, attitudes and behaviours of consumers:
    - ✓ of organic agriculture in Lao PDR
    - ✓ And towards organic, clean, safe food in Myanmar & Vietnam
- **Questions:**
  - ✓ How is food quality and safety perceived by consumers?
  - ✓ Who and what do consumers trust when it comes to food quality and safety?
  - ✓ What are consumers' current food-related practices?

Overview of the studies

	Lao PDR	Myanmar	Vietnam
Donor	OXFAM EU project	ADB CASP II	ADB CASP II
Year of survey	2015	2017	2017-18
Survey target	Urban consumers	Urban consumers	Urban consumers
Geographical coverage	Seven provinces of the Lao PDR	Yangon, Naypyitaw, Mandalay, Taungyi	Danang, Hanoi, Ho Chi Minh City
Survey location	Organic and conventional wet markets	Wet markets, supermarkets, convenience stores	Wet markets, supermarkets, specialized shops, convenience stores
Sample size	731	600	700
Type of products	Conventional, organic, GAP	Conventional, organic, chemical-free, GAP	Conventional, organic, clean, GAP

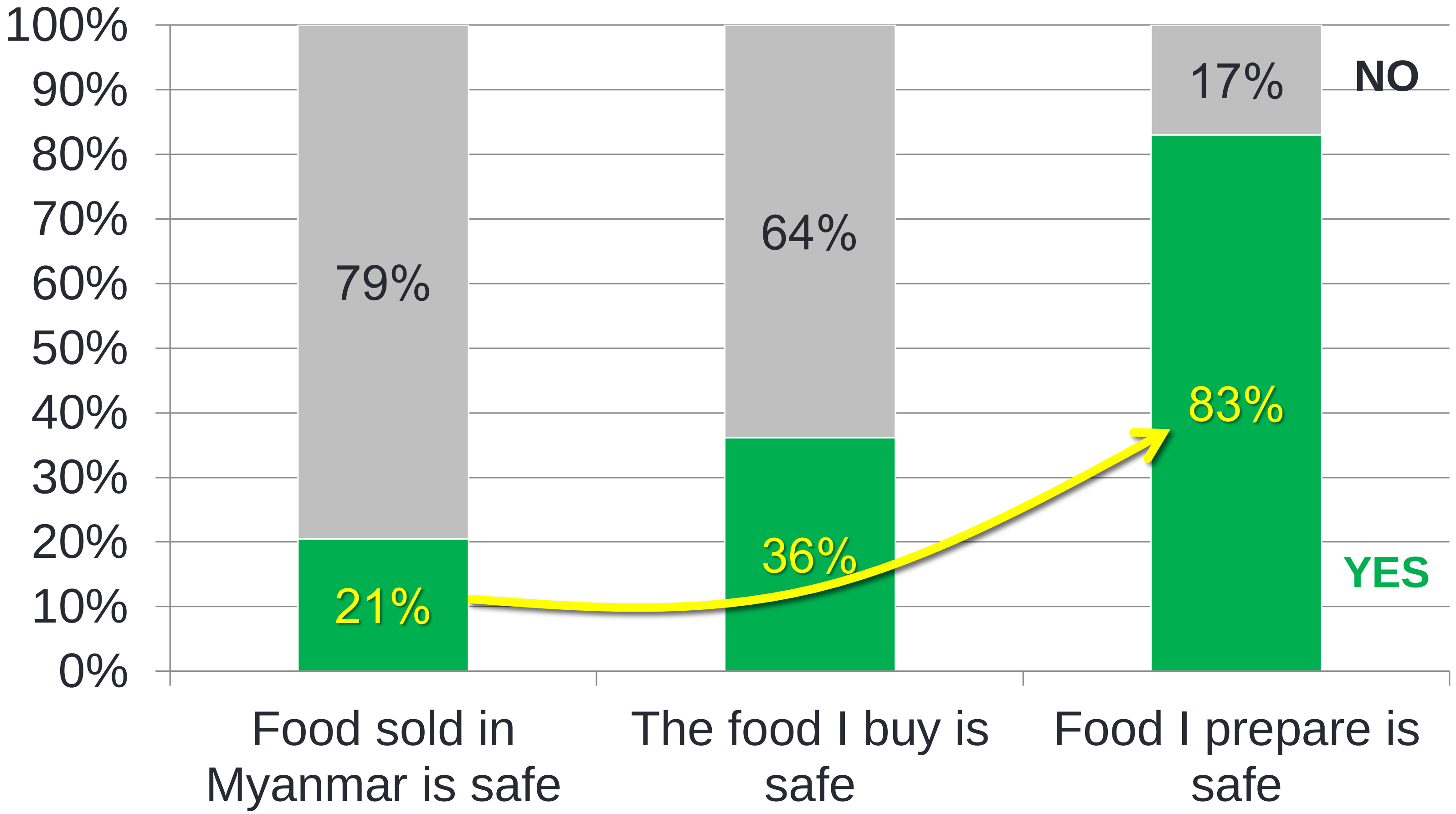
Food purchases

99% of the consumers in Myanmar and 53% of the consumers in Vietnam indicated wet markets as their main food outlet



Food safety perceptions in Myanmar

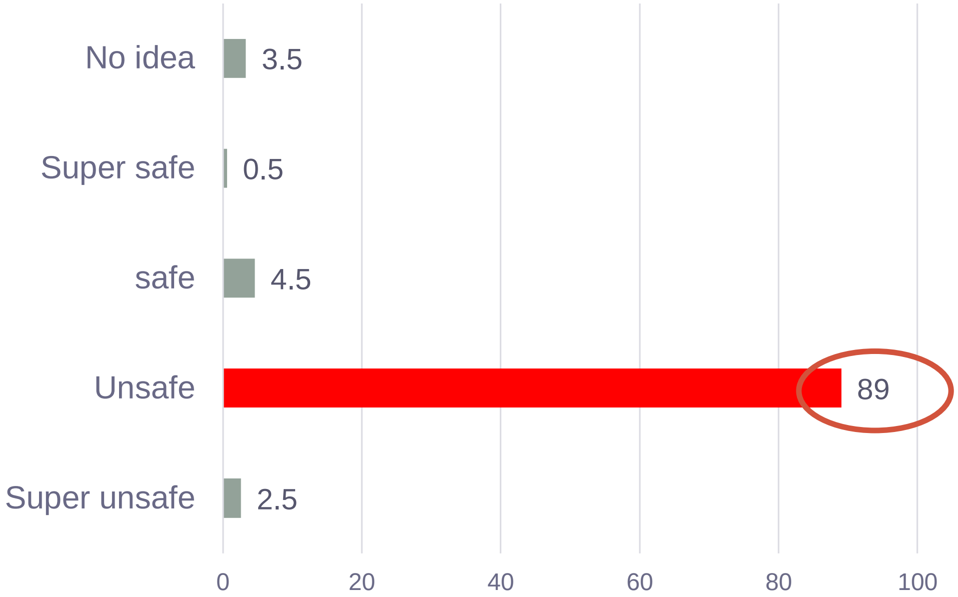
- 95% of the consumers thought that food safety was important



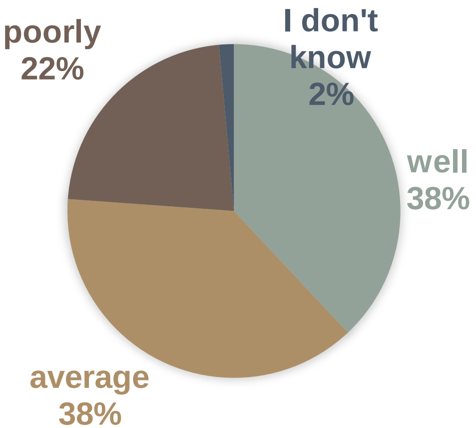
In Vietnam also, contrast between general perception about food safety and individual management

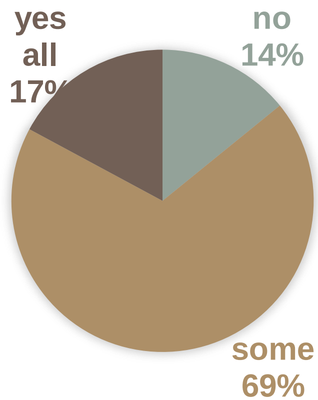
- 96% of the sample considers they manage to purchase safe food successfully

In your opinion, what is the level of food safety in Viet Nam ?



How well are you informed about food safety?





Perceived knowledge of food origin

Safe food…

	VIE	MYA
Is free of chemicals	51%	56%
Does not make one sick	49%	51%
Is free of dyes	17%	44%
I know the origin	29%	
Is not beyond due date	28%	
Is labelled food	26%	5%
Is free of pathogens	25%	29%
Branded food	18%	2%
Free of heavy metals	7%	21%
Has not been frozen	2%	7%
Is organic	6%	4%
Other	12%	9%

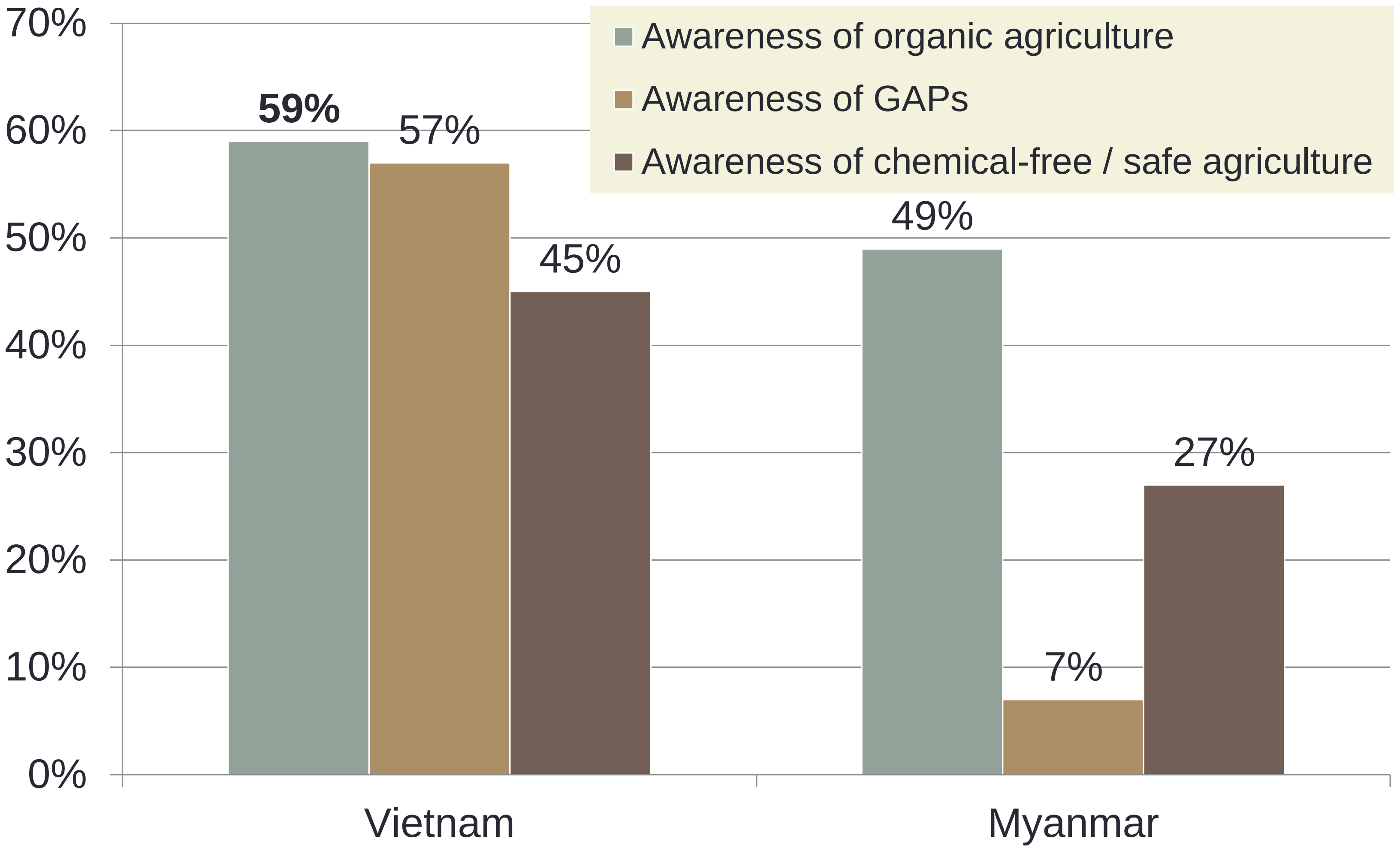
Strategies to ensure food safety / proxy for food safety

	VIE	MYA
I buy fresh food	29%	76%
I buy locally produced food	2%	20%
I know the retailer/vendor	43%	24%
I buy certified / labelled products	49%	15%
I know the farmer	28%	9%
Other	4%	8%
I buy packaged food	5%	4%
I buy food from my region	14%	5%
I buy expensive products	1%	2%

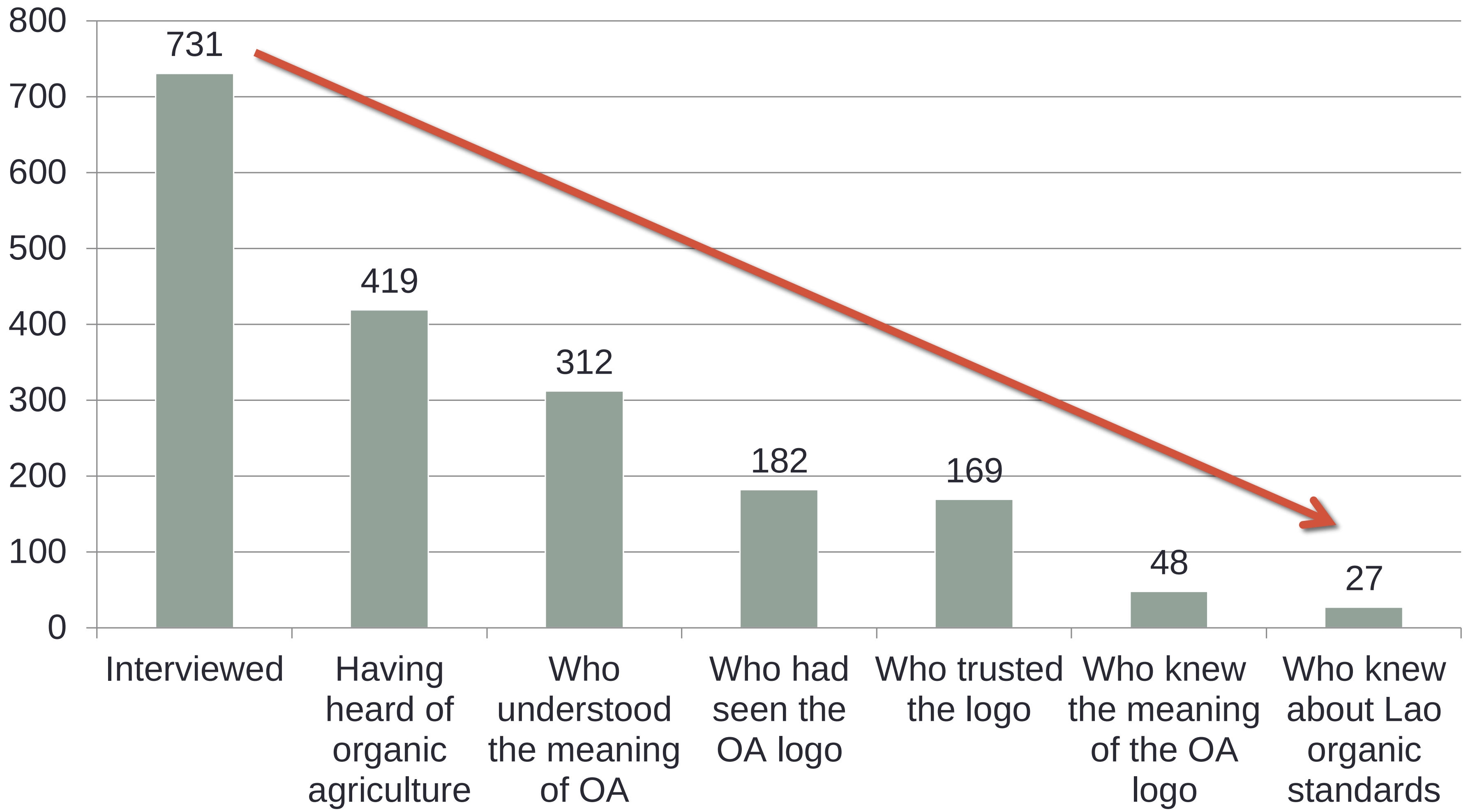
Information about food safety

- Information about food safety mainly from **traditional channels**
- Social media & Internet important in Vietnam (growing in Myanmar)
- **Myanmar**
  - **Less than 8%** of respondents felt well / very well informed about food safety
  - 80% of the respondents considered information about the origin of food as important
  - <u>Sources of information</u>: personal relationships –*e.g.*, market seller (56%), farmer (17%)
- **Vietnam**
  - **38%** of the consumers felt well informed about food safety
  - 97% considered information on origin as important for food safety
  - <u>Sources of information</u>: product labels (57%) and store displays (51%), sellers (39%)

Awareness of food standards



In Laos, number of consumers...



Information about organic agriculture (OA) in Lao PDR

- **Main sources of information**: television (28%), family & friends (25%), posters/banners (12%), Internet (5%)
- **Benefits**: OA is *"good for the health"* (97%), *"good for the environment"* (52%), *"supports local farmers"* (3%)
- 98% of the respondents said that OA should be promoted
- Type of information that should be communicated:
  - ✓ Benefits of OA in terms of health (81% of the respondents)
  - ✓ Benefits of OA in terms on the environment (30%)
  - ✓ Production methods (32%)

Purchases of certified / labelled food

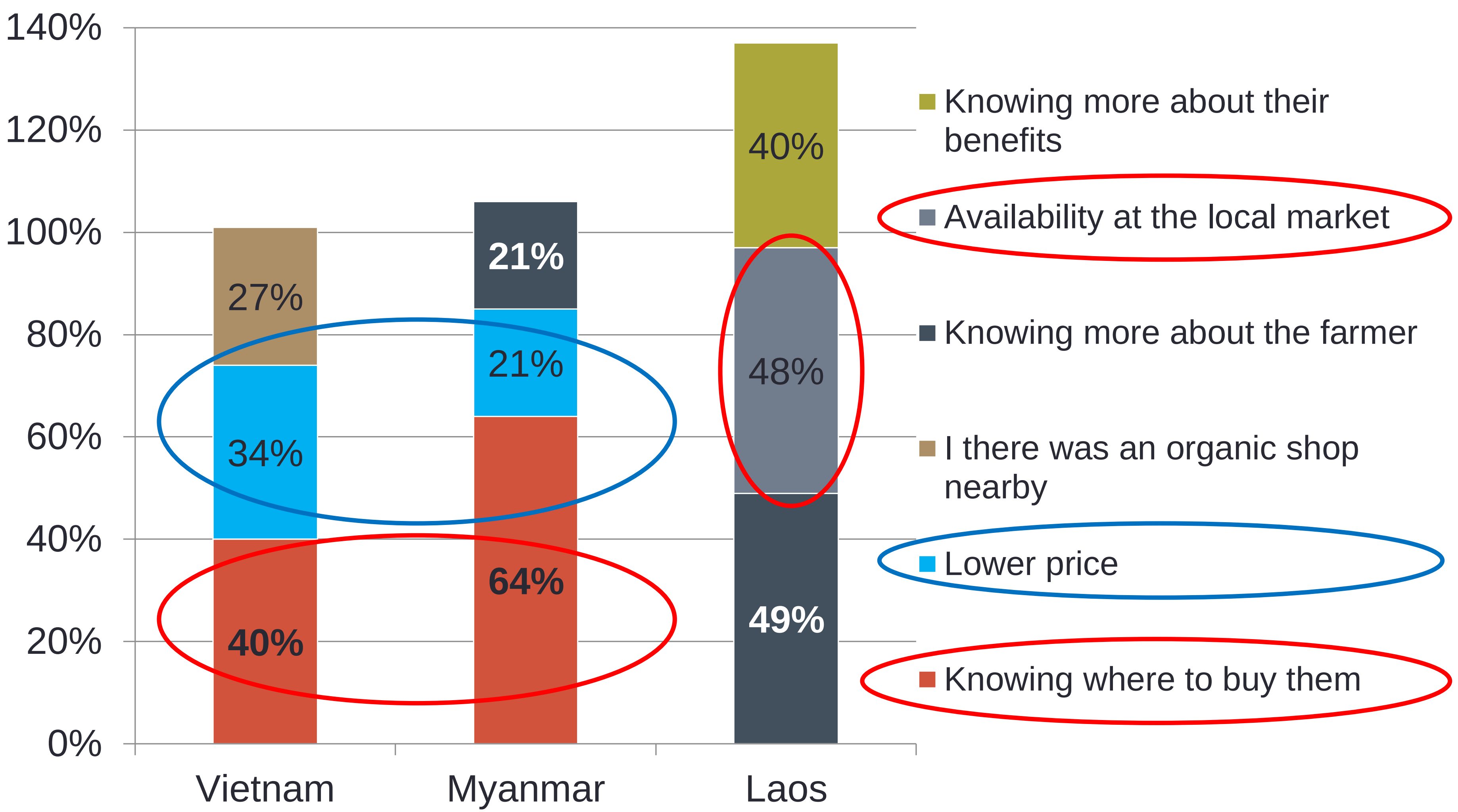
- **Myanmar**
  - Less than 12% of the respondents bought organic products (fruit and vegetable mainly)
  - Three main reasons for buying organic products: they were safer (88%), tastier (23%), were bought for their parents and children (17%)
  - Half of the consumers who bought organic products believed they were genuinely organic, 37% did not know for sure

- **Vietnam – market already established**
  - 46% of the population purchased VietGap food
  - 38% of the population purchased guaranteed safe food
  - 26% of the population purchased organic food
  - **Weekly expenses of labelled food ~33% of overall food expenses on average**

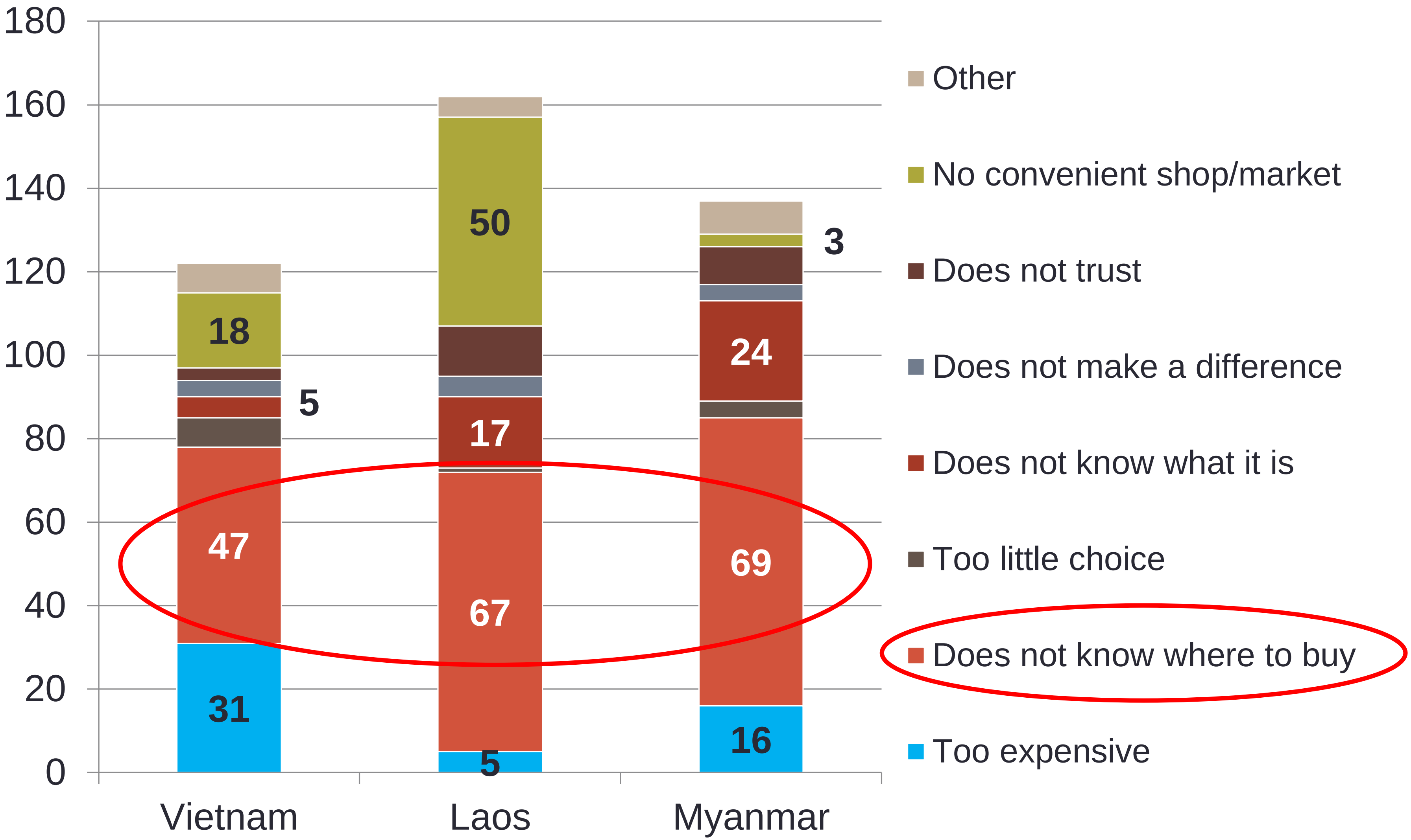
Safety-related standards in Vietnam

- VietGap purchases dominated organic purchases
- Yet the PGS logo was **better recognized** than the VietGap logo (51% against 32%)
  - Many VietGap & food safety different logos
  - Against consistent use of PGS logo

What would make you buy more organic products?



Reasons for not purchasing organic products



Conclusions

- **Food consumption patterns are changing** in the GMS, with the competition brought by modern retail and recurrent episodes of food related scandals
  - These evolutions are more limited in Myanmar where consumers are still massively faithful to traditional markets but already observable
- **Consumer awareness** regarding food safety is variable between countries and within countries
- **But overall consumer concerns** over food safety are high
- It is possible to answer consumer expectations **AND** build a market for Safe and Environmental-friendly Agro-based Products (SEAPs)
  - Already established in Vietnam among urban consumers
  - Lack of availability of SEAPs – in particular organic - as a key constraint, then awareness and price

Recommendations

- Strengthen consumer education & engagement (communication, consumer associations)
- Harmonize standard labelling and quality assurance schemes to ensure consistency and improve recognition at national and ASEAN levels
- Support a variety of retail segments and approaches to accommodate the diversity of consumer behaviours and preferences:
  - Participatory Guarantee Systems (PGS) for domestic markets, adapting it to traditional markets
  - Varied traceability systems to manage and value origin in the value chain
- Set up a regional learning and R&D alliance to design and mainstream agricultural and trade innovations