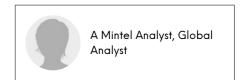
# ATTITUDES TOWARD LOCAL PRODUCTS – THAI CONSUMER – 2021

With a growing localism mindset, opportunities are arising for brands to creatively play-up local product benefits, quality and contribution to local communities.





# Report Content

# **EXECUTIVE SUMMARY**

- · What you need to know
- · Mintel's perspective

#### Market context

- COVID-19's impact on local products
- · Local and foreign brands can align with the shift towards localism
- Target the over-35s to be local product adoption leaders
  - Graph 1: statements agreed to by consumers regarding local product brands, by age group, December 2020
  - Graph 2: "since the COVID-19 outbreak, have your priorities changed for the following?", 14-19 September 2020
- Step up brands' commitment to the local communities
- Involve Millennials and Gen X in the local product consumption movement

# What consumers want and why

- · Consumers want: brands to prove their quality
  - Graph 3: elements encouraging local product adoption, by age group, area and household income, December 2020
- · Consumers want: local brands that are convenient to buy
  - Graph 4: statement agreed to by consumers regarding local product brands, by age group, December 2020
- Consumers want: brands to do more to prove their social contribution
  - Graph 5: statement agreed to by consumers regarding local product brands, by age group, December 2020
- · Consumers want: products localised to fit in with local needs
  - Graph 6: statement agreed to by consumers regarding local product brands, by age group, December 2020

# **Opportunities**

- Prove how local products can help the local economy
- Promote quality, convenience and value for money
- · Multinational brands can offer localised products

# Mintel predicts

- The outlook for local products
- · The marketing mix
- Step up online interaction and customisation
- · Show proof of local commitment

# **KEY TRENDS**

What you need to know

# The coming of 'locavorism'

- · Brands can align with the strongly growing locavore trend
- COVID-19 has strengthened the localism mindset
- · Local players can increase the use of different sales channels
- · Increase occasions for small local product purchasing
- Emergence of online platforms to support local businesses
- · Employ hashtags on social media to promote brands

# Millennials and Gen X take the lead on localism

- · Doing good for the world through social enterprise
- · Thai working adults are into local products
  - Graph 7: agreed statement regarding local product brands, by age group, December 2020
- · Partnering opportunities with platforms for the local community

# National pride brings stronger localism

- Build on the increased appreciation of the nation's resources
- · Innovate around the growing consumption of local ingredients
- · Be among brands promoting local sources of ingredients

# **CONSUMER INSIGHTS**

What you need to know

# Attitudes towards local products

- Definitions of local and multinational brands
- · Confusion around brand country of origin exists
- · CHAID analysis attached consumers want local brands to promote more online
- · CHAID analysis attached consumers want local brands to promote more online
- CHAID analysis increase local brand presence on social media
- Overcome the dilemma of whether to leave the brand's country of origin vague
- · Promote local products as helping Thailand's economy
- · Promote value-for-money benefits
- Add more appeal to local brands

# Local product adoption & usership

• Local brands can reach stay-at-home consumers more

- Graph 8: shifts in local brand purchasing behaviours in each category buy 'more' local product brands than in 2019, by age group, December 2020
- · Increase opportunities for at-home food & amp; drinks
  - Graph 9: types of brands purchased in each category, December 2020
- Pursue opportunities in household and beauty & personal care
  - Graph 10: types of brands purchased in each category, December 2020
- Target older Millennials, the financially healthy and parents as key local product consumers
- Make working adults lead young gens to local brand adoption
  - Graph 11: types of brands purchased in each category local brands, by age group, December 2020
- · The financially healthy use local products more
  - Graph 12: types of brands purchased in each category local brands, by financial situation, December 2020
- · Rethink local product prices
- · Target parents to build kids' familiarity with local brands
  - Graph 13: types of local brands purchased in each category, by parental status, December 2020
- Encourage young parents to use local baby product brands
  - Graph 14: shifts in local brand purchasing behaviours in each category baby & child products, by age group, December 2020

# Elements to increase local product adoption

- · Build strong local brands through quality and beyond
- Always put quality first
  - Graph 15: elements encouraging local product adoption, by age group, area and household income, December 2020
- Improve distribution and show local commitment
  - Graph 16: elements encouraging local product adoption, December 2020
- · Establish a positive brand image and packaging that supports it
  - Graph 17: elements encouraging local product adoption, by age group, area and household income, December 2020
- · Retailers can help push local products to be more noticeable
  - Graph 18: elements encouraging local product adoption, by age group, December 2020
- Be present on social media
  - Graph 19: statement agreed to by consumers regarding local product brands, by age group, December 2020
- · Adopt credible influencers to promote local products
  - Graph 20: elements encouraging local product adoption, by age group, December 2020

#### MARKET APPLICATIONS

Opportunities: key focus areas

# Promote how local products can help the local economy

· Give reasons for local product adoption

- · Take pride in showing the brand's country of origin
- · Be a part of making the world a better place
- Show brand's support for local farmers
- · Provide purchasing convenience
- · Offer online platforms to stock local products

# Promote quality, convenience and value for money

- · Make Thai products more relevant for Thais
- · Retailers can accommodate local product shoppers
- Recreate 'floating markets' at physical stores
- Offer local private label products
- Create pop-up local product events for youngsters
- · Reassure consumers about brand quality
- · Show proof of fair trade to consumers
- · Emerging brands can consider adopting influencer marketing
- · Connect to home-stayers
- Offer convenience to at-home consumers
- · Prove that the products are value for money

# Multinational brands to offer localised products

- · Attract consumers with a real Corporate Social Responsibility
- · Learn from individuals and smaller players
- · Adapt to changing local cultural contexts
- Communicate localisation messages to working Thai adults
  - Graph 21: statement agreed to by consumers regarding local product brands, by age group, December 2020
- · Incorporate familiar ingredients into products
- · Add flavours that Thais love
- · Adopt the taste of local favourites for the locals

# **APPENDIX**

Consumer research methodology

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