

Voluntary Report – Voluntary - Public Distribution

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Report Name: Strong Consumer Power Demands Wide Selection of International Sweets and Snacks

Country: Taiwan

Post: Taipei ATO

Report Category: Retail Foods, Snack Foods

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Report Highlights:

Taiwan's GDP per capita is expected to surpass Japan and Korea, making its consumers with the strongest spending power in Eastern Asia. At the same time, demand for international sweets and snacks are growing as consumers compensate for not being able to travel abroad. ATO-Taipei conducted retail research on popular products and origins to show market opportunities and preferences. This report also includes market trends, possible obstacles, and suggestions for U.S. exporters.

Market Overview

According to the International Monetary Fund, Taiwan's GDP per capita is poised to jump from US \$33,140 in 2021 to US \$35,510 in 2022, surpassing Korea's US \$33,590 for the first time since 2003 and Japan's US \$34,360 for the first time ever. This position of having the top GDP per capita in Eastern Asia supports the fact that Taiwan is a mature market with sophisticated consumers that are interested by trendy sweets and snacks from all over the world. The growth in demand of the specific categories is in part caused by the travel restriction placed due to Covid-19. Consumers crave the international cultural experiences. When they couldn't be in a different country to enjoy those experiences in person, they turn to foreign retail products as a compensation. According to Rakuten, an e-commerce service with 1.3 billion users worldwide, in the past two years, Taiwanese users search for "international snacks," "Japanese snacks," and "Korean snacks," 30 percent more than when they did in pre-pandemic times.

Retail Research

In Taiwan, average supermarkets carry locally made sweets and snacks while international brands can be found in high-end supermarkets such as Mia C'bon (owned by Carrefour) and CitySuper. These stores are usually located in department stores to cater to consumers with high spending power. ATO-Taipei conducted retail research in these high-end stores and organized the below tables.



CitySuper store display

Candies found in these outlets are mostly hard candies and gummies. Most carried flavors are various fruits and caramel.

Candy	
Country	Number of Items
Japan	92
UK	8
Germany	7
Italy	5
Korea	4
New Zealand	4
The Netherlands	3
Australia	2
Poland	1
France	1

Chips found in these outlets encompass a wide variety of flavors, including salt and vinegar, chili, sour cream and onion, and more. Recently, consumers are more inclined to choose products featuring unique flavors, such as truffle, or healthier options, such as oven-baked.

Chips	
Country	Number of Items
USA	13
Spain	10
UK	4
Thailand	3
New Zealand	2
Denmark	2
France	1
Poland	1
Korea	1
Dubai	1

Cookies in these outlets include biscuits, shortbread, digestives, crackers, and more. Not-too-sweet products with nuts are popular in the market. A common consumer pattern is that the older generation enjoys saltines and often purchase them twice a month as religious offerings.

Cookies	
Country	Number of Items
Japan	140
Italy	31
Korea	19
Austria	12
USA	9
France	9
Belgium	8
UK	7
Canada	6
The Netherlands	6
Lithuania	6
Spain	2
Indonesia	1
Denmark	1

There are not as many energy bars as traditional snack foods, which reflects that it is not a popular item in the market.

Energy Bars	
Country	Number of Items
Germany	7
Japan	6
Slovenia	6
Spain	5
Australia	3

Chocolates in these outlets come in the forms of bars and bags of individuals. Consumers now prefer dark chocolates with 70 percent of cocoa or higher, which is observed by the number of dark chocolate products on the shelf.

Chocolate	
Country	Number of Items
Japan	22
Italy	19
Belgium	16
Spain	15
Switzerland	13
Lithuania	12
Germany	8
Romania	6
USA	4
Poland	4
Russia	3
Turkey	3
The Netherlands	3
Mexico	3
Korea	3
Turkey	2
Dubai	2
Canada	

Market Trends



Taiwan consumers follow international trends closely. One example is the Bonilla a la Vista potato chips from Spain. It appeared in the Oscar-winning film *Parasite*, and the unique packaging of a paint bucket took the Korea market by storm. When it finally arrived in the Taiwan market, it trended on multiple social media platforms and instantly sold out.

Taiwan is an aged society with people over 65 years old account for 22.5 percent of its population. As of September 2022, there are more newly registered pets than newborns. As a result, consumers are more attracted to products with health benefits.

Consumers are attracted to the following attributes in sweet and snack products:

- Low/zero carb
- Low/zero sugar
- Air-fried
- Low sodium
- Low calorie

Possible Obstacles for U.S. Exporters

Taiwan is a market with great spending power. In 2021, a Costco store in central Taiwan outperformed every other store in the world. It also has a favorable impression of U.S. products, often considering them upscale and stylish. That being said, it is not an easy market for new products. Importers and traders often order very small quantity of new-to-market products to test the water, which is a difficult situation for exporters with a set minimum order quantity.

Another obstacle is that starting from July 2023, Taiwan is enforcing a total [ban on PVC](#) in food packaging for food safety and environmental conservation purposes. Any products with packaging that touches the food, including film, box, bottle, lid, utensil, and more, will not be allowed into the country. Exporters will have to change the packaging if they wish to export products to Taiwan.

Finally, all retail food products entering Taiwan will need to have proper labeling in Mandarin, traditional characters. The following information must be included on the label. Exporters will need to consider translation and label production costs.

- name of the commodity
- the name, telephone number, and address of the producer or manufacturer
- country of origin
- name, telephone number, and address of the importer
- contents or composition of the commodity, including ingredients used

- net weight, volume or quantity, or measurements given in statutory measuring units
- date of manufacture in either the Chinese calendar or Gregorian calendar
- date of expiration, expressed as year, month, date, and not expressed in code
- conditions of storage should be indicated if not shelf stable

Suggestions for U.S. Exporters

Small-to-medium sized exporters should work with the appropriate U.S. State Regional Trade Group (SRTG) to take advantage of their marketing resources and promotion support in Taiwan.

State Regional Groups	Website	States
Food Export – Northeast	https://www.foodexport.org/about/food-export-northeast	Connecticut, Delaware, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont
Food Export – Midwest	https://www.foodexport.org/about/food-export-midwest	Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, Wisconsin
Southern U.S. Trade Association (SUSTA)	https://www.susta.org/	Alabama, Arkansas, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Puerto Rico, Virginia, West Virginia
Western U.S. Agricultural Trade Association (WUSATA)	https://www.wusata.org/	Alaska, Arizona, American Samoa, California, Colorado, Guam, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, Wyoming

ATO-Taipei also encourages U.S. exporters to exhibit in the [Taipei International Food Show](#), the biggest food show in Taiwan that's held annually in June. It is a great venue to debut new products, meet potential business partners, learn market structure, and maintain established relationships. The office organizes a USA Pavilion in the show every year, as well as a reception with U.S. food incorporated menu to help build business relationships with local importers, traders, wholesalers, and retailers. The show date in 2023 will be June 14-17.

Trade missions to FoodEx Japan on 7-10 March 2023 and National Restaurant Association Show/Sweets and Snacks Expo on 19-25 May 2023 are also being planned. ATO-Taipei will bring five to seven local buyers to the shows' USA Pavilion for one-on-one meetings with U.S. exporters as well as provide on-site interpretation when needed.

Contact Agricultural Trade Office Taipei



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