



OPPORTUNITY IN FOOD & BEVERAGE

Sharing to FDGA

Prepared by NIQ HK, Customer Success

Jun 25

NIQ

HONG KONG ECONOMIC OUTLOOK

GDP Growth

Q1 2025 (YoY % change)

3.1%

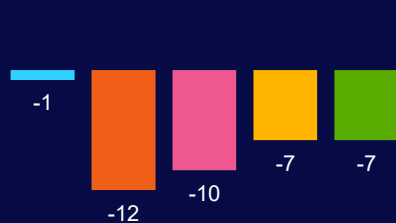
Consumer Price Index

Q1 2025

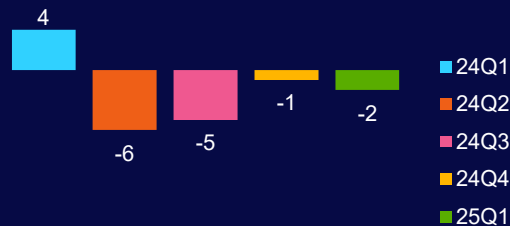
Total CPI 1.6%

Retail Sales vs FMCG Sales Growth

Retail Sales



FMCG Sales



24Q1
24Q2
24Q3
24Q4
25Q1

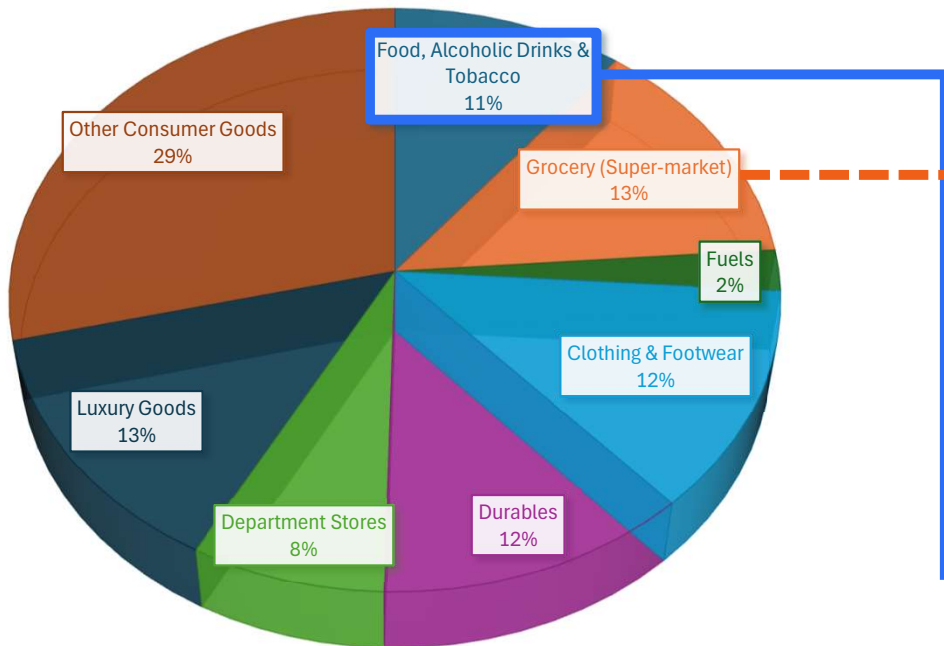
NIQ



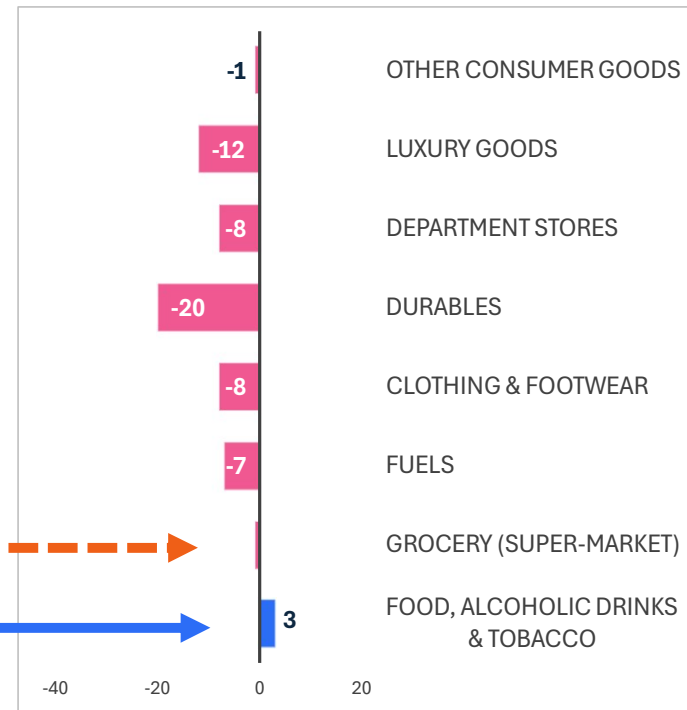
Key dragger for retail from Luxury, Durables & Clothing industry

Alcoholic / Tobacco & Grocery led the retail market with stable performance

Value share by Sector in HK Q1,25

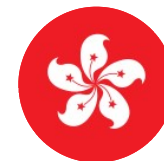


Growth Value% vs YA Q1,25



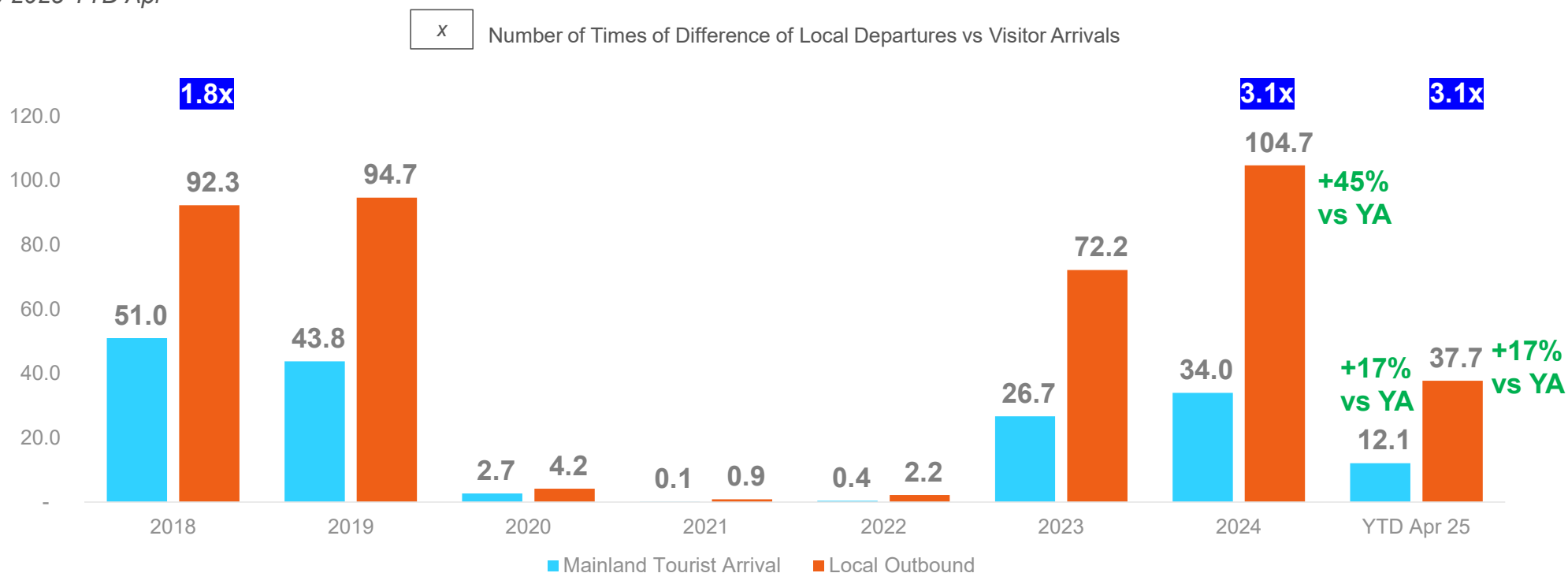
Source: HKSAR C&SD

Local outbound figures exceeded pre-COVID level, while the gap between local departure and tourist arrival further widened.



Inbound and Outbound Passengers (in Million)

2018-2025 YTD Apr

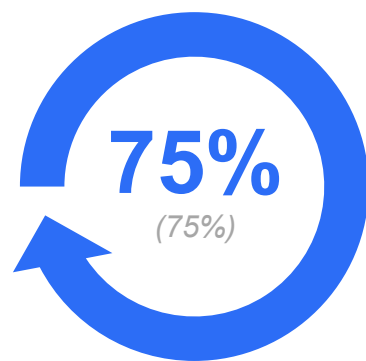


Source: Census & Statistic Department, Hong Kong in Figures



Increasing travels to Shenzhen is one of the reason dragged down the HK retail performance

However, the impact to alcoholics industry, especially to non Beer sector is minimal.



Traveled to Shenzhen in past 3 months



Chips
42% (12%)



Biscuits
42% (12%)

Higher impact to local market

Less impact to local market



Other Alcoholic Drinks (excl. Beer)
11% (19%)

Purchase incidence (% of mentioned will buy less locally after they purchased in CN)

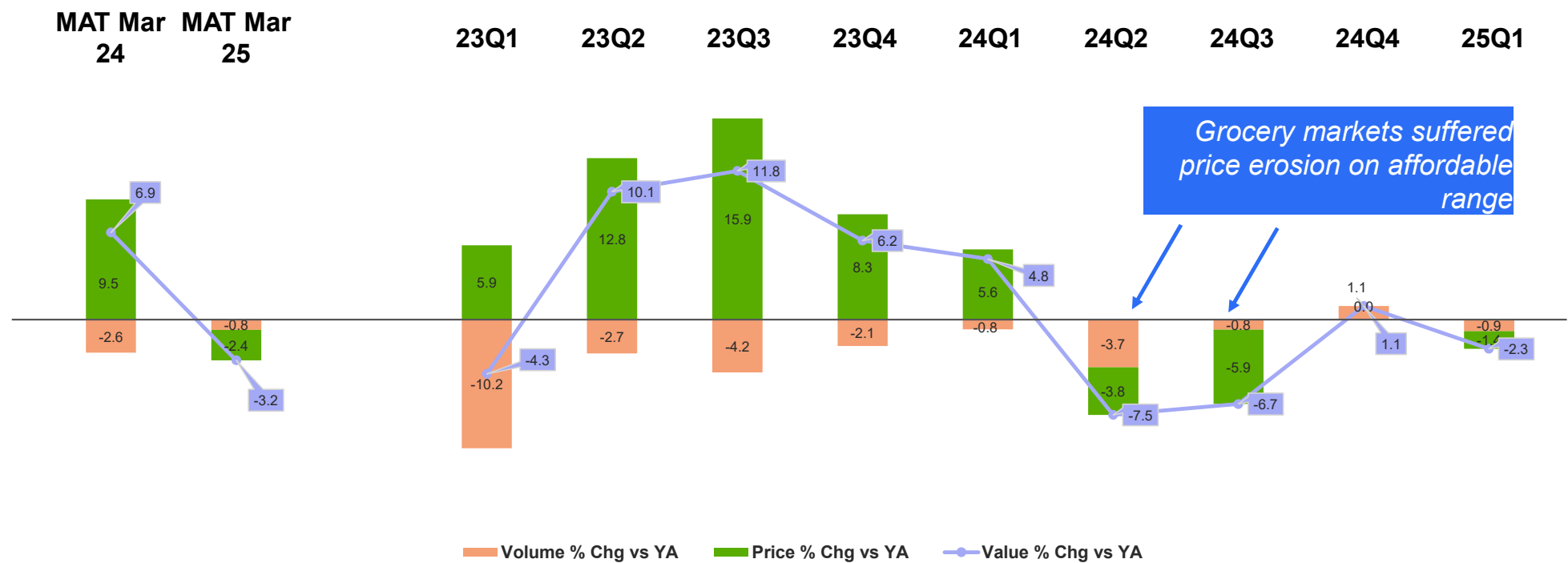
Be Cautious on Premiumization in Hong Kong

In the Grocery Market

Grocery channels stay away from heavy price cut to protect value momentum

After the deep price cut in last Q2 & Q3 with shocking impact on outbounders

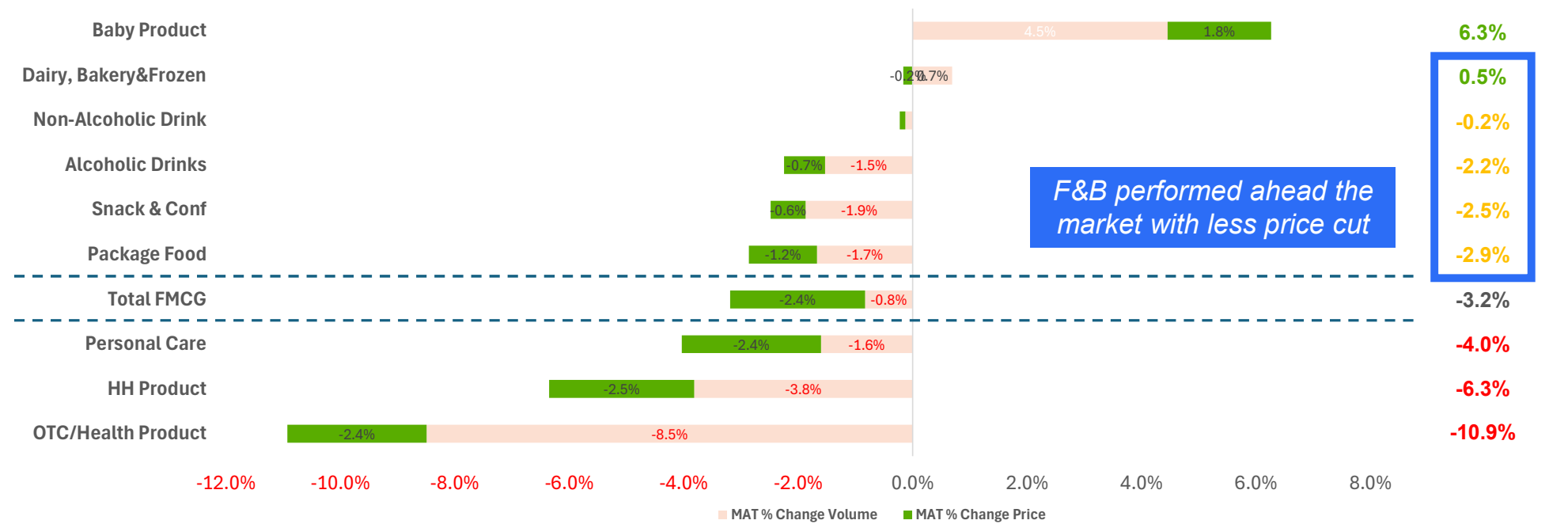
Super Category Dynamic – Total FMCG exclude Fresh | Total FMCG in Grocery Channels
Value / Volume / Price % Change vs YA



Food & Beverage performed ahead the market helped to slowdown the downtrend from grocery market

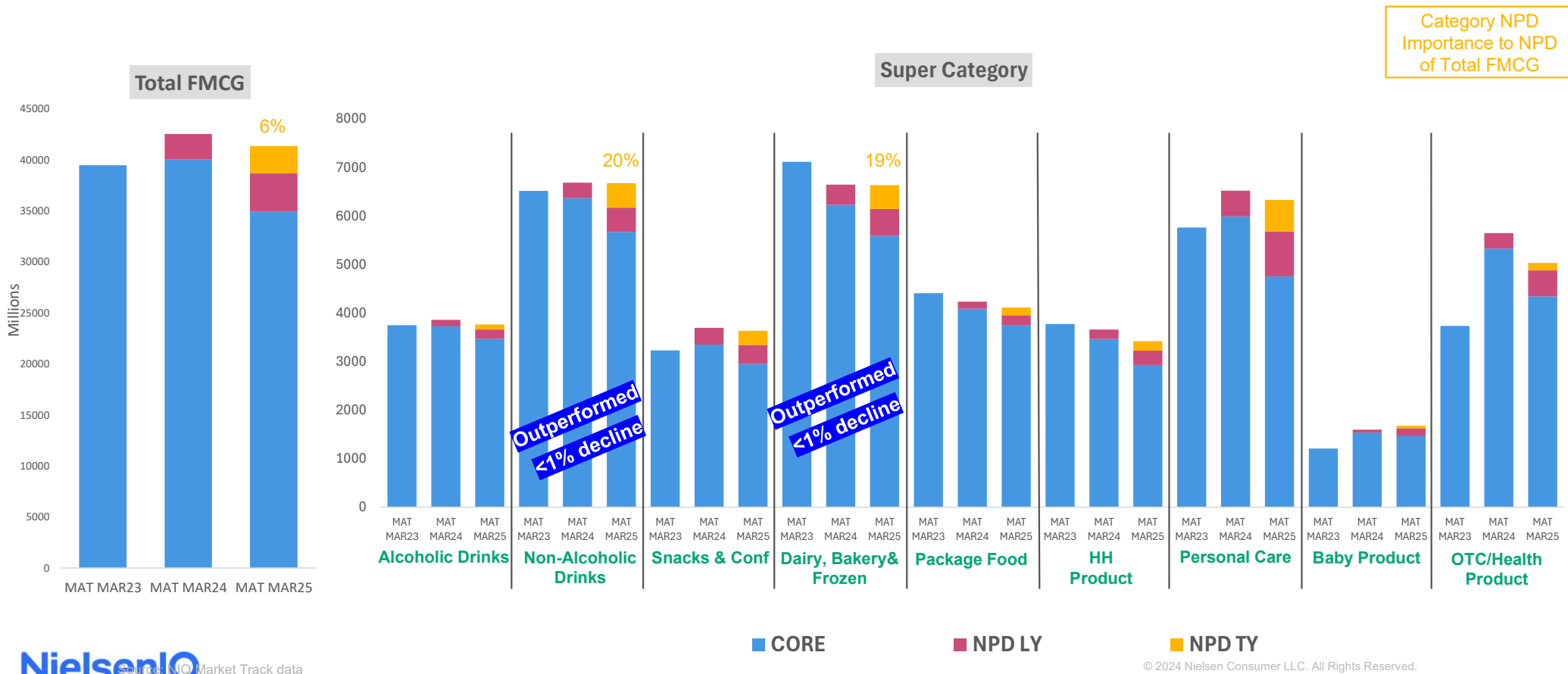
FMCG super category overall performance

Val Growth % vs YA



Excitement is the key to drive success for Non Alcoholic Drink & Dairy products in past 12 months

New Product Development by Super Category in Total HK in MAT Mar25

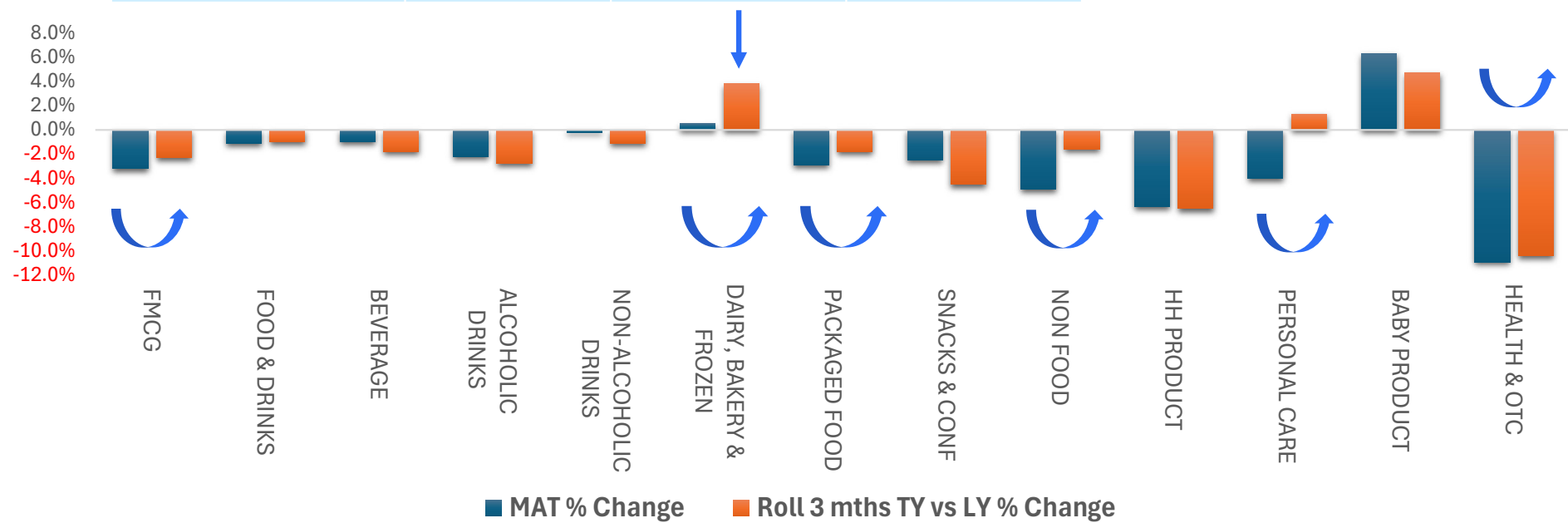


Cooking categories led the rebound in Q1 turn around

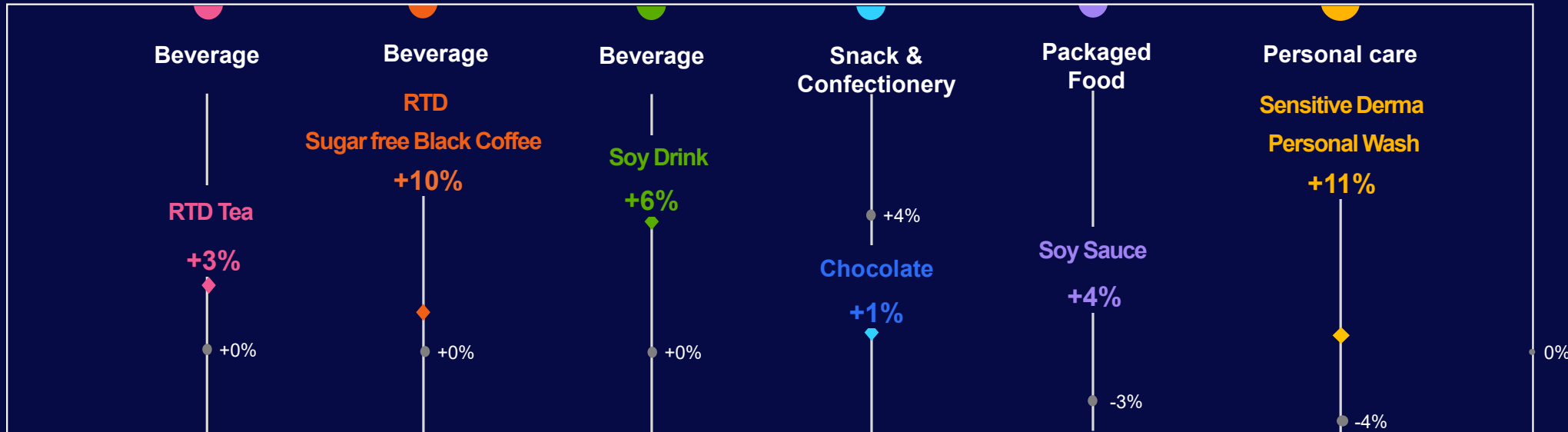
Leading in home cooking rebound trend as reference from Frozen Meat & Eggs

Value Growth rate Q1 25 vs MAT Mar 25

SUPER CATEGORY	CATEGORY	MAT Mar 25 % Change	Q1 25 % Change
DAIRY, BAKERY & FROZEN	FROZEN MEAT	13.0%	21.7%
DAIRY, BAKERY & FROZEN	EGGS	0.7%	8.1%
DAIRY, BAKERY & FROZEN	FROZEN UDON	6.7%	14.0%
PACKAGED FOOD	CANNED MEAT	-4.5%	3.7%
PACKAGED FOOD	ORIENTAL NOODLES	-2.9%	0.6%



Other FMCG Healthier and less additive product drive the growth for FMCG



Zero Sugar range with **3%** Val Shr gained mainly led by Vita Zero Sugar Lemon Tea Drink and Vita Zero Sugar Zero Calorie Sparkling Lemon Tea Drink launch



Growth of black coffee leading by ASAHI WONDA BLACK COFFEE; RTD protein coffee is also an emerging health-related trend



17% growth of total Low Sugar range, strengthened by items such as Vitasoy Low Sugar Strawberry Soyabean Milk, Vitasoy Low Sugar Banana Soyabean Milk



4% growth for Snickers with launch of oats chocolate and less sugar chocolate bar



43% growth for Low-Salt sang chau mainly driven by LKK



Sensitive Derma Adult function with **11%** growth and holding 10% Val Shr, winning item claimed to be 無添加Paraben防腐劑、香料、酒精

Reduction of taxation for Spirits & Liquors brought stimulation to the industry.

烈酒稅 | 丘應樺指減稅成效令人振奮 適時檢視是否有空間調整

2025-03-04 11:05



去年《施政報告》將進口價200元以上的烈酒的稅率由100%降至10%。資料圖片

烈酒稅 | 丘應樺指減稅成效令人振奮 適時檢視是否有空間調整 | 星島日報

屈臣氏酒窖：趁烈酒稅降 減價推動銷量

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【明報專訊】港府早前於《施政報告》宣布下調烈酒稅，有售賣烈酒的零售商率先將部分品牌烈酒減價。屈臣氏酒窖（Watson's Wine）董事總經理謝學文（Jeremy Stockman）接受訪問時稱，即使本港經濟面臨挑戰，但自政府減烈酒稅後公司的銷售量有大幅上升，因屈臣氏酒窖不論上游層烈酒進口商因應減稅而下跌價格與否，亦將部分烈酒價格下調，從而推動銷量。另他稱特定品牌的烈酒需消耗下調稅前已購入的部分庫存後，才會逐漸將價格下調。

“The sales value of Liquor rebound after reducing tax”, as per one of the largest Wine specialist leader mentioned

屈臣氏酒窖：趁烈酒稅降 減價推動銷量 - 20250102 - 經濟 - 每日明報 - 明報新聞網

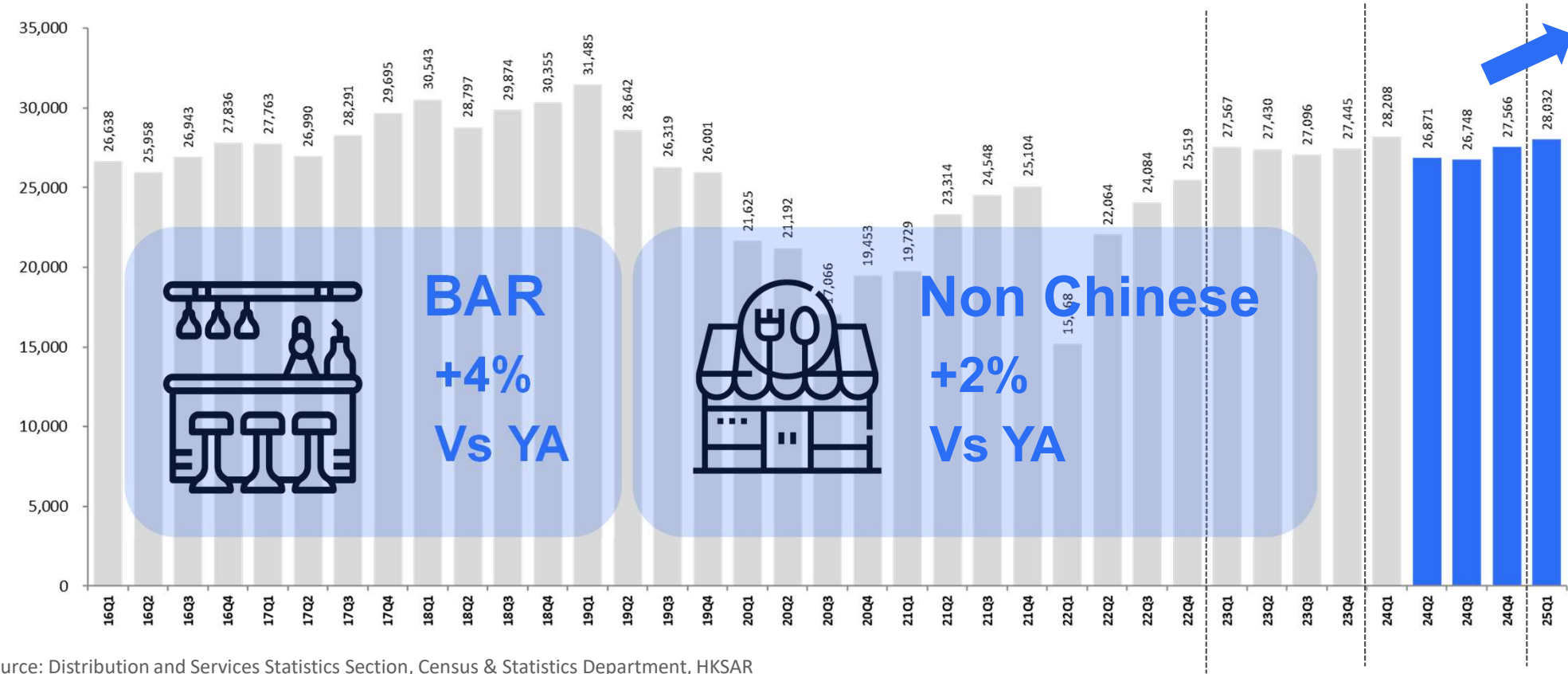


Tracking the Opportunity

In the ON PREMISE market

On-Prem market is optimistic with Bar & Western Cuisine

In HK\$ million



Source: Distribution and Services Statistics Section, Census & Statistics Department, HKSAR
https://www.censtatd.gov.hk/en/web_table.html?id=88

QTR DATA TO Q1'25

Methodology – How we collect the data

OPUS LITE

Provides a holistic view of the global On Premise behaviour. Exploring consumer attitudes to current key topics and trends in the On Premise

Sample range :

- Hong Kong: 503
- Asia OPUS LITE: 7,024
- Global OPUS LITE: 30,147

*All respondents must be of **legal drinking age** and visit the On Premise at least once in a **3-month period***

*Consumers within each market are surveyed online **once a year***

*A regular tracking since Q1, 2024 – **NEXT FIELD, MAY 2025***





The On Premise holds an integral part of consumers lives in Hong Kong, with a large majority visiting weekly

How often do you typically visit the On Premise?

90%

Of respondents typically visit the On Premise **weekly**

+28pp vs Global average

+20pp vs Asia average

98%

Of respondents typically visit the On Premise **monthly**

+9pp vs Global average

+20pp vs Asia average

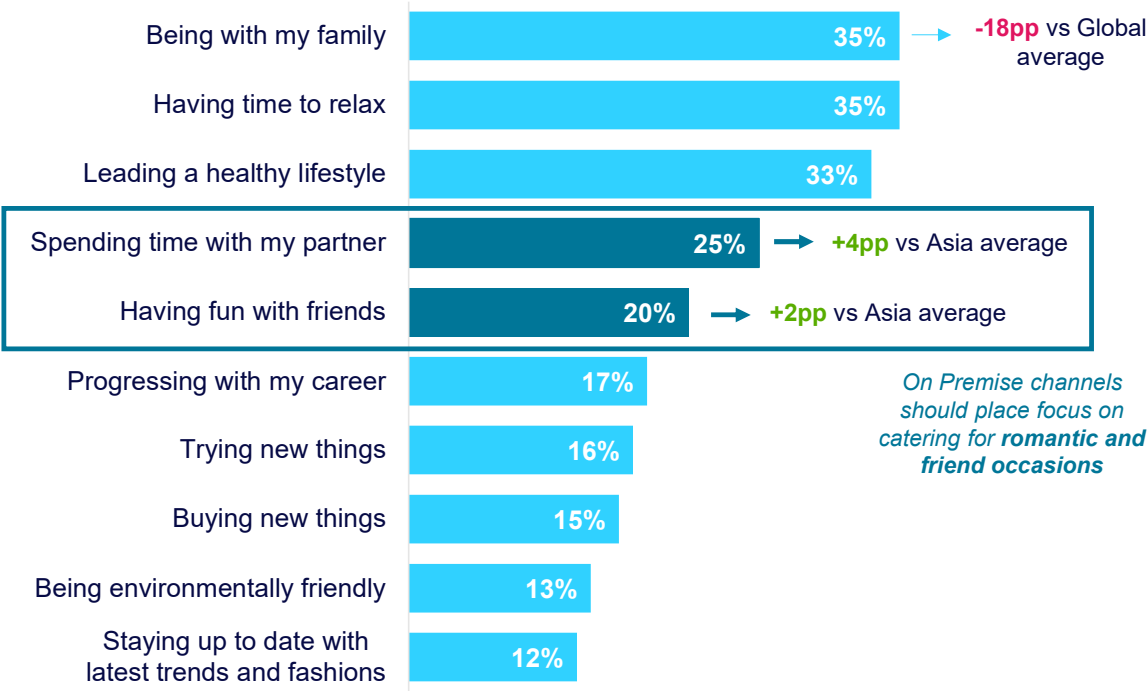
CGA by NIQ: Asia REACH 2024, Hong Kong REACH 2024, Global REACH 2024, sample size: 503 - 30147



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Consumers in Hong Kong prefer spending quality time with loved ones who are beyond their family

Which of the following are most important to you in your life? | Top 10



CGA by NIQ: Asia REACH 2024, Hong Kong REACH 2024, Global REACH 2024, sample size: 503 - 30131



Like grocery market, people in Hong Kong are excited to have a wider range of choice, combining the stimulation from new ideas

When visiting a hospitality venue to eat or drink out, which of the following would you expect?



76%

Extended the range of Foods

+8pp vs Global Average



69%

A New Different Food choice

+10 pp vs Global Average

Health options available to catch up overall trend in ON PREMISE market

Healthy modifications to be made for the top Cocktails



Mojito

Replace sugar with honey



Tequila Sunrise

Replace grenadine with pomegranate juice



Margarita

Replace sugar / sour mix with honey or agave syrup



Whiskey Highball

Adding green tea, will enhance the recipe and provide antioxidants



Long Island Iced Tea

Serve with diet cola, or to be experimental swap cola for black tea

To Summarize...

Tracking the opportunity in ON PREMISE

Be Focus on this rebounding market in coming 12 months...



Cautious on Premiumization in Grocery Channel

Food & Beverage took advantages with product innovation





THANK YOU!