

Plant & Food
RESEARCH

RANGAHAU AHUMĀRA KAI



INSIGHT
EDITION

#1

FOOD GIFTING

IN CHINA



The science of **premium™**

IN ASSOCIATION WITH



- + Over **50% of gifts** given in China are food.
- + Affluent, internet-savvy **consumers are happy to spend well over NZ\$300** to send the right message.
- + Imported foods have huge appeal and consumers definitely **want more food gifts from New Zealand.**



GIFTING IS AN IMPORTANT ELEMENT

IN CHINESE CULTURE AND THANKS

TO A BOOMING ECONOMY AND

RAPID SOCIAL CHANGE THE PRACTICE

IS RISING IN FREQUENCY AND VALUE.

The convergence of key trends in diet, food safety and health & wellness, plus a thirst for foreign brands, means imported food is riding this wave, topping the list of most commonly purchased gifts.

During 2015 Plant & Food Research worked with Mintel to discover more about the drivers of this huge market. We looked for insight into the cultural background of gifting and hard data on what food gifts Chinese consumers want to buy and receive.

Focus groups in Shanghai and Beijing, plus a 2000-person online survey in four Tier 1 cities across China, revealed the value and frequency of food gifting. They also showed that New Zealand, with its established reputation for food quality and safety, could make a big impact – if we can package, brand and market our food exports to meet what could be the most valuable food niche in the world.

1 INSIGHT
Gift-giving helps to secure future needs

The Chinese cultural emphasis on reciprocity – the fair exchange of benefit and value in a relationship – means gift-giving is a way to signal a desire for assistance in future. Focus group members told us “Money cannot buy everything” and spoke of the role of gift-giving in establishing long-term beneficial relationships with teachers, doctors, clients and employers. The social pact formed by gift-giving means a receiver may decline a gift if they do not feel able to meet any perceived expectation, or if they do not want or value the relationship offered.



“Why gift-giving? We all face difficulty sometimes in life. If I have a problem, we are close, and **you will give me a hand somehow**”

Jie, 36, Beijing Focus Group B

WHY GIFTING?

In Chinese culture, gift-giving acts as a key signal on the value of a relationship to both giver and receiver, helping to define the expectations each has for the outcome of that relationship.

To better understand motivations for food gift-giving, we explored the types of relationships Chinese consumers said were important to them.

Our 2000 online survey participants described relationships in two categories: an inner social circle, where emotional links generated by kinship or friendship underpinned relationships with parents, friends and colleagues; and an outer social circle, where practical, interest-based relationships exist with employers, clients, doctors and teachers.

Ninety-nine percent of respondents said they had gifted to their inner circle in the previous 12 months. Gift-giving to the outer circle was less frequent, but the value of gifts was much higher.



3 INSIGHT
Food is seen as an ideal gift

Ninety-eight percent of those surveyed said they had bought food as a gift in the past 12 months. Ninety-three percent reported half or more of the gifts they bought for others were food. Usefulness and ease of sharing were the most commonly cited reasons for choosing to gift food. The ideal food gift was healthy and nutritious, well matched to the receiver's taste, and supported by good “word of mouth” and a strong brand.



“Food as a gift, it has **great practicality**”

Shuai, 24, Shanghai Focus Group A

“It will never go wrong when you **give them health**”

Ling, 29, Shanghai Focus Group A

4 INSIGHT
Imported foods have built-in gift appeal

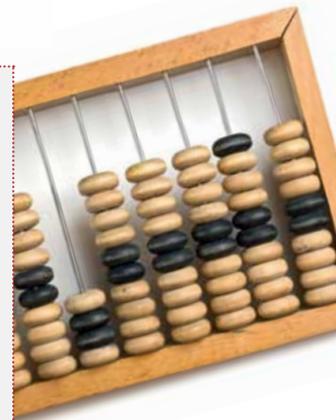
Chinese consumers rated imported food highly for taste, quality, packaging design, expensiveness and scarcity. All survey respondents said they had gifted imported food in the past 12 months. They quoted style, safety, novelty and ‘classy’ as key attributes which underscored their perceptions that a gift of imported food shows greater respect and sincerity than giving a local product. Seventy-eight percent of survey respondents agreed that “fully imported food has more face value if chosen as a gift”.

“Giving imported foods suggests a mysterious feeling. The gift receivers will think you are thoughtful and **have a lot of sincerity**”

Zhifeng, 36, Shanghai Focus Group B

2 INSIGHT
Price matters as the gift-giving trend grows

Price and quality matter when gift-giving in China because they combine to represent the ‘value’ the giver places on the relationship and its outcomes. While allowances are made for the wealth of the giver, focus groups told us that the value of a gift needs to be proportionate to the respect, care or services offered and exchanged in the relationship. If a gift falls short of these, offence may be taken by the receiver. Over 70% of survey respondents said gift buying was increasing in frequency and value. Sixty percent agreed that the higher the price, the more dignity and respect offered by a gift. Seventy-four percent agreed a low price gift “will be quite embarrassing”.



“The frequency of gift-giving is higher and higher over the years, and the **costs of gifts are also higher and higher**”

Liping, 32, Beijing Focus Group A

“If it is too cheap, it is **shameful to give it away**”

Zhifeng, 36, Shanghai Focus Group B

“Relationships require maintenance. Gift-giving gives me an opportunity to have a yarn with you, **to enhance our relationship**”

Ling, 29, Shanghai Focus Group A

5 INSIGHT
Kiwi foods are on the gift map

Twenty-eight percent of respondents reporting buying a New Zealand food gift in the previous 12 months. Consumers said they knew us for honey, dairy, blueberries, kiwifruit and lamb, but the list of our foods they wanted to buy as gifts was much longer, including chocolate, meat, seafood, jams, spirits and muesli bars. When we showed them photographs of New Zealand foods, many packaged as gifts for our local market, focus group members were often less than impressed by the quality of packaging and presentation, which many thought lacked refinement and did not properly convey the value of the product.



“Packaging shows the gift is **high end**”

Liping, 32, Beijing Focus Group A

This brochure is an entrée. Our full report, CHINA: FOOD AS A GIFT, digs deeper and reveals more. We're also adding to our knowledge on the Chinese consumer all the time, with an ongoing research effort by our own Consumer & Product Insights Group and the best partners in market and consumer research. If you'd like more detail and to access this or other Plant & Food Research-led studies on Asian consumers, contact us.

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